

MARINE ELECTRICALS (INDIA) LIMITED

VIGIL MECHANISM & WHISTLE BLOWER POLICY

PREAMBLE

MARINE ELECTRICALS (INDIA) LIMITED (the Company) is committed to ethical and lawful business conduct which is not only critical to the Company's success, but also a fundamental shared value of its Board of Directors (the "Board"), senior management personnel and employees.

Consistent with these principles and provisions of Section 177 (9) & (10) read with rule 7 of Chapter XII of the Companies Act, 2013, the Board has adopted the following Vigil Mechanism which lays down the principles and standards governing the management of grievances and concerns of employees and directors of the Company and shall be over seen by the Audit Committee (hereinafter referred to as 'Committee') of the Company.

I. SHORT TITLE, APPLICABILITY AND COMMENCEMENT

1. This policy will be called as "MARINE ELECTRICALS (INDIA) LIMITED Whistle Blower Policy"
2. This policy applies to all the employees (including outsourced, temporary and Contractual Personnel), ex-employees, including Associates and stakeholders of the company and it's Subsidiary companies (hereinafter referred to as 'Whistle Blower').
3. This policy shall come into force with immediate effect.

II. DEFINITIONS

The definitions of some of the key terms used in this Policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Code.

- "Associate" means all business associates of the Company including all suppliers, vendors, consultants, auditors, service providers with whom the Company has been dealing with or proposed to enter into any transactions.
- "Audit Committee" means the Audit Committee of the Board of Directors of the Company constituted in accordance with Section 177 of the Companies Act, 2013 and Rules framed thereunder read with LODR.
- "Board/ Board of Directors" means the Board of Directors of the Company.
- "Code" means the Code of Conduct of the company
- "Company" means MARINE ELECTRICALS (INDIA) LIMITED.
- "Employee" means every employee (including ex-employee) of the Company (whether working in India or abroad), including the Directors in whole time employment of the Company and temporary/contractual employees.
- "Disciplinary Action" means any action that can be taken on the completion of or during the investigation proceedings, including but not limited to, a warning, recovery of financial losses incurred by the Company, suspension/ dismissal from the services of the Company or any such action as deemed fit considering the gravity of the matter.
- "Investigators" mean those persons authorized, appointed, consulted or approached by the Chairman of the Audit Committee, Departmental Heads and includes the

Auditors of the Company, Police and other Investigating Agency (ies) appointed in terms of this Policy.

- "Initial Complaint" or "Initial Communication" also referred to as valid complaint, means a written communication of any form of letter/e-mail that discloses or demonstrates information that may evidence unethical or improper activity also referred to as valid complaint.
- "Policy" means the Whistle Blower policy and vigil mechanism of the Company.
- "Subject" means an accused person against or in relation to whom an Initial Complaint or Initial Communication has been made or evidence gathered during the course of an investigation.
- "Whistle Blower" means an Employee (including ex-employee / contractual employee)/Associate making an Initial complaint or Communication under this Policy.

III. ROLE AND RESPONSIBILITY OF THE "WHISTLE BLOWER"

1. The Whistle Blower's role is that of a reporting party with reliable information.
2. The Whistle Blower shall co-operate with the Chairman / Members of the Audit Committee and extend all support including production of documentary evidences to investigate the allegations complaints.
3. He/she is neither required to act as investigator nor permitted to determine the appropriate or remedial action on behalf of the Company. He /she shall also not participate in any investigation activities unless warranted otherwise and required by the Audit Committee.

IV. SCOPE OF THE POLICY

This policy encourages Whistle Blowers to report any kind of misuse of company's properties, mismanagement or wrongful conduct prevailing/executed in the company, which the whistle blower in good faith believes including any of the following:

1. Breach of the Code of Conduct and Business Ethics.
2. Violation of any law or regulations, policies including but not limited to corruption, bribery, theft, fraud, coercion and willful omission.
3. Criminal Offence having repercussions on the Company or its reputation.
4. Rebating of Commission/benefit or conflict of interest.
5. Procurement frauds.
6. Mismanagement, gross wastage or misappropriation of company funds/assets.
7. Manipulation of Company data/records.
8. Misappropriating cash/company assets; leaking confidential or proprietary information.
9. Unofficial use of Company's property/human assets.
10. Activities violating Company policies.
11. A substantial and specific danger to public health and safety.
12. An abuse of authority or fraud.
13. Sexual Harassment related complaints.

V. COMPLAINTS PROCEDURE

1. The Whistle Blower shall lodge his/her initial complaint of the Company and the complaint must be either in the form of a written letter (in closed envelope) or by-mail. The Company prohibits retaliation against any employee for such complaints made in good faith, while it also protects the rights of the incriminated person.

2. The Whistle Blower must indicate his/her name, contact details and relationship with the Company in the complaint. Relevant supporting documents/ evidences and a brief

background must form an integral part of the written complaint. No unnamed complaint shall be entertained.

3. The name and contact details of the complainant shall not be disclosed to anyone except the Chairman /Members of the Audit Committee.

4. If the complaint relates to a specific fact/incident, the complainant must lodge the complaint within 30 days from the date he/ she became aware of such fact/incident.

5. The Whistle Blower shall be entitled to withdraw his/her complaint within 10 days from the date of lodging with appropriate explanations in writing to the satisfactions of the Audit Committee.

6. All complaints including against any Director of the Company or against any Member of the Audit Committee, the Whistle Blower shall lodge his/her complaint by email or in writing directly to the Chairman of the Audit Committee at the following address:

The Chairman
Audit Committee
MARINE ELECTRICALS (INDIA) LIMITED
B/1, UDYOG SADAN NO.3,
MIDC, ANDHERI (E), MUMBAI 400093
Email: marine@bom4.vsnl.net.in
Tel No.: +91 – 22 2834 6076

7. On receipt of initial complaint, the Chairman of Audit Committee shall acknowledge receipt thereof within 48 hours and proceed to carry out initial investigation in consultation with the Members of the Audit Committee.

8. The Whistle Blower shall exercise caution before lodging a complaint to ensure that he is not doing so under influence of any person and/or any past incidence.

VI. INVESTIGATION OF COMPLAINTS

a) Any Member of Audit Committee cannot act arbitrarily and arrive at a conclusion to take penal action against the subject or against the complainant for lodging a false complaint, as the case may be, unless prior approval of the Audit Committee is obtained.

b) During the period of investigation or even after completion of the investigation, identity of the Whistle Blower and the subject should be kept confidential and disclosed only to the extent necessary given the legitimate needs of law and the investigation process.

c) The subject will normally be informed of the allegations against him/her at the outset of a formal investigation and he/she shall be given requisite opportunities to defend his/her case during the investigation process.

d) It will be the duty of the subject to co-operate with the investigator and not to interfere or obstruct with the investigation process. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the accused. If found indulging in any such actions, the subject shall be liable for

disciplinary action. Under no circumstances, the subject should compel the investigator to disclose the identity of the Whistle Blower.

e) A report shall be prepared after completion of investigation by Members or Chairman of the Audit Committee. Upon receipt of the Report, the Committee shall forward the same along with its recommendations to the Managing Director of the Company for Disciplinary Action. In case, the Managing Director is the subject and found guilty, the Audit Committee shall forward such Report to the Chairman of the Board of Directors for taking appropriate action.

f) The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.

g) Unless there are compelling reasons not to do so, Subject(s) will be given the opportunity to respond to material findings contained in the investigation report.

h) The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

i) Any member of the Audit Committee or other officer having any conflict of interest with the matter shall disclose his/her concern /interest forthwith and shall recue himself from the matter.

VII. SUGGESTIVE PENAL PROVISION

The Company may take the following punitive actions against the accused, where the Committee finds him/her guilty:

- a) Counseling & issue of a Warning letter;
- b) Withholding of promotion / increments;
- c) Bar from participating in bonus review cycle;
- d) Termination from employment;
- e) Cancellation of Orders placed as per Purchase/ Work Order;
- f) Recovery of monetary loss suffered by the Company;
- g) Legal Suit.

VIII. REPORTING RECOMMENDATION TO THE BOARD OF DIRECTORS

The Audit Committee shall submit a report to the Board of Directors informing the status of Initial Communications received from the Whistle Blowers, Grievance Resolved and action taken, Grievances under investigation and Number of false complaints lodged by Whistle Blowers, during each of the Financial Year.

IX. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

X. COMMUNICATION

A Whistle Blower policy cannot be effective unless it is properly communicated to directors/employees. The policy should be published on the website of the company.

XI. PROTECTION AGAINST VICTIMIZATION

1. No adverse action shall be taken against an employee/associate or business associate in "knowing retaliation" who makes any good-faith disclosure of suspect or wrongful conduct prevailing in the Company, to the Audit Committee.
2. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment, any abuse of this protection will warrant disciplinary action.
3. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a malafide intention. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

XII. PRESERVATION OF DOCUMENTS AND RECORDS

All Initial Communications, documented along with the results of Investigation relating thereto, shall be retained by the Company Secretary for a minimum period of 5 (five) years or as mentioned in applicable law, if any.

XIII. POWER TO AMEND THE POLICY

This Policy may be amended from time to time by the Board based on the recommendation of the Audit Committee.