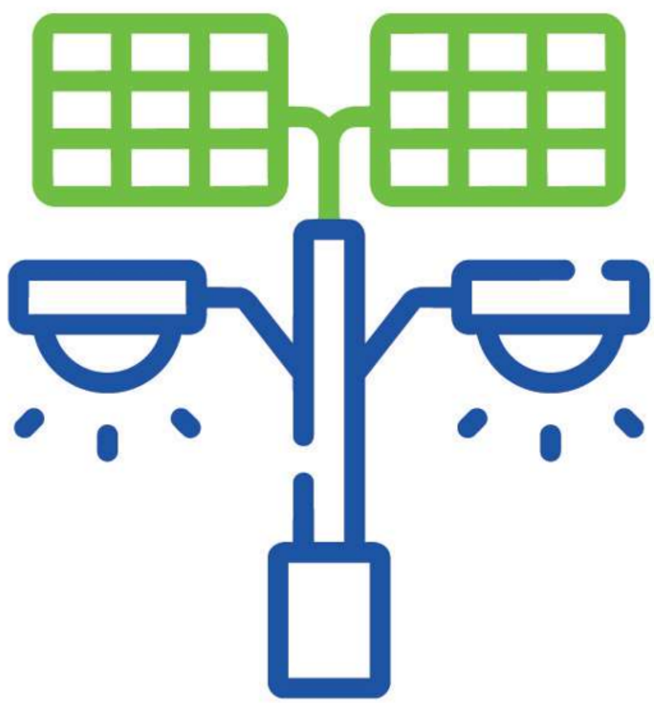
AVAADA
ELECTRO



Policy on Familiarization Programme for Independent Directors

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DEFINITIONS AND INTERPRETATION

1. **Definitions**

"**Applicable Law**" shall mean all applicable laws, statutes, enactments, acts of central or state legislature, ordinances, rules, regulations, notifications, guidelines, directions, directives, policies, circulars, decisions and any other pronouncements issued in accordance with the Companies Act, the SEBI Act, Listing Regulations or any other law applicable to the jurisdiction of India by any central, state, local, or other governmental, administrative or regulatory authority exercising executive, legislative, judicial, regulatory or administrative functions, including but not limited to the RBI and the Ministry of Corporate Affairs of the Government of India;

"**Board**" shall mean the board of directors of the Company;

"**Companies Act**" shall mean the Companies Act, 2013, and rules and regulations made thereunder, as amended from time to time;

"**Company**" shall mean Avaada Electro Limited;

"Continuous Professional Development" shall mean ongoing learning and upskilling by Independent Director through familiarization programs, training and regulatory update to enable them to discharge their duties effectively."

"**Director(s)**" shall mean a member of the Board;

"**Independent Director(s)** shall mean the independent directors on the Board, as appointed from time to time;

"**Listing Regulations**" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;

"**RBI**" shall mean the Reserve Bank of India;

"**SEBI Act**" shall mean the Securities and Exchange Board of India Act, 1992, as amended from time to time.

2. **Interpretation**

Unless defined expressly herein, all capitalised terms used in this Policy shall have the meanings assigned to them under the Companies Act, the SEBI Act, as amended from time to time, the Listing Regulations, the Securities Contracts (Regulation) Act, 1956, as amended from time to time, the Depositories Act, 1996, as amended from time to time.

In the event of any conflict between this Policy and Applicable Law, the Applicable Law shall prevail. Any amendment / modification to the Applicable Law shall automatically apply to this Policy, to the extent applicable.

INTRODUCTION

3. Background

Regulation 25(7) read with 46(2) of the Listing Regulations inter-alia stipulates that the Company shall familiarize its independent directors with the Company, their roles, rights, responsibilities in the Company, business model of the Company, nature of the industry in which the Company operates and any other relevant information, through periodical programmes. Additionally, these programmes allow independent directors to interact closely with the senior leadership of the Company. This Policy is accordingly formulated in pursuance of the aforesaid requirements of Listing Regulations.

4. Objectives

This Policy aims to institutionalise a formal induction mechanism for Independent Directors to enhance their strategic oversight of the Company

The objectives of this Policy are as below:

1. To provide Independent Directors with a comprehensive understanding of the Company's business model, operations, products, services and the industry ecosystem within which the Company operates;
2. To facilitate Independent Directors' thorough comprehension of their roles, rights, responsibilities and liabilities pursuant to the Companies Act, 2013, Listing Regulations and other applicable laws and regulations;
3. To acquaint Independent Directors with the Company's strategic objectives, financial performance parameters, risk management frameworks, and internal control systems to enable effective corporate governance oversight;
4. To apprise Independent Directors of significant developments in the regulatory landscape and industry trends that may impact the Company's business operations and governance practices;
5. To foster meaningful engagement between the Independent Directors and the senior management team to facilitate informed decision-making and strategic guidance;
6. To equip Independent Directors with requisite knowledge and insights to effectively discharge their fiduciary duties in the best interests of the Company and its stakeholders; and
7. To ensure continuous professional development of Independent Directors through structured programmes aligned with evolving corporate governance standards and business complexities.

FAMILIARIZATION PROCESS

At the time of any new Independent Director joining the Board, a meeting of such Independent Director shall be organized with the management of the Company to give an overview of the Company's business and to acquaint the incoming Independent Director with the business strategy, business model, operations, functions, policies and procedures, roles and responsibilities, financial performance, governance, applicable laws,, and any others areas that are deemed necessary. The programme will also familiarize such Independent Director(s) with their roles, rights and responsibilities.

5. On-going Programme

To enable them to fulfil their governance role, such Independent Director(s) shall be updated on a continuous basis on any significant changes and developments in the Company's business, strategies, business models, new initiatives, industry updates and changes in legislation impacting the Company.

Such programs / presentations will provide an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time;

Updates shall be given to Independent Director(s) through presentations at meetings of the Board and Committees of the Board where such Independent Director(s) and such updates may also be provided through various other communication channels like emails/notifications/press releases/news or events.

In addition to the above, in the course of deliberation at the meetings of the Board and committees of the Board thereof, the Independent Director(s) and the Board as a whole, shall be familiarized with the functioning of the overall performance and functioning of the Company, risk management process, human resource processes, IT processes, corporate social responsibility, and governance initiatives of the Company on a continuing basis.

Further, Director(s) shall be provided with necessary documents, reports and internal policies to enable them to be familiar with the Company's procedures and practices. Independent Directors shall have the freedom to interact with the Company's management. Further, they can have independent discussions with relevant stakeholders to discuss the Company's business matters and put forth their combined views to the Board.

The Company may also conduct training programmes for its Independent Director(s) by experts outlining the roles, rights, duties and responsibilities of Independent Director(s) from the perspective of various Applicable Laws from time to time.

6. Programme and Disclosure

The programme will be conducted as may be required during the year. As and when the programme is conducted, the same will be disclosed on the website of the Company https://avaadaelectro.com/ as provided in Regulation 46 of Listing Regulations.

7. Amendment and Review

The Company may review this programme and make suitable revisions, as may be deemed necessary, from time to time. Subject to applicable laws, the Board may amend, suspend or rescind this policy at any time. Any issues pertaining to the Policy shall be resolved by the Board in line with the broad intent of the Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy.

In the event of any conflict between the provisions of this Policy and any applicable law, such applicable law in force, shall prevail over this Policy.

8. Disclosures

The details of familiarization programmes imparted to independent directors with required details shall be uploaded on the Company's website for public information and web link for the same shall also be provided in the Annual Report of the Company.