

Accounting and Reporting Circular 91/01**“Revised Date for Submission of Financial Reports”****June 25, 2012 – 05 Jawza 1391****To: Chief Executive Officers of Licensed Commercial Banks and General Managers of Permitted Branches of Foreign Banks**

This is to inform you, that the current date for submission of financial reports is creating problems, particularly when DAB analysis these reports to overcome these issues, please be informed that DAB take some necessary reviews of financials reports as below.

1- Submission of Financial Reports:

According to the Article 117, Banking Law of Da Afghanistan Bank, collecting the data is essential for DAB to perform its supervisory and statistical functions and according to Article 42 The Banking law, all commercial banks and branches of the foreign banks should submit their monthly and quarterly reports to accounting and reporting section (FSD) instructing below.

(A). Monthly Reports:

All commercial banks and branches of foreign banks should submit their financial reports to DAB on monthly basis. Monthly financial reports must be submitted within **10** working days of the next month. For example, the financial reports as of **31st July, 2012** should be submitted on **10th August 2012**, and or **31st Saratan1391**, financial reports should be submitted on **10th of Asad 1391**.

(B). Quarterly Reports:

Also all licensed commercial banks and branches of foreign banks should submit their financial reports to DAB on quarterly basis. Quarterly reports must be submitted within **10** working days of the next month. For example, the financial reports as of **30th June, 2012** should be submitted on **10th July, 2012** and or **31st Jawza, 1391** financial reports should be submitted on **10th of Saratan1391**.

(2). Revised Financial Reports:

Financial institutions have also been slow and delaying to submit necessary revisions of financial reports to FSD. Whenever FSD informs you that a report must be revised, you will have **two** business days to send the revised reports back to FSD. Failure to do so will be considered a late reporting and DAB will impose a penalty in such cases.

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(3). Problem of repeated errors:

Another problem experienced by FSD from time to time is the repetition of errors of the same type, even though banking organizations have been instructed repeatedly. These repeated errors are not acceptable, and all commercial banks and branches of foreign banks must take the responsibility of ensuring that the data are submitted in the correct way if not, DAB will take necessary actions.

(4). Signatures of authorized person's:

Further more, from now onward all commercial banks and Branches of the Foreign Banks are required to submit their financial statements (hard and soft copies) signed by their CEO, or deputy CEO, CFO or deputy CFO and responsible person. Otherwise DAB will not accept the reports without the signatures of the above (3) mentioned signatories.

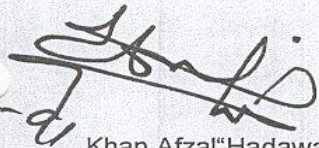
(5). Penalties or enforcement actions regarding errors and violations:

Failure to submit monthly and quarterly or revised reports on time (mentioned above) to DAB (FSD), pursuant to Article 42.8 of the Banking Law in Afghanistan and **Article 117.11** of the DAB Law, authorizing the imposition of sanctions for the late and/or inaccurate reporting in this case FSD (DAB) have the right to take necessary actions against the responsible authorities according to law and regulations.

Further more, in case of repeating errors, ignoring the accounting circular, all other instruction issued by DAB, and violating DAB law pursuant to **Article 48.2** banking law in Afghanistan, to take necessary actions against commercial banks and branches of foreign banks.

If you have any questions regarding this circular, please contact Nasir Khan Ghazi, Section Director, Accounting and Reporting section of Financial Supervision Department at 0202105130, 0799410075 or nasir.ghazi@centralbank.gov.af.

Very truly yours,



Khan Afzal "Hadawal",
Acting and First Deputy Governor,
Da Afghanistan Bank.

