

Subject: <b>Fit and Proper Criteria Policy</b>	Original Issue Date: <b>20.03.2017</b>	Version No.: 1.0
	Last revision date: <b>N.A.</b>	

**HOME FIRST FINANCE COMPANY INDIA LIMITED**  
**(‘Home First’)**

**FIT AND PROPER POLICY**

## **1. PREAMBLE:**

In accordance with NHB Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017, this policy is formulated for ascertaining the fit and criteria of the Directors of Home First Finance Company India Limited (hereinafter referred to as 'Company') at the time of appointment and on continues basis.

## **2. SCOPE:**

A Nomination Committee shall be formed by the Company who shall be responsible for identifying, reviewing the proposals for appointment of directors and for recommending the appointment of directors on the Board of the Company. This Policy encompasses the fit and proper criteria for Directors of the Company and other compliances required to be adhered to in lines with NHB guidelines.

## **3. FIT AND PROPER CRITERIA:**

The following are the fit and proper criteria that the Nomination Committee of the Company shall consider at the time of recommending appointment of a Director on the Board:

- A. The Committee shall undertake the due diligence process for ascertaining the suitability of Directors based on the education qualification, relevant experience, expertise, professional achievement and the track record of the past years etc.
- B. The proposed Director shall submit the Declaration and Undertaking with all the relevant information in the format and as required in Annex-2 of Housing Finance Companies- Corporate Governance (National Housing Bank) Directions, 2016.
- C. The Nomination Committee shall scrutinize the signed Declaration so received from the proposed Director and shall decide on the acceptance or otherwise.
- D. Upon appointment, the Director shall execute the Deed of Covenant in the format specified in Annex – 3 of Housing Finance Companies- Corporate Governance (National Housing Bank) Directions, 2016.

## **4. OTHER COMPLIANCES:**

The Company shall furnish a quarterly statement on change of Directors and a certificate from the Director and CEO that the fit and proper criteria in selection has been followed by the Company, within 15 days from the end of every quarter. The statement for quarter ended March 31<sup>st</sup> shall be certified by the Auditors.

The Company shall also obtain from it's Directors an annual declaration that there has been no change in the information provided to the company or in case there is a change, the required and relevant information and documents in that behalf.

**5. AMENDMENT IN THE POLICY:**

In case of any doubt with regard to any provision(s) of the Policy, a reference can be made to the Nomination Committee. In all such matters, the interpretation and decision of the Nomination Committee shall be final. Any or all provisions of the Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by NHB from time to time.

The Company reserves the right to modify, add, or amend any provisions of this Policy from time to time.