

Type of Policy	Date of Adoption	Last date of Amendment	Approved by
Succession Policy	10.11.2020	-	NRC & Board of Directors

SUCCESSION POLICY MARINE ELECTRICALS (INDIA) LIMITED

I. INTRODUCTION:

Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**LODR Regulations**”) require Marine Electricals (India) Limited (“the Company”) to put in place this Policy and satisfy itself that plans are in place for orderly succession for appointment to the board and at senior level.

II. BACKGROUND AND OBJECTIVES:

Succession is an essential component to the survival and growth of any business. Succession planning is a tool for an organization to ensure its continued effective performance through leadership continuity. A good succession planning program aims to identify high growth individuals, train them and feed the pipelines with talents.

The primary objective of this Policy on Succession Planning is to ensure that employees are recruited and developed to fill each key role within the Company. Effective corporate succession planning increases the availability of capable individuals who are prepared to assume such roles as they become available. The benefit of succession planning is to reduce the risk associated with loss of experienced leadership. Succession planning ensures that businesses continue to run smoothly after the business’s most important people viz. Directors, Key Managerial Personnel (i.e. CEO, CFO & Company Secretary) (“KMP”), Senior Management Personnel (“SMP”) and other employees of the Company move on to new opportunities, retire or pass away.

Accordingly, the board of directors of the Company has adopted this succession policy (this “Policy”) pursuant to a resolution dated 10th November, 2020.

The Nomination & Remuneration [the ‘Committee’] shall be responsible for implementing this Policy and its related procedures.

III. DEFINITION:

i. “Nomination and Remuneration Committee” or “Committee” means the Committee of the Board constituted/re-constituted, from time to time, under the provisions of

Regulation 19 of the LODR Regulations, and Section 178 of the Companies Act, 2013, as amended.

ii. “Board of Directors” or “Board” means the board of directors of the Company as constituted/re-constituted, from time to time.

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

iv. “Companies Act” means the Companies Act, 2013 and the rules framed there under, each as amended.

v. “Policy” means this succession policy.

vi. “KMP” or “Key Managerial Personnel” means:

a) the chief executive officer or the managing director or the manager in their absence, a whole-time director;;

b) the company secretary;

c) the chief financial officer; and

d) such other officer as may be prescribed under the Companies Act.

vii. “LODR Regulations” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

viii. “Senior Management” means personnel of the Company who are members of its core management team, excluding the directors on the Board. This shall include all members of management one level below the executive directors, including all functional heads.

ix. “Stock Exchange(s)” means BSE Limited and National Stock Exchange of India Limited.

IV. APPLICABILITY

This Policy for succession planning is applicable to following personnel.

i. Whole-time Directors and other Directors;

ii. Senior Managerial Positions:

- Key Managerial Personnel

- all members of management one level below the executive directors, including all functional heads

-General Manager and above

iii. Any other positions within the Company at the discretion of the Managing Director & CEO in consultation with the Board.

V. SUCCESSION PLAN FOR BOARD OF DIRECTORS

As far as Succession Plan for the Board of Directors is concerned the Nomination and Remuneration Committee of the Board, shall apply due diligence process to determine competency of person(s) being considered for appointment or re-appointment as a Director of the Company. This shall be based on his/her educational qualification, experience and record of accomplishment and every such person shall meet 'fit and proper' criteria, as the Company may stipulate from time to time. Accordingly, any appointment or re-appointment of a Director shall be subject to prior approval by Nomination and Remuneration Committee of the Company.

The Company has framed a 'Nomination and Remuneration Policy' to guide the Board in relation to appointment / re-appointment / removal of Directors, to devise criteria for performance evaluation of Independent Directors and the Board has to ensure adequate diversity in the Board members to get the best of the varied skills on the industry with experience, background and other qualities of the Director.

Accordingly, the appointment / re-appointment / removal and tenure of the Directors including the Chairman / Managing Director / Whole-time Directors of the company shall be governed by the provisions of 'Nomination and Remuneration Policy' of the Company approved by the Board.

VI. SUCCESSION PLAN FOR SENIOR MANAGERIAL PERSONNEL

The Nomination and Remuneration Committee of the Company shall consider the list of senior managerial personnel due for retirement / attrition within the year. The Committee shall also consider the new vacancies that may arise because of business needs / up-gradation of Department(s) or expansion of level of business. Considering the above, the Committee shall assess the availability of suitable candidates for the Company's future succession, growth and development based on the recommendation of Whole-time Directors, all Key Managerial Persons, Head of Departments and others concerned.

The recommendation of the Nomination and Remuneration Committee shall be placed to the Board for final approval. While making its recommendation, the Nomination and Remuneration Committee shall consult with the Chairman Cum Managing Director, as may be relevant and all key factors including the available talent within the organization and the need to ensure availability of continuous service with growth of the Company shall be carefully considered.

The Managing Director and Head-Human Resources shall from time to time identify high-potential employees who merit faster career progression to position of higher responsibility and formulate, administer, monitor & review the process of skill development and identify the training requirements.

Appointment of Key Managerial Personnel such as Company Secretary, Chief Financial Officer and other Compliance Professionals shall be made in compliance with and conforming applicable provisions of relevant laws.

VII. REVIEW OF THE POLICY

In case of any amendment(s), clarification(s), circular(s) etc issued by relevant authorities, not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail and this Policy shall stand amended to that extent.

The Board of Directors of the Company has the power to replace and or amend this Policy on recommendation by the Nomination and Remuneration Committee from time to time as and when needed.

VIII. EXTERNAL CONSULTANTS:

The board or Committee thereof may engage independent external consultants as and when required to provide suitable advices and assistance in the process of evaluation.

IX. DISCLOSURE OF THE POLICY

This Policy shall be posted on the website of the Company, if required under the Companies Act, 2013 and rules thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and any other regulatory requirements.