

NOMINATION AND REMUNERATION POLICY

OCEANAA BIOTEK INDUSTRIES LIMITED

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The “Remuneration Committee” was renamed as “Nomination and Remuneration Committee” (“the Committee”) at the meeting of the Board of Directors held on 25th August, 2014

In compliance with Section 178 of the Companies Act, 2013 (“the Act”) and the rules there under, as amended from time to time and as per the SME Listing Agreement, the Nomination and Remuneration policy (“the Policy”) of the Directors, Key Managerial Personnel and Senior Management has been approved by the Board of Directors.

Any amendments/modifications to the code shall be intimated to the Stock Exchange and displayed on the website of the Company.

DEFINITIONS:

“**Act**” means the Companies Act, 2013 and the Rules prescribed thereunder, including any statutory amendment or modification thereof.

“**Board**” means the Board of Directors of the Company, Oceanaa Biotek Industries Limited.

“**Company**” means Oceanaa Biotek Industries Limited.

“**Director**” means every Director of the Company

“**Employees**” mean employees currently in employment of the Company.

“**Independent Director**” means a director as referred to in Section 149(6) of the Act and the SME Listing Agreement, as amended from time to time.

“**Key Managerial Personnel**” means:

- (i) the Chief Executive Officer or the Managing Director or the Manager
- (ii) the Company Secretary;
- (iii) the Whole-time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed;

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

“**Senior Management Personnel**” 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.

OBJECTIVES AND PURPOSE OF THE POLICY:

- To develop appropriate standards for appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management
- Identifying 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.
- Devising a policy on Board diversity;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Formulation of criteria for evaluation of the Board;

COMPOSITION AND MEMBERS OF THE COMMITTEE

The Committee consists of 3 non-executive Directors, out of which 2 are Independent Directors. The Chairman of the Committee is Mr.Jesu Raj, an Independent Director.

Name of the Director	Position	Category
Mr.Jesu Raj	Chairman	Independent Director
Mr.Joseb Raj	Member	Non-Executive Independent Director
Mrs.Irudayaraj Beaula Raj	Member	Independent Director

The Company Secretary acts as Secretary to the Committee.

APPOINTMENT OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) While recommending or appointing a candidate, the Committee shall decide upon the following criteria including:
- Qualifications, skills, experience, expertise and the ability to exercise independent judgment
 - Commitment to the goals of the organization
 - Existing positions held with other organizations and other criteria as may be determined by the Committee in consultation with the Board of Directors.

b) Managing Director/Whole-time Director

The Company shall appoint or re-appoint any person as its Managing Director and Chief Executive Officer or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of his term.

c) Independent Directors:

Appointment shall be in accordance with the provisions of the Act, Schedule IV – Code for Independent Directors and the SME Listing Agreement.

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director 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.

REMUNERATION:

The Committee shall decide upon the following criteria including:

- 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

Remuneration paid to the Managing Director is subject to the limits laid down under the Companies Act, 2013, comprising of salary, perquisites and performance based incentives apart from retirement benefits including Provident Fund., Gratuity, etc as per the policies of the Company.

Presently, no sitting fees is paid to the non-executive Directors.

Independent Directors are not eligible for stock options.

The remuneration of other key managerial personnel and senior management is in accordance with the Industry standards, consisting of basic salary and other perquisites/benefits. Retirement benefits and performance based incentives are applicable to all the employees covered under this policy

Further, all the employees of the Company are paid a fixed base salary, short term and long term incentives and retirement benefits.

All other provisions not covered under this policy shall be subject to the Companies Act, 2013 and the rules thereunder, as amended from time to time and the SME Listing Agreement. Disclosures shall also be made in the Annual Report of the Company.