

By Speed post/E-mail

NHB (ND)/HFC /DRS (Sup.)/A-1557/2018-19

October 15, 2018

The Managing Director & CEO,  
KIFS Housing finance Private Limited,  
C-902, Lotus Corporate Park,  
Graham Firth Compound,  
Western Express Highway,  
Goregaon(E), Mumbai, 400063

Dear Sir,

**The Housing Finance Companies (NHB) Directions, 2010-  
Delayed submission of Returns: Levying of Penalty**

Please refer to the reply received from KIFS Housing finance Private Limited (the 'company') through e-mail on 31-08-2018, and then vide letter dated 31-08-2018 (received by NHB through e-mail on 8-10-2018) signed by the authorized signatory, in response to NHB's show-cause notice/letter No. NHB (ND)/HFC /DRS (Sup.)/A-157/2018 dated August 29, 2018 with respect to delayed submission of returns.

2. National Housing Bank (NHB) has examined the aforesaid reply to the said show-cause notice as well as company's e-mail dated 9-5-2018 informing NHB that there would be a little delay in submission of return. However, there has been considerable delay in submission of both the return(s), as on 31-03-2018, namely (a) Half Yearly return (schedule-II) by 65 days and (b) Annual Return (Schedule-I) by 23 days.

It may also be mentioned that in reply to NHB's earlier show cause notice dated July 28, 2017, the company, vide letter dated 10-08-2017, had assured NHB for timely submission of returns in future. Accordingly, penalty was condoned. As such, company's reply to current show cause notice dated August 29, 2018 is not acceptable to NHB.

3 In view of above, NHB, in exercise of the powers vested with it under Section 52A (1) (a) of the National Housing Bank Act, 1987, imposes a penalty of ₹2,000/- (₹1,000 against each delayed submission of return). Further, an amount of ₹360/- (Rupees three hundred and sixty only) towards GST@18% on the above penalty amount shall also be remitted by the company while making payment of the above penalty.

4. The company is, therefore, directed to pay the aggregate penalty of **₹2360/- (Rupees two thousand and three hundred sixty only)** within 30 days from date of this letter, as per the Bank details enclosed at **Annexure-I**.



5. The company is also advised to separately disclose, in the Notes on Accounts' of the Audited Balance Sheet in its next annual Report for the FY 2018-19, the details of the levy of penalty imposed by NHB in terms of paragraph of 29(5) of the Housing Finance companies (NHB) Directions, 2010.

Yours faithfully,



(Ashok Kumar)

(Assistant General Manager)

Department of Regulation and Supervision

Encl: As above

S.No	Type	Particulars
1	Beneficiary Name	National Housing Bank
2	Beneficiary Address	Core 5A, 4th Floor, India Habitat Centre, Lodhi Road, New Delhi 110 003
3	Beneficiary Bank Name	State Bank of India
4	Beneficiary Bank Branch Address	Pragati Vihar Delhi Branch, Ground Floor, Core-6, Scope Complex, Lodhi Road, New Delhi - 110 003
5	Type of Bank Account	Current Account
6	Beneficiary Bank A/C No	52142903844
7	IFCS code of Bank branch	SBIN0020511
8	MICR No	110002658



NHB (ND)/DRS/Policy Circular No.93/2018-19  
February 15, 2019



All Registered Housing Finance Companies

Madam / Sir,

**Disclosure of penalty levied by National Housing Bank on contravention / default of regulatory requirements**

1. Please refer to the provisions contained under paragraph 29(6)(a) of the Housing Finance Companies (NHB) Directions, 2010 in terms of which Housing Finance Companies (HFCs) are required to separately disclose in the 'Notes on Accounts' to the Balance Sheet in the Annual Report of the company, the details of the levy of penalty, if any, imposed on the HFC by the National Housing Bank (NHB).
2. It has been decided that in addition to the above requirement, every HFC shall prominently display on its website any penalty levied on the company by the NHB. Further, HFCs whose shares are listed on any of the stock exchanges shall also ensure that disclosure in this regard is made to the stock exchange(s) within two working days of the receipt of NHB letter levying penalty on the company.
3. HFCs are advised to ensure meticulous compliance in the matter.

Please acknowledge receipt.

Yours faithfully,

(V. Vaideswaran)  
General Manager  
Department of Regulation and Supervision