



RESERVE BANK OF INDIA

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**Reserve Bank Cancels Certificate of Registration of
Sehajpal Finance & Investment Limited, Nawanshar**

The Reserve Bank of India, has on September 7, 2004 cancelled the certificate of registration granted to Sehajpal Finance & Investment Limited having its registered office at 1st Floor, Preet Palace, Rahon Road, Nawanshar Doaba (Punjab) for carrying on the business of a non-banking financial institution.

Following cancellation of registration certificate, Sehajpal Finance & Investment Limited cannot transact the business of a non-banking financial institution. The company has also been prohibited from acceptance of deposits and alienation of assets.

However, the company is under an obligation to repay public deposits as per the terms of conditions of the contract of deposit, if any.

Under powers conferred by Section 45IA of the Reserve Bank of India Act, 1934, the Reserve Bank can cancel the registration certificate of non-banking financial company. Under Section 45MB (1) of this Act, the Reserve Bank can prohibit non-banking financial company for accepting deposits; and under Section 45MB (2), it can prohibit the company from alienating its assets. 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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