

NHB(ND)/DRS/Misc/Cir No. 2 / /2009-10
April 09, 2010



राष्ट्रीय
आवास बैंक
NATIONAL
HOUSING BANK

To All Registered Housing Finance Companies

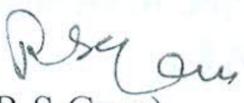
Dear Sirs,

Furnishing of Annual Financial Statements, Auditor's Reports etc.

Paragraph 37 of the Housing Finance companies (NHB) Direction, 2001, requires every housing finance company to deliver to the National Housing Bank an audited balance sheet as on the last date of each financial year and audited profit and loss account in respect of that year as passed by the company in its general meeting within 15 days of such meeting together with a copy each of the (i) report of the Board of Directors of the company as required in terms of section 217(1) of the Companies Act, 1956 and (ii) report and notes on accounts furnished by the auditors of the company. Further, in terms of Paragraph 38 of the Directions, housing finance companies holding/ accepting public deposits are also required to furnish a copy each of the (i) auditor's report to the Board of Directors containing matters specified in Paragraph 30 and 31 of the Directions and (ii) certificate from its auditors to the effect that the full amount of liabilities to the depositors of the company including interest payable thereon are properly reflected in the balance sheet and that the company is in a position to meet the amount of such liabilities to the depositors.

It is observed that in many cases all the prescribed documents are not submitted in accordance with the above Directions. It is also observed in many cases that the documents does not contain all the matters specified in the Directions more particularly the matters specified in Paragraphs 30 and 31 of the Directions. In view of this, we request you to look into the matter and ensure strict compliance of the above Directions.

Yours faithfully,


(R.S.Garg) —
General Manager
Department of Regulation & Supervision