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**RESERVE BANK OF
INDIA**

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March 8, 2004

**RBI Cancels registration certificate of
IIT Capital Services Ltd. as 'surrendered'**

The Reserve Bank of India has cancelled as surrendered on February 26, 2004, the certificate of registration issued to IIT Capital Services Limited having its registered office at Rajabhadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Mumbai 400 001 for carrying on the business of a non-banking financial institution.

Following cancellation of registration certificate, IIT Capital Services Limited cannot transact the business of a non-banking financial institution. The company has also been prohibited from acceptance of deposits.

However, as regards the existing public deposits, the company has created an escrow account for the outstanding amount of the public deposits and is under an obligation to repay such as per the terms and conditions of the contract of deposit.

Under powers conferred by Section 45IA (6) of the Reserve Bank of India Act, 1934, the Reserve Bank can cancel the registration certificate of non-banking financial company. Under Section 45 MB(1) of this Act, the Reserve Bank can prohibit non-banking financial company from accepting deposits. The business of a non-banking financial institutions is defined in clause (a) of Section 45IA of the Reserve Bank of India Act, 1934.

**P. V. Sadanandan
Manager**

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