



ORANGE CITY HOUSING
Finance Private Limited
(Formerly Known as ORANGE CITY HOUSING FINANCE LIMITED)

Fit & Proper Policy

Version 1.1

For Private Circulation Only

Fit & Proper Policy

I. Introduction

Orange City Housing Finance Private Limited (OCHFL) is a Housing Finance Company (HFC) based in Nagpur, registered with the National Housing Bank, New Delhi, wholly owned by the Reserve Bank of India. OCHFL is incorporated with Registrar of Companies, Mumbai under the Companies Act 1956, and is one of the 100 odd HFC license holders across India and the first in Central India. OCHFL aims to provide affordable housing loans to all sections of society. Since our inception, we will lead our customers on the path to prosperity by providing home loans to individuals for Purchase / Construction / Extension / Renovation etc. to help them to achieve their goals of owning their own home.

II. Company Philosophy

OCHFL was created to provide credit access to first time home buyers in EWS/LIG/MIG category and aims to contribute meaningfully towards the Indian Government's mission of "Housing for All". The Company intends to work on a philosophy of giving back to the society in a way and fashion that will cause a sustainable change for the less fortunate of India's populace without any discrimination based on religion, creed, caste, color or gender. The Company aims to undertake those initiatives which would bring about positive irreversible change for the betterment of the society and would help the beneficiaries quantitatively and qualitatively in their lives, with the underlying aim of decreasing the wealth inequality of Indian society.

Our Vision is to be the leading Housing Loan provider known for

- Exceptional Customer Service
- Loan Affordability
- Transparency of Operations
- Contribution to Society

OCHFL is geared towards fostering a maximally satisfied customer base with a mutually profitable relationship. It is therefore important to be completely open and honest with the customer and use simple, clear and unambiguous terms when offering a product or service to them.

This Policy serves as a set of broad guidelines to the loan origination team with these policy principles in mind.

III. Mission of Policy

OCHFL wholeheartedly believes in and complies with the general practices that are in line with the Master Directions and Circulars provided by the National Housing Bank to HFCs. At OCHFL, we believe that an effective management and administration combined with transparency and accountability is imperative to ensure a long and healthy life for the company.

The purpose of this document is to define lending policy and guidelines for the company in accordance with the Company law and NHB Master Directions and Circulars for HFCs. This is a living document and should be updated on a regular basis. Any regulatory changes that would impact the accountability of the company should be reflected here.

IV. Purpose of The Fit & Proper Policy

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The Reserve Bank of India has vide Notification no. RBI/2020-21/73 DOR.FIN.HFC.CC.No. 120/03.10.136/2020-21 February 17, 2021 issued Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, which mandates all housing finance companies to formulate a policy for the purpose of ascertaining the fit and proper criteria for directors at the time of appointment and on a continuing basis.

This policy is applicable on appointment directors and senior management team members. This policy set the overall framework for build talented team who can lead the organization for higher growth.

This policy solely comprises the mandatory requirements. This policy is in-line with Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

The policy objective are as follows

- Implementation of framework in relation to appointment and removal of Director(s) and Senior Management Personnel.
- Implementation of criteria for determining the qualifications, positive attributes for appointment and removal of Director(s) and Senior Management Personnel.
- Implementation the fit & proper person criteria and process of due diligence to determine the suitability / eligibility of a person for appointment / holding the position as a Director on the Board of the Company and Senior Management Personnel.

V. Role of Nomination & Remuneration Committee

- Guiding the Board in relation to appointment and removal of Director(s) and Senior Management Personnel.
- Obtain and analyze information / documents for determining the qualifications, positive attributes for appointment of Director(s) and Senior Management Personnel.
- Ensuring “Fit and Proper” Person status of proposed / existing Director(s).
- Recommending to the Board, the appointment and removal of Director(s) and Senior Management Personnel.
- Periodic review of this Policy

VI. Selection of Director and senior management team member

- a. Selection of Director
 - From within the Company
 - Recruitment from outside
 - Nomination from any shareholder in compliance with applicable laws.
 - Any other manner as governed / directed by the prevailing relevant Policy(ies) of the Company in this regard or by the Board of Directors of the Company.
- b. Selection of Senior Management Personnel
 - From within the Company
 - Recruitment from outside
 - Any other manner as governed/directed by the prevailing relevant Policy(ies) of the Company in this regard or by the Board of Directors of the Company.

VII. Criteria For Appointment as Director and Senior Management Personnel

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- a. Qualifications / Eligibility:
 - Eligibility in accordance with the applicable provisions of the Act, NHB/RBI Directions and other applicable law(s) for the time being in force.
 - Adequate qualifications, financial or business literacy/skills, in context with the business of the Company
 - Other requirement like Leadership, Experience in the Financial Services Industry, Strategic Planning, Knowledge of Regulatory Environment, Financial and Accounting Expertise, Board Service, Corporate Governance and Risk Management and knowledge in the field of Information Technology.
 - The Nomination & Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.
- b. Positive Attributes:
 - Experience in fields relevant to the business of the Company and / or other fields including but not limited to finance, law, management, accounting, taxation, corporate governance etc. which can help to effectively contribute towards the goals of the Company.
 - Expertise and track record in their respective fields with significant achievements.
 - Morality, Integrity, credibility, ability to handle conflicts constructively.
 - Knowledge and skills updating routine in the field of Finance.
 - Ability to bring in independent judgment to bear on the Board's deliberations.
 - Ability to develop a good working relationship with other Board members/Senior Management Personnel and contribute to the Board's working relationship with the senior management of the Company.
 - Ability to devote sufficient time and attention to the Company's business to discharge not only business / commercial goals but also ethical / social goals of the Company.

VIII. "Fit and Proper" person criteria

- a. "Fit and Proper" person status shall be accessed in light of the criteria mentioned in point a and b above, for appointment / continuing as Director and Senior Management Personnel.
- b. As a part of due diligence for determining the suitability of a person for appointment / to continue to hold office of Director and Senior Management Personnel the Nomination & Remuneration Committee shall:
 - Obtain declaration and undertaking as per the requirement
 - Obtain a Deed of Covenant as per the NHB Directions
 - After scrutinizing the signed declarations received, the Committee shall decide on the acceptance or otherwise of the candidature of such person(s) for the post of Director.
 - Ensure 'fit and proper' status on a continuous basis, in case there is any change in the declaration and undertaking submitted by the Director(s),

IX. Removal of Director / Senior Management Personnel

The Nomination & Remuneration Committee of the Board may, with the reasons recorded in writing and in compliance with the provisions of the Act and applicable law(s) for the time being in force, recommend to the Board the removal of Director(s) / Senior Management Personnel of the Company on the following grounds:

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- Disqualification / misconduct / fraud as may be warranted by the Act, or any other law(s) for the time being in force.
- In accordance with the prevailing relevant Policy (ies) of the Company in this regard or as may be governed / directed by the Board of Directors of the Company.