



# NPR Finance Limited

16<sup>th</sup> May, 2014

To:

Mr. Arun Charan Mukherji

CD- 254, Sector I,  
Salt Lake City,  
Kolkata - 700 064

Kind Attn.: Arun Charan Mukherji

**Sub.: Appointment as an Independent Director of the Company.**

On behalf of the Board of Directors of NPR Finance Ltd, I would like to express my gratitude to you for being associated with the Company as an Independent Director for the past 19 years. Your contribution has been immense.

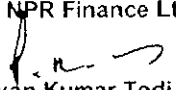
In requirement of fulfillment of the newly introduced Companies Act, 2013 and the recent amendments by SEBI to the Listing Agreement, the Company is required to issue a formal letter of appointment to all its Independent Directors.

In this connection, we are pleased to issue this formal letter of appointment to you. This letter of appointment sets out the terms of your appointment and your roles, duties, responsibilities and liabilities as an Independent director.

Kindly return the duplicate copy of this letter along with the terms of appointment enclosed herewith, duly signed by you in confirmation.

We look forward to your continued guidance and support.

Yours faithfully  
For NPR Finance Ltd.

  
Pawan Kumar Todi  
Managing Director  
(DIN: 00590156)

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REGISTERED OFFICE :  
TODI MANSION, 9TH FLOOR, 1, LU SHUN SARANI, KOLKATA - 700 073  
PHONE : +91 33 2237-7201/7202, FAX : +91 33 2237-6111  
E-mail : npr1@nprfinance.com, Website : www.nprfinance.com  
CIN - L65921WB1989PLC047091



# NPR Finance Limited

## LETTER OF APPOINTMENT

### **I. Term of Office**

The Company has already received your consent letter to act as an Independent Director and the declaration that you meet the criteria of Independence as provided in Section 149 of the Companies Act, 2013. Your appointment is subject to confirmation by Shareholders in the ensuing Annual General Meeting of the Company. Subsequently, the appointment shall be effective for a term of five consecutive years from the conclusion of the ensuing Annual General Meeting and you shall not be liable to retire by rotation.

Your appointment shall be governed by relevant provisions and rules thereto of Companies Act, 2013 and the Listing Agreement.

At any time that you resign, the same is to be intimated to the Board of Directors by a written resignation letter. It is also desirable that you provide a prior intimation to the Company of your intention to resign or to not seek re-appointment.

You may be removed as a director or otherwise required to vacate office under any applicable law and the Articles of Association of the Company.

### **Role of the Board**

The Board's role is to effectively represent, and promote the interests of shareholders with a view to adding long-term value to the Company's shares. Having regard to its role, the board directs, and supervises the management of the business and affairs of the Company including, in particular:

- ensuring that the Company's goals are clearly established, and that strategies are in place for achieving them;
- establishing policies for strengthening the performance of the Company including ensuring that management is proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital;
- monitoring the performance of management;
- deciding on whatever steps are necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;
- ensuring that the Company's financial statements are true and fair and otherwise conform with law;
- ensuring that the Company adheres to high standards of ethics and corporate behaviour; and
- ensuring that the Company has appropriate risk management/regulatory compliance policies in place.

All directors are expected to take decisions objectively in the interests of the Company. The board as a whole is collectively responsible for the success of the Company. All directors, whether non-executive or executive, have the same general legal responsibilities.

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# NPR Finance Limited

## II. Board committees

During the tenure of office, you may be required to serve on one or more of the Committees of the Board established by the Company.

Presently the Board has 6 Committees:-

- i. Audit Committee
- ii. Stakeholder's Relationship Committee
- iii. Nomination & Remuneration Committee
- iv. Operational Committee
- v. Risk Management Committee
- vi. Fair Practice Code Committee

The Chairperson of the Board in consultation with the company secretary and committee chairperson determines the frequency & duration of committee meetings.

## III. Timing and Location of Board Meetings and Time Commitment

The board normally holds meetings once in every Quarter and further as the occasion requires. Meetings usually take place at the Company's registered office in Kolkata. The duration of each meeting typically runs to two hours.

In addition to routine board meetings, you should allow time for preparatory work and travel, and ensure that you are in a position to make the necessary overall time commitment.

## Directors' Fees

You shall be paid a sitting fee of Rs. 7500/- (Rupees Seven Thousand Five Hundred Only) for attending each Board Meeting, Rs. 4000/- (Rupees Four Thousand Only) each of attending every i) Audit Committee Meeting and ii) Nomination and Remuneration Committee Meeting.

Further, the Company shall reimburse you all expenses reasonably incurred by you in performance of your duties as per the provisions of Companies Act, 2013 in conjunction with the Company rules and policies.

## IV. Outside Interests Including Directorships

It is accepted and acknowledged that you may have business interests other than those of the Company. You will disclose your concern or interest u/s 184 in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals, by giving a notice in writing in Form MBP-1. The "Register of contracts with related party and contracts and Bodies etc." (in Form MBP-4) in which directors are interested is tabled at each directors' meeting. Please ensure that the Company is kept informed of any changes to your interests so that the interests register can be maintained up to date.

Any director is, while holding office, at liberty to accept other board appointments so long as the appointment is not in conflict with the Company's business and does not materially interfere with their performance as a director of the Company. All other appointments must first be discussed with the Chairman before being accepted.

## V. Dealing in shares and Code of Conduct

Directors are prohibited from dealing in the Company's shares during the period when the trading window is closed. You are required to comply with the applicable insider trading laws and regulations. You are also required to abide the Company's "Code of Conduct & Ethics for Members of the Board of Directors", enclosed with this appointment letter. The same includes the Code laid in Schedule IV to the Companies Act, 2013 which is to be additionally complied with, by an Independent Director.

### REGISTERED OFFICE :

TODI MANSION, 9TH FLOOR, 1, LU SHUN SARANI, KOLKATA - 700 073

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## VI. Functions & Responsibilities

- a) To review the Company's strategy, the annual financial plan and monitor the Company's performance.
- b) To review Management performance and to advice & counsel the Management.

The Board as a whole shall be collectively responsible for ensuring the success of the Company by directing & supervising the Company's affairs.

## VII. Role of Director

You will be expected to participate as an active member of the Board in:

- i. attendance at all Board meetings
- ii. membership if any, of Committees
- iii. attendance at General Meetings

## VIII. Performance Review

Presently, the Company has not laid down any specific criteria for review of performance of the Directors. However, Schedule IV to the Companies Act, 2013 provides that performance evaluation of the Independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

Therefore your performance as an Independent Director shall be reviewed by the Board of Directors. You agree to participate in such reviews.

## IX. Confidentiality

All information acquired during your appointment is confidential to the Company and should not be disclosed either during your appointment or following termination (by whatever means) to third parties except as permitted by law and with prior clearance from the Chairman.

## X. Applicable Law

This letter of Appointment shall be governed by the laws of India.


In returning this letter duly signed, you confirm that the Company may make this letter public.

We look forward to your association with us.

Yours faithfully  
For NPR Finance Ltd.

  
**Pawan Kumar Todi**  
Managing Director  
(DIN: 00590156)

I have read and agree to the above terms regarding my appointment as an Independent Non -Executive Director.

Signature :   
DIN : 00063975  
Date : 16.05.2014  
Place : Kolkata

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**CODE OF CONDUCT & ETHICS  
FOR MEMBERS OF THE BOARD OF DIRECTORS  
OF NPR FINANCE LIMITED**

The Code of Conduct and Ethics for Directors of the Company are applicable to the Members of the Board of Directors.

The Directors are responsible for the oversight of the assets and business affairs of the Company in an honest, fair, diligent and ethical manner and are expected to adhere to the standards of loyalty, good faith, and the avoidance of conflicts of interest that follow:

**Code of Conduct & Ethics are as follows:**

- Act in the best interests of, and fulfill their fiduciary obligations to all NPR's shareholders;
- Act honestly, fairly, ethically and with integrity;
- Conduct themselves in a professional, courteous and respectful manner and not take improper advantage of their position;
- Will deal fairly with all stakeholders;
- Comply with all applicable laws, rules and regulations, and NPR's policies;
- Act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;
- Act in a manner to enhance and maintain the reputation of NPR's;
- Not use the Company's property or position for personal gain;
- Not offer, give or receive gifts from persons or entities that deal with the Company in those cases where any such gift is being made in order to influence the directors' actions as members of the Board, or where acceptance of the gifts could create the appearance of a conflict of interest;
- Not use Company assets, labour or information for personal use unless approved by proper authority, or as part of a compensation or expense reimbursement program available to all directors;
- Shall not derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about the Company, not in public domain and therefore constituting insider information;
- Will comply with the prevention of insider trading guidelines as issued by SEBI.
- Committed to and support a functioning democratic constitution and system with a transparent and fair electoral system in India.
- Shall not support, directly or indirectly, any specific political party or candidate for political office.
- Shall not offer or give any company funds or property as donations, directly or indirectly, to any specific political party, candidate or campaign if it is violating any law.
- Not accept compensation (in any form) for services performed for the Company from any source other than the Company;
- Not receive a personal benefit from a person or firm, which is seeking to do business or to retain business with the Company. A director shall keep away himself/herself from any Company Board decision involving another firm or company with which the director is affiliated;
- Not use any information or opportunity received by them in their capacity as Directors in a manner that would be detrimental to the Company's interests;
- Act in a manner to enhance and maintain the reputation of the Company;
- Disclose any personal interest that they may have regarding any matters that may come before the Board and abstain from discussion, voting or otherwise influencing a decision on any matter in which the concerned Director has or may have such an interest;
- Abstain from discussion, voting or otherwise influencing a decision on any matters that may come before the board in which they may have a conflict or potential conflict of interest\*;
- Avoid situations that may give rise to an actual or potential conflict of interest or the appearance of a conflict of interest and promptly inform the Chairman of the Board of any conflict, potential conflict or the appearance of a conflict;

- Make available to and share with fellow Directors information as may be appropriate to ensure proper conduct and sound operation of NPR's and its Board of Directors;
- Respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors, except when authorized or legally required to disclose such information; and
- help create and maintain a culture of high ethical standards and commitment to compliance;
- Any waiver of this Code may be made by the Board of Directors must be promptly disclosed to the Company's shareholders.

The Independent Directors shall additionally adhere to the Code laid down in Schedule IV of the Companies Act, 2013 and shall fulfill their duties with utmost sincerity which shall inter alia include, amongst others, the following:

- Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company.
- Seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company.
- Strive to attend all meetings of the Board of Directors and of the Board committees of which they are members.
- Participate constructively and actively in the committees of the Board in which they are chairpersons or members.
- Strive to attend the general meetings of the Company.
- Where they have concerns about the running of the Company or a proposed action, to ensure that these are addressed by the Board and, to the extent that they are not resolved, to insist that their concerns are recorded in the minutes of the Board meeting.
- Keep themselves well informed about the Company and the external environment in which it operates.
- Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board.
- Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company.
- Ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use.
- Report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
- While acting in their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees.
- Not to disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.