



**Reserve Bank of India
Department of Regulation
Central Office, Mumbai**

*In exercise of the powers conferred under sub-Section (6) of
Section 29A of the National Housing Bank Act, 1987,
the Reserve Bank of India passes the following order in the matter of*

M/s Ind Bank Housing Ltd

Order

M/s Ind Bank Housing Ltd (hereinafter referred to as "the company") bearing CIN-L65922TN1991PLC020219, having its registered office at 3rd Floor, 480 Anna Salai, Nandanam, Chennai, Tamil Nadu 600035, was incorporated on January 28, 1991, under the provisions of the Companies Act, 1956. The company was issued a Certificate of Registration (hereinafter referred to as "CoR") bearing No.01.0023.01 on August 16, 2001 by National Housing Bank (hereinafter referred to as "the NHB") for carrying out housing finance business and accepting public deposits with prior permission, under the provisions of Section 29A of the National Housing Bank Act, 1987 (hereinafter referred to as "the NHB Act"). The company is a subsidiary of Indian Bank which holds 51% stake.

2. In terms of sub-Section (6) of Section 29A of the NHB Act, the Reserve Bank of India (hereinafter referred to as "RBI") may cancel a CoR granted to a housing finance institution if it-

- i. ceases to carry on the business of a housing finance institution in India; or
- ii. has failed to comply with any condition subject to which the CoR had been issued to it; or
- iii. at any time fails to fulfil any of the conditions referred to in clauses (a) to (g) of sub-section (4) of section 29A of the NHB Act; or
- iv. fails –

- a) to comply with any direction issued by RBI or the NHB under the provisions of Chapter V of the NHB Act; or
- b) to maintain accounts in accordance with the requirement of any law or any direction or order issued by RBI or the NHB under the provisions of Chapter V of the NHB Act; or





- c) to submit or offer for inspection its books of account and other relevant documents when so demanded by an inspecting authority of RBI or the NHB;
or

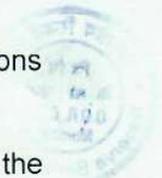
v. has been prohibited from accepting deposits by an order made by the NHB under the provisions of Chapter V of the NHB Act and such order has been in force for a period of not less than three months.

3. Inspection of the company under Section 34 of NHB Act, 1987 was carried out by NHB with respect to its financial position as on March 31, 2014 from December 09, 2014 to December 17, 2014 which revealed that the company was not conducting housing finance business and its Capital to Risk Asset Ratio (CRAR) was inadequate and Net Owned Fund (NOF) was negative. These observations were communicated to the company *vide* NHB's supervisory letter dated March 13, 2015. Subsequent inspection carried out from January 04, 2016 to January 08, 2016 with respect to its financial position as on March 31, 2015, also assessed the NOF to be negative at ₹111.02 crore and CRAR to be negative at 3776.29%. The observations relating to negative NOF was communicated *vide* supervisory letter dated August 5, 2016.

4. In a letter dated February 07, 2017, addressed to MD and CEO of the Indian Bank, the following concerns were highlighted by NHB:

- i.) that the company had suspended fresh lending activities since 2000 and was only engaged in the recovery of its loans, almost entire amount of which was classified as non-performing.
- ii.) that due to continued financial losses incurred by the company, the accumulated losses had reached ₹128.25 crore as on March 31, 2016 and NOF was below the minimum NOF stipulated under Section 29A of the NHB Act.
- iii.) that the proposal relating to the merger of the company with its parent bank (Indian Bank) has been under process for a considerable period of time.
- iv.) that continued non-compliance of the company with regulatory provisions would render the company liable for withdrawal of the CoR by NHB.

NHB also advised Indian Bank to submit future course of action outlined for the company.





5. During management discussion held on February 16, 2017, the matter of revival of the company was taken up with Indian Bank by NHB and the latter was informed that the Board of the company had decided to engage the services of a merchant banker to explore capital restructuring and revival of operations of the company. *Vide* letter dated April 20, 2017 addressed to MD of the company, NHB sought the status and timeline for completion of the above activity. In response, the company *vide* letter dated April 28, 2017, informed NHB that the Board had obtained in-principal approval from Indian Bank for the following:

- To convert existing outstanding term-loan into Convertible Preference Shares for 20 years.
- To ensure compliance with regulatory / statutory provisions of RBI/ NHB.
- To increase authorized capital of the company.

The Board also directed the management to examine follow-on issue/ preferential allotment by the company to increase Indian Bank's stake in the company. It was also informed that identification of a suitable merchant banker for an "End to End" capital restructuring of the company was under process.

6. Subsequently, *vide* letter dated August 21, 2017, the company informed NHB that it had appointed M/s MAPE Advisory P. Ltd., a SEBI-registered merchant banker for capital restructuring and revival of operations. It was also informed that the Board of the company, on the basis of report submitted by the merchant banker had finalized the following options:

- Funding of entire term loan dues as on March 31, 2017 amounting to ₹129.85 crore into Funded Interest Term Loan (FITL) with no interest from April 01, 2017.
- Conversion of FITL into Non-cumulative Compulsorily Convertible Preference Shares (CCPS) with a coupon rate of 0.001%.

The company also informed that to implement the above action plan, its Board had approved increasing the authorized capital from ₹50 crore to ₹150 crore.

7. As advised by NHB *vide* letter dated September 5, 2017, the company *vide* letter dated September 21, 2017 submitted board resolution for increasing the authorized capital and minutes of its annual general meeting held on September 16, 2017 for approving increase in authorized capital and issue of CCPS.





8. Subsequently the company, *vide* another letter dated November 08, 2017 informed NHB that Indian Bank, on November 01, 2017 had sanctioned, conversion of outstanding term loan into FITL and non-cumulative CCPS with 'nil' interest, and that it would be preparing revised balance sheet with positive net worth. NHB was also informed that the company was ready to commence its operations/ lending activities. Further, *vide* letter dated November 16, 2017 the company also informed NHB that Indian Bank's Board in its meeting held on June 29, 2017 had already approved restructuring plan involving the following:

- Financial support by Indian Bank for two years by providing minimum ₹100 crore with 1 year moratorium repayable over next 5 years to restart the housing finance activity.
- Permitting the company to enhance its equity capital by way of rights issue of ₹9 crore.
- Approval to Indian Bank for subscribing its share as well as the unsubscribed portion of HUDCO and general public.

The company in the same letter further informed that the outstanding term loan (₹129.85 crore) from Indian Bank as on November 8, 2017 was reduced to ₹129 crore due to repayment of ₹0.85 crore in two tranches and requested for permission for accepting public deposits.

9. Since the company had planned to convert FITL into non-cumulative CCPS, NHB, *vide* letter dated January 30, 2018 informed that as per the provisions of NHB Act, 1987, consideration of paid-up preference shares compulsorily convertible into equity capital was not allowed for inclusion in NOF. The company *vide* its letter dated January 31, 2018 submitted that after considering the above inclusion and half-yearly profit, its NOF as on September 30, 2017 would reach ₹8.36 crore, and after bringing in equity capital by way of rights issue of ₹9 crore, its NOF would exceed ₹10 crore. NHB *vide* its letter dated September 10, 2018 permitted inclusion of CCPS for calculation of NOF. The company *vide* letter dated September 24, 2018 informed NHB that it was in the process of finalizing capital restructuring to restart its operations and upon completion of the exercise it would approach NHB with requisite documents.





10. Subsequently, *vide* letter dated August 17, 2019, the company informed NHB that even though it had made enabling provisions for increasing the capital through follow-on issue/ preferential allotment etc., the plan could not materialize as Indian Bank expressed its constraints to provide additional funds and it was advised by Indian Bank to explore the possibility of inviting a strategic investor or look for other options. It also informed that the company had engaged the services of SBI Capital Markets Ltd. to explore various alternatives, including sale of stake to a strategic investor.

11. After amendment to NHB Act in August 2019, bringing Housing Finance Companies (hereinafter referred to as HFCs) under the regulatory purview of RBI, RBI issued 'Review of regulatory framework for HFCs' *vide* RBI notification DOR.NBFC (HFC).CC.No.118/03.10.136/2020-21 dated October 22, 2020 in which minimum NOF for HFCs was increased to ₹20 crore. HFCs which were not meeting the NOF criteria were allowed time till March 31, 2022 to increase the NOF to ₹15 crore and till March 31, 2023 for increasing NOF to ₹20 crore.

12. As per Para 5 of the above framework, the HFCs which were not meeting the revised NOF criteria were directed to submit a statutory auditor's certificate within one month evidencing compliance with the prescribed levels as at the end of indicated periods. It also mentioned that HFCs which failed to achieve the prescribed level within the stipulated period shall not be eligible to hold the CoR and registration of such HFCs shall be liable to be cancelled. In response, the company *vide* e-mail dated May 11, 2021 informed RBI that it has stopped fresh lending since 2000 and was only concentrating on recovery. It was also informed that the entire loan assets of the company were NPA, that the company was having negative NOF and was exploring avenues to achieve minimum net worth within the prescribed timeline and submit action plan to RBI to achieve the same.

13. RBI *vide* e-mail dated May 31, 2021 advised the company to submit an explanation regarding its failure towards achieving minimum stipulated NOF, time period since when the company has not actively pursued HFC business along with reasons and also submit Board approved realistic business plan for complying with the NOF and Principal Business Criteria (PBC) requirement, along with financial projections, by June 10, 2021.





14. In its reply, the company *vide* its e-mail dated June 15, 2021 informed RBI that even though the company initiated a few steps to restart its operations, *inter alia*, by bringing in fresh capital from the interested investors, none of them materialized due to COVID-19 pandemic. Regarding time period and reason for not pursuing housing finance business, the company informed that due to various reasons such as introduction of prudential norms, slackness in real estate sector etc., its non-performing advances increased resulting in losses and due to its negative net worth, it was unable to secure refinance. The company stopped accepting fresh deposits and focused on repaying existing deposits. All these factors resulted in the company not giving fresh loans and concentrating only on recovery of existing loans since 2000. The company assured RBI that a Board approved action plan and auditor certified details would be submitted to RBI soon.

15. As the company did not submit any documents/ business plan as advised by RBI *vide* its e-mail dated May 31, 2021 a reminder was sent to the company *vide* e-mail dated June 22, 2021 to submit the requisite information by June 30, 2021 with advice that in the absence of any Board approved plan, RBI would be constrained to take necessary steps to cancel the CoR issued to the company. In reply *vide* e-mail dated July 7, 2021, the company resubmitted its earlier plans (as submitted to NHB in the past) without providing any substantive plans/ projections/ marketing strategies/ expansion plans etc. for revival.

16. *Vide* e-mail dated July 8, 2021 the company was again reminded that due to negative NOF, the company would be ineligible to hold the CoR. On request, the company was provided time till July 15, 2021 as a final opportunity to submit the required documents/ information to RBI.

17. In its reply dated July 15, 2021, the company that following resolutions were passed in Annual General Meeting for revival (including capital restructuring):

- to increase authorized capital from ₹50 crore to ₹150 crore divisible into equity shares of ₹20 crore and preference shares of ₹30 crore.
- for authorizing the Board to borrow from any bank/ financial institution/ multi-lateral financial institutions etc. an amount not exceeding ₹1000 crore.
- for authorizing the Board to execute restructuring loan agreement and convert the same into non-cumulative CCPS of the company. The Board of Indian





Bank in its meeting dated June 29, 2017 approved restructuring of the outstanding loan into non-cumulative CCPS for a period of 20 years.

It was also informed that on the suggestion of SBI Capital Market Services, the company discussed business plans with few private investors but eventually no progress was achieved and search for other investors could not take place due to COVID. Further, the company had approached Indian Bank for waiver of term loan comprising mainly of Memorandum Interest. On waiving off the term loan of ₹129 crore, company's net-worth would be ₹10 crore as against (-) ₹119 crore currently.

18. Taking into consideration the submissions made by the company and subsequent request, RBI *vide* its e-mail dated August 3, 2021 granted time till December 31, 2021 to achieve/ submit the following, failing which it was indicated that RBI would initiate the cancellation proceedings in consultation with NHB:

- Achieve minimum NOF of ₹10 crore as on December 31, 2021 and thereafter minimum NOF as stipulated under Section 29A of the NHB Act, 1987 read with Para 5 of RBI Master Directions -NBFC-HFC, 2021.
- Board approved roadmap for fulfilling the Principal Business Criteria (PBC) as per para 4.1.17 of the above RBI Master Directions.
- Submission of monthly update on the progress of the above.

19. As no monthly update was submitted by the company, a reminder was sent to the company by RBI *vide* e-mail dated October 6, 2021, in reply to which the company *vide* e-mail dated October 12, 2021 informed that a Board meeting was held on October 12, 2021 in which the nomination of a Non-Executive Director was approved by Indian Bank and discussion on achieving NOF and PBC took place. The company also informed that another Board meeting would take place in 20 days to discuss the revival of the company.

20. Thereafter, in reply to RBI's reminder e-mail dated November 30, 2021, the company sent an e-mail dated January 4, 2022 informing that no Board meeting could take place due to COVID situation and sought extension till June 30, 2022 to submit the required information. As the company repeatedly failed to provide update on efforts to achieve NOF and PBC, supervisory inputs/recommendations were sought from NHB for issuance of Show Cause Notice (SCN) and cancellation of CoR, *vide* e-mail dated March 11, 2022.





21. NHB *vide* letter dated April 07, 2022 recommended the following:

- The company has not made any fresh lending since 2000.
- The company has stopped accepting/ renewing public deposits since 2001.
- The company's proposed merger with Indian Bank, or its revival has been under process for a considerable period of time (more than 5 years).
- The company is non-compliant with the minimum NOF, CRAR, PBC and other related requirements under the applicable Act/ Directions.
- Even after granting of extended timeline by RBI, the company has failed to submit a concrete roadmap for fulfilling the PBC or business plan for reviving the operations of the company.

22. On the basis of continued violation of provisions of the NHB Act, RBI/ NHB Directions by the company and recommendation of NHB, a Show Cause Notice (SCN) was issued to the company *vide* letter dated June 15, 2022, advising it to explain within 30 days of the receipt of the SCN as to why its CoR should not be cancelled by RBI in exercise of powers conferred under Section 29A(6) of the NHB Act. The following were communicated to the company *vide* the above SCN:

- i. As per the audited balance sheet as on March 31, 2021, the Net Owned Fund (NOF) was negative at (-) ₹131.10 crore, thus violating the minimum requirement of the NOF of ₹10 crore as per Section 29A of the NHB Act. Further, in terms of para 5 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, the company was required to achieve minimum NOF of ₹15 crore by March 31, 2022. However, the company failed to maintain and achieve the minimum required NOF to continue to hold the CoR.
- ii. The company has not made any fresh lending since 2000. As it is not carrying out housing finance business actively, it has ceased to carry on the business of a housing finance institution, as provided in Section 29A(6)(i) of the NHB Act.
- iii. The company is not meeting the Principal Business Criteria (PBC) stipulated for NBFC-HFCs. As on March 31, 2021, the ratio of its financial assets to total assets is below 60% and out of these total assets, housing finance for individuals is below 50%, thus not complying with the PBC criteria as





stipulated in Para 4.1.17 of Master Direction – Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021. In terms of para 5.3 read with para 4.1.17 of Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, the timeline for transition to meet the stipulated PBC requires that the company should fulfil the minimum 50% of total assets towards housing finance and minimum 40% of total assets towards housing finance for individuals by March 31, 2022. The company, though, furnished information relating to PBC for the position as on March 31, 2022 to NHB, it failed to provide further clarification sought by NHB, till the date of SCN.

23. In response to the SCN, the company *vide* its letter dated June 30, 2022 submitted an indicative action plan for revival, the summary of which is as under:

- The Board of the company in the meeting held on May 2, 2022 approved the appointment of a consultant to revive the company.
- The Board of Indian Bank in the meeting held on June 27, 2022 accorded in-principle approval for the revival of the company.
- On getting the necessary regulatory approvals, the company would focus on capital restructuring to achieve minimum stipulated net worth of ₹20 crore by evaluating various alternatives. The capital restructuring process would take 3-9 months from the date of approval, after which the company would achieve minimum stipulated NOF.
- It is in the process of developing a 5-year plan for business operations detailing target market segment, products, geographies etc.
- It will commence housing finance operations in less than nine months of completing capital restructuring which will help in achieving the PBC and turn profitable in 3-5 years.
- It requested for personal hearing with RBI to discuss its revival plans.

24. RBI *vide* e-mail dated July 11, 2022, sought NHB's comments and recommendations on the above action plan submitted by the company. NHB, *vide* their letter No.NHB(ND)/DoS/OUT 05177/2022 dated July 20, 2022 informed that the company had submitted similar action plans in the past indicating in-principle approval by Indian Bank, engagement of merchant banks, capital restructuring





plans, etc. However, none of the proposed action plan could translate into turning around the company and as a result the company continues to be non-compliant with various regulatory prescriptions viz. NOF, CRAR, PBC etc.

25. In the supervisory meeting of RBI with the management of Indian Bank on August 03, 2022, the company's financial position was also discussed. The Managing Director (MD) of Indian Bank assured RBI that they were working on a plan to revive the company. It was conveyed to the MD that considering the past performance of the company, the approval from RBI regarding infusion of capital in the company by Indian Bank may be difficult and that it should look for a plan for consolidation/merger of the company and submit the same to RBI for consideration.

26. The company's request (*vide* their letter dated June 30, 2022) for personal hearing was also acceded to and the meeting was attended by Executive Director from Indian Bank, Chief Compliance Officer from Indian Bank and Managing Director from the company and officials of RBI through online mode on August 25, 2022. The summary of submissions made by the company and Indian Bank during the personal hearing is as under:

- The company would focus on housing loan with smaller ticket size up to ₹10 lakh.
- Deloitte has been appointed as a consultant to revive the company and there were four capital restructuring strategies under consideration. One of the strategies was to convert ₹119 crore outstanding loan into equity and infusion of additional capital to meet the requirements of NOF.
- HUDCO which held 25% stake is not willing to infuse additional capital in the company.

27. During the said meeting, the company was advised to submit Board resolution indicating action plan for revival by August 27, 2022. Further, Indian Bank was allowed one month time to submit approval from its Board for infusion of capital in the company before September 30, 2022, failing which, it was indicated that suitable action would be initiated. The company *vide* letter dated August 26, 2022 submitted the Board resolution indicating action plan for revival. Subsequently, Indian Bank *vide* letter dated September 29, 2022 informed that the Board of Indian





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Bank in its meeting dated September 21, 2022 accorded approval for the said action plan for revival of the company, the summary of which, *inter alia*, is as under:

- Full and final settlement of Indian Bank's outstanding debt amounting to ₹129 crore from the company in lieu of transfer/ assignment of the loan of the company along with the underlying security and rights.
- Onboarding a new strategic investor in the company for fresh capital infusion while maintaining 51% shareholding by Indian Bank.
- As part of proposed business plan, the company will focus on retail housing loan sector, co-lending, gold loans and real estate project financing.
- The company sought time till March 31, 2023 for implementation of the proposed plan.

The company informed that it was in the process of identifying a potential strategic investor for infusion of equity capital and seeking support of HUDCO for the proposed capital restructuring and revival plan, post which its NOF would be more than the minimum stipulation (i.e. ₹20 crore).

28. Comments/recommendations on the action plan as submitted by the company was sought by RBI from NHB *vide* e-mail dated October 10, 2022. NHB reiterated that the company in the past had also submitted similar action plans indicating in-principle approval by Indian Bank for revival. However, none of the proposed plan could be translated into actual action and as a result the company is still non-compliant with various regulatory requirements viz. NOF, CRAR, PBC etc.

29. While the action plan dated September 29, 2022 was being examined by RBI, another capital restructuring plan (which was in continuation of the earlier plan dated September 29, 2022), was submitted by Indian Bank seeking RBI's approval for further equity investment by it in the company as part of Board approved revival plan. The summary of the plan is as under:

- The company is looking to achieve minimum regulatory NOF of ₹20 crore by March 31, 2023.
- It is in process of identifying the potential strategic investor(s) for fresh equity capital support.





- The plan presented 3 different scenarios for investment by strategic investor by taking 3 different preferential allotment prices of equity shares, giving rise to a new shareholding pattern in the company.

30. Comments of Reserve Bank

Upon examination, RBI has concluded the following:

- The company failed to identify the potential strategic investor.
- There is lack of actionable plan to raise working funds in order to commence operations.
- The company is still having negative NOF and CRAR and has been holding the deposit-taking CoR without collecting any deposits since 2001.
- HUDCO, as the second-largest shareholder in the company is unwilling to infuse additional capital.
- There was no visible action to infuse capital in the company by Indian Bank since RBI and NHB showed intent to take measures against the company.
- All the action plans submitted by the company were mere repetition of earlier plans. The plans for revival and business projections furnished by the company do not appear to be reassuring in terms of mode of capital restructuring or specific commitment for infusion of fresh capital

In view of the above, RBI *vide* letter dated December 08, 2022 advised the company to surrender the CoR voluntarily for cancellation within 15 days failing which it was indicated that the CoR would be cancelled by RBI on supervisory grounds.

31. The company failed to surrender its CoR within the stipulated time and instead submitted another balance sheet/ capital restructuring plan *vide* letter dated December 20, 2022, according to which:

- As part of balance sheet restructuring plan, Indian Bank will write-off its loan of ₹129 crore under full and final settlement against assignment of debt including mortgaged property security. The realizable value of security is ₹134.67 crore, and the outstanding loan is fully provided for in the books of Indian Bank. This would result in positive NOF of ₹10 crore for the company.
- A strategic investor along with Indian Bank will infuse funds on the basis of preferential allotment, a total amounting to ₹14.29 crore resulting in total NOF of around ₹24 crore.





- The company also submitted a timeline starting from selection of strategic investor in December 2022 till completion of preferential allotment by March 2023.

32. Further, on Indian Bank's request, a meeting was held between the MD and CEO of Indian Bank and Deputy Governor of RBI on December 21, 2022. In the meeting it was conveyed

- that the writing-off the debt/ conversion of debt to equity as proposed *vide* the company's action plan dated September 29, 2022 was merely a book-entry as no substantial infusion of fresh/ growth capital was proposed.
- that submission of such plans appears to be merely to avoid/ postpone cancellation of CoR as the same did not contain any serious re-capitalisation and scale-up plans.
- that despite so much time and opportunity given to the company, it was yet to identify strategic investor which fails to inspire confidence in the action plans of the company.

However, based on the request of the bank during the meeting for submission of a credible action plan for revival, one-month time was granted.

33. Subsequently, the company submitted yet another action plan on January 20, 2023 the summary of which is as follows:

- As part of balance sheet restructuring plan, out of ₹129 crore outstanding debt, the entire interest portion of ₹73.66 crore will be waived-off by Indian Bank.
- Indian Bank along with a strategic investor will subscribe to equity capital for ₹70.09 crore through preferential allotment.

The company also informed that it would act as a lead generator for Indian Bank for sourcing of business, and submitted scenario analysis (*viz.* optimistic, realistic, conservative) for 5 years of its financial projections for equity and borrowings.

34. Comments of Reserve Bank

After examination of the action plan RBI concluded that the projected income, commission from sourcing of leads for Indian Bank and future projections seemed to be unrealistic and therefore the action plan was not found feasible by RBI.

35. Latest inspection conducted by NHB with respect to financial position as on March 31, 2022, during January 18, 2023 to January 24, 2023 revealed that the





NOF and CRAR of the company continued to be negative [(-) ₹119.32 crore] and [(-) 4734.92% respectively] and the company is still not carrying out any business.

36. Despite being provided with ample time and several opportunities to infuse capital so as to meet the minimum regulatory NOF and CRAR and submit a credible action plan for revival of business, the company failed to comply with the instructions/directives. Failure on the part of Indian Bank to increase capital through preferential allotment despite being the largest shareholder (holding 51% stake) and lack of willingness on the part of the second largest shareholder viz. HUDCO (holding 25% stake) to infuse additional capital in the company for its revival is also reflective of long-term unviability of the company as a housing finance company. Writing-off liabilities by parent company cannot be considered as a serious business plan upon which the survival and future of the company is based. Repeated submission of non-specific plans only indicates attempts to postpone the cancellation of CoR as the parent bank did not seem to have clear and strategic approach to conduct the business of its subsidiary. Further, the company as per its own admission has not done any lending for last 23 years therefore has ceased to carry on the business of a housing finance institution.

37. Considering all the facts/circumstances, developments, and affairs of the company, RBI is satisfied that

- (a) the company has ceased to carry on the business of a HFI,
- (b) the company has failed to comply with the directions issued by RBI under Chapter V of the NHB Act and
- (c) public interest would not be served by allowing the company to carry on the business of housing finance institution.

As such, RBI has decided that it would be in order to cancel the CoR issued to the company. Accordingly, the RBI, in exercise of the powers conferred under Section 29A (6) of the NHB Act, 1987, hereby issues this Order cancelling the **CoR bearing No. 01.0023.01** dated **August 16, 2001** issued to **M/s Ind Bank Housing Ltd**. The company is directed to return the CoR in original, at the RBI regional office in Chennai against the acknowledgement of this order. The company is also advised to stop the housing finance business with immediate effect. This order, however, shall not prevent the company from recovering loans from the borrowers and the





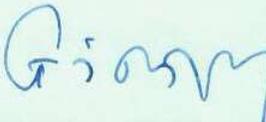
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repayment of all the outstanding claims against the company, if any, under the applicable laws.

38. A copy of this **order** may be served on the company.

Place: Mumbai

Date: September 21, 2023


(Jayant Kumar Dash)
Executive Director