

CIRCULAR

Sub: Reconstitution of Vigilance and Ethics Committee

In accordance with section 177(9) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Board of Directors of the Company had formulated the Whistle Blower Policy cum Vigil Mechanism (WBPVM) so as to facilitate the Directors and Employees to report their genuine concerns and instances of unethical behavior or violation of the Company's Code of conduct. For this purpose the Board of Directors of the Company had constituted "Vigilance and Ethics Committee" (VEC) to investigate such complaints and to make a report to the Managing Director, who shall thereupon take appropriate action as per the policy and regulations of the Company.

The VEC is now reconstituted with effect from March 29, 2025 consisting of officers of the Company as below:

1. Mr. Jeyakrishna Ganesan, Director, Chairperson VEC
2. Mr. J. K. Naghusha, Senior Vice President – Commercial, Member, VEC
3. Mr. S. Satish Kumar, General Manager – IT Applications, Member VEC

The amended policy is placed on the Company's website: www.bgrcorp.com. The reconstituted VEC shall perform the terms of reference as per the policy. All the employees and Directors of the Company are requested to take note of the reconstitution of VEC. This is applicable to all the employees of BGR Energy and its Group Companies.

All the employees are requested to fully cooperate with the Management by providing information to the above members in case of any deviation or violation of Company's Code of Conduct, by any employee for effective practice of Vigil Mechanism. All employees are requested to follow the Company's code of conduct and also to prevent any such instances by other employees. Any violations by other employee can be sent to the following exclusive e-mail id VEC@bgrenergy.com for proper action and the Informers' details will be kept confidential.

PLEASE REMEMBER THAT IT IS THE DUTY OF EACH AND EVERY EMPLOYEE TO REPORT ANY OF THE UNETHICAL WORK/PRACTICE DONE OR FOLLOWED BY ANY OF THE EMPLOYEES WHICH LEADS TO FINANCIAL LOSS TO THE COMPANY AND/OR LOSS OF REPUTATION AND IMAGE OF THE COMPANY AS A WHOLE.

WE SEEK CO OPERATION FROM ALL THE EMPLOYEES TO ADHERE AND FOLLOW THE RULES IN THIS REGARD. MANAGEMENT WILL REVIEW THE VIOLATIONS VERY SERIOUSLY.


8th April, 2025
S. Sundar
Company Secretary & Compliance Officer

WHISTLE BLOWER POLICY CUM VIGIL MECHANISM OF BGR ENERGY SYSTEMS LIMITED

1. PREFACE

- 1.1. Section 177 (9) of the Companies Act, 2013 requires "Every listed company or such class or classes of companies, as may be prescribed to establish a Vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed". The Company has adopted a Code of Conduct for Directors and Senior Management Executives ("**the Code**"), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. As per Section 177(10), the Vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases; Provided that the details of establishment of such mechanism shall be disclosed by the Company on its website and in the Board's report.
- 1.2. In addition The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, *inter alia*, mandates all listed companies to establish a mechanism called "Whistle Blower Policy" for Directors and Employees to report concerns to the management about instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. This mechanism should also provide for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provide for direct access to the Chairman of Audit Committee in exceptional cases. The details of establishment of such mechanism shall be disclosed by the Company on its website and in the Board's report.
- 1.3. In compliance with the above, BGR Energy Systems Limited ("BGR Energy or the Company") proposes to adopt this Whistle Blower Policy Cum Vigil Mechanism in substitution of the existing policy which will be effective from April 01, 2019.

2. POLICY OBJECTIVES

The Company is committed to adhere to high standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express their concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the Employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and directors to avail of the mechanism and also provide for direct access to the Vigilance and Ethics Committee and Chairman of the Audit Committee in exceptional cases.

This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.

3. **SCOPE OF THE POLICY**

It covers any malpractice and event which is likely to affect the interest of the company (*hereinafter referred to as "Concern"*) which have taken place / suspected to have taken place which includes a whole variety of issues listed below:

- i. Any unlawful act, whether criminal or a breach of the civil law;
- ii. Breach of any Policy or Manual or Code adopted by the Company;
- iii. Abuse of power/authority (through physical, sexual, psychological or financial abuse, exploitation or neglect);
- iv. Negligence causing substantial and specific danger to public health and safety ;
- v. Manipulation of company data/records ;
- vi. Financial irregularities, including fraud, or suspected fraud ;
- vii. Abuse or misuse of confidential /propriety information
- viii. Deliberate violation of law(s)/regulation (s)
- ix. Wastage / misappropriation of Company's funds/assets
- x. Breach of employee Code of Conduct or Rules ; and
- xi. Knowingly withholding any information such that the interest of the company would be affected if withheld; and
- xii. Leak of UPSI or sharing or divulging of UPSI
- xiii. Any other unethical or improper conduct.

This policy does not cover inter-personal issues amongst employees.

4. **DEFINITIONS**

- a. **"Audit Committee"** means a Committee constituted by the Board of Directors of the Company in accordance relevant regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.
- b. **"Board"** means the Board of Directors of the Company.
- c. **"Company"** means the BGR Energy Systems Limited and all its offices, project sites and any other place of business.
- d. **"Code"** means Code of Conduct adopted by the Company.
- e. **"Employee"** means all the employees of the Company whether temporary, permanent, contractual, trainees including whole - time Directors (whether working in India or abroad).
- f. **"Protected Disclosure"** means a concern raised by an employee through a written communication and made in good faith which discloses or demonstrates information about a concern based on facts with respect to the Company within the scope of the policy.
- g. **"Subject"** means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

h. **"Unpublished price sensitive information" ("UPSI")** means any information, relating to the company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not restricted to, information related to the following:-

- (i) Financial results;
- (ii) Dividends;
- (iii) Change in capital structure
- (iv) Mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- (v) Changes in Key Managerial Personnel; and
- (vi) Receiving of any contract or order from customers of value of Rs. 300 crores and above and cancellation of such order.
- (vii) Any other material events, developments in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

i. **"Vigilance and Ethics Committee"** – means a committee comprising of Mr. G. Jeyakrishna- Director (Chairperson), Mr. J. K Naghusha, Senior Vice President – Commercial and Mr. S. Satish Kumar, General Manager – IT Applications.

j. **"Whistle Blower"** is an employee or group of employees who make a protected disclosure under this policy and also referred to in this policy as a complainant.

5. ELIGIBILITY

All employees of the Company are eligible to make Protected Disclosures under the policy in relation to matters concerning the Company.

6. LIMITATIONS

Any untrue allegations will not be taken up and investigated.

This policy is intended to assist individuals who believe they have discovered malpractice or impropriety or noticed any concern. It is not designed to question financial or business decisions taken by the Company nor should it be used to reconsider any matters which have been investigated under the harassment, grievance or disciplinary policies and procedures.

7. **INQUIRY AND INVESTIGATION**

- a. All Protected Disclosures should be reported in writing by the complainant to the Chairman of Vigilance and Ethics Committee ("VEC") as soon as possible after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English or in Tamil or in concerned regional language.
- b. The Protected Disclosure should be submitted to the Chairman of VEC in a closed and secured envelope or by a password protected attachment via email to vec@bgrenergy.com. This email will be accessed by VEC members and key managerial personnel of the company.
- c. Anonymous or pseudonymous disclosure shall not be entertained by the VEC.
- d. Protected Disclosure against members of VEC should be addressed to the Compliance officer of the Company and the Protected Disclosure against the Executive Directors of the Company should be addressed to the Chairman of the Board. The contact details are as under;

Compliance Officer : compliance@bgrenergy.com
Chairman : bgr@bgrenergy.com

- e. On receipt of the protected disclosure the VEC shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not. The VEC shall also carry out initial enquiry and on being satisfied of prima facie merit in the disclosure should investigate the complaint.
- f. The VEC, if deems fit, may call for further information, details or particulars from the complainant.
- g. The complainant and the subject(s) shall have a duty to co-operate in inquiry and/or investigation.
- h. The complainant and the subject(s) have a responsibility not to interfere with inquiry and/or investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the complainant or subject(s).
- i. 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. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is appreciable evidence in support of the allegation.
- j. Subject(s) have a right to be informed of the outcome of the investigations.
- k. The inquiry and investigation shall be completed normally within 30 days of the receipt of the protected Disclosure by the VEC.

8. **DECISION AND REPORTING**

- a. If an investigation finds that an improper or unethical act has been committed, VEC shall present a report to MD. The MD shall thereupon take action against the person concerned as per the policy and regulations of the company.
- b. No action needs to be taken if VEC makes a recommendation for closure.
- c. The VEC shall submit a report to the compliance officer on a quarterly basis about all Protected Disclosure referred to them and the details of disclosures forwarded to the MD and action taken by him on the matter. The same report shall also be forwarded to the Chairman of the Audit Committee and Chairman of the Board.
- d. If the report of investigation is not to the satisfaction of the complainant or in case of exceptional cases the complainant has the right to report the event to the Chairman of Audit committee through email – auditcommittee@bgrenergy.com.
- e. A complainant who makes false allegations about or wrongful conduct to the VEC shall be liable for appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.
- f. Complaint made by an employee who has resigned and serving notice period shall be dealt with VEC in consultation with MD and their decision shall be final.

9. **SECREC / CONFIDENTIALITY**

The complainant and VEC and the subject and others involved in the process shall:

- i) Maintain confidentiality;
- ii) Discuss only to the extent or with those persons as required under this Policy for completing the process of investigation;
- iii) Not keep the papers unattended anywhere at any time;
- iv) Keep the electronic mails / files under password protection.

10. **PROTECTION**

- a. The company will ensure that no unfair treatment, discrimination, harassment or victimization will be meted out to a Whistle Blower for the reasons of his having reported a Protected Disclosure under this policy. The Company will take steps to minimise difficulties, which the Whistle Blower may experience as a result of making the protected disclosure.
- b. A Whistle Blower may report any violation of this policy to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law, unless he himself has made either his details public or disclosed his identity to any other office or authority.

- c. Any other Employee assisting in an inquiry or investigation shall also be protected to the same extent as the Whistle Blower.

11. **ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE**

The Whistle Blower shall have right to meet Chairman of the Audit Committee in appropriate or exceptional cases.

12. **AMENDMENT**

The Company at its sole discretion shall amend or modify this Policy in whole or in part, at any time.

13. **BOARD DECISION FINAL**

In matters arising under this policy any decision taken by the Board of directors shall be final.