

**CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING  
[PURSUANT TO SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015]**

This Code of Conduct for prevention of Insider Trading is framed pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015.

**1. DEFINITIONS**

A. “Code” means this Code of Conduct for Prevention of Insider Trading including modifications made there to from time to time by the Company.

B. “Company” means Marine Electricals (India) Limited.

C. “Compliance Officer” (CO) means Company Secretary and compliance officer of the Company or an employee designated for the implementation of and overseeing compliance with the Regulations and the Code across the Company.

D. “**Connected Persons**” means:

(i) any person who is or has during the **six months prior** to the concerned act been associated with the Company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a Director, officer or an employee of the Company or holds any position including a professional or business relationship between himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

(ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall also be deemed to be connected persons unless the contrary is established:

a) an immediate relative of connected persons specified in clause (i); or

b) a holding company or associate company or subsidiary company; or

c) an intermediary as specified in Section 12 of the SEBI Act (‘the Act) or an employee or director thereof; or

d) an investment Company, trustee company, asset management company or an employee or director thereof; or

e) an official of a stock exchange or of clearing house or corporation; or

f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or

g) a member of the Board of Directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or

h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or

i) banker of the company; or

j) a concern, firm, trust, Hindu Undivided Family, company or association of persons wherein a Director of the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest.

E. "**Designated Persons**" shall cover the following:

i) General Manager and above or its equivalent in all departments;

ii) All employees in Secretarial, Finance and Accounts Department;

iii) Such other employees as may be specified and determined from time to time by the Compliance Officer and/or Chief Financial Officer and/or Chairman and Managing Director.

F. "**Dealing in Securities**" means an act of subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in securities of the Company either as principal or agent.

G. "**Unpublished price sensitive information**" ("**UPSI**") means any information, relating to a company or its securities, directly or indirectly, that is not generally available to the public, which upon becoming generally available, is likely to materially affect the price of the securities and shall ordinarily including but not restricted to, information relating to financial results, dividends, change in capital structure, mergers, de-mergers, acquisitions, delisting's, disposals and expansion of business and such other transactions, changes in Key managerial personnel.

H. "Original Information" shall mean any relevant information submitted to SEBI in accordance with the SEBI PIT Regulations pertaining to any violation of insider trading laws that is:-

a) derived from the independent knowledge and analysis of the Informant;

b) not known to the SEBI from any other source, except where the Informant is the original source of the information;

c) is sufficiently specific, credible and timely to –

i. commence an examination or inquiry or audit,

ii. assist in an ongoing examination or investigation or inquiry or audit,

iii. open or re-open an investigation or inquiry, or

iv. inquire into a different conduct as part of an ongoing examination or investigation or inquiry or audit directed by the Board;

d) not exclusively derived from an allegation made in a judicial or administrative hearing, in a Governmental report, hearing, audit, or investigation, or from the news media, except where the Informant is the original source of the information; and

e) not irrelevant or frivolous or vexatious.

Explanation. –Information which does not in the opinion of the SEBI add to the information already possessed by the Board is not original information.

Words and expressions not defined here shall have the same meaning as contained in SEBI (Prohibition of Insider Trading) Regulations, 2015.

## **2. NORMS FOR DISCLOSURE OF UPSI**

a. Prompt public disclosure of UPSI: UPSI shall be shared by the Company with the Stock Exchange promptly and shall also be uploaded on the Company's official website ([www.marineelectricals.com](http://www.marineelectricals.com)), in compliance of regulatory requirements.

b. Uniform and Universal dissemination of UPSI: The disclosure of UPSI shall be on a continuous, immediate, uniform and universal basis.

c. Overseeing and coordinating disclosure(s): The CO shall oversee corporate disclosures and deal with dissemination of information and disclosure of UPSI. The CO shall be responsible for ensuring that the Company complies with continuous disclosure requirements and for overseeing and coordinating disclosure of UPSI to stock exchanges, on the website of the company and to the media. If any information is accidentally disclosed without prior approval of CO the person responsible may inform the CO immediately. In such event of inadvertent disclosure of UPSI, the CO shall take prompt action to ensure such information is generally available. In addition to the CO, the following persons are also authorized to communicate with the Investors/media:

i. Managing Director

ii. Executive Director(s)

iii. CFO and Company Secretary & Compliance officer

d. Responding to market rumours: The CO shall respond to any queries or requests for verification of market rumours by regulatory authorities on behalf of the Company.

## **3. DISSEMINATING INFORMATION IN ORDER TO MAKE THE UPSI GENERALLY AVAILABLE**

Disclosure/dissemination of information may be done through various media so as to achieve maximum reach and quick dissemination. Promptly disseminate UPSI that gets disclosed selectively, inadvertently or otherwise if at all, to make such information generally available.

## **4. TRADING WINDOW :**

i) The trading period, i.e. the trading period of the stock exchanges, called 'trading window', is available for trading in the Company's securities.

ii) Trading restriction period shall be made applicable from the end of every quarter till 48 hours after declaration of financial result.

iii) When the trading window is closed, the Specified Persons shall not trade in the Company's securities in such period

iv) All Specified Persons shall conduct all their dealings in the securities of the Company only in a valid trading window and shall not deal in any transaction involving the purchase or sale of the Company's securities during the periods when the trading window is closed, as referred to in Point No. (ii) above or during any other period as may be specified by the Company from time to time.

The Compliance Officer shall intimate the closure of trading window to all the designated employees of the Company when he determines that a designated person or class of designated persons can reasonably be expected to have possession of UPSI. Such closure shall be imposed in relation to such securities to which such UPSI relates.

The Compliance Officer after taking into account various factors including the UPSI in question becoming generally available and being capable of assimilation by the market, shall decide the timing for re-opening of the trading window, however in any event it shall not be earlier than **forty-eight hours after** the information becomes generally available either through NSE/BSE or newspaper publication whichever is earlier.

## **5. PRE-CLEARANCE OF TRADING :**

i) Designated Persons may Trade in the securities of the Company when the trading window is opened and if the value of the proposed trades is above 2,000 shares or up to Rs.10 Lakhs (market value), whichever is less, should pre-clear the transaction, after obtaining approval of the Compliance Officer by submitting an application as per **Annexure-1** and an undertaking as per **Annexure-2**.

ii) The Compliance Officer shall not approve any proposed Trade by Designated person if the Compliance Officer determines that such Designated Person is in possession of UPSI even though the trading window is open.

iii) The Compliance Officer may, after being satisfied that the application and undertaking are true and accurate, approve Trading by a Designated Person, on the condition that the Trade so approved shall be executed **within seven trading days** following the date of approval.

iv) The Designated Person shall, **within two days** of the execution of the Trade, submit the details of such Trade to the Compliance Officer as per **Annexure-3**. In case the transaction is not undertaken, a report to that effect shall be filed in the said form.

v) If the pre-cleared Trade is not executed **within seven trading days after** the approval is given, the Designated Person must secure pre-clearance of the transaction again.

vi) A Designated Person who Trades in securities without complying with the preclearance procedure as envisaged in these Rules or gives false undertakings and/or makes

misrepresentations in the undertakings executed by him/her while complying with the pre-clearance procedure shall be subjected to the penalties as envisaged in these Rules.

vii) The Compliance Officer may waive off the holding period in case of sale of securities in personal emergency after recording reasons for the same. However, no such sale will be permitted when the Trading window is closed.

Viii) No Contra Trades: All designated persons who buy or sell any shares/securities of the Company shall not enter into an contra trade i.e. sell or buy any number of shares/securities during the next 6 months following the prior transaction. All designated persons shall also not take positions in derivative transactions, if applicable, in the shares/securities of the company at any time during the next 6 months following the prior transaction. However, the Compliance Officer may grant relaxation from such restriction for reasons to be recorded in writing to the extent that such relaxation does not violate the Code.

Profits made out of transaction in violations of the regulations, shall be liable to be disgorged for remittance to SEBI for credit to Investor Protection and Education Fund.

NOTE: If a designated person has sold/ purchased shares, he can subscribe and exercise ESOPs at any time after such sale/purchase, without attracting contra trade restrictions. Further, where a designated person acquires shares under an ESOP and subsequently sells/pledges those shares, such sale shall not be considered as contra trade, with respect to exercise of ESOPs. Further, the restriction of 'contra-trade' shall not apply in respect of matters such as buy back offers, open offers, rights issues, FPOs, bonus, etc. of the Company which may be available to designated persons. The restrictions with regards to Contra Trade shall apply to all the Designated Persons who are required to handle UPSI of the Company.

## **6. DISCLOSURE REQUIREMENTS :**

### i) Initial Disclosure :

Every Promoter, Member of Promoter Group, Key Managerial Personnel and the Director of the Company shall disclose his/her holding of securities of the Company **within thirty days** of these Rules taking effect as per **Form A set out in Annexure-4**.

Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter or Member of Promoter Group shall disclose his / her holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company **within seven days** of such appointment or becoming a promoter, as per **Form B set out in Annexure-5**.

### ii) Continual Disclosure :

Every Promoter, Member of Promoter Group, Designated Persons and Director of the Company shall disclose as per **Form C set out in Annexure-6** to the Company the number of such securities acquired or disposed of, directly or indirectly through his immediate relatives, within

two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10 lakhs or more.

The disclosure shall be made within two trading days of:

- a. the receipt of intimation of allotment of shares, or
- b. the acquisition or sale of shares or voting rights, as the case may be.

iii) Disclosure to the Stock Exchanges:

The Compliance Officer shall notify the stock exchanges, particulars of the Trades, within two trading days of the receipt of the Continual Disclosure or from becoming aware of such information. Such disclosure shall be made in such form and such manner as may be specified by SEBI from time to time.

iv) Disclosure by other Connected persons:

The Compliance Officer may, require any other Connected Person to disclose the holdings and trading in securities of the Company as per **Form D set out in Annexure-7** at such frequency as he may determine.

## **7. MANNER OF DEALING WITH ANALYST AND RESEARCH PERSONNEL**

A company shall provide only public information to the analyst/research persons/large investors like institutions and shall ensure that information shared with them is not UPSI.

## **8. UPSI ON NEED-TO-KNOW BASIS**

UPSI shall be disclosed only to those where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

## **9. DISCLOSURE OF CODE ON PUBLIC DOMAIN**

This Code and any amendment thereof shall be published on the Company's website [www.marineelectricals.com](http://www.marineelectricals.com).

## **10. AMENDMENTS TO THE CODE**

The Board of Directors may review or amend this Code, in whole or in part, from time to time, as per the requirements of the Companies Act, 2013 or SEBI (Prohibition of Insider Trading) Regulations, 2015 or any other enactments/rules as may be applicable.

## **11. OTHER PROVISIONS:**

i) In case it is observed by the Compliance Officer that there has been a violation of these regulations, he shall inform the Board promptly.

ii) In case of any inconsistency of Code with the Regulations and/or for the matters not specified in the Code, the Regulations shall apply accordingly.

## **12. SEBI Informant Mechanism**

*(Pursuant to SEBI (Prohibition of Insider Trading) (Third Amendment) Regulations 2019)*

### *11.1 Informant Mechanism Scheme*

Any employee can voluntarily submit original information relating to alleged violation of this insider trading code that has occurred, is occurring or has a reasonable belief that it is about to occur, to the Office of Informant Protection of SEBI in the format and manner set out in Schedule D to SEBI (Prohibition of Insider Trading) (Third Amendment) Regulations, 2019.

### *11.2 Protection against retaliation and Victimization*

You will be protected against any adverse action and/ or discrimination as a result of a reporting to SEBI under this Scheme, provided it is justified and made in good faith. The organization is forbidden from taking any adverse action against you for exercising your right as above.

Adverse action is defined as:

- Discharge
- Termination of service
- Demotion
- Suspension
- Threatening
- Harassment
- Discrimination against employment

## ANNEXURE-1

### SPECIMEN OF APPLICATION FOR PRE-CLEARANCE

Date:

To,

The Compliance Officer,

\_\_\_\_\_

\_\_\_\_\_

Dear Sir/Madam,

#### **Application for Pre-dealing approval in securities of the Company**

Pursuant to the SEBI (prohibition of Insider Trading) Regulations, 2015 and the Company's **Code of Conduct for Prevention of Insider Trading**,

I seek approval to purchase / sale / subscription of equity shares of the Company as per details given below:

1. Name of the applicant
2. Designation
3. Number of securities held as on date
4. Folio No. / DP ID / Client ID No.)
5. The proposal is for
  - (a) Purchase of securities
  - (b) Subscription to securities
  - (c) Sale of securities
6. Proposed date of dealing in securities
7. Estimated number of securities proposed to be acquired/subscribed/sold
8. Price at which the transaction is proposed
9. Current market price (as on date of application)



10. Whether the proposed transaction will be through stock exchange or off-market Deal

11. Folio No. / DP ID / Client ID No. where the securities will be credited / debited

I enclose herewith the form of Undertaking signed by me.

Yours faithfully,

(Signature of Employee)

**ANNEXURE-2**

**FORMAT OF UNDERTAKING TO BE ACCOMPANIED WITH THE  
APPLICATION FOR PRE-CLEARANCE UNDERTAKING**

To,  
The Compliance Officer,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

I, \_\_\_\_\_, \_\_\_\_\_ of the Company residing at \_\_\_\_\_, am desirous of dealing in \_\_\_\_\_ shares of the Company as mentioned in my application dated \_\_\_\_\_ for pre-clearance of the transaction.

I further declare that I am not in possession of or otherwise privy to any unpublished Price Sensitive Information (as defined in the Company's Code of Conduct for prevention of Insider Trading (the Code) up to the time of signing this Undertaking.

In the event that I have access to or received any information that could be construed as "Price Sensitive Information" as defined in the Code, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Code as notified by the Company from time to time.

I undertake to submit the necessary report within four days of execution of the transaction / a 'Nil' report if the transaction is not undertaken.

If approval is granted, I shall execute the deal within 7 days of the receipt of approval failing which I shall seek pre-clearance.

I declare that I have made full and true disclosure in the matter.

Date : Signature : \_\_\_\_\_

### ANNEXURE 3

#### FORMAT FOR DISCLOSURE OF TRANSACTIONS

*(To be submitted within 2 days of transaction / dealing in securities of the Company)*

To,  
The Compliance Officer,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

I hereby inform that I

- have not bought / sold/ subscribed any securities of the Company
- have bought/sold/subscribed to \_\_\_\_\_ securities as mentioned below on \_\_\_\_ (date)

Name of holder

No. of securities Bought/sold/subscribed

DP ID/Client ID /

Price (Rs.)

Folio No

In connection with the aforesaid transaction(s), I hereby undertake to preserve, for a period of 3 years and produce to the Compliance officer / SEBI any of the following documents:

1. Broker's contract note.
2. Proof of payment to/from brokers.
3. Extract of bank passbook/statement (to be submitted in case of demat transactions).
4. Copy of Delivery instruction slip (applicable in case of sale transaction).

I agree to hold the above securities for a minimum period of six months. In case there is any urgent need to sell these securities within the said period, I shall approach the Compliance Officer for necessary approval. *(applicable in case of purchase / subscription).*

I declare that the above information is correct and that no provisions of the Company's Code and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Date : \_\_\_\_\_ Signature : \_\_\_\_\_

Name :

Designation: