

UNITED CREDIT LIMITED
27B, CAMAC STREET (8TH FLOOR)
KOLKATA – 700 016
CIN: L65993WB1970PLC027781

FAMILIARISATION PROGRAMME

PREAMBLE

As per Section 149 of the Companies Act, 2013 read with Schedule IV of the said Act, the independent directors should undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company. This is also mandated by the revised Clause 49 of the Listing Agreement with the Stock Exchanges which states as follows :

“The company shall familiarize the independent directors with 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.”

The first such programme is held today, the 10th February, 2015 at the Registered Office of the Company at 1.30 p.m. All the three independent directors viz. Mr. N. Mishra, Mr. R. M. Choubey and Mr. S. C. Saha were present.

ACTIVITIES CARRIED ON BY THE COMPANY

Mr. A. K. Dabriwala, Chairman & Managing Director of the Company, apprised the independent directors of the nature of activities carried on by the Company and risk involved in the said activities. He stated that, at present, the Company is mainly engaged in non-banking financial activities. In the present scenario, it is very difficult for companies like ours to survive the fierce competition. On many occasions, he also discussed with the Directors whether it would be prudent for the Company to look for other activities which would be more profitable and risk involved would be much less than that of NBFC activities. The independent directors asked various questions on the prospects of the activities carried on by the Company, any expansion that the management conceives and the areas of operations which the management thinks would be profitable and beneficial for the Company.

Mr. Dabriwala explained that the Company is registered as a Non-Banking Financial Company and it has to comply with the prudential norms prescribed by the Reserve Bank of India. In terms of instructions contained in RBI's Circular No. DNBS(PD) CC No. 81/03.05.002/2006-07 dated 19th October, 2006, the Company's financial assets and income from financial assets should be more than 50% of its total assets and gross income respectively. Whatever diversification plans the Company may make, it should be kept in mind that the level of financial assets and financial income stipulated by the Reserve Bank of India should be maintained at any point of time.

Mr. Dabriwala stated that the management is sincerely trying to increase its range of activities by engaging itself in syndication, corporate banking, real estate and hotel industry instead of concentrating only on its traditional business.

ROLE OF INDEPENDENT DIRECTORS

The independent directors were informed of their role, functions and duties as prescribed by Schedule IV of the Companies Act, 2013.

CONCLUSION

Familiarisation Programme should be held as and when deemed necessary by the Board and independent directors. In terms of revised Clause 49 of the Listing Agreement with the Stock Exchanges, as amended vide Circular No. CIR/CFD/POLICY CELL/7/2014 dated 15th September, 2014 issued by the Securities and Exchange Board of India, the details of such Familiarisation Programme should be disclosed on the website of the Company and a web link thereto should also be given in the Annual Report of the Company.

Place : Kolkata

Date : 10th February, 2015.