

PARIN FURNITURE LIMITED

[CIN: U36101GJ2006PLC049074]

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

The terms and conditions of appointment of the following Independent Directors are subject to the provisions of the (i) applicable laws, including the Companies Act, 2013 ('the Companies Act') and as per the LODR Regulations (as amended from time to time) and (ii) Articles of Association of the Company, as may be applicable from time to time

The terms and conditions of appointment of an Independent Director of the Company are as under:

1. Appointment

An independent director of the company to be appointed as a Non-Executive Independent Director for a term of five years.

An Independent Director will not be liable to retire by rotation. The term Independent Director should be construed as defined under the Companies Act, 2013

Appointment of Independent director and tenure as Independent Director shall be consistent with the applicable provisions of the Companies Act, 2013

2. Committees

The Board of Directors (the Board) may, if it deems fit, invite an independent director for being appointed on one or more Board Committees. Appointment on such Committee(s) will be subject to the applicable laws and regulations. By accepting this appointment, an independent director confirm that he/she is able to allocate sufficient time to meet the expectations from his / her role to the satisfaction of the Board.

3. Role and Duties

As a member of the board, his / her role, duties and responsibilities will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013.

In terms of Section 166 of the Companies Act, 2013, an independent director shall

- I. act in accordance with the Company's Articles of Association.
- II. 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.
- III. exercise his/her duties with due and reasonable care, skill and diligence.
- IV. not involve his / her self in a situation in which an independent director may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- V. not achieve or attempt to achieve any undue gain or advantage either to his / her self or to their relatives, partners or associates.
- VI. not assign his / her office as Director and any assignments so made shall be void.

An independent director shall also abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013, and duties of directors as provided in the said Act.

4. Remuneration, etc.

- **Fees/Commission:** An independent director will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board and/or approved by the Shareholders from time to time.
Further, an independent director will also be paid remuneration by way of commission as may be approved by the Board and the Shareholders from time to time.
- **Reimbursement of Expenses:** In addition to the remuneration described, hereinabove, the Company will, for the period of his/her appointment, reimburse an independent director for travel, hotel and other incidental expenses incurred by an independent director in the performance of his/her role and duties.

5. Code of Conduct & other compliances

During the appointment, an independent director will 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, including the Code for Independent Directors, Code of Conduct and Ethics for Directors and such other requirements as the Board of Directors may from time to time specify.

At 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, he /she shall give a declaration to that effect confirming that an independent director meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

6. Conflict of Interest

It is accepted and acknowledged that an independent director may have business interests other than those of the Company. As a condition to appointment commencing, an independent director is required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of his / her appointment.

In the event that circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgement that an independent director is independent, this should be disclosed to both the Chairman and the Secretary.

7. Confidentiality

All information acquired during appointment is confidential to PARIN FURNITURE LIMITED and should not be released, either during appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or regulatory body. On reasonable request, an independent director shall surrender any documents and other materials made available to an independent director by PARIN FURNITURE LIMITED.

8. Evaluation

The Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors. Appointment and re appointment of independent director on the Board shall be subject to the outcome of the evaluation process.

9. Disclosure of Interest

An independent director shall disclose material interest that in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record interest appropriately and our records are updated. A general notice that an independent director is interested in any contracts with a particular person, firm or company is acceptable.

10. Termination

a. An independent director may resign from his / her position at any time and should an independent director wish to do so, an independent director is requested to serve a reasonable written notice on the Board.

b. Continuation of appointment is contingent on getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. An independent director will not be entitled to compensation if the shareholders do not re-elect an independent director at any time.

c. Appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.