

Notice

Reserve Bank of India granted Certificate of Registration (CoR) to Cheraman Financial Services Ltd to carry on the business of Non-Banking financial Institution without accepting public deposits*. The financial products of the company were limited to leasing and equity finance, which are in compliance with the regulatory requirements of the country. The financial resources for operations of the company were to be raised as share capital. The activities of the company were required to be in compliance with the provisions of RBI Act, 1934 and Rules and notifications made thereunder.

The press release issued by the company on August 17, 2013 inadvertently claimed, *inter alia*, that the company was established to promote interest free financing in India, based on the economic principles of Sharia and that it had obtained a CoR from RBI. Based on this press release, many newspapers reported that RBI granted Certificate of Registration to the company for conducting interest free financing based on the principles of Sharia. We clarify that the press release was inaccurate and the CoR issued to the company by RBI was not granted for carrying on NBFC business based on the economic principles of Sharia.

In the circumstances, we withdraw the press release dated August 17, 2013 and state that RBI granted registration to the company for conducting NBFC business strictly in accordance with the provisions of Reserve Bank of India Act, 1934 and Rules made thereunder. The products of the company i.e. leasing and equity finance are in compliance to the regulatory requirements.

Sd/-

Managing Director
Cheraman Financial Services Ltd

* Disclaimer

“Reserve Bank of India does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for discharge of liability by the company. Neither is there any provision in law to keep, nor does the company keep any part of the deposits with the Reserve Bank and by issuing the Certificate or Registration to the Company, the Reserve Bank neither accepts any responsibility nor guarantee for the payment of the deposit amount to any depositor.”