

Disclosure of Penalty imposed by National Housing Bank under Section 52(A) of the National Housing Bank Act, 1987

National Housing Bank (NHB), in exercise of the powers vested under Section 52(A) of the National Housing Bank Act, 1987, vide its letter 29th July 2021, has imposed a monetary penalty of Rs. 15,000/- plus GST on India Shelter Finance Corporation Ltd. (hereinafter referred to as "Company") for non-compliance with provisions of the Paragraph 22 (2) of the Housing Finance Companies (NHB) Directions, 2010 and the RBI Circular No. DOR.No.BP.BC.63/21.04.048/2019-20. As per the NHB, non-compliance was with reference to inspection of the Company as on 31st March 2020.

The Company, while it has already deposited the penalty amount, has requested the NHB to reconsider and review its decision of levying of penalty on the Company for contravention of Paragraph 22(2) of the Housing Finance Companies (NHB) Directions, 2010 by appropriately considering the facts of the matter. Further, in this regard, the Company has also sought advice/ clarity from the NHB on appropriate accounting treatment of a restructuring proposal where overdue interest is required to be funded.

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