

NOMINATION AND REMUNERATION POLICY

INTRODUCTION

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all directors, Key Managerial Personnel ("KMP") and employees of the company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 ('Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this Policy on nomination and remuneration has been formulated by Nomination and Remuneration Committee.

APPLICABILITY

Policy is applicable to Directors (Executive, Non-Executive and Independent), Key Managerial Personnel (KMP), Senior Management and others as decided by NRC.

OBJECTIVE

The Committee and this Policy shall be in compliance with Section 178 of the Act and applicable provisions of LODR amended from time to time. The objective of this Policy is to lay down a framework in relation to remuneration of Directors, KMP, Senior Management personnel and other employees. The key objectives are:

- To lay down criteria for identifying persons who are qualified to become Directors or suitable in Key Managerial and Senior Management positions and to recommend to the Board their appointment and removal.
- To lay down criteria to carry out evaluation of every Director's /KMP/Senior Management Personnel and other employees performance.
- Formulation of criteria determining qualification, positive attributes and independence of a Director.
- To recommend to the Board a policy, relating to remuneration of directors, key managerial personnel and other employees. While recommending such policy the Nomination and Remuneration Committee shall ensure:
 - a. Level and composition of remuneration is sufficient to attract, retain and motivate Directors of the quality required to run company successfully.
 - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

- c. Remuneration of Directors, KMPs and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to working and goals of Company.
- To formulate a Board Diversity Policy.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To develop a succession plan for the Board and to regularly review the plan.
- To recommend to the Board remuneration to senior management & KMPs.

BRIEF OVERVIEW UNDER COMPANIES ACT 2013

Constitution of Nomination and Remuneration Committee consisting of 3 or more non- executive directors out of which not less than one-half shall be independent directors .

The NRC shall identify persons who are qualified to become directors or suitable as senior management in accordance with the criteria laid down, recommend to Board their appointment and removal and shall carry out evaluation of every director's performance.

The NRC shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and senior management personnel i.e. employees at one level below the Board including functional heads.

The NRC shall, while formulating the policy ensure that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Such policy shall be disclosed in the Board's report.

TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on the Board diversity.
- Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
- Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non-Executive Directors.
- Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of the independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management

CRITERIA FOR DETERMINATION

QUALIFICATION OF DIRECTORS

- Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
- Their financial or business literacy/skills.
- Their industrial experience.
- Appropriate other qualification/experience to meet the objectives of the Company.
- As per the applicable provisions of Companies Act 2013, Rules made there under.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

POSITIVE ATTRIBUTES OF DIRECTORS

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- Actively update their knowledge and skills with the latest developments in the industry, market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.

- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

APPOINTMENT OF KMP/SENIOR MANAGEMENT

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct.

EVALUATION

BOARD

Evaluation criteria for the Board inter-alia shall cover: Composition in light of business complexities and statutory requirements; establishment of vision, mission, objectives and values for the Company; laying down strategic road map for the Company, growth attained by the Company; providing leadership to the Company and employees; effectiveness in ensuring statutory compliances and discharging duties/ responsibilities towards all stakeholders; identification, monitoring & mitigation of significant corporate risks; composition of various committees, reviewing committee's working etc.

CHAIRPERSON OF THE COMPANY

Evaluation criteria for the Chairperson of the Company are: providing guidance and counsel in strategic matters; providing overall direction to Board towards achieving Company's objectives; effectiveness towards ensuring statutory compliances; maintain critical balance between views of different Board Members; ensuring maximum contribution by each Board Member; monitoring effectiveness of Company's governance practices; conducting Board and Shareholders meetings in orderly manner etc.

COMMITTEES OF THE BOARD

Committees of the Board shall be evaluated for their performance based on: effectiveness in discharging duties and functions conferred; setting up and implementation of various policies, procedures and plans, effective use of committee's powers, periodicity of meetings, attendance and participation of Committee members, providing strategic guidance to the Board on various matters under purview etc.

EXECUTIVE DIRECTORS

The performance of Executive Directors shall be evaluated on the basis of achievement of performance targets/ criteria given to them by the Board from time to time.

NON-EXECUTIVE DIRECTORS INCLUDING INDEPENDENT DIRECTORS

The performance of Non-Executive Directors including Independent Directors shall be evaluated based on: Objectivity & constructive approach while exercising duties, providing independent judgment on strategy, performance, risk management and Board's deliberations; devotion of sufficient time for informed decision making; exercising duties in bona fide manner; safeguarding interest of all shareholders; upholding ethical standards of integrity & probity; updating knowledge of the Company & its external environment ; fulfilment of the independence criteria of Independent Director and their independence from the management etc.

REMUNERATION POLICY FOR DIRECTORS, KMP & SENIOR MANAGEMENT

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.
- No director/KMP/ other employee is involved in deciding his or her own remuneration and the trend prevalent in the similar industry, nature and size of business is kept in view and given due weightage to arrive at a competitive quantum of remuneration & It is to be ensured that relationship of remuneration to the performance is clear & meets appropriate performance benchmarks which are unambiguously laid down and communicated.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.

- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- Following criteria are also to be considered
 - a. Responsibilities and duties;
 - b. Time & efforts devoted;
 - c. Value addition;
 - d. Profitability of the Company & growth of its business;
 - e. Analyzing each and every position and skills for fixing the remuneration yardstick;
 - f. Standards for certain functions where there is a scarcity of qualified resources;
 - g. Ensuring tax efficient remuneration structures;
 - h. Ensuring that remuneration structure is simple and that the cost to the Company (CTC) is not shown inflated and t
 - i. he effective take home remuneration is not low;
 - j. Other criteria as may be applicable.
- Consistent application of remuneration parameters across the organisation.
- Provisions of law with regard making payment of remuneration, as may be applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately.

DISCLOSURE

This Policy shall be disclosed on the website of the Company i.e. <https://optimystix.tv/>