

BMR HVAC LIMITED

Terms & Conditions of Appointment of Independent Directors

The terms & conditions of the appointment of the Independent Directors are given herein below which are as stipulated in Schedule IV & other applicable provisions of the Companies Act, 2013 ("the Act").

1. The Appointment of Independent Directors of the Company will be for a term of five consecutive years.
2. The Independent Director will not retire by rotation.
3. The Company has various Committees of the Board Viz. Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. The Board of Directors may appoint the Independent Directors as Chairman or Member of one or more of the existing Board Committees or any Committee(s) that may be set up in future as the Board may deem fit from time to time. The quorum for meetings is either two members of the Committee or one- third of the members of the Committee, whichever is higher.
4. The Independent Director will have same general legal responsibilities to the Company as any other Director has, except that Independent Director shall be held liable only in respect of such acts of omission or commission by a Company which had occurred with his knowledge, attributable through board processes and with his consent or connivance or where he had not acted diligently.
5. The Independent Director will adhere to the following duties of directors, which are more specifically stipulated in Section 166 of the Companies Act, 2013 for all Directors :-
 - a) Subject to the provisions of this Act, a director shall act in accordance with the Articles of Association of the Company.
 - b) A director shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment.
 - c) A director shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
 - d) A director shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
 - e) A director shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the Company.
 - f) A director shall not assign his office as Director and any assignment so made shall be void.
6. The Independent Directors shall be governed by the Code for Independent Directors as laid down in Schedule IV to the Act read with section 149 (8) of the Act. The Independent Directors will also comply with any relevant regulations as may be issued by the Government of India and such

other authorized bodies as set up by the Government on its behalf.

7. The Independent Directors of the Company shall hold at least one meeting in a year without the attendance of non-Independent Directors and Members of the Management. They shall strive to be present at such meetings.
8. The Independent Directors shall be eligible for reimbursement of air fare, accommodation, boarding, conveyance and other incidental expenses incurred by them for attending the Board and Committee meetings or for discharging their duties as Independent Directors of the Company.
9. The Independent Directors must apply the highest standards of confidentiality. They are expected not to disclose confidential information of the Company or group companies to any person or Company (whether during the course of the appointment or at any time after termination of appointment) without prior clearance from the Chairman & Managing Director. The confidential information includes Company's business plans, commercial secrets, technologies, financial/technical information and unpublished price sensitive information of the Company or group companies etc.
10. In the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect status as an Independent Director, the Independent Director shall give a declaration to that effect confirming that he meets the criteria of independence as provided in Section 149 (6) of the Act.
11. The Company acknowledges that Independent Director may have business interests other than those of the Company and that he may have declared any conflicts that are apparent at present. In the event that he becomes aware of any potential conflicts of interest, not declared so far, these may be disclosed to the Company as soon as it becomes apparent.
12. During the appointment, Independent Director should inform the Company prior to accepting any other (or further) directorships of other companies or any major external appointments, to avoid any conflict of interest with his current position in the Company.
13. The resignation and removal of an Independent Director shall be in the same manner as provided in sections 168 and 169 of the Act.

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