



Fair Practice Code

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Prepared by	Compliance Department
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1. Preamble

India Mortgage Guarantee Corporation Private Limited ("**IMGC**") is registered as a mortgage guarantee company under the Master Directions - Mortgage Guarantee Companies (Reserve Bank) Directions, 2016. IMGC's primary business is to issue mortgage guarantees and its typical customers are the housing finance companies and banks providing retail housing loans to their borrowers.

The Master Direction - Non-Banking Financial Company –Non-Systemically Important Non- Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016 (as amended) ("NSI ND NBFC Directions") issued by the Reserve Bank of India ("RBI") requires a non- banking finance company having a 'customer interface' to have a fair practices code in place based on the guidelines as outlined in Chapter- V (Fair Practices Code for applicable NBFC) of the NSI ND NBFC Directions.

This fair practices code ("**FPC**") has been formulated by IMGC pursuant to Chapter-V (*Fair Practices Code for applicable NBFC*) of the NSI ND NBFC Directions.

2. Objective

- (a) This FPC promotes good and fair practices by setting reasonable standards in dealing with Customers.
- (b) **Coverage** - Provide transparent coverage terms, follow fair and open-minded business practices, adhere to high integrity standards expected of a trustworthy partner.
- (c) **Service** - Provide unparalleled service levels in form of reliable turnaround times both at the time of underwriting a new mortgage guarantee and at the time of settlement of claims, instilling a level of confidence in IMGC's Customers.
- (d) **Value** - Offer products to help IMGC's Customers grow and share valuable inputs throughout IMGC's association with them utilizing our expertise in credit evaluation and data analytics across different lenders giving our customers additional insights into the market.

For the purposes of this FPC, the term '**Customer**' with reference to IMGC shall mean, housing finance companies and banks providing retail housing loans to its borrowers and who have a business relationship/ transaction with IMGC.

3. Commitment

- (a) IMGC shall abide by all the relevant laws, regulations and meet with the ethical principles of integrity and transparency during its interaction with its Customers.
- (b) While interacting with its Customers, IMGC may take all steps as may be required to provide clear information either in English or Hindi or the appropriate local language regarding its product and services, the terms and conditions including guarantee obligations and guarantee fees, benefits available to its Customers and the implications, if any.
- (c) A Mortgage Guarantee Agreement ("**MGA**") will be executed between IMGC and the Customer. As per the Mortgage Guarantee Companies (Reserve Bank) Directions, 2016, the borrower of IMGC's Customer will be a party to the contract by mortgage guarantee issued pursuant to the MGA by virtue of acknowledging the existence of contract of mortgage guarantee in an appropriate format.

- (d) The MGA shall include the obligations and liabilities of IMGIC, circumstances in which IMGIC can be called upon to honor the mortgage guarantee and process of raising and settlement of such demand in terms of the MGA and in consonance with the provisions of the Mortgage Guarantee Companies (Reserve Bank) Directions, 2016.
- (e) Each application for mortgage guarantee shall be considered independently on merit, upon scrutiny of all the information, documents required to evaluate each housing loan for the provision of mortgage guarantee.
- (f) Upon receipt of the guarantee fees for every accepted mortgage guarantee application for a particular housing loan, IMGIC shall issue unconditional, absolute and irrevocable guarantee, in the form of a certificate of mortgage guarantee to the Customer.
- (g) IMGIC shall communicate in writing to the Customer with respect to rejected mortgage guarantee applications, specifying the reason for rejection.
- (h) IMGIC would not discriminate on grounds of sex, caste and religion while evaluating the mortgage guarantee application.
- (i) IMGIC will provide adequate information to the Customers to enable them to communicate with their borrowers for whom such certificate of mortgage guarantee is issued, regarding the terms of the mortgage guarantee and related fees if any. The disclosure shall be done so as to ensure that the borrower of the Customer for whom such certificate of mortgage guarantee is issued, is aware of all cost parameters and benefits involved in processing and sanctioning of the mortgage guarantee.
- (j) IMGIC shall provide the Customers with all the information regarding its dues and provide reasonable time as agreed for payment of the same as determined in the terms of service of the housing loans backed by mortgage guarantees.
- (k) In the event a Customer raises a demand on IMGIC against a mortgage guarantee, IMGIC shall respond to the demand within reasonable time as agreed and documented in the MGA and the terms of service of the housing loans backed by mortgage guarantees.
- (l) Before making a demand on IMGIC, the Customer shall not be required to initiate any legal proceeding or enforce any other security from its borrower of the concerned guaranteed obligation. However, the Customer will need to comply with the terms of service of the housing loans backed by mortgage guarantees recording the services to be performed by the Customer for IMGIC as described in the terms of.
- (m) **Know Your Customer (KYC) Guidelines:** IMGIC shall explain the requirements of Master Direction - Know Your Customer (KYC) Direction, 2016 to its Customers and inform them about the documents required for establishing the identity of the Customer before entering into a business transaction with such Customer. IMGIC would obtain only such information to meet with IMGIC's KYC, Anti-Money Laundering or any other statutory requirements.

4. Compliance

IMGIC will review the compliance of this FPC and a consolidated report of such review may be submitted to the Board of directors of IMGIC on annual basis.

5. Privacy and Confidentiality

- (a) IMGIC will treat the information relating to Customers for whom the certificate of mortgage guarantee is issued as strictly confidential and shall not share any information, unless required under applicable law(s) or waived or permitted by the Customer.
- (b) IMGIC will treat all personal information of the borrowers of its Customers whose housing loans are

backed by mortgage guarantees, as private and confidential and shall not divulge any information to any third person unless required by any law or Government authorities including regulators or Credit agency or where the sharing of information is permitted by the Customer.

6. Mode of Communication of FPC

- (a) IMGCC will provide a copy of this FPC, at request, to Customers. This FPC will also be made available on IMGCC's website and at its office.
- (b) IMGCC would provide, on request, copy of FPC to new and prospective Customers prior to commencement of any business transaction with such Customer.

7. Advertising, Marketing and Sales

IMGCC will be clear and not misleading in any of its advertising and promotional materials pertaining to the mortgage guarantee products offered by IMGCC.

8. Amendment to the FPC

IMGCC reserves the right to amend/ alter/ modify this FPC as mentioned hereinabove and provide updates from time to time, not affecting/ sacrificing the underlining spirit of the FPC. Such alternation/ amendments may be displayed at the notice boards of the branches/ Corporate Office and IMGCC's website for the benefit and information of the Customers.

9. Grievances and Complaints

- (a) The details of the Grievance Redressal Officer under this FPC who can be approached by the Customers for resolution of complaints against IMGCC is as follows:

Name: Amit Bhachawat
Designation: Chief Financial Officer
Address: India Mortgage Guarantee Corporation Private Limited,
4th Floor, Unit no 405/ 405-A, Tower B, World Trade Tower (WTT),
Plot no C-1, Sector 16, Noida, Gautam Buddha Nagar, Uttar Pradesh, 201301
Tel: +91 120 4898 000
E-mail: compliance@imgcc.com

- (b) If the complaint / dispute is not redressed within a period of one month, the Creditor Institution may appeal to the Officer-in-Charge of the Regional Office of DNBS, New Delhi.

(End of Document)