

Fit and Proper Criteria of the Directors



Approved

Amended/Reviewed by the Board of Directors at its Meeting Held on May 29, 2023

Trade Wings Limited

**Fit and Proper Criteria of Directors
(As approved by the Board of Directors of the Company)**

A. Regulatory Framework and Background

1. Trade Wings Limited ("Company"), is putting in place a policy for ascertaining the fit and proper criteria to be adopted at the time of appointment of directors and on a continuing basis

B. Scope and Application

1. The Policy shall apply in respect fit and proper criteria for the appointment of directors on the Board of Directors of the Company ("Board") as well as continuation of the appointment of the directors on the Board.
2. Subject to paragraph B 3 below, the Policy shall be applicable with effect from the Board Meeting in which same has approved.
3. All existing directors on the Board will be required to submit the Declaration and Undertaking, as defined below

C. Purpose

1. The objective of the Policy is to set out the 'fit and proper' criteria based on which new directors proposed to be appointed and existing directors whose appointment is intended to be continued can be evaluated.
2. The Company believes that this policy will aid the Company's constant Endeavour to ensure that only individual of high caliber and who possess the right blend of qualifications, expertise, track record and integrity are appointed to the Board.

D. Evaluation of Fit and Proper Criteria

1. Before appointing any person as a director on the Board or continuing the appointment of any such director, the Nomination and Remuneration Committee (NRC) shall undertake adequate due diligence in respect of such individuals to ascertain suitability on the basis of the qualification, expertise, track record, integrity of such individual and also such other factors in respect of which information is obtained by the Company in the Declaration and Undertaking.
2. The Company shall prior to the appointment of any person as a director on the Board obtain necessary information and declaration from the proposed / existing directors for the purpose in the format given at Annex- 1 of the policy or such other format (where applicable). The Declaration and Undertaking in respect of the directors on the Board as on the Effective Date shall be obtained from the directors.
3. The NRC shall scrutinize each Declaration and Undertaking received. The NRC shall after considering the result of its due diligence and the information provided in the signed Declaration and Undertaking, decide on and recommend to the Board the acceptance or

otherwise of the potential new directors or existing directors whose appointment is to be continued or renewed, as the case maybe.

4. Without limiting the generality of the foregoing paragraphs, no person will be considered for appointment as a director if such person is disqualified to act as director under applicable law.
5. In order to conclude that a person is 'fit and proper' to be appointed as a director on the Board or to continue in that capacity (as the case may be), the Board must be able to form a view that it would be prudent to conclude, on the basis of recommendations of the NRC, that:
 - a) the person meets the fit and proper criteria expressly set or additional criteria (where applicable) which may prescribe for the purpose from time to time
 - b) the person possesses the qualifications, competence, technical expertise, track record, integrity and judgement to perform properly the duties of a director on the Board;
 - c) the person possesses the educational or technical qualifications, knowledge and skills relevant to the duties and responsibilities as a director on the Board;
 - d) the person either:
 - has no conflict of interest in performing such person's duties as a director on the Board; or
 - if the person has a conflict of interest, it would be prudent to conclude that the conflict will not create a material risk that the person will fail to perform such person's duties properly and adequate disclosures are made by the person in this regard.
6. The Company shall require from every director on the Board to annually provide a simple declaration (reflecting the position as on 31st March) which either confirms that the information already provided to the Board in the Declaration and Undertaking has not undergone any change or where there is any change, specifies the requisite details of such change. Any declarations which indicate a change in the information provided in the original Declaration and Undertaking shall also be scrutinized by the NRC/Board and the NRC shall keep the Board apprised of any such changes.

E. Review/Revision of Policy

If at any point a conflict of interpretation / information between the Policy and any regulations, rules, guidelines, notification, clarifications, circulars, master circulars/ directions issued by relevant authorities ("Regulatory Provisions") arises, then interpretation of the Regulatory Provisions shall prevail.

In case of any amendment(s) and/or clarification(s) to the Regulatory Provisions, the Policy shall stand amended accordingly from the effective date specified as per the Regulatory Provisions. The Board and/or its Committee reserve(s) the right to alter, modify, add, delete or amend any of the provisions of the Policy.

Declaration and Undertaking by Director

Declaration and Undertaking by Director (with enclosures as appropriate as on _____)

I. Personal details of Director	
a.	Full Name
b.	Date of Birth
c.	Education Qualifications
d.	Relevant Background and Experience
e.	Permanent Address
f.	Present Address
g.	E-mail Address / Telephone Number
h.	Director Identification Number
i.	Permanent Account Number under the Income Tax Act and name and address of Income Tax Circle
j.	Relevant knowledge and experience

II. Relevant Relationship of Director	
a.	List of Relatives, if any, who are connected with the company
b.	List of entities, if any, in which he/she is considered as being interested
c.	List of entities in which he/she is considered as holding substantial interest
d.	Name of companies in which he/she is or has been a member of the Board
e.	Cases, if any, where the director or entities listed in II (b) and (c) above are in default or have been in default in the past in respect of credit facilities

III. Records of professional achievements	
a.	Relevant professional achievements

IV. Proceedings, if any, against the Director	
a.	If the director is a member of a professional association/body, details of disciplinary action, if any, pending or commenced or resulting in conviction in the past against him/her or whether he/she has been banned from entry into any profession/occupation at any time.
b.	Details of prosecution, if any, pending or commenced or resulting in conviction in the past against the director and/or against any of the entities listed in II (b) and (c) above for violation of economic laws and regulations.
c.	Details of criminal prosecution, if any, pending or commenced or resulting in conviction in the last five years against the director.
d.	Whether the director attracts any of the disqualifications envisaged under Section 274 of the Companies Act 1956 and corresponding provisions of Companies Act, 2013?

e.	Has the director or any of the entities at II (b) and (c) above been subject to any investigation at the instance of Government department or agency?	
f.	Has the director at any time been found guilty of violation of rules/ regulations/ legislative requirements by customs/ excise/ income tax/ foreign exchange / other revenue authorities? If so, give particulars.	
g.	Whether the director has at any time come to the adverse notice of a regulator such as SEBI, IRDA, MCA, RBI, etc.	
	(Though it shall not be necessary for a candidate to mention in the column about orders and findings made by the regulators which have been later on reversed/set aside in toto, it would be necessary to make a mention of the same, in case the reversal/ setting aside is on technical reasons like limitation or lack of jurisdiction, etc. and not on merit. If the order of the regulator is temporarily stayed and the appellate/ court proceedings are pending, the same also should be mentioned)	
V. Any other explanation / information in regard to items I to III and other information considered relevant for judging fit and proper		

Undertaking

I confirm that the above information is to the best of my knowledge and belief true and complete. I undertake to keep the company fully informed, as soon as possible, of all events which take place subsequent to my appointment which are relevant to the information provided above.

Date:

Place:

Signature

VI. Remarks of Chairman of Nomination Committee / Board of Directors of HFC

Date:

Place:

Signature