

UNITED CREDIT LIMITED

CIN : L65993WB1970PLC027781

**FAMILIARISATION PROGRAMME**

The first Familiarisation Programme was held on 10<sup>th</sup> February, 2015 in compliance with the requirement of Section 149 of the Companies Act, 2013 read with Schedule IV of the said Act.

In the said programme, the independent directors were informed of the activities carried on by the Company, risk involved in it, restrictions imposed by the statutory authorities, nature of competition, Company's plans to diversify in various other areas, etc. Clause 49 of the erstwhile Listing Agreement mandated that the Company should familiarize the independent directors with the activities of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. through various programmes.

Regulation 25(7) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, also requires that the Company should familiarize the independent directors through various programmes about the Company, including :

- (a) nature of the industry in which the Company operates;
- (b) business model of the Company;
- (c) roles and responsibilities of independent directors and
- (d) any other relevant information.

**Role of Independent Directors :**

Schedule IV (II) of the Companies Act, 2013 describes the role of independent directors which were mentioned by Mr. A. K. Dabriwala, Chairman & Managing Director of the Company. He mentioned that as per Schedule IV (II), the independent directors should :

- (1) help in bringing an independent judgement to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;

- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

He also mentioned the duties of independent directors as provided in Schedule IV (III) of the Companies Act, 2013. During his deliberations, he stressed on the need to know the external environment in which the Company operates. The independent directors were given a copy of the Schedule IV which describes Code for Independent Directors. Mr. Dabriwala explained the present position of the Company and future plans for diversification. He invited the independent directors to give their valued opinion for the development of the business of the Company.

The Directors suggested that the Company should explore opportunities for diversification of its business.

Kolkata  
February 10, 2016