



# FINANCE LIMITED

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## CRITERIA FOR MAKING PAYMENT TO NON-EXECUTIVE DIRECTORS

[As per the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations,  
2015 (“SEBI LODR”)]

## **OBJECTIVE**

The objective of **Minolta Finance Limited** (“Company”) on Corporate Governance is to create and adhere to a corporate culture of transparency, accountability, integrity and openness. The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Regulation 34(3) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V stipulates every listed company to publish its criteria of making payments to Non- Executive Directors in its annual report. Alternatively, as per Regulation 46 (2) of Listing Regulations, this may be put up on the Company’s website and reference may be drawn thereto in its annual report.

**Minolta Finance Limited** has framed a policy outlining the criteria of making payments to Non- Executive Directors and published the same on its website.

Section 197 of the Companies Act, 2013 and Regulation 17(6) (a) of Listing Regulations require the prior approval of the shareholders of a Company for making payment to its Non-Executive Directors (hereinafter referred as “NEDs”). However, the requirement of obtaining prior approval of shareholders in general meeting shall not apply to payment of sitting fees to non-executive directors, if made within the limits prescribed under Companies Act, 2013 for payment of sitting fees without approval of the Central Government.

Accordingly, the following criteria is laid down for **Minolta Finance Limited**.

In keeping with the above, any fee/remuneration payable to the NEDs of the Company shall abide by the following:

### **SITTING FEE:**

Such director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013, SEBI (Listing Obligation Disclosure Requirement) Regulation 2015 or other applicable law or for any other purpose whatsoever as may be decided by the Board/ Committee/ shareholders;

### **COMMISSION:**

Under the Companies Act, 2013, Section 197 allows a company to pay remuneration to its NEDs either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other. Further, the section also states that where the Company has either a managing director or whole-time Director or Manager, then a maximum of 1% of its net profits can be paid as remuneration to its NEDs. In case there is no Managing Director/s or Whole-Time Director or Manager, then a maximum of 3% of net profit can be paid. Thus, the basis of payment to the NEDs is the net profit of the Company.

The Company is however not obligated to remunerate its NEDs.

### **REIMBURSEMENT OF ACTUAL EXPENSES INCURRED:**

NEDs may also be paid/reimbursed such sums either as fixed allowance and /or actual as fair compensation for travel, boarding and lodging and incidental and /or actual out of pocket expenses incurred by such member for attending Board/Committee Meetings. The Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of NEDs.

### **STOCK OPTION TO INDEPENDENT DIRECTORS:**

An independent director shall not be entitled to any stock option of the company unless otherwise permitted in terms of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015, as amended from time to time. The

above criteria and policy are subject to review by the Nomination & Remuneration Committee and the Board of Directors of the Company

**MODIFICATION OF THE CRITERIA**

The Company may modify this policy unilaterally at any time without notice, in accordance with the applicable rules and regulations. Any change or revision will be communicated appropriately.

**REVISION OF CRITERIA**

Management reserves the right to revise this policy at any time and in any manner without notice. Any amendment to the Policy shall be notified by the Company. Any change or revision will be communicated appropriately.

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