

By Post

NHB(ND)/DoS/Sup/01870/2021

March 25, 2021



Sh. Sushil Singla
Managing Director
Supreme Housing Finance Ltd.
2nd Floor, Harsha Bhawan,
13/29, E- Block, Middle Circle,
Connaught Place, New Delhi -110001

Dear Sir,

Inspection of Supreme Housing Finance Ltd., as per provisions of the National Housing Bank Act, 1987 – with reference to its position as on 31-03-2020- Levy of Penalty

Please refer to your letter dated 19-02-2021 in response to the Bank's Show Cause Notice dated 29-01-2021 on the subject.

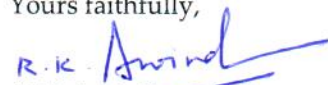
2. In this regard, the responses submitted by the Company have been examined in detail by the Bank. Accordingly, the Company is advised to pay the amount of Rs. 50,000/- (Rupees fifty thousand only) in terms of Section 52A of the National Housing Bank Act, 1987 towards penalty levied for the following non-compliances observed during the inspection of the Company for position as on 31-03-2020:

- Non-compliance of para 27A of HFC(NHB) Directions, 2010 on account of breach of LTV ratio;
- Non-compliance of para 28 of HFC(NHB) Directions, 2010 on account of short provisioning;
- Non-compliance of para 30 of HFC(NHB) Directions, 2010 on account of assigning incorrect risk weight due to breach of LTV norms and classifying amount disbursed towards non-housing activities under housing loan category;
- Non-compliance of NHB's Policy Circular no. 41, on account of classifying amount disbursed towards non-housing activities under housing loan category;
- Non-compliance of NHB's Policy Circular no. 81 & 86 on account of considering higher valuation of property for deciding the sanction loan amount; and
- Non-compliance of para 5 of RBI Circular DOR.No.BP.BC.63/ 21.04.048/2019-20 dated April 17, 2020 on account of not creating extra provision;

3. Further, an amount of Rs. 9,000/- (Rupees nine thousand only) towards GST @18% on the above penalty amount shall also be remitted by the Company while making payment of the above penalty. Accordingly, the Company is directed to pay the aggregate amount of Rs. 59,000/- (Rupees fifty-nine thousand only) within fifteen days from the date of this letter through online mode of payment as per the bank details enclosed at Annexure-I.

4. The Company is advised to adhere para 16.1 & 16.2 of Master Direction- NBFC - HFC (Reserve Bank) Directions, 2021 dated February 17, 2021 with regard to the disclosure requirements of penalty imposed by the Bank. The Company is also advised to report the matter to its Board of Directors and send a copy of the minutes of the same to the Bank for information.

Yours faithfully,


(R K Arvind)

Assistant General Manager
Department of Supervision

Encl.: As above

भारत सरकार के अंतर्गत सांविधिक निकाय
कोर 5-ए, तीसरे से पांचवां तल, इंडिया हैबिटेट सेंटर, लोधी रोड, नई दिल्ली-110003
दूरभाष : 011-3918 7000 फैक्स : 011-2464 9030
वेबसाईट : www.nhb.org.in ई-मेल : ho@nhb.org.in

Statutory Body under the Government of India

Core 5-A, 3rd to 5th Floor, India Habitat Centre, Lodhi Road, New Delhi-110003
Phone : 011-3918 7000 Fax : 011-2464 9030
Website : www.nhb.org.in E-mail : ho@nhb.org.in

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Annexure-I to NHB's Letter No NHB(ND)/DoS/Sup/01870/2021 dated March 25, 2021

S.N.	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 - 110003
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