



## PINNACLE INDUSTRIES LIMITED

CIN: U50300PN1996PLC100600

9th Floor Panchshil Tech Park 1, Besides Rahul Theatre, Shivajinagar, Pune, Maharashtra –  
411005, India.

---

### DIRECTOR APPOINTMENT AND REMUNERATION POLICY

1. Considering the provision of Section 178 of the Companies Act, 2013, the Board of Directors of the Company (**the Board** for brevity) and the Nomination and Remuneration Committee are expected to decide the criteria for recommending /approval of remuneration to be paid to Directors / Working Directors / Key Managerial Personnel and employees working one level below the Key Managerial Personnel (**the Officials** for brevity).
2. ) Accordingly, the Board of Directors of the Company in its meeting held on 20<sup>th</sup> January, 2022 reconstituted the Nomination and Remuneration Committee of the following directors:
  1. Mr. Parag Satpute, Independent Director (Chairman)
  2. Mrs. Rashmi Urdhwareshe, Independent Director (Member)
  3. Mr. Anant Talaulicar, Independent Director (Member)
3. )As per the terms of reference the Nomination and Remuneration Committee recommended the following criteria for recommending remuneration, to be approved or to be paid, to the Officials of the Company –
  - a) **Criteria for recommending remuneration to be paid to Directors who are Non-Working Directors.**

As per the provisions of Article 126 of the Articles of Association of the Company, the Board Members of the Company in their Board Meeting approved payment of sitting fees, to be paid to Non-Working Directors or Independent Directors (hereinafter **the Directors** in this part of policy statement), a meeting fee as permitted by Section 197(5) of the Companies Act, 2013 (**the Act**) read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Board of Directors in its meeting held on 10<sup>th</sup> June, 2022 after considering the time required to be devoted by the Directors attending the meeting of Board of Directors/ Committee Meeting, nature of preparatory work, to be undertaken by the Directors, risk and requirement of constant monitoring of the affairs of the Company, as mandated by the

Act, decided that fees of Rs. 25,000, be paid to each Director attending the meetings of the Board or of a Committee. Any revision in future in respect of this limit of fees shall be based on the applicable provisions of the Act, approval of the Members of the Company and on the criteria of time required to be devoted by Directors for preparation, attending meetings and monitoring the affairs of the Company.

In case the Company decides to make payment of commission to Non-Working Directors the amount of commission to be paid (as approved by the Board) subject to Section 197 of the Act, be distributed between the Directors on the basis of seniority, strategic contribution, number of meetings attended. The decision shall be taken by the Board based on the recommendation of the Nomination and Remuneration Committee.

**b) Criteria for recommending/ approving remuneration to be paid to the Working Directors**

The remuneration of the Working Directors shall be decided on the basis of following criteria:

- i. Age
- ii. Experience
- iii. Past achievement while managing the substantial affairs of the Company
- iv. Time devoted and required to be devoted
- v. Profitability of the Company ascertained as per the provision of Section 197 and 198 of the Act, and
- vi. Limits prescribed by the Act on managerial remuneration.

While finalizing the remuneration, it shall be ensured that the level and composition of remuneration is sufficient to attract, retain and motivate directors of quality for running the Company successfully and there exist clear relationship between remuneration paid and performance met as per benchmarks set.

The revision in the existing managerial remuneration or remuneration to be recommended on renewal of the appointment should be approved by the Nomination and Remuneration Committee and by the Board.

The approval of the Members of the Company should be obtained for payment of Managerial Remuneration, including minimum remuneration payable in case of absence or inadequacy of profits, for any of the financial year.

**c) Criteria for approving remuneration payable to Key Managerial Personnel and other Officials**

The remuneration of any Key Managerial Personnel or any revision therein shall be based on the criteria related to:

- i. Educational qualification
- ii. Professional membership
- iii. Total experience
- iv. Experience with the Company
- v. Proficiency in the related field
- vi. Integrity and
- vii. Innovative efforts made by the concerned employee during the period of review.

While appointing any of the Key Managerial Personnel or employee one level below key managerial personnel, the above criteria should be considered by the management and proposal of appointment / revision in remuneration should be submitted to the Nomination and Remuneration Committee for approval. While approving the annual increments to be granted to these employees of the Company, the general level of increments proposed for the other employees of the Company should be carefully considered by the Management, before making such recommendation.

4. These criteria should be communicated to the concerned Officials.
5. The Board and the Nomination and Remuneration Committee shall be entitled to review, modify these criteria or any of them as may be deemed fit from time to time.
6. Company shall not be required to disclose the reasoning for remuneration to be offered or increments to be offered or reduction in the remuneration, to be paid to any Official being employee of the Company nor any Official being employee of the Company shall be entitled to claim any benefit of any of the criteria being part of this remuneration policy.

\*\*\*\*\*