BGR ENERGY

BGR ENERGY SYSTEMS LIMITED

POLICY ON DIVERSITY OF BOARD OF DIRECTORS

I. PREFACE AND OBJECTIVE

1. The Company is committed to deal with all stakeholders with transparency and fairness with a view to adopt and practice high standards of corporate governance norms in the organization. Pursuant to this objective, the Company endeavors to conduct its affairs by adopting high standards of professionalism, fairness, honesty, integrity and ethical behavior and in compliance of applicable laws, as amended from time to time. The Company seeks to achieve this objective by constituting the Board and its various committees with persons of high credentials with due regard to diversity, including gender diversity.

2. As per Regulation 19(4) read with Part- D of the Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee of the Board of Directors of the Company has been mandated to devise a policy on diversity of Board of Directors.

3. In compliance with the above, the Company has formulated this policy namely

"BGR Energy Systems Limited - Policy on Diversity of the Board of Directors**".**

The Company believes that current Board has brought and provides requisite diversity in all respects. The Company however, needs to review the Board's diversity in terms of this Policy.

4. The main objectives of this policy are:

(i) Enhancement of performance of the Board an facilitate effective Corporate Governance.

(ii) Encourage diversity of thoughts, expertise and perspectives.

(iii) Usher in independence in the performance of the Board.

(iv) Eliminate gender bias, if any, in the constitution and functioning of the Board of Directors.

(v) Create and provide an environment for succession planning.

(vi) Identification of senior/key management personnel for appointment as Executive Directors.

(vii) Provide for appropriate mix of promoter directors, professional directors and independent directors.

II. DEFINITION

For the purpose of the Policy the following terms shall have the meanings assigned to them hereunder:

a. "Committee" means the Nomination and Remuneration Committee of the Board;

b. "Policy" means "BGR Energy Systems Limited - Policy on Diversity of the Board of Directors" as amended from time to time;

c. "SEBI Listing Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;

d. "BGR Energy" or the "Company" means BGR Energy Systems Limited;

e. "Companies Act" means the Companies Act, 2013, read with the rules thereunder as amended;

(Words and expressions used and not defined in this Policy but defined in the SEBI Listing Regulations or the Companies Act, 2013 and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation as the context may so require).

III.NOMINATION AND APPOINTMENT

The Nomination and Remuneration Committee ('Committee') of the Board shall be responsible for:

a. Reviewing and assessing the composition and performance of the Board.
b. Identify appropriate qualified personnel to occupy Board position.
c. Suggest appropriate expertise and diversity required based on future projected activities of the Company.
d. Managing the process of recruiting new member to the Board, defining requisite skills and expertise and make recommendations to the Board.
e. Ensuring that selection process is formal and thorough and non-discriminatory.
f. Review and report any changes in relation to the diversity of the Board

The Committee shall also review the Board composition in terms of the size of the Board, the composition of executive and non-executive directors and the composition of independent directors, each of which shall be in accordance with the requirements of the Articles of Association of the Company, the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other statutory / regulatory requirements.

IV. MONITORING, TRACKING AND REPORTING

The Committee shall support laying down a succession plan and drive the understanding of talent across the organization and support development programme for the Board.
As part of the exercise, it will also review and suggest training for directors. Amongst the key requirements is to also plan for the evolution of non-executive directors over the medium term to maintain appropriate mix of skills, age and gender diversity on the Board.

The Committee will conduct and periodic review of the policy (including a review of the effectiveness of the Policy), discuss any changes with the Board and ensure that the revisions to the Policy are approved by the Board.

The Company shall provide sufficient information about this policy to its shareholders, and provide information regarding the composition of the Board, the areas of expertise of each director and their qualification / characteristics etc. The necessary disclosures about the policy and other details should be made as per the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Companies Act, 2013. The policy shall be made available in the website of the Company.

V.AMENDMENTS and UPADATION

The Committee shall review this Policy on a periodic basis and recommend revisions to the Board for consideration and approval.

VI. REVIEW AND RESPONSIBILITY

The Committee shall review the Policy, from time to time, and recommend appropriate revision to the Board