

NOMINATION AND REMUNERATION POLICY

of **PREMIER CRYOGENICS LIMITED**

136, Maniram Dewan Road, Chandmari, Guwahati – 781 003
Phone : (0361) 2660192 / 93 Fax : 91-361-2661787 CIN:L24111AS1994PLC004051
Email : info@premiercryogenics.com Website : www.premiercryogenics.com

Nomination and Remuneration Policy

1. Preamble

Pursuant to Section 178 of the Companies Act, 2013, applicable rules thereunder and Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee of the Company has formulated this policy relating to appointment, remuneration, retirement and removal of Director(s), Key Managerial Personnel and Senior Management personnel of the Company.

2. Definitions

- (1) “Act” means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- (2) “Board” means the Board of Directors of the Company.
- (3) “Committee” means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board in accordance with the provisions of the Companies Act, 2013 and the listing agreement.
- (4) “Director” means a director appointed to the Board of the Company.
- (5) “Independent Director” means a director referred to in Section 149(6) of the Companies Act, 2013 and rules.
- (6) “Key Managerial Personnel” or “KMP” means
 - (i) the Managing Director or the Chief Executive Officer or Manager and in their absence, a Whole-time Director;
 - (ii) the Company Secretary;
 - (iii) the Chief Financial Officer; and
 - (iv) such other officer as may be prescribed.
- (7) “Senior Management” means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Note: Words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and Listing agreement shall, unless the context otherwise requires, have the meaning respectively assigned to them therein.

3. Policy on Board Diversity

The Company’s Board of Directors shall have optimum combination of Directors including one woman Director from different areas/fields like Production, Management, Quality Assurance, Finance, Sales & Marketing, Supply Chain, Research & Development, Human Resource, etc. as may be considered appropriate.

The Board shall have at least one Board member who has accounting or related financial management expertise and at least three members who are financially literate.

4. Policy for Appointment, Remuneration, etc. of directors and KMPs

4(1) Appointment criteria and qualifications

- (a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or KMP and recommend to the Board his/her appointment.
- (b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has the discretion to decide whether the qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
- (c) The Company shall not appoint or continue the employment of any person as Managing / Whole-time Director who has attained the age of 70 (seventy) years. Provided that the term of the person holding this position may be extended beyond the age of 70 (seventy) years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond 70 (seventy) years.

4(2) Term/Tenure

(a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing/Whole-time Director for a term not exceeding 5 (five) years at a time. No reappointment shall be made earlier than 1(one) year before the expiry of term.

(b) Independent Director:

An Independent Director shall hold office for a term upto 5 (five) consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. The performance evaluation of independent directors shall be done by the entire Board of Directors (excluding the directors being evaluated). On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

No independent director shall hold office for more than two consecutive terms, but such independent directors shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that, an Independent Director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company or such other number as may be prescribed under the Act.

4(3) Removal

The Committee may recommend to the Board, with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the Act.

4(4) Retirement

The KMPs who are not Directors shall retire as per the prevailing policy of the Company. The Board will have the discretion to retain the KMP in the same position remuneration or otherwise even after attaining the retirement age, for the benefit of the Company, on the recommendation of Managing Director.

4(5) Remuneration

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director or KMP to the Board for their approval as per the provisions of the Act / Policy of the Company. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors or KMPs of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

5. Policy for Appointment, Remuneration, etc of Senior Management Personnel

5(1) Appointment criteria and qualifications

- (a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment at Senior Management level and recommend to the Board his / her appointment.
- (b) A person should possess adequate qualification, functional expertise and experience for the position he/she is considered for appointment. The Committee has the discretion to decide whether the qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.

5(2) Retirement and Removal

The Senior Management Personnel shall retire as per the prevailing policy of the Company. The Committee will have the discretion to retain the Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company based on the recommendation of Managing Director.

The Senior Management Personnel shall be removed after taking appropriate disciplinary action due to any breach of code of conduct / ethics and/or any misconduct during the service.

5(3) Remuneration

The committee will recommend the remuneration to be paid to the Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate Senior Management of the quality required to run the Company successfully. The same should be reviewed periodically to make any adjustment based on the market.

The remuneration of such persons shall be in accordance with performance criteria defined for the role through performance management system to achieve the Company's goal. The remuneration should be a balance of fixed and incentive pay which will be determined by fixed pay components and Executive Incentive Scheme applicable to their level.

6. Review of Policy

This policy shall be reviewed by the Nomination and Remuneration Committee from time to time depending upon any change in applicable laws or according to the requirements of the Company. Any proposed change or modification in the policy shall be recommended by the Committee to the Board for approval.
