



राष्ट्रीय
आवास बैंक
NATIONAL
HOUSING BANK

NHB(ND)/DRS/POL-No.05/2004-05
September 23, 2004

TO ALL REGISTERED HOUSING FINANCE COMPANIES (HFCs)

Dear Sir,

**“KNOW YOUR CUSTOMER (KYC)
Guidelines for Housing Finance Companies**

We invite a reference to our Circular NHB(ND)/DRS/POL-No.02/2004-05 dated August 25, 2004 forwarding the conditions on “Know Your Customer” (KYC). It has since been decided to modify the guidelines in respect of the existing customers as following:

With a view to ensuring that existing small account holders are not inconvenienced and the KYC procedure is completed in time, it has been decided that HFCs shall limit the application of KYC procedures to existing accounts where the credit or debit summation for the financial year ended March 31, 2004 is more than Rs.10 lakh or where unusual transactions are suspected. This process shall be completed by December 31, 2004.

HFCs shall, however, ensure that KYC procedures are applied to all existing accounts of trusts, companies, firms, religious/charitable organisations and other institutions or where the accounts are opened through a mandate or power of attorney.

Kindly acknowledge the receipt.

Yours faithfully

Assistant General Manager,
Department of Regulation & Supervision