

**POLICY ON FAMILIARIZATION & INDUCTION PROGRAM FOR INDEPENDENT DIRECTORS OF  
AVON MERCANTILE LIMITED**

- **Preamble:**

Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement mandate the Company to induct and suitably familiarize the Independent Directors in the following areas:

- Familiarization with the nature of Business of the Company;
- Roles;
- Responsibilities ;
- Nature of industry including competition/export potential ; and
- The business model and Corporate Plans {Long Term and Short Term} of the Company

**Induction & Familiarization Programme Training module for Independent Directors**

- a) **Objective**

The Company shall follow a structured induction and familiarization programme for the Independent Directors to understand and get updated on the operations of the Company on a continuous basis.

- b) **Familiarization Programme for Independent Directors upon induction**

Industry Overview and business activities of the company. Business overview and Financial Performance of the Company. Familiarization on Statutory compliances as a Board Member including their Roles, Rights and Responsibilities.

- **Familiarization Process :**

The Company shall through its Chairman familiarize the Independent Directors in regular board meetings with the operations and functions of the Company.

The company may also through its Senior Management Personnel conduct programs / presentations periodically or at the time of appointment of the independent directors to understand the company's operations, finance, human resources, and risk management and such other areas as may arise from time to time. The programs / presentations shall also familiarize the Independent Directors with their roles, rights and responsibilities.

- **Approval And Publication:**

This policy as framed by the Nomination and Remuneration Committee has already been approved by the Board of Directors.

This policy shall be hosted on the Company's website.

**DETAILS OF PROGRAMMES AND NO. OF HOURS ATTENDED BY THE INDEPENDENT DIRECTOR ON FAMILIRISATION AND INDUCTION PROGRAMS OF AVON MERCANTILE LIMITED**

Mr. Ramesh Chandra Agarwal and Mr. Satish Kumar Gupta were appointed as Independent Directors of the Company w.e.f. 13<sup>th</sup> August 2014 and their appointment was approved by the shareholders in the annual general meeting held on 30<sup>th</sup> September 2014 for a term of 5 years.

Both the Independent Directors were inducted and familiarized by the Chairman with the Industry Overview, business activities and financial performance of the company. They were also familiarized on Statutory compliances as a Board Member including their Roles, Rights and Responsibilities.

The overall induction programme took place till date is for about four hours approx.