

**FORM OF APPLICATION FOR CERTIFICATE OF REGISTRATION TO COMMENCE THE
BUSINESS OF A MORTGAGE GUARANTEE COMPANY**

Name and address of Registered Office of the company
(in block letters)

To
The Chief General Manager -in-Charge
Department of Non-Banking Supervision
Reserve Bank of India
Central Office
Centre I, World Trade Centre
Cuffe Parade
Mumbai - 400005

Dear Sir,

*Application for Certificate of Registration to commence the business of a Mortgage
Guarantee Company*

The company makes this application in terms of paragraph 4 of the Guidelines on Registration and Operations of Mortgage Guarantee Company contained in Notification DNBS.(PD) MGC No. 3 /CGM(PK)-2008 dated February 15, 2008 for grant of a Certificate of Registration. The documents/ information required to be submitted as per the instructions are furnished.

The company is desirous of commencing the business of a Mortgage Guarantee Company. The company hereby, requests the Bank to issue the necessary Certificate of Registration in terms of paragraph 3 of the Guidelines on Operations of Mortgage Guarantee Companies read with Notification DNBS.(PD) MGC No. 3 /CGM(PK)-2008 dated February 15, 2008 to enable the company to commence the business of a Mortgage Guarantee Company.

The company solemnly declares that to the best of its knowledge and belief, the information furnished in the application and the annex hereto and statements enclosed are correct, complete and true. The company is aware that if any of the information furnished herein is found to be incorrect/incomplete/untrue, the application for grant of Certificate of Registration is liable to be rejected and the Certificate of Registration, if granted, is liable to be cancelled.

Yours faithfully,

	Signature of Authorized Official:
	Name:
Date:	Designation:
Place:	Company Common Seal:

DOCUMENTS REQUIRED TO BE ENCLOSED TO THE APPLICATION FORM

1. Identification particulars of the company (**Annex I**).
2. Statement on Net Owned Fund (**Annex II**).
3. Information about the management (**Annex III**).
4. Information about shareholders with substantial interest (**Annex IV**).
5. Information about related parties as defined in the Accounting Standards and Guidance Notes of ICAI (**Annex V**).
6. Certified copies of up-to-date Memorandum and Articles of Association of the company (evidencing therein that the company has been formed for the purpose of undertaking mortgage guarantee business).
7. Certified copies of Certificate of Incorporation and Certificate of Commencement of Business, if available (in case of public limited companies).
8. A certified copy each of the Board of Directors Resolutions (i) specifically approving the submission of the application to the Reserve Bank of India and its contents and names of authorized officials, (ii) stating that the company has not accepted any deposit (as defined in Section 45 I (bb) of the Reserve Bank of India Act, 1934) (iii) stating whether or not the directors of the company have adequate professional experience in relevant areas of mortgage guarantee (iv) stating that none of the directors are disqualified to be appointed as directors as per the provisions of the Companies Act, 1956.
9. A certified copy of Board of Directors Resolution and Auditor's Certificate (in original) to the effect that-
 - (i) any of the shareholders having substantial interest is not a holding company of the mortgage guarantee company or does not otherwise hold any controlling interest in such Mortgage Guarantee Company;
 - (ii) the Board of Directors of the mortgage guarantee company does not consist of more than half of its total member of directors who are either nominees of any shareholder who has substantial interest or associated in any manner with the shareholder who has substantial interest or any of its subsidiaries if the shareholder with substantial interest is a company or any other firm where the shareholder with substantial interest is a partner.
10. A copy of the profit and loss account and audited balance sheet for the last 3 years or for such shorter period as are available.
11. Business plan of the company for the next three years giving details of its (a) identified business opportunities, (b) projection of business volume and income, (c) projected statement of Financial Assets and Liabilities and (d) organizational structure.

INSTRUCTIONS

(Application form should be filled up strictly in accordance with these instructions)

(A) GENERAL INSTRUCTIONS

- (1) Application should be made in this form only. Wherever space is insufficient, information may be furnished in separate sheet/s.
- (2) Application along with enclosures duly completed should be submitted in duplicate to the Department of Non-Banking Supervision, Reserve Bank of India, Central Office, Centre I, 2nd Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai-400005.
- (3) A photocopy of the application together with enclosures / Annex as submitted may be kept with the company for its record.
- (4) Application should be signed by any of the following officials authorised by the Board of Directors in this behalf viz., Chairman, Managing Director, Director, Chief Executive Officer, Company Secretary, hereinafter known as the Authorised Official.
- (5) Application should bear common seal of the company.
- (6) An acknowledgement for having submitted the application may be obtained from the Reserve Bank of India, Department of Non-Banking Supervision, Central Office, Colaba, Cuffe Parade, Mumbai-400005.
- (7) Application can be submitted through web. The application will be processed only after receipt of signed document.

(B) SPECIFIC INSTRUCTIONS

ANNEX I

- (1) In case the company has changed its name earlier, a list of all the earlier names of the company and date/s of change together with the names of Chief Executive Officer and Chairman at the time of change of name should be furnished.
- (2) The company should submit the address of its website, if any, in case of change in the same the Bank should be kept informed. It should also submit e-mail address at which all official communication from the Bank may be mailed.
- (3) Full name of the directors alongwith e-mail id, if any may be given against item no. 9.
- (4) In case the company/ its group company(ies) / subsidiary/associates or related parties has /have committed default in repayment of loans to banks/ Financial Institutions (FIs), the details of such default may be listed against item No. 14.
- (5) 'Related Party' means related parties as per the Accounting Standards and guidance notes issued by the Institute of Chartered Accountants of India.

(6) In case of a company incorporated with FDI, partly or fully, disciplinary action taken, if any, by any regulatory authority abroad against the foreign investor or its Parent entities/ directors may be given against item no. 19.

ANNEX II

(7) 'Substantial interest' means holding of beneficial interest by an individual or his spouse or minor child, whether singly or taken together, in shares of a company, the amount paid-up on which exceeds 10 per cent of the paid-up capital of the company or the capital subscribed by all the partners of a partnership firm.

(8) The particulars/information to be furnished in Annex II of the application should be based on the balance sheet as on a date falling within thirty days preceding the date of application.

(9) The contents of Annex II should be certified by Statutory Auditor, if appointed or Chartered Accountant.

ANNEX III

(10) The information about chairman, managing director, director and the chief executive officer of the company must be certified by individual concerned and counter signed by the Authorised Official of the applicant company.

(11) Separate forms should be submitted in this format in respect of each of such functionaries.

ANNEX IV

(12) Separate forms should be submitted in respect of each of the shareholder with substantial interest.

ANNEX V

(13) Separate forms should be submitted in respect of each of the related party.

(14) The particulars/ information should be based on figures of the balance sheet used for Annex II.

ANNEX VI

(15) Separate forms should be submitted in respect of each of the shareholder with substantial interest.

(16) Annex VI (i) and (ii) to be filled up if the shareholder with substantial interest is an individual.

(17) Annex VI (iii) and (iv) to be filled up if the shareholder with the substantial interest is a company.

IDENTIFICATION PARTICULARS OF THE COMPANY

COMPANY CODE

(to be filled by RBI)

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1.	Name of the company	:	
2.	Whether the company has changed its name after incorporation? If yes, give details.	:	
3.	Date of incorporation	:	
4.	Date of commencement of business, if available	:	
5.	State in which the company is registered	:	
6.	Full address of the company	:	

i. Registered Office

 - -----

PIN No. -----

Phone No. -----

Fax No. -----

Official e-mail -id
 (any change in the same in future to be notified to the Bank)

ii Corporate/ Administrative Office -----

PIN No. -----

Phone No. -----

Fax No. -----

email-id -----

7.	Address of the website of the company, if any.	:	
8.	Status of the company (a) Public (b) Private	:	
9.	List containing Names, educational qualifications and postal e-mail address of directors	1. ----- 2. ----- 3. ----- 4. -----	
10.	Whether the company was transacting any business, If yes, since when, give current position	:	
11.	Name/s of statutory auditor/s, if appointed, with address/es Phone number ----- Fax Number ----- E-Mail address -----	:	----- ----- ----- -----
12.	Name(s) and address(es) of all the bankers Phone number ----- Fax Number ----- E-Mail address -----		----- ----- ----- -----
13.	Whether the company or its related party(s) has/have committed any default in repayment of any loan, advance or any other credit facility availed of from any bank/any other financial institution including NBFCs? (See Instruction No. 4)	:	
14.	If yes, furnish full details, such as name and branch of the lending institution including NBFCs, type of facility, period and quantum of default etc. (See Instruction No. 4)	:	
15.	Whether the company/its related party(s) has/have committed any default in repayment of redeemable debentures /preference shares/ deposits?	:	
16.	If yes, furnish full details of such defaults.	:	
17.	Whether company / its promoter/ group companies/related party/ directors are	:	

	complying with the prescriptions of other regulatory authorities like SEBI, IRDA, stock exchanges etc. If not details of action taken by the regulatory authorities and present status of enquiry / proceedings etc., if any, in the matter.		
18.	If a foreign entity is intending to set up a mortgage guarantee company in India, is that entity subject to supervisory review in its home country? If so, details thereof, including the name of the regulator abroad with complete address.	:	
19.	Any disciplinary action against the foreign entities its/their parent /directors? If yes, details thereof.	:	
20.	If any group/ associate company of the foreign entity is operating in India, details may be furnished regarding its activities, including information regarding partners, associates, regulators, etc.	:	
21.	Whether any group company of the mortgage guarantee company is NBFC / bank / insurance company / housing finance company / etc.	:	
22.	If yes, whether it has applied for registration to RBI / other regulators for grant of a Certificate of Registration.	:	
23.	If yes, whether registered/rejected.	:	
24.	If registered <ul style="list-style-type: none"> • Registration Number • Date of issue of Certificate of Registration 	: :	
25.	Name and Designation of CEO / Authorised Official	:	

Signature of the Authorized Official

Name of the Authorized Official

Designation

Date:

Place:

Company Common Seal:

STATEMENT OF NET OWNED FUND AS ON.....

(Rs. in lakhs)

PART I

<i>Item Name</i>	<i>Item Code</i>	<i>Amount Rs.</i>
(i) Paid-up Equity Capital	111	
Out of which FDI (see Note 2)	111A	
(ii) Free reserves (Please see note below) :		
(a) General Reserves	112	
(b) Share Premium	113	
(c) Capital Reserves (representing surplus on sale of assets held in separate account)	114	
(d) Debentures Redemption Reserve	115	
(e) Capital Redemption Reserve	116	
(f) Credit Balance in P & L Account	117	
(g) Contingency Reserve	118	
(h) Other free reserves (to be specified)	119	
(iii) Total (111 to 119)	110	
(iv) Accumulated balance of loss	121	
(v) Deferred Revenue Expenditure	122	
(vi) Other Intangible Assets	123	
(vii) Total (121 to 123)	120	
(viii) Owned funds (110 - 120)	130	

Note : 1. 'Free reserves' shall include balance in share premium account, capital and debenture redemption reserves, contingency reserve (created in terms of paragraph 18 of the Guidelines on Registration and Operations of Mortgage Guarantee Companies) and any other reserves shown in the balance sheet and created through an allocation out of profits but not being (a) a reserve created for repayment of any future liability or for depreciation of assets or for bad debts, or (b) a reserve created by revaluation of the assets of the company.

2. Details of FDI may be separately furnished with the name of the investor entity, percentage of shareholding, amount of investment in foreign currency and information about the regulator of the investor entity, if any (copy of FIPB approval may be enclosed)..

<i>Item Name</i>	<i>Item Code</i>	<i>Amount Rs.</i>
(ix) Investment in shares of: [please see Note (1) below] :		
(a) Subsidiaries	141	
(b) Companies in the same group	142	
(c) all other non-banking financial companies	143	
(x) The book value of debentures, bonds, outstanding loans and advances (including hire-purchase and lease finance) made to and deposits with [please see note (2) below] :		
(a) Subsidiaries	144	
(b) Companies in the same group	145	
(xi) Total (141 to 145)	140	
(xii) Amount of item 140 in excess of 10 per cent of item 130 above	150	
(xiii) Capital: Net Owned Fund (130 - 150)	151	

Notes :

- Investments in shares include investment in fully convertible debentures and/or convertible portion of partially convertible debentures. Investments held either in investment account or stock-in-trade should be included under this item.
- Debentures whether held in investment account or by way of stock-in-trade should be included under this item. Non-convertible debentures, non-convertible portion of partially convertible debentures and optionally convertible debentures should also be included under this item.

For and on behalf of

	(Signature of the Authorised Official)
Date :	Name :
	Designation :
Place :	Company Common Seal:

AUDITOR'S REPORT

We have examined the books of account and other records maintained by.....Limited in respect of its Net Owned Fund as on.....and report that to the best of our knowledge and according to the information and explanations given to us and as shown by the records examined by us, the figures shown in the statement of Net Owned Fund are correct.

Place:

Date :

Statutory Auditors/ Chartered Accountants*

* Certificate to be signed by statutory auditors, if appointed.

7.	Permanent Account Number as given by Income Tax Authorities or equivalent of PAN in case of foreigner Directors	:	
8.	Director Identification Number (DIN) as given by the Ministry of Company Affairs	:	
9.	Telephone/ fax no. Telephone no. ----- Fax No. ----- Mobile No. -----		
10.	E-mail address of the Director	:	-----
11.	Educational/ Professional qualifications	:	-----
12.	Present line of business or vocation	:	-----
13.	Name(s) of other companies in which the person has held/holds the post of Chairman/ Managing Director/Director /Chief Executive Officer.	:	
14.	Whether associated as promoter, managing director, chairman or director with any NBFC including a Residuary Non-Banking Company. If yes, name(s) of the company (ies) (separate sheet may be attached, if necessary).	:	
15.	(i) Whether prosecuted/convicted for an offence involving moral turpitude or for any economic offence either in the individual capacity or as a partner/director of any firm /company	:	Yes/No
	(ii) If yes, particulars thereof		
16.	(i) Whether barred by SEBI in the past from becoming Director in any company	:	Yes/No
	(ii) If yes, particulars thereof		
17.	(i) Whether disqualified in the past to be director of a company under the Companies Act, 1956		Yes/No
	(ii) If yes, particulars thereof		

18.	Whether prosecuted/convicted for an offence under Section 138 of the Negotiable Instruments Act either in individual capacity or as a partner of any firm/director of any company. If yes, details thereof with present status of such proceedings.	:	
19.	Experience in the field of finance and mortgage guarantee (details) (a separate sheet may be attached, if necessary)	:	
20.	Equity shareholding in the applicant company (i) No. of shares (ii) Face Value (iii) Percentage of total paid-up equity share capital of the company	: : :	
21.	Whether nominee of or associated with any of the shareholder with substantial interest in the company	:	
22.	All Bank details : A/c Nos., all Bankers' names & addresses	:	
23.	Whether committed any default in repayment of any loan, advance or any other credit facility availed from any bank/any other financial institution including NBFCs	:	Yes / No
24.	If yes, furnish full details, such as name and branch of lending institution, type of facility, period and quantum of default, etc.	:	
25.	Names of companies/ firms in which the person holds substantial interest.	:	

I solemnly declare that to the best of my knowledge and belief, the information furnished in the statement above is correct, complete and truly stated.

Signature of the person furnishing information

Name

Designation

Date:

Place:

I solemnly declare that to the best of my knowledge and belief, the information furnished in the statement above is correct, complete and truly stated.

Signature of the Authorised Official of the
Company

Name

Designation

Company Common Seal

Date:

Place:

INFORMATION ABOUT THE SHAREHOLDER WITH SUBSTANTIAL INTEREST IN THE COMPANY

1.	Name	:	
2.	Business Address	:	
3.	Residential Address	:	
4.	Income Tax PAN No. or equivalent of PAN in case of foreign individual/entity	:	
5.	Line of business or vocation	:	
6.	Names of the companies in which the person holds post of Chairman/ Managing Director/ Director/Chief Executive Officer	:	
7.	Names of the companies/firms in which the person holds substantial interest	:	
8.	Bank A/c No.(s), Banker(s)' name & address	:	
9.	Whether related to any promoter / director/ other shareholder of the proposed mortgage guarantee company either in individual capacity or as director / partner / employee of such shareholder's company or its group company / subsidiary / firm, give details.	:	
10.	Whether committed any default in repayment of any loan, advance or any other credit facility availed from any bank / any other financial institution including NBFCs.	:	Yes/No
11.	If yes, furnish full details, such as name and branch of lending institution, type of facility, period and quantum of default, etc.	:	
12.	If the shareholder with substantial interest is a company whether the company / subsidiary / other companies in the same group has/have committed any default in repayment of redeemable debentures / preference shares / deposits.	:	Yes/No
13.	If the shareholder with substantial interest is a company, whether object clause in its Memorandum and Articles of Association permits investment in proposed mortgage guarantee company	:	Yes/No

14.	Extent of investment in mortgage guarantee company (i) No. of shares (ii) Face Value (iii) Percentage of total paid-up equity share capital of the company	:	
15.	If the shareholder with substantial interest is a company, whether it is a holding company of the proposed mortgage guarantee company	:	Yes/No
16.	Whether the shareholder with substantial interest, is holding controlling interest in the proposed mortgage guarantee company	:	Yes/No

I solemnly declare that to the best of my knowledge and belief the information furnished in the statement above is correct, complete and truly stated.

	Signature of the shareholder with substantial interest furnishing information	:	
	Name	:	
	Designation (in case such shareholder is a company)	:	
Date :			
Place :			

I solemnly declare that to the best of my knowledge and belief the information furnished in the statement above is correct, complete and truly stated.

	Signature of Authorised Official of the applicant company	:	
	Name	:	
Date :	Designation	:	
Place :	Company Common Seal	:	

INFORMATION ABOUT RELATED PARTIES

1.	Name of related party	:
2.	Full Address	
3.	Line of business	:
4.	Status: (a) Individual (b) Firm (c) Public Limited company (d) Private Limited Company	:
5.	Relationship with applicant company	:
6.	DETAILS OF EXPOSURE	
	ITEM	Amount (Rs. in lakh)

	Investment in capital shares, bonds / debentures	
	Outstanding loans and advances	
	Deposits	
	Total	

I solemnly declare that to the best of my knowledge and belief the information furnished in the statement above is correct, complete and truly stated.

		Signature of Authorised Official of the applicant company	:	
		Name	:	
Date	:	Designation	:	
Place	:	Company Common Seal	:	

[This format is applicable where shareholder with substantial interest is an individual]

[To be submitted by each individual who is a shareholder with substantial interest of the Applicant Company (AC)]

Name of the Applicant Company (AC):

Name of the shareholder with substantial interest
furnishing the confirmation:

I confirm that none of the individuals named below who are directors in the AC is my nominee director in the AC or associated in any manner with me, including as my relative, my employee or my partner in any firm.

['Relative' as defined in Section 45S of the RBI Act, 1934; 'employee' includes any one in employment in a firm or company which is within the shareholder with substantial interest control]

- 1
- 2
- 3
- 4

Signature :

Name :
Countersigned by the Applicant Company
.....Ltd

Authorised Signatory

Place :
Date :

[This format is applicable where shareholder with substantial interest is an individual]

[Information to be furnished by each individual, who is a shareholder with substantial interest of the Applicant Company (AC)]

Name of the Applicant Company [AC] :
Name of the shareholder with substantial interest
furnishing the information :
Percentage of shareholding of the shareholder
with substantial interest in the AC :

1. Name of any shareholder of the AC, whose voting rights on the shareholding are vested with the shareholder with substantial interest.
2. Name of any company, which is a shareholder of the AC and in which the shareholder with substantial interest holds a majority shareholding or otherwise has control over the company.
3. Name of any shareholder of the AC, who is an employee of the shareholder with substantial interest or is in the employment of any firm or company, which is within the shareholder with substantial interest control.
4. Name of any shareholder of the AC who is a relative of the shareholder with substantial interest ['Relative' as defined in Section 45S of the RBI Act, 1934]
5. Name of any shareholder of the AC who is under a financial obligation to the shareholder with substantial interest and the extent of such obligation, if any.
6. Name of any shareholder of the AC who, along with the shareholder with substantial interest, is a partner in any firm.

Signature:

Name :

Countersignature by Applicant Company
..... Ltd

Authorised Signatory

Place:

Date:

[This format is applicable where shareholder with substantial interest is a company]

[To be submitted by each company which is a shareholder with substantial interest of the Applicant Company (AC)]

Name of the Applicant Company (AC):

Name of the shareholder with substantial interest
furnishing the confirmation:

We confirm that none of the individuals named below who are directors in the AC is our nominee director in the AC or associated in any manner with our company, including as a director or employee.

2. We also confirm that none of the individuals is associated in any manner including as a director or employee with any of our subsidiary companies.

(or)

We confirm that our company has no subsidiary.

['Employee' includes any one in employment in a firm or company, which is within the shareholder with substantial interest control]

- 1
- 2
- 3
- 4

Signature :

Name :

Countersigned by the Applicant Company
.....Ltd

Authorised Signatory

Place :

Date :

[This format is applicable where shareholder with substantial interest is a company]

[Information to be furnished by each company which is a shareholder with substantial interest of the Applicant Company (AC)]

Name of the Applicant Company [AC]:

Name of the shareholder with substantial interest

furnishing the information:

Percentage of shareholding of the shareholder

with substantial interest in the AC:

1. Name of any shareholder of the AC, whose voting rights on the shareholding are vested with the shareholder with substantial interest.
2. Name of any company which is a shareholder of the AC and in which the shareholder with substantial interest holds a majority shareholding or otherwise has control over the company.
3. Name of any shareholder of the AC, who is an employee of the shareholder with substantial interest or any subsidiaries of the shareholder with substantial interest or is in the employment of any firm or company, which is within the shareholder with substantial interest control.
4. Name of any shareholder of the AC who is a director of the shareholder with substantial interest or any subsidiary of the shareholder with substantial interest
5. Name of any shareholder of the AC who is under a financial obligation to the shareholder with substantial interest and the extent of such obligation.

Signature:

Name:

Countersignature by Applicant Company

.....Ltd

Authorised Signatory

Place:

Date: