

NHB(ND)/DRS/**POL-No. 20**/2007
January 17, 2007

TO ALL REGISTERED HOUSING FINANCE COMPANIES

Dear Sir,

KNOW YOUR CUSTOMER (KYC) GUIDELINES- ANTI MONEY LAUNDERING
STANDARDS- REPORTING SYSTEM

Please refer to our Circulars No. NHB(ND)/DRS/POL-No-13/2006 dated April 10, 2006 and NHB(ND)/DRS/POL-No.14/2006 dated July 25, 2006 in terms of which HFCs were advised, *inter alia*, to ensure that their branches maintain proper record of all cash transactions of Rs. 10 lakhs and above and also to ensure that these and transactions of suspicious nature and/or any other type of transaction notified under Section 12 of the Prevention of Money Laundering Act, 2002, are reported to the appropriate law enforcement authority.

2. It is once again emphasized that besides reporting of cash transactions of Rs. 10 lakhs and above, HFCs are required to report to the FIU-IND, all suspicious transactions, whether made in cash or otherwise, irrespective of the amount involved.

3. HFCs are accordingly once again advised to continue to scrupulously follow the instructions issued in this regard and report all cash and suspicious transactions, as required, whether made in cash or otherwise, to the FIU-IND without fail.

Yours faithfully

(R.Bhalla)
General Manager
Department of Regulation & Supervision