Duke Commerce Limited
“Fit and proper Policy”

1. Objective and Scope

The objective of this policy is to establish a robust due diligence process for evaluating the suitability of individuals for appointment or continuation as Directors and Senior Management Personnel. This ensures board members have the requisite qualifications, technical expertise, track record, and integrity.

2. Core Evaluation Criteria

Candidates and continuing members will be assessed on the following parameters:

- **Integrity and Reputation:** The individual must have a clean track record, be of good repute, and have no history of criminal convictions, financial impropriety, or regulatory censure.
- **Competence and Qualifications:** The person must possess appropriate educational and professional qualifications, relevant work experience, and a clear understanding of the company's business.
- **Experience and Track Record:** Demonstrable leadership experience, sound business judgment, and a history of acting in the best interests of stakeholders.
- **Financial Soundness:** The candidate must not be an un-discharged insolvent or have a record of persistent defaults on financial obligations.
- **Conflicts of Interest:** The individual must disclose any potential conflicts of interest, substantial business interests, or directorships that may impede their ability to perform their duties objectively.
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3. Procedure for Due Diligence

The evaluation and review process involves the following sequential steps:

1. **Declaration and Undertaking:** Prospective directors must submit a signed declaration and undertaking disclosing personal details, educational background, and track record (often aligned with local regulatory templates, such as those prescribed by the Reserve Bank of India).
2. **Nomination and Remuneration Committee (NRC) Review:** The NRC will evaluate the submitted declarations, conduct background checks, and assess whether the candidate meets all fit and proper criteria before recommending them to the Board.
3. **Deed of Covenant:** Appointed directors must execute a Deed of Covenant, binding them to perform their fiduciary duties, comply with statutory obligations, and protect the interests of the company and stakeholders.

4. Continuous Assessment and Annual Affirmations

"Fit and Proper" is an ongoing requirement.

- Existing directors must submit an **annual declaration** confirming that the information previously provided remains accurate and that no changes have occurred that would disqualify them.

- If there are material changes, directors are required to furnish updated details immediately.

5. Non-Compliance and Removal

If a director fails to maintain the "fit and proper" standards, or if discrepancies are discovered in their declarations, the NRC will investigate the matter. The Board reserves the right to request the director's resignation or initiate the removal process in compliance with applicable laws and the company's Articles of Association.

6. Review of the Policy

This policy will be periodically reviewed by the NRC and the Board of Directors to ensure alignment with changing legal and regulatory frameworks.