

**INDIA MORTGAGE GUARANTEE CORPORATION
PRIVATE LIMITED**

**ANNUAL REPORT
2023-2024**



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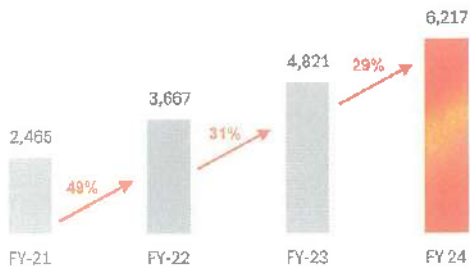
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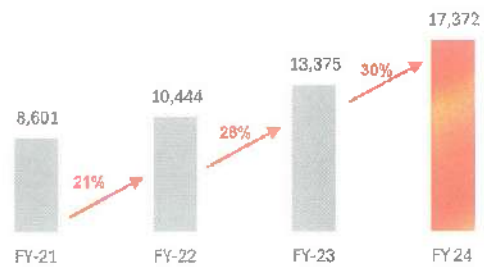
PERFORMANCE INDICATORS

(₹ in Cr.)

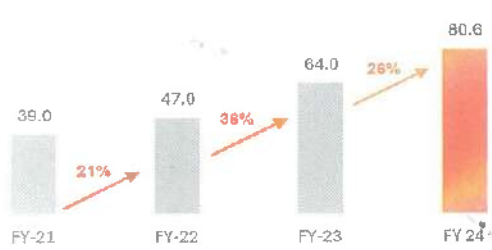
Volume



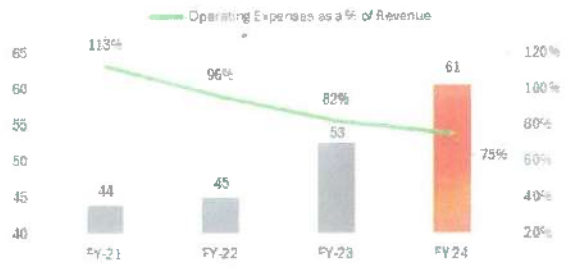
Guarantee In Force



Revenue



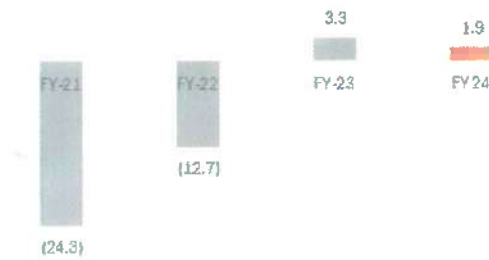
Operating Expenses



Portfolio Provisions and Losses



Profit and Loss





BOARD OF DIRECTORS

IMGC has a well-defined governance framework that serves as a roadmap for making effective and responsible decisions while also maintaining business integrity. IMGC has a well-diversified Board which strives to create long term value for the stakeholders. The details of the Board of Directors of IMGC as on March 31, 2024 are given below.

Stuart Take Chairperson of the Board

Stuart brings over 30 years' experience building and managing global operating and transaction platforms in the financial services space for Fortune 500 companies. He provides oversight and direction for Genworth's (now Enact MI) mortgage insurance business development efforts, which are currently focused on Asia and Latin America. He joined GE Capital/Genworth in 1997, and over the past several years he has held several senior management positions located in both Asia and the Americas, including President and CEO of Genworth's Canadian Mortgage Insurance business and Head of Asia-Pacific Business Development. He holds Bachelor of Science and a master's degree holder in business administration from the University of Missouri, Columbia.

Rajinder Singh Nominee Director

Rajinder Singh is a seasoned Global Financial Services Executive with expertise in Financial & Investment Risk Management, Advanced Analytics, and Business Strategy. He has held senior leadership roles in enterprise risk management, including Chief Risk Officer of NewRez/Caliber Home Loans, CRO for Global Mortgage Insurance at Genworth (now Enact MI). He has held various leadership positions in risk management and capital markets at US Bancorp, GE Capital, GMAC, Citigroup, and JP Morgan Chase before joining Genworth in 2014. He holds an MBA in Finance from the University of Rochester's Simon Business School, an MS in Mechanical and Aerospace Engineering from Rutgers University, and a B.Tech. in Mechanical Engineering from the Indian Institute of Technology Kanpur. He is a graduate of Wharton's Advanced Risk Management Program.

Stuart Kendrick Levings Nominee Director

Stuart Levings is the President and Chief Executive Officer of Sagen MI Canada Inc. Before his current role, he had served in the roles of senior vice president, Chief Operating Officer, and Chief Risk Officer. He holds a CPA, CA professional designation and has over 21 years of professional experience in a variety of industry sectors. He holds a Bachelor of Accounting Science degree from the University of South Africa and is a member of the Canadian Institute of Chartered Accountants.

Aditya Hemant Joshi Nominee Director

Aditya Joshi is a Managing Director in Brookfield's Private Equity Group and heads the private equity business for Brookfield in India. Before Brookfield, he was a principal at Apax Partners in India and led and participated in deals across healthcare, technology services, and financial services. He holds a Master of Business Administration degree from The Wharton School, University of Pennsylvania, a bachelor's degree in accounting and finance from the University of Pune and is a chartered accountant and member of The Institute of Chartered Accountants of India. He is a member of FICCP's national committee on private equity for India.



Harun Rasid Khan
Independent Director

Harun Rasid Khan is a former Deputy Governor of the Reserve Bank of India. At RBI, he managed diverse areas and led major projects related to financial markets, payments and settlements systems, financial inclusion, foreign exchange management, and banking regulation and supervision. He has also held the positions of Executive Director of the Reserve Bank of India and Director of NABARD. With an M. Phil from Jawahar Lal Nehru University and a PGDM from Narsee, Monjee Institute of Management Studies, he has been the nominee director of the RBI on the boards of several Indian banks, like the Bank of Maharashtra and Punjab & Sind Bank.

Christopher Chongho Ahn
Nominee Director

Chris is the Director of Business Development at Enact, where he leads initiatives in diversifying and growing the business. He has been involved in India Mortgage Guarantee since 2006 – negotiated the original JV agreement in 2012, the entry of a new investor in 2022, and subsequent amendments in 2024. In 2023, Mr. Ahn was instrumental in standing up a reinsurance company in Bermuda, Enact Re Ltd., where he also serves as a director.

Chris has held roles in both Risk Management and Business Development. Prior to his current role, Mr. Ahn was the Director of Enterprise Risk Management for Genworth Global Mortgage Insurance. Prior to that role, Mr. Ahn held the role of Vice President, International Business Development. Mr. Ahn has worked for General Electric, Genworth, and Enact since 2002, primarily working in the International Division.

Chris holds a master's degree in international business from the Fletcher School at Tufts University in Somerville, Massachusetts, USA and a Bachelor of Arts degree from Brown University in Providence, Rhode Island, USA. Mr. Ahn resides in Raleigh, North Carolina, USA.

Matthew Robert Young
Nominee Director

Matthew is the Chief Sales Officer of Enact MI. Prior to joining Genworth in 2012, Matt led regional sales teams as Vice- President of Sales at Wells Fargo Home Mortgage, which included ownership of growing funded volume and responsibility for sales planning/analysis.

Matthew began his career in 1990 as a member of GE's Technical Leadership Program. Upon completion of this program, he held a number of roles in Sourcing, Six Sigma and Sales, among other functions, while working at GE Aviation, GE Card Services and GE IT Solutions. He entered the mortgage industry in 2003, joining GE Mortgage Insurance as the Vice President of Salesforce Effectiveness. He later managed regional sales teams at GE Mortgage Insurance where he was recognized as the top performing Regional Vice-President of Sales in two successive years.

Matthew has his MBA in management from Miami University-Oxford, Ohio, and has a BS degree in business from Michigan State University, East Lansing, Michigan.

Supratim Bandyopadhyay
Independent Director

Supratim is a seasoned professional with vast experience of 35 years in insurance, finance, investment, debt operations and mutual fund sectors. He has served as Chairman and member of the Pension Fund Regulatory and Development Authority (PFRDA) for a period of five years. Prior to PFRDA, He worked with Life Insurance Corporation of India (LIC), the largest Life Insurance Company in India for three and a half decades. During his tenure at LIC, Mr. Bandyopadhyay has served in various capacities heading two large divisions of LIC. Apart from



that he has served as Chief (Investment) & Executive Director (Investment), and closely seen the working of LIC Housing Finance Ltd, a company promoted by LIC.

He also held the position of Managing Director & Chief Executive Officer at LIC Pension Fund managing the entire operations of LIC Pension Fund. Supratim is a Chartered Accountant by qualification.

Mahesh Misra

Managing Director & Chief Executive Officer

Mr. Misra holds a master's degree in international business from the Indian Institute of Foreign Trade and a bachelor's degree in accounting. He joined IMG C in January 2018 and has over 25 years of experience in the financial services sector. Before joining IMG C, he was the Chief Distribution Officer at Aviva Life Insurance. He has worked extensively in banking, with diverse stints at Citibank and Standard Chartered Bank.



SENIOR LEADERSHIP TEAM

Kanika Singh Chief Risk Officer

Kanika has over 27 years of multi-faceted experience in risk management practices, asset operations, risk analytics, and quality assurance across multiple banks and functions spanning Credit Risk Management, Compliance & Control, Credit Operations, MIS & Analytics, Regulatory Reporting, and Training & Development.

She was previously working with Citi Bank NA as Portfolio Risk Head responsible for their secured lending business and recently transitioned to Axis Bank Limited as part of the integration post-Citibank's consumer bank divestiture and acquisition by Axis. She has played a significant role in integrating business from a risk standpoint for Citibank NA and has been involved in multiple discussions with the senior leadership at Axis Bank. Her career path includes companies such as Axis Bank Ltd., Citibank N.A., ABN AMRO Bank N.V., HSBC, etc.

Amit Bhachawat Chief Financial Officer

Mr. Bhachawat has over 22 years of diverse experience in the financial sector and advisory services in India and abroad. Before joining IMGC, he worked with American Express, where he played an instrumental role in launching its prepaid products in India and other Asia Pacific markets. He has also worked in different roles at PricewaterhouseCoopers, Goldman Sachs and Deloitte. He is a commerce graduate from Delhi University and a Chartered Accountant from ICAI. He has also completed a leadership management program with ISB Hyderabad.

Harpreet Sandhu Chief Human Resources Officer

Harpreet has over 17 years of experience, primarily in the financial services industry. She has experience working in diverse roles, which include HR business partnering, mergers and acquisition, talent acquisition, organization design, and effectiveness and change management. She has worked with organizations such as American Express, GE Consumer Finance, and EXL. Harpreet is a postgraduate in Economics and Business Administration.

Anuj Sharma Chief Operations Officer

Anuj comes with over 17 years of experience in managing underwriting (across all asset classes—secured and unsecured), policy, and risk functions. Successfully managed new process implementation, digital adoption, and automation, large teams, and complex geographies in areas of underwriting and operations. Before his current role at IMGC, he worked with RBL Bank, Fullerton India, and GE Money in various leadership positions. Anuj has a Master's in Business Administration from ICAI Business School and in Finance from the London School of Economics. He pursued an Executive program in Business Analytics and Business Intelligence from the Illinois Institute of Technology and Great Lakes University.

Sumit Chadha Chief Information Officer

He brings with him over 20 years of rich experience in the digitization of processes, IT strategy, systems implementation, and infrastructure setup, particularly in the housing finance space. He has worked with various organizations such as PNB Housing Finance, Nucleus Software, and ICICI Bank, and was instrumental in transforming and setting up the IT function at PNB Housing Finance. Sumit is a qualified Chartered Accountant and holds a certification in contemporary business analytics practices from IIM Kolkata.



Amit Diwan
Chief Distribution Officer

He has more than 20 years of experience in banking, spanning secured lending, unsecured lending, and wealth management. Before this, Amit has been with organizations like HDFC Bank, Citibank, and HSBC Bank in roles spanning sales management, strategy and business planning, and product design. He has a master's in business administration from MDI Gurgaon and is a retail assets specialist.

Akriti Singh
Chief Alliances Officer

An Institute of Management Technology (IMT), Ghaziabad alumnus with more than two decades of financial services experience, she has a proven record with operating expertise and knowledge across mortgages, insurance, branch banking, and wealth management. She has built domain knowledge in Citibank, where she essayed multiple roles. Her last assignment was with Centrum Wealth Limited.



CORPORATE INFORMATION (as on March 31, 2024)

➤ **BOARD OF DIRECTORS**

- Mr. Stuart Edward Take, Chairperson of the Board
- Mr. Rajinder Singh, Nominee Director
- Mr. Harun Rasid Khan, Independent Director
- Mr. Stuart Kendrick Levings, Nominee Director
- Mr. Aditya Hemant Joshi, Nominee Director
- Mr. Christopher Chongho Ahn, Nominee Director
- Mr. Matthew Robert Young, Nominee Director
- Mr. Supratim Bandyopadhyay, Independent Director
- Mr. Mahesh Misra, Managing Director & CEO

➤ **MD & CEO**
Mr. Mahesh Misra

➤ **COMPANY SECRETARY & COMPLIANCE OFFICER**
Mr. Puneet Jolly

➤ **REGISTERED OFFICE**
T-10, Third Floor, Plot No.9, H.L.Plaza,
Pocket-2, Sector-12, Dwarka,
Delhi – 110075

➤ **CORPORATE OFFICE**
4th Floor, Unit No. 405, World Trade Tower, C-1, Sector –
16, Noida-201301, Uttar Pradesh

➤ **BASIC DETAILS**

CIN - U65922DL2006FTC153640

Contact No.- +91-120-4898 000

E-mail id – info@imgc.com

Website – www.imgc.com

➤ **CHIEF FINANCIAL OFFICER**
Mr. Amit Bhachawat

➤ **STATUTORY AUDITOR**
M/s. SCV & Co. LLP

➤ **REGISTRAR AND SHARE TRANSFER AGENT**
KFin Technologies Private Limited
Karvy Selenium Tower-B, Plot no. 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad (A.P.) – 500032

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Macroeconomic Outlook

India has registered a strong recovery post pandemic with growth averaging 8.1% for the 3-year period ended FY2024. The domestic economy has continued strong momentum with real gross domestic product (GDP) expanding at 7.6% in FY2024 on the back of buoyant domestic demand. On the supply side, gross value added recorded a growth of 6.9% in FY2024, driven by manufacturing and construction activity. Inflation moderated during the year, with average CPI inflation at 5.4% as compared to 6.7% in FY2023. Fiscal consolidation is progressing along with an improvement in the quality of fiscal spending and adjustment. The external sector is gaining strength, with the narrowing of the current account deficit (CAD) and foreign exchange reserves rising to an all-time high. The financial sector is sound and vibrant, supporting double digit credit growth, backed by high capital adequacy, solid earnings and improvements in asset quality. The economy has exhibited significant resilience in the face of ongoing geopolitical tensions, supply side disruptions along key shipping lanes and the emergence of El Nino–Southern Oscillation during the last financial year. Major central banks in advanced economies and RBI have kept policy rates on hold in the current financial year to ensure moderating inflation aligned to the mandated inflation targets.

With IMF projecting the world economy to continue growing at 3.2% during 2024, the growth prospects of India look promising in FY2025, underpinned by a sustained strengthening of macroeconomic fundamentals, robust financial and corporate sectors and a resilient external sector. The government's continued thrust on capex while pursuing fiscal consolidation, and consumer and business optimism augur well for investment and consumption demand.

Banking Sector and Credit-growth

Double digit growth in bank credit was sustained during 2023-24, led by demand from retail and services sectors. SCBs' credit expanded by 16.3 per cent as on March 22, 2024, on top of 15.0 per cent a year ago. Bank group-wise, private sector banks (PVBs) continued to exhibit higher growth than public sector banks (PSBs). PVBs' growth accelerated to 19.2 per cent (y-o-y) as on March 22, 2024, from 17.8 per cent a year ago and that of PSBs to 14.7 per cent from 13.8 per cent. Retail loan growth remained solid at 17.7 per cent in March 2024, supported by housing loans, which account for about half of the segment. SCBs' deposit growth remained below that of bank credit during 2023-24. As a result, the incremental credit-deposit ratio rose above 100 per cent during June 2022-May 2023. This ratio fell subsequently on the back of an acceleration in deposit growth, but the wedge between credit and deposit growth has persisted.

Scheduled commercial banks (SCBs) remained well-capitalised, maintaining capital adequacy above the regulatory minimum. The asset quality of SCBs improved further, along with moderation in the gross non-performing assets (GNPAs) as at end-September 2023. Profitability indicators such as return on equity (RoE) and return on assets (RoA) were also robust. Macro stress tests for credit risk suggest that SCBs would be in a position to comply with the minimum capital requirements, both at the aggregate and individual bank level, even under a severe stress scenario. Repo rate remained stable. In the June 2024 monetary policy review, the RBI retained the repo rate for the seventh successive time at 6.5%, while remaining focused on withdrawal of liquidity.

Mortgage Finance Sector

India's home loan (HL) market witnessed 13% growth in FY24 and reached INR 36.2 lakh crore in fiscal 2024. Non-banking finance companies (including housing finance companies) accounted for 19% of the market and PSU Banks accounted for 40% of the market. The post-covid recovery in mortgage sector growth has been healthy. However, it has largely been driven by high-ticket loans. The count of active loans grew by 6% (vs. 13% in balance) which indicates higher growth in the high-ticket size segment. This is also reflected in the declining trend of priority sector lending. The share of loans less than 30 lakhs came down from 51% as on March 22 to 45% as on March 24. In terms of annual originations, the post-covid mortgage sector growth continued in FY24. The annual originations,



which were in the range of INR 5 - 6 lakh Cr during FY19 to FY21, moved to INR 9.13 lakh Cr in FY23 and INR 10.30 lakh Cr in FY24. This corresponds to 19% growth in FY23, and 9% growth in FY24. Asset quality also witnessed improvement during the year. Housing sector 90+DPD rate reached 2.36% in Mar-24 vs 2.43% in Mar-23. The improvement in asset quality was seen across the lender segments.

Future Outlook - The mortgage-to-GDP ratio of India is low at ~11%, even when compared to countries with similar per capita income. Improving affordability, increasing penetration beyond Tier-I locations, the rising pace of urbanization, push from the Government, improving quality of land records, and concentration of existing loans within the top 10 states present a long growth runway.

Interest rates of key lenders in June 2024

State Bank of India	ICICI Bank	HDFC	LIC Housing Finance	Axis Bank	Aadhar Housing
8.50% – 9.85%	8.75% onwards	8.70% onwards	8.50-10.75%	8.75-13.30%	11.75 - 17%

Source: Paisa Bazaar

Residential Market: Update

India's residential sector achieved unprecedented sales and new property launches in 2023, defying the initial apprehensions surrounding the delayed impact of monetary tightening on housing loan rates. Sales volumes in the primary market have grown at an extremely healthy annualized rate of 29% since 2020. The sector's continued robustness can be attributed to the consistent demand for homeownership from end users supported by healthy investor interest.

Increased savings during lockdowns, minimal income disruptions in mid and high-income brackets, and a robust economic growth forecast have fuelled demand in the residential real estate market in India. Besides, a house price growth trend since 2021 has also created a feel-good factor for prospective buyers, further helping the cause of sales.

Key Highlights:

Sales

- Sales in Q4'FY24 increased by 9% YoY, with highest growth in Mumbai (17%).
- 172,456 units sold during H2 2023 constitute a healthy 12% YoY growth in volume and was instrumental in pushing the annual sales tally to a 5% higher level in 2023
- Share of <5 mn ticket size price segment reduced from 45% in 2020 to 30% in 2023
- Conversely, during the same reference period, the share of sales in the INR 5-10 mn and >10 mn ticket-size categories grew from 35% to 37% and 20% to 34% respectively
- Among the larger markets, Pune saw the most sales growth at 28% YoY while Mumbai, NCR and Bengaluru constituted 60% of the total sales during the period

New launches

- Launches in Q4'FY24 increased by 7% YoY with highest growth in Pune (15%).
- More than 350,000 housing units launched in 2023 with 7% YoY growth
- The share of the number of units launched in the INR 5-10 mn and >10 mn ticket-size categories grew from 28% to 37% and 15% to a significant 40% respectively
- Bangalore, Pune, Hyderabad and Kolkata observed the highest YoY growth in launches in 2023

Inventory

- The volume of launches has exceeded that of sales significantly causing unsold inventory levels to rise by 5% YoY, however the QTS (Quarters to sell) level for the eight markets has been consistently falling despite growing inventory levels from 8.7 in H2 2020 to the 5.9 quarters (less than 18 months) in H2 2023 and depicts a market with improving fundamentals despite increasing inventory

Prices

- While sales volumes have been robust in H2 2023, prices have also grown in the range of 4% to 11% across all markets with Mumbai and Bengaluru growing by 7% each and the NCR and Pune at 6% YoY and 5% YoY respectively

Outlook

With innovative financing schemes, developer's ability to move inventory remains strong, especially at the top-end of the market. Given the steady economic outlook and the improbability of further rate hikes, there is little reason to believe that there are significant impediments to demand today, despite some turbulence on account of 2024 being an election year. As things stand currently, the sales volume achieved in Q1-2024 positions the market well on course to post healthy growth going forward.



BOARD'S REPORT

Dear Members,

The Board of Directors of India Mortgage Guarantee Corporation Private Limited ("the Company" or "IMGC") is pleased to present the 18th (Eighteenth) Board's Report and the Annual Audited financial statements of the Company for the financial year ended 31st March 2024 (financial year under review).

FINANCIAL SUMMARY & HIGHLIGHTS

The Company's financials for financial year 2023-24 have been prepared in accordance with the Indian Accounting Standards (Ind AS) and RBI's notification for implementation of Ind AS by NBFCs. Accordingly, financials for the previous year 2022-23 have also been re-instated as per Ind AS to make it comparable. The Company's financial performance for the financial year ended 31st March 2024 as compared to the previous financial year ended 31st March 2023 is summarized below:

(₹ in Cr.)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Mortgage Guarantee Fee	44.76	35.16
Processing Fee	-	-
Other operating revenue	35.47	28.84
Other Income	0.38	0.01
Total revenue	80.62	64.01
Operating Expenditure	60.57	52.53
Mortgage Guarantee Provisions	18.19	8.23
Total expenses	78.76	60.75
Profit/(Loss) before Tax	1.86	3.25
Earlier year tax adjustment	-	0.02
Profit/(Loss) for the Year	1.86	3.27
Contingency Reserve	122.28	14.06
Impairment Reserve	0.38	2.61
Balance carried to Balance Sheet	(120.80)	(13.40)

OPERATING AND FINANCIAL PERFORMANCE

During the year, the Company guaranteed housing loans amounting to INR 6,217 Cr, which was the highest ever and 29% more than the previous year. As on 31 March 2024 the Company has issued mortgage guarantees (since inception) covering loans, amounting to INR 26,382 Cr, with an outstanding guaranteed exposure of INR 3,485 Cr.



The Company made a net profit of INR 1.86 Cr against a profit of INR 3.27 Cr in the previous year.

During the year, the Company recognized mortgage guarantee fees of INR 44.76 Cr as revenue. The Company also earned an income of INR 35.47 Cr from the funds invested by it in various fixed-income instruments in accordance with the Mortgage Guarantee Companies (Reserve Bank) Directions, 2016 (updated on 4th April 2024).

The overall operating expenses for the year were INR 60.57 Cr (compared to INR 52.53 Cr in the previous year). The Opex ratio (Operating Expenses/Total Revenue) continues to decline and was down to 75% in the current year compared to 82% in the previous year.

Provisions on Mortgage Guaranteed Loans during the year were higher than the previous year by INR 9.96 Cr primarily due to an increase in Stage 2 loans% by 40 bps to 2.6%. GNPA % has reduced by 10 bps to 2.2%.

As per the RBI guidelines, the company is required to build up a contingency reserve balance up to 5% of the total outstanding mortgage guarantee commitments. From the current year, the Company decided to maintain the 5% balance instead of building it up over time. Accordingly, it transferred INR 122.28 Cr during the year (INR 14.06 Cr in FY23) to Contingency Reserve to take up the balance to INR 174.25 Cr as on 31 March 2024 (INR 51.97 Cr as on 31 March 2023).

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Ind AS Implementation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) and notification for Implementation of Indian Accounting standard issued by RBI vide circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS').

IMGC is in the business of providing Mortgage Guarantees on housing loans, which under IND AS 109 – Financial Instruments, is treated as a Financial Guarantee. Hence, the company follows principles laid down in IND AS 109 for the purpose of revenue accounting, asset classification and provisioning for future expected losses.

The company also sought opinion from The Institute of Chartered Accountants of India (ICAI) regarding the classification of mortgage guarantees as financial guarantees and the recognition of revenue from mortgage guarantee fees. The Institute has opined that the company should classify mortgage guarantees as financial guarantees under IND AS 109 and continue to amortize revenue as per IND AS 115.

Volume Growth and Future Outlook:

During the year, the Company witnessed an annual volume growth of 29% to achieve a business volume of INR 6,217 Cr (previous year INR 4,821 Cr). The Company managed to scale up volumes significantly with its top lender partners LIC Housing Finance Ltd, Aditya Birla Housing Finance Limited and Piramal Capital and Housing Finance Limited. Pan-India business was launched with SBI in July 2023, the company expects to scale-up its volume through this partnership, given the SBI's market dominance. The company has also revived its business with Axis during the year and signed up business with Bank of India.

In FY 24-25, the Company expects to guarantee loans worth INR 11,000 Cr. This projection is on the back of strong growth in the business with most of the established lenders and a scale-up expected with existing business partners and new lender signups. Further, there is a multi-pronged engagement with the dormant lender partners to revive business with them.



Capital Adequacy Ratio:

The Company maintains a strong capital base to cover risks inherent in the business and to meet any unforeseen increase in delinquencies and claim payments. The company had a capital adequacy ratio of 33.28% as on 31st Mar 2024 (37.72% in Mar'23) against the 10% stipulated by the Reserve Bank of India (RBI) for a Mortgage Guarantee Company.

Data Analytics:

The company has developed an internal application score using machine learning techniques and utilizes key customer & credit characteristics across different lenders partners (Prime and Affordable). The internal score helps the Company in quicker decision making on mortgage applications, enhances operational efficiency and improves risk management.

To keep pace with its growth, the Company implemented AI based document reading and extraction tool Intelligent Document Processing (IDP) which revamped and automated the underwriting process. The implementation of IDP has led to a reduction of the average time to process the final offer from 30mins to 22mins.

To better serve its customers, the company has introduced a chatbot enabled self-service utility for all relevant stakeholders at the lenders point. The facility helps the users to view loan status on a real-time basis and helps in driving centralized communication campaigns.

The company has also initiated the next level of claims automation process which will reduce manual interventions and make the process more robust. The new claim policy helps in ensuring timeliness & operational efficiency by streamlining the process of document submission. The new process ~ The 4S Framework focusses on four critical aspects of claim processing- "Speed", "Standardization", "Streamlining" and "Security".

Another focus area of technology upgradation in the coming year will be the launch of Datamart for analytics and decision-making. This will help in leveraging data for improving the analytical capabilities of the Company, thereby helping in efficient underwriting, better pool selection, and product innovations. The Company will continue to focus on driving more technological capabilities leading to efficiency gains and customer delight.

The Quality Assurance function remains strong, and close monitoring of underwriting standards takes place regularly.

Events and Recognitions

In February 2024, the Company organized an industry event 'India Mortgage Lenders Conclave (IMLC) 2024' in association with Business Standard in February 2024. The event provides a platform for senior leadership of various lender partners to interact and discuss the outlook of mortgage business and possible business opportunities. The event was a success and was very well received in the industry and helped the Company to strengthen its brand in the industry.

During the year, the Company won the FICCI Innovation Award in HR emerging category. The Company also organized a regional conference jointly with FICCI and has been an active participant with the industry body.

Workforce:

The Company increased its headcount by 18% to support its future growth plans. However, the revenue per headcount continues to increase from Rs.0.44 Cr to 0.47 Cr, a 7% growth in FY 2023-24. The employee attrition rate was 26% in the current year as against 25% last year. The Company continued to invest in developing regional and technical capabilities in areas like risk analytics, business development, collateral evaluation, and other specialized functions. The Company will continue to recruit and nurture high-quality talent as it builds scale.



Non-Performing Assets:

While the Gross NPA ratio of the Company has reduced 10 bps to 2.2% as on 31 March 2024 compared to 2.3% on March 2023. In accordance with the RBI circular issued on 12th Nov'21, regarding asset classification, the Company continues to classify certain loan accounts which have overdue of less than 90+ days as NPA. Such loans with less than 90+ days overdue but classified as NPA, account for 0.27% of the total portfolio on 31st Mar 2024.

Under Ind AS 109, asset classification and provisioning move from the rule based, incurred loss model to the Expected Credit Loss (ECL) model of providing for expected future credit losses. Thus, loan loss provisions are made based on the company's historical loss experience and future expected credit loss, after factoring in various other parameters.

Classification of Assets as per Ind AS 109 is summarized as under:

Exposure at Default (EAD)	As at 31st Mar'24	As at 31st Mar'23
Stage 1	5%	10%
Stage 2	38%	34%
Stage 3	57%	56%
Total	100%	100%

As the Company's Mortgage Guarantee offers a first loss default guarantee covering both principal and interest on an overdue loan, the ECL provisioning requirement for a NBFC/HFC under Ind AS 109, will be lower on a guaranteed loan as compared to a non-guaranteed loan. Further the lender will also benefit under ECL as the Company starts providing cash flow support (payment of EMI's overdue) on the guaranteed loan once it becomes an NPA. Accordingly, the lenders are expected to have a significant reduction in the ECL provisions on their guaranteed pool.

TRANSFER TO RESERVES

The Company has not created any statutory reserve under Section 45-IC of the RBI Act, 1934 due to exemption under Clause 2(vi) of the Master Direction -Exemptions from the provisions of RBI Act, 1934, dated August 25, 2016. However, the Company has created Contingency Reserve as per the provisions of Master Directions - Mortgage Guarantee Companies (Reserve Bank) Directions, 2016.

DIVIDEND

The Board of Directors did not recommend any dividend for the financial year under review.

CHANGE IN NATURE OF BUSINESS

There was no change in nature of business during the period under review.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION PROTECTION FUND

The Company has not declared any dividend in the past and there is no unclaimed dividend pending, which is required to be transferred to the Investor Education Protection Fund by the Company as per the provisions of Section 125 of the Companies Act, 2013.



PUBLIC DEPOSITS

Your Company is a non-Deposit taking Non-Banking Finance Company and has neither invited nor accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the FY 2023-24.

BORROWINGS

During FY 2023-24, the Company has not borrowed any fund through debt and bank facility.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Detailed information on the operations of the Company is covered in the Management Discussion and Analysis Report and forms part of this Annual Report for the year ended 31st March 2024.

SHARE CAPITAL

The Authorised Equity Share Capital of the Company as on 31st March, 2024 was INR 7,50,00,00,000 (Indian Rupees Seven Hundred and Fifty Crores Only) divided into 50,00,00,000 (Fifty Crores) Equity Shares of INR 10/- (Indian Rupees Ten) each amounting to INR 5,00,00,00,000 (Indian Rupees Five Hundred Crores Only) and 25,00,00,000 (Twenty Five Crores) Preference Shares of INR 10/- (Indian Rupees Ten) each amounting to INR 250,00,00,000 (Indian Rupees Two Hundred and Fifty Crores Only). The issued, subscribed, and paid-up Equity Share Capital of the Company as on 31st March 2024 was INR 3,73,68,75,370 (Indian Rupees Three Hundred Seventy Three Crores Sixty Eight Lakhs Seventy Five Thousand and Three Hundred Seventy) divided into 37,36,87,537 Equity Shares of INR 10/- each, which was held by Genworth Financial Mauritius Holdings Private Limited (49.50%), Sagen International Holdings, Inc. (47.50%), National Housing Bank (1%), International Finance Corporation (1%) and Asian Development Bank (1%).

CAPITAL ADEQUACY RATIO

As per RBI guidelines, a Mortgage Guarantee Company is required to maintain capital at higher of the following:

- (a) Ten percent (10%) of aggregate on balance sheet risk weighted assets and risk adjusted value of off-balance sheet items or,
- (b) Net owned fund of INR 100 Cr.

We confirm that the Net Owned Funds as per the financials as on March 31, 2024, is INR 324.28 Cr and is well within the prescribed limit. We further confirm that the Net worth as per the financials as on March 31, 2024, is INR 346.61 Cr. The Company maintains an actively managed capital base to cover risks inherent in the business and has a healthy Capital Adequacy Ratio of 33.28%.

CREDIT RATING

The Company enjoys the following issuer ratings from the two credit rating agencies:

Rating Agency	Rating Assigned
Credit Analysis and Research Limited	CARE AA (Stable) (pronounced Double A Stable)
ICRA Limited	ICRA AA (Stable) (pronounced ICRA Double A Stable)



STATUTORY AND REGULATORY COMPLIANCE

The Company has complied with all the applicable statutory provisions, rules, regulations, directions and notifications, including those of the Companies Act, 2013 and rules thereunder, and the Income Tax Act, 1961.

Further, during the year the Company has complied with all applicable RBI directions, circulars and notifications including Master Direction - Mortgage Guarantee Companies (Reserve Bank) Directions, 2016, The total asset size of Company has crossed INR 500 crores in February 2023, and consequently, thereafter the Company has complied the Master Direction - Non-Banking Financial Company Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and other applicable RBI directions/circulars/notifications, including Master Direction - Information Technology Framework for the NBFC Sector, Fair Practice Code Guidelines and Master Direction - Know Your Customer (KYC) Direction, 2016.

However, the RBI has issued the Master Direction – Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023 dated October 19, 2023 in supersession of the Non-Banking Financial Company-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, thereunder the Company falls under category of NBFC -Based Layer and accordingly the Company has complied with the Master Direction – Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023 applicable to Base-layer NBFC. The Company has also complied with accounting standards issued by the Institute of Chartered Accountants of India.

Pursuant to the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2016, the Company has received a report from the Statutory Auditors to the Board of Directors of the Company and the Company continues to fulfil all the norms and standards laid down thereunder by RBI.

COMPLIANCE WITH SECRETARIAL STANDARDS

Pursuant to the approval from the Ministry of Corporate Affairs, the Institute of Company Secretaries of India (ICSI) has notified the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2), as amended from time to time. The Company is fully compliant with the same.

HOLDING/SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANY

The Company has no subsidiary, associate, holding and Joint Venture Company and therefore no information is required to be reported.

DIRECTORS

The composition of the Board is in conformity with the Companies Act and other applicable laws. As on March 31, 2024, followings are directors of the Company:

S.no	Name of Director	Designation
1	Stuart Edward Take	Chairperson
2	Rajinder Singh	Nominee Director
3	Harun Rasid Khan	Independent Director
4	Stuart Kendrick Levings	Nominee Director
5	Aditya Hemant Joshi	Nominee Director
6	Mahesh Misra	Managing Director & CEO
7	Matthew Robert Young	Nominee Director
8	Christopher Chongho Ahn	Nominee Director
9	Supratim Bandyopadhyay	Independent Director



As on March 31, 2024, the Board of the Company comprised of 9 Directors out of which 1 (One) Director is Executive Director and 8 (Eight) are Non-Executive Directors out of which 6 (Six) are nominated by the shareholders of the Company and two are Independent Directors.

During the year, Mr. Mahesh Misra (DIN: 10100943) has been appointed as a Managing Director w.e.f. 22-06-2023, National Housing Bank has withdrawn their nomination of Mr. Rahul Bhawe (DIN: 09077979) from the Board w.e.f. 29-11-2023 and Mr. Sourav Seal (DIN:10415792) has been appointed as Nominee Director of NHB w.e.f. 05-12-2023.

Due to inter-se transfer in February 2024, NHB lost the right to nominate director on the Board and Genworth and Sagen have the right to appoint 1(one) nominee director each on the Board of the Company.

Accordingly, NHB has withdrawn the nomination of Mr. Sourav Seal (DIN: 10415792), as its nominee director and Genworth also withdrawn the nomination of Mr. Rajinder Singh (DIN: 07502095) as its nominee director on the Board of the Company.

Thereafter, Genworth has nominated Mr. Christopher Chongho Ahn (DIN: 10043660), Mr. Matthew Robert Young (DIN: 10043795) as Non-executive Director w.e.f. 08-02-2024 and Sagen has nominated Mr. Rajinder Singh (DIN: 07502095) as Non-Executive Directors w.e.f. February 08, 2024.

Further, Mr. Supratim Bandyopadhyay (DIN: 03558215) has been appointed as an Independent Director w.e.f. 22-03-2024 on the Board of the Company.

The Company has received a letter from Sagen for the nomination of Mr. Anshul Jaiswal (DIN: 10647081) in place of Mr. Aditya Hemant Joshi (DIN: 08684627) as a Nominee Director, accordingly Mr. Aditya Hemant Joshi had resigned from the position of Nominee Director with effect from June 06, 2024, and Mr. Anshul Jaiswal has been appointed on the Board with effect from June 07, 2024.

The Company has followed and complied with fit and proper guidelines, including but not limited to obtaining required declarations from all directors in terms of the provisions of Master directions on Non-Banking Financial Company Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

DECLARATION BY INDEPENDENT DIRECTORS/STATEMENT ON DECLARATION "CERTIFICATE OF INDEPENDENCE" U/S 149 (6) FROM INDEPENDENT DIRECTORS AND DECLARATION AND UNDERTAKING AS PER APPLICABLE RBI

The Board has Independent Directors, and the Independent Directors has submitted disclosures that they meet the criteria of independence as provided under Section 149 (6) of Companies Act, 2013 and other applicable RBI guidelines.

The Independent Directors of the Company has also confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. Further, the inputs on Independent Director have been obtained on items/matters mentioned under the Companies Act, 2013 and Schedule IV of the Act, for the financial year 2023-24 for the meeting of Independent Director.

The Board is of the opinion that the Independent Director of the Company has the required integrity, expertise and experience (including proficiency) and fulfil the conditions as specified in the Act and rules made thereunder and are independent of the management.

POLICIES

Policy on Directors' Appointment, Payment of Remuneration and Discharge of Duties

The Company being a private limited company is not required to comply with the requirement of Section 178 of the Companies Act, 2013, which provides for setting up policy for directors' appointment, payment of remuneration and discharge of their duties.



During the year, the Company has prepared the Remuneration Policy for the Directors as per the RBI Master Direction Non-Banking Financial Company-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, after the notification of Master Direction – Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023 dated October 19, 2023, the Company is not required to prepared the Remuneration Policy for the Directors, the Company is continuing with Policy as per the recommendation of the Board, with changes as suggested by the Board of the Company.

Vigil Mechanism/Whistle Blower Policy

Your Company is committed to the highest standards of ethical, moral and legal business conduct. However, the Company being a private limited company is not required to formulate any Vigil Mechanism/Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013.

SEXUAL HARASSMENT POLICY FOR WOMEN UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

Your Company is committed to ensure fair environment for its executive, staff and workers. In compliance to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has adopted Sexual Harassment Policy as approved by the Board (Board review the same on periodic basis) which ensure free and fair enquiry process with clear timelines. The Company have duly constituted internal committee(s) as required under the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 to review the cases related to sexual harassment. Also, there was no case reported pursuant to the Sexual Harassment to women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Also, the Company is in complied with provisions related to the constitution of Internal Committee(s) wrt sexual harassment and the annual report as required under POSH Act for calendar year 2023 was filed with concerned authorities within the prescribed timelines. The Company has provided necessary training to employees about sexual harassment laws and internal policy of the Company during the period under review.

RISK MANAGEMENT POLICY

Risk management is an integral part of the Company's business strategy. The risk management process is adopted and reviewed by the Board of Directors/Board Committee(s) of the Company on a regular basis which provides for identification, assessment and control of risks. Risk Management Committee and Board of Directors/Board Committee(s) regularly review compliance with risk policies, monitor risk tolerance limits, review and analyse risk exposure related to specific issues and provides oversight of risk across the organization. The Company has Board approved Risk Management Policy which reviewed by Board/Board Committee(s) on periodic basis.

The risk management framework covers integrated risk management mainly comprising Credit Risk, Market Risk, Operational Risk, Fraud Risk and other risks.

CHAIRPERSON OF THE BOARD

During the year under review, the Board has appointed Mr. Stuart Edward Take (DIN: 00505488), Director as the Chairperson of the Board with effect from March 01, 2024, for a term of 2 (two) years.

CORPORATE GOVERNANCE

The Company and Directors reaffirm their commitment to maintain the highest standards of corporate governance as applicable to the Company. Corporate Governance principles form an integral part of the core values of the Company.

Governance has an intricate web of practices, processes, and rules and regulations, considering the interests of the various stakeholders of the Company. IMGC's practices are characterised by the Company's focus on integrity, accountability, professionalism, transparency, and customer satisfaction to achieve sustainable growth. The



Company follows applicable corporate governance norms and principles with respect to composition of the Board, constitution of various committees, frequency of meetings and terms of reference of Board and Committees. The details of the same are provided below.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, the Company has convened 4(four) meetings of the Board of Directors on the following dates, which met the statutory requirements:

1. June 22, 2023
2. August 25, 2023
3. November 30, 2023
4. February 08, 2024

The intervening period between the Board Meetings were within the maximum time gap of 120 days as permissible under the Companies Act, 2013.

The dates for the Board meetings are fixed in advance and agenda and briefing papers for the meetings are circulated to the Directors seven days in advance to such meetings. Each meeting agenda item is provided with sufficient background, and all material information is incorporated in the agenda papers to facilitate meaningful and informed discussions at the meeting. Where it is not practicable to attach any document to the agenda papers, it is tabled at the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted with the permission of the Chairman of the meeting.

GENERAL MEETINGS

During the year under review, the Seventeenth Annual General Meeting of the Company was held on August 25, 2023 and the Tenth Extraordinary General Meeting of the Company was held on February 08, 2024.

COMMITTEES OF THE COMPANY

During the period under review, the Company had the following statutory and non-statutory Committees of the Board:

1. Audit Committee (Statutory Committee):

The composition of the Audit Committee as on March 31, 2024, is given below:

- (a) Mr. Matthew Robert Young - Member;
- (b) Mr. Harun Rasid Khan - Member
- (c) Mr. Aditya Hemant Joshi- Member

Mr. Matthew Robert Young (DIN: 10043795) was appointed as the member of the Audit Committee in place of Mr. Rajinder Singh (DIN: 07502095) w.e.f. February 08, 2024, due to the Amended and Restated Shareholders Agreement dated February 01 2024, executed by and between India Mortgage Guarantee Corporation Private Limited, National Housing Bank, International Finance Corporation, Asian Development Bank, Genworth Financial Mauritius Holdings Limited and Sagen International Holdings Inc.,.

Terms of Reference: The terms of reference of Audit Committee are as follows:

- the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- review and monitor the auditor's independence and performance, and the effectiveness of the audit process;
- examination of the financial statement and auditor's report thereon;
- Management discussion and analysis of financial conditions and results of operations.
- Review of annual financial statements with the Chief Financial Officer and the Management before submission to the Board for approval, with particular reference to:-

1. Matters required to be included in the Directors Responsibility Statement
 2. Changes, if any in the accounting policies and practices and rationale for the same
 3. Significant changes, if any, in the financial statements arising out of audit findings
 4. Compliance with listing and other legal requirements relating to financial statements
- Qualification, if any of the draft Audit Report;
 - Review of all budgets and financial plans;
 - Capital Calls, review of dividends and distribution to the shareholders
 - Provisioning;
 - approval or any subsequent modification of transactions of the company with related parties;
 - review of inter-corporate loans and investments;
 - valuation of undertakings or assets of the company, wherever it is necessary;
 - evaluation of internal financial controls and risk management systems;
 - monitoring the end use of funds raised through public offers and related matters;
 - Monitoring Regulatory Compliances;
 - Look into defaults in the payment to the shareholders, debenture holders, if any and the Creditors;
 - Remuneration (Covering increments, variable incentive compensations, benchmarking etc.);
 - Complaints (external customers and internal HR);
 1. Whistle Blower
 2. Ombudsman reporting
 - Pre-approval of non-audit services;
 - Review of expenses of officers of the Company;
 - Any Complaint against CEO of the Company and his/her direct reports to be sent to the Chairman of the Audit Committee;
 - Supervising the vigil mechanism of the Company for addressing concerns raised by any employee;
 - Ensuring that an Information Systems Audit of the internal systems and processes of the Company;
 - any other responsibility under the applicable laws or as may be assigned by the Board from time to time.

2. Internal Committee(s) (Statutory Committees):

Composition of Internal Committee (Noida Office):

- (a) Ms. Harpreet Sandhu– Member;
- (b) Mr. Sumit Chadha– Member;
- (c) Ms. Ratna Vishwanath– Member;
- (d) Ms. Smita Affinwalla– Member; and
- (e) Ms. Kanika Singh– Member;

Mr. Sumit Chadha was appointed as the member of the Internal Committee in place of Mr. Shrikant Shrivastava w.e.f. June 22, 2023, due to the resignation of Mr. Shrikant Shrivastava.

Ms. Kanika Singh was also appointed as the member of the Internal Committee in place of Ms. Arpita Banerjee w.e.f. November 30, 2023, due to the resignation of Ms. Arpita Banerjee.

Composition of Internal Committee (Mumbai Office):

- (a) Ms. Harpreet Sandhu– Member;
- (b) Mr. Amit Diwan– Member;
- (c) Ms. Kanika Singh– Member
- (d) Ms. Smita Affinwalla– Member; and
- (e) Ms. Aditya Raikar– Member;



Ms. Akriti Singh was appointed as the member of the Internal Committee w.e.f. June 22, 2023, for the better corporate governance and for bringing gender diversity to the Committee by the inclusion of one more female member in the Committee.

Terms of Reference: The terms of reference of the Internal Committee are as follows:

- a. To formulate the Prevention of Sexual Harassment Policy in order to ensure the prevention of sexual harassment and the safety of women employees at the workplace.
- b. To conduct the meeting in case of any complaint received in writing from any women employees, to settle the grievances and to ensure the proper action is taken in case of any misconduct, harassment with the women employees either physically or mentally.
- c. Provide a safe working environment at the workplace.
- d. Organize workshops and awareness programs at regular intervals.

3. Risk Management Committee (Statutory Committee)

The composition of the Risk Management Committee as on March 31, 2024 is given below:

- (a) Mr. Stuart Edward Take – Member;
- (b) Mr. Stuart Kendrick Levings– Member; and
- (c) Mr. Mahesh Misra– Member

Terms of Reference: The terms of reference of the Risk Management Committee are as follows:

Identification of the integrated risk associated with the Company and evaluation of the overall risks faced by the Company including liquidity risk. The integrated risks may comprise credit risk, liquidity risk, market risk, operational risk, financial risk, legal risk, and/or any other risks of the Company. RMC shall ensure that the Company has appropriate tools and procedures for identifying, reporting, managing, and mitigating the risks. RMC shall also monitor the progress made in putting in place a progressive risk management system and risk management policy, details of corporate governance and strategy followed by the Company. The functions, roles, and responsibilities of RMC shall be decided and supervised by the Board regularly.

4. IT Strategy Committee (Statutory Committee)

The composition of the IT Strategy Committee as on March 31, 2024 is given below:

- (a) Mr. Harun Rasid Khan – Chairman;
- (b) Mr. Stuart Edward Take – Member;
- (c) Mr. Stuart Kendrick Levings– Member
- (d) Mr. Mahesh Misra– Member; and
- (e) Mr. Sumit Chadha– Member

Terms of Reference: The terms of reference of the IT Strategy Committee are as follows:

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware of exposure towards IT risks and controls.

5. IT Steering Committee (Statutory Committee)

The composition of the IT Steering Committee as on March 31, 2024 is given below:

- (a) MD & CEO – Chairman;
- (b) Chief Information Officer- Member
- (c) Chief Operations Officer – Member; and
- (d) Chief Risk Officer- Member

Terms of Reference: The terms of reference of the IT Strategy Committee are as follows:

To oversee and monitor the progress of the IT project, including deliverables to be realized at each phase of the project and milestones to be reached according to the project timetable, resource allocation and project tracking.

6. Technical Committee (Non-statutory Committee):

The composition of the Technical Committee as on March 31, 2024 is given below:

- (a) Mr. Stuart Edward Take – Chairman;
- (b) Mr. Matthew Robert Young – Member;
- (c) Mr. Stuart Kendrick Levings- Member; and
- (d) Mr. Christopher C. Ahn – Member;

Mr. Matthew Robert Young (DIN: 10043795) as the member of the Technical Committee in place of Mr. Rajinder Singh (DIN: 07502095) w.e.f. February 08, 2024, due to the Amended and Restated Shareholders Agreement dated February 01, 2024, executed by and between India Mortgage Guarantee Corporation Private Limited, National Housing Bank, International Finance Corporation, Asian Development Bank, Genworth Financial Mauritius Holdings Limited and Sagen International Holdings Inc.,

Terms of Reference: The terms of reference of the Technical Committee shall include the business of mortgage guarantees, including, without limitation, issues relating to risk, finance, marketing, and information technology, and shall include the following in particular:

- Review of the Relevant Business Plan on an annual basis.
- Review and approve the Risk Appetite Statement, tolerances, limits, and any exception requests.
- Review and approve the Broad Policy Framework
- Review and approve the Enterprise Risk Management Framework
- Review and approve assumptions used for pricing, business plan projections, economic capital projections, and valuations.
- Review and approve the pricing of products and risk onboarding.
- Review and approve product underwriting guidelines and pricing, including any material changes and all new flow customers and all bulk deals.
- Review and approve material changes to any Master Guarantee Agreement.
- Review and approve risk-sharing / transfer frameworks, requirements, and transactions including the adequacy of limits.
- Evaluate and approve new product lines.
- Review the Information Technology strategy and operating plan.
- Review the reputational risk management strategy including Public Relations.
- Review the Asset Liability Management Framework.

- Supervise and coordinate with the Corporate Risk Committee, Strategic Growth Committee, the Investment Committee and any other committees or sub-committees in respect of the risk management function of the Company, which shall, at all times, report to the Technical Committee.
- Without prejudice to the foregoing, any matters which have been specifically escalated to the Technical Committee by the Chair of any of the sub-committees of the Board or any management committee(s) or any officer of the Senior Management.
- Review, set, and approve the Delegation of Authority: the delegation of any of the matters which are within the scope of the Technical Committee to one or more sub-committee(s) or the Senior Management.
- Review and decide on such other matters concerning risk that the Chair of the Technical Committee deems necessary to be reviewed and discussed by the Technical Committee.

7. Nomination Committee (Non-statutory Committee):

The composition of the Nomination Committee as on March 31, 2024 is given below:

- (a) Mr. Stuart Edward Take – Member;
- (b) Mr. Mahesh Misra – Member; and
- (c) Mr. Aditya Hemant Joshi- Member

Mr. Mahesh Misra (DIN: 10100943) was appointed as a member of the Nomination Committee in place of Mr. Rahul Bhawe (DIN: 09077979) w.e.f. February 08, 2024, due to the Amended and Restated Shareholders Agreement dated February 01 2024, executed by and between India Mortgage Guarantee Corporation Private Limited, National Housing Bank, International Finance Corporation, Asian Development Bank, Genworth Financial Mauritius Holdings Limited and Sagen International Holdings Inc.,

Terms of Reference: The terms of reference of the Nomination Committee are as follows:

- a. To identify candidates for consideration by the Shareholders for appointment as Non- Affiliated Directors of the Company as defined in the Shareholders Agreement.
- b. Any other roles and responsibilities may be assigned from time to time by the Board of Directors of the Company.

The Company has complied with Master Direction - Non-Banking Financial Company Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, while crossed assets size of INR 500 Crores with respect to norms of Nomination Committee. However, after becoming Base-layer NBFC, the Company, with the approval of the Board, has aligned the scope of Nomination Committee with above stated Amended and Restated Shareholders Agreement.

8. Bank Committee (Non-statutory Committee):

The composition of the Bank Committee as on March 31, 2024 is given below:

- (a) Mr. Mahesh Misra (CEO) – Chairman;
- (b) Mr. Amit Bhachawat (CFO)– Member; and
- (c) Mr. Anuj Sharma (COO) – Member

Mr. Anuj Sharma was appointed as the member of the Bank Committee in place of Mr. Shrikant Shrivastava w.e.f. June 22, 2023, due to the resignation of Mr. Shrikant Shrivastava.

Terms of Reference: The Bank Committee was formed with the senior management of the Company on June 10, 2019, for the following purposes:

- a. To take all necessary steps to open and maintain bank accounts, bank lockers of the Company;
- b. To monitor and handle all administrative functions for effective operation of bank accounts of the Company.
- c. To approve amendments in the authorised signatory(ies) including their authorization limits of the bank accounts of the Company and to take all necessary actions and steps to inform respective Banks regarding changes, if any;
- d. To take all necessary steps to close bank accounts, bank lockers of the company, if considered expedient in the interest of the company; and
- e. Any other responsibility as may be assigned by the Board from time to time.

COMMITTEE AND INDEPENDENT DIRECTOR MEETINGS

Table containing details of meetings of Committees along with dates are as below:

Statutory Committee(s)

S No.	Name of the Committee(s)	No. of Meetings	Date of meetings
1.	Audit Committee	4 (Four)	June 21, 2023, August 25, 2023, November 30, 2023 and February 08, 2024
2.	Risk Management Committee	1 (One)	November 30, 2023
3.	IT Strategy Committee	2 (Two)	December 14, 2023 and February 08, 2024
4.	IT Steering Committee	2 (Two)	October 30, 2023 and January 29, 2024

Non-statutory Committee(s)

S No.	Name of the Committee(s)	No. of Meetings	Date of meetings
1.	Technical Committee	4 (Four)	June 22, 2023, August 25, 2023, November 29, 2023 and February 08, 2024.
2.	Nomination Committee	1 (One)	August 25, 2023
3.	IT Steering Committee	2 (Two)	October 30, 2023 and January 29, 2024

Independent Directors Meeting

S No.	Name of the Meeting	No. of Meeting	Date of meeting
1.	Independent Directors Meeting	1 (One)	February 28, 2024



ATTENDANCE OF DIRECTORS/MEMBERS AT BOARD AND COMMITTEE MEETINGS

The attendance of Directors at Board and Committee meetings held during the financial year 2023-2024 is tabled as under:

Name of Directors/Members	Board	Audit	Technical	Independent Director	Risk Management	IT Strategy	Nomination
Mr. Harun Rasid Khan	4	4	-	1	-	2	-
Mr. Stuart Edward Take	4	-	4	-	1	-	1
Mr. Rajinder Singh	4	3	3	-	-	-	-
Mr. Stuart Kendrick Levings	4	-	4	-	1	2	-
Mr. Aditya Hemant Joshi	3	4	-	-	-	-	1
Mr. Rahul Bhave	1	-	-	-	-	-	-
Mr. Sourav Seal	-	-	-	-	-	1	-
Mr. Mahesh Misra	4	-	-	-	1	2	-
Mr. Matthew Robert Young	1	1	1	-	-	-	-
Mr. Christopher C. Ahn	1	-	4	-	-	-	-
Mr. Sumit Chadha	-	-	-	-	-	2	-

	Internal (Noida)	Internal (Mumbai)	IT Steering
Mr. Mahesh Misra	-	-	2
Mr. Sumit Chadha	1	-	2
Mr. Anuj Sharma	-	-	2
Ms. Kanika Singh	1	-	2
Ms. Harpreet Sandhu	1	1	
Ms. Smita Affinwalla	1	1	
Ms. Ratna Vishwanath	-	-	
Mr. Amit Diwan	-	1	-
Ms. Akriti Singh	-	1	-
Mr. Aditya Raikar	-	1	-

Details of Change in Composition of the Board during Financial Year.

S.no	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Mahesh Misra	Executive	Appointment	22-06-2023
2	Rahul Bhawe	Nominee	Resignation	29-11-2023
3	Sourav Seal	Nominee	Appointment	05-12-2023
4	Rajinder Singh	Nominee	Resignation	02-02-2024
5	Sourav Seal	Nominee	Resignation	02-02-2024
6	Christopher Chongho Ahn	Nominee	Appointment	08-02-2024
7	Matthew Robert Young	Nominee	Appointment	08-02-2024
8	Rajinder Singh	Nominee	Appointment	08-02-2024
9	Supratim Bandyopadhyay	Independent	Appointment	08-02-2024

Where an Independent Director resigns before expiry of her/his term, reasons for resignation as given by him/her shall be disclosed: **NA**

Details of any relationship amongst the directors inter-se shall be disclosed: There is no relationship amongst the directors, except to the extend common directorship in group companies.

The names of the Committees along with a summary of terms of reference are given in this report.

INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROL

Your Company has aligned its current systems of internal financial control with the requirements of the Companies Act. The Company is continuing to monitor the efficacy of internal controls through a comprehensive Internal Control Framework which has been designed to ensure transparency and accountability by the different stakeholders of the Company. The Internal Control Framework is commensurate with the nature, size and complexity of the business. During the year under review, the Company has engaged RSM Astute Consulting Private Limited for assisting in the internal audit process. The Internal Auditors have reviewed the system of internal controls implemented in the organization and tested for effectiveness of the controls. For the year under review, the scope included review of controls over Credit Origination and Underwriting, Invoicing, Claims Settlement, Treasury Management, Regulatory Compliances, Portfolio Monitoring, Legal and Secretarial compliances, Administration and Procurement, Finance and Accounts, Invoicing, HR and payroll, Information Technology and General Controls (ITGC) over IT systems used by the Company. Based on the internal audit reports process owners undertake corrective action in their respective areas. Audit observations and corrective actions thereon are presented to the Board.

During the year under review, a satisfactory opinion has been provided by SCV Co. & LLP (Statutory Auditors) on the Internal Financial Controls of the Company.



STATUTORY AUDITORS

M/s. SCV & Co. LLP, Chartered Accountants, (FRN: 000235N/N500089) were appointed as the Statutory Auditors of the Company at the 16th Annual General Meeting held on August 30, 2022, from the conclusion of the sixteenth Annual General Meeting till the conclusion of twenty-first Annual General Meeting of the Company i.e. for the next 5 (five) financial years beginning from April 1, 2022, and ending on March 31, 2027. The said appointment is in accordance with the applicable provisions of the Act and rules framed thereunder. The Company has ensured Independency, performance and effectiveness of audit process.

COST AUDITOR AND COST AUDIT REPORT

Keeping in view the operations of the Company, the provisions pertaining to appointment of cost auditor and maintenance of cost audit records as specified under Section 148 and related rules issued thereon, are not applicable on the Company.

SECRETARIAL AUDIT

Secretarial audit is not applicable on the Company during the period under review.

RELATED PARTY TRANSACTIONS

The Company has not entered into any related party transactions as per the provisions of Section 188 of the Companies Act, 2013. The particulars of contracts, arrangement or transactions with related parties is provided in Form AOC-2 and enclosed herewith as **Annexure - I**.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company being a Non-Banking Financial Company registered with RBI is exempted from provisions of Section 186 of the Companies Act, 2013 ("Act"). Accordingly, there are no details of particulars of loans, guarantees or investments that are required to be provided as per Section 134(3)(g) of the Act.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Corporate Social Responsibility as specified under Section 135 of the Companies Act, 2013 are not applicable on the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors hereby confirms that:

- (a) in the preparation of the Annual Accounts for the financial year ended March 31, 2024, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the year under review.
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) the Directors had prepared the Annual Accounts for the financial year ended March 31, 2024 on a going concern basis.
- (e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



AUDITORS' REPORT

The Auditors' Report to the shareholders does not contain any qualification, reservation or adverse remark. The observations of the Auditors in their report read together with the Notes on Accounts are self-explanatory and, therefore, in the opinion of the Directors, do not call for any further explanation. Further, there were no frauds reported by the Statutory Auditors to the Board.

FRAUD, IF ANY REPORTED BY THE AUDITORS

The Company has not encountered any fraud and no such fraudulent activity have been reported by the Statutory Auditors of the Company in their report for the financial year ended on March 31, 2024 under Section 143(12) of the Companies Act, 2013.

ANNUAL RETURN

In compliance with the sections 134(3)(a) and 92(3) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of the Annual Return of the Company is available on the website of the Company; the web-link to access the annual return is as follows: <https://www.imgc.com/public-disclosure>

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under clause (m) of sub-section (3) of Section 134 of the Companies Act, 2013 read with sub-rule (3) of Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as Annexure-II and forms part of this Directors' Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place a robust policy on the prevention of sexual harassment in the workplace. The policy aims at the prevention of harassment of employees and lays down the guidelines for identification, reporting, and prevention of sexual harassment. There are Internal Committee(s) which are responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy.

Your directors further state that during the year under review, there were no complaints received/cases filed/ cases pending under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant material orders passed by regulators or courts or tribunal impacting the Company's going concern status and operations in future.

PERFORMANCE EVALUATION

Requirement of performance evaluation is not applicable on the Company during the period under review.



MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments have occurred between the end of the financial year to which the financial statements relate and the date of this Report which affect the financial position of the Company.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

The Company has not taken any Loan from the banks or financial institutions, so there was no valuation done during the financial year.

RISK MANAGEMENT POLICY

The Company's risk philosophy involves developing and maintaining a high credit-quality portfolio within its risk appetite and the regulatory framework. The key risks that the Company is exposed to in the course of its business are Credit Risk, Operational Risk, Liquidity Risk and Business Risk. Keeping this in mind, the Board of Directors has defined a risk management framework for the Company which provides for identification, assessment and control of risks, which may threaten the existence of the Company. Implementation of this framework is supervised by the senior management who periodically reviews risk levels and direction, portfolio composition, credit policies and claims status.

To improve the risk management framework, Company has also framed a detailed Risk Management Policy, which is intended to assist in decision making processes that will minimize potential losses, improve the management of uncertainty and the approach to new opportunities, thereby helping the Company to achieve its objectives. The Company, through its Risk Appetite Statement and Board Approved Policy, presents an enterprise-wide approach to conduct its business. The Company has also formed appropriate risk committees and sub-committees with clearly defined roles, responsibilities and accountabilities to establish a strong governance structure. The Company has also established an internal audit and control framework, wherein all key activities are audited regularly, and key findings are presented to the Board. The Company is committed to using Enterprise Risk Management as a critical framework for successful decision-making.

The Company's internal control systems are designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. To improve the risk management framework, Company has also framed a detailed Business Continuity Plan (BCP) framework. BCP enables the Company in ensuring continuity of operations during disruptions.

LOANS TO DIRECTORS, SENIOR OFFICERS AND RELATIVES OF DIRECTORS

The Company is into mortgage Guarantee Business and does not give any loan. Accordingly, the requirement to have Policy on Grant of Loans to Directors, Senior Officers and Relatives of Directors is not applicable on the Company.

PARTICULARS OF EMPLOYEES

The Company is not listed on any recognized stock exchange, therefore, the provisions of Section 197(12) of the Act and rules made thereunder, is not applicable on the Company.



EMPLOYEE STOCK OPTION SCHEME

The Company has not provided any stock options to the employees during the period under review.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

Your Company has neither filed any application nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the reporting year, hence no disclosure is required under this section.

ACKNOWLEDGEMENT

Your Directors thank the Shareholder, regulators (Reserve Bank of India) and other stakeholders for its valuable guidance and look forward to its continued support. Your Directors also wish to place on record their deep sense of gratitude and appreciation for the commitment displayed by all the employees of the Company, resulting in the successful performance of the Company during the year under review. The Directors look forward to their continued support in the future.

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the customers, shareholders and other business associates who have extended their valuable sustained support and encouragement during the year under review.

For and on behalf of the Board of Directors

Place: Noida, Uttar Pradesh

Date: June 20, 2024


Director
DIN: 07456806



Managing Director & CEO
DIN: 10100943



FORM NO. AOC.2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: **NIL**

- a) Name(s) of the related party and nature of relationship
- b) Nature of contracts/arrangements/transactions
- c) Duration of the contracts/arrangements/transactions
- d) Salient terms of the contracts or arrangements or transactions including the value, if any
- e) Justification for entering into such contracts or arrangements or transactions
- f) Date of approval by the Board
- g) Amount paid as advances, if any
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis: **NIL**

- a) Name(s) of the related party and nature of relationship
- b) Nature of contracts/arrangements/transactions
- c) Duration of the contracts/arrangements/transactions
- d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- e) Date(s) of approval by the Board, if any:
- f) Amount paid as advances, if any:



ANNEXURE – II

Information as per clause (m) of sub-section (3) of Section 134 of the Companies Act, 2013 read with sub-rule (3) of Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors Report for the financial year ended March 31, 2024

A	Conservation of Energy:	Even though operations of the Company are not energy intensive, the management has been highly conscious of the importance of conservation of energy and technology absorption at all operational levels and efforts are made in this direction on a continuous basis. In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3)(m) of the Act read with rule 8 of the Companies (Accounts) Rules, 2014 regarding Conservation of Energy. Further, the Company is steadily applying and adopting technology to improve services efficiently, and the Company have not imported any technology.
(i)	the steps taken or impact on conservation of energy:	
(ii)	the steps taken by the Company for utilizing alternate sources of energy:	
(iii)	the capital investment on energy conservation equipments:	
B	Technology Absorption:	Further, the Company is steadily applying and adopting technology to improve services efficiently, and the Company have not imported any technology.
(i)	the efforts made towards technology absorption:	
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution:	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
(iv)	the expenditure incurred on Research and Development:	
C	Foreign Exchange Earnings and Outgo:	
(i)	Foreign Exchange Earnings:	The Company has not earned any foreign exchange during the year under review.
(ii)	Foreign Exchange Outgo:	The expenditure in foreign currency for the year under review is Rs. 49,52,304

For and on behalf of the Board of Directors

Place: Noida, Uttar Pradesh
Date: June 20, 2024



 Director
 DIN: 07456806

Managing Director & CEO
 DIN: 10100943