



## **ALCOBREW DISTILLERIES INDIA LIMITED**

### **TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS**

[Pursuant to the provisions of Schedule IV to the Companies Act, 2013]

#### **TERMS AND CONDITIONS**

The appointment is subject to the following:

1. During the tenure as an Independent Director, you will have to submit a declaration at the beginning of every Financial Year under Section 149 (7) of the Companies Act, 2013("Act") stating that you meet the criteria of Independence.
2. So long as you are an Independent Director of the Company, the number of companies in which you hold office as a director, or a chairman or committee member will not exceed the limit stipulated under the Act.
3. So long as you are an Independent Director of the Company, you will ensure that you do not get disqualified to act as a Director pursuant to the provisions of Section 164 of the Act.
4. You will ensure compliance with other provisions of the Act as applicable to you as an Independent Director. you will serve as an Independent Non-Executive Director and will be identified as such in the annual report and other documentation of the Company. If circumstances change and you believe that your independence will be in doubt, you should intimate the same to the Board as soon as practicable.

#### **TENURE**

The appointment will be for a period of three years commencing from the respective date of their appointment by the Board, subject to the approval of the Members at the subsequent Annual General Meeting ("Term"). The Company may disengage Independent Directors prior to completion of their Term, subject to compliance of relevant provisions of the 2013 Act.

#### **COMMITTEES**

You may be nominated for being appointed on one or more existing Committee(s) of Board or on any such Committee that may be constituted in future during your term as may be decided by the Board and in such event, you will be provided with the relevant Committee's terms of the reference and any specific responsibilities.

#### **TIME COMMITMENT**

- As an Independent Director, you are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance. The Board may request you from time to time for being appointed on one or more of the

existing Committees or any other Committee as may be constituted from time to time. The mandate of the Committees shall be as decided by the Board from time to time. You will be expected to attend Board meetings, Board Committee(s) meeting to which you may be appointed and to devote such time to your duties, as appropriate for you to discharge your duties effectively. Ordinarily, all meetings are held at the corporate office of the Company, or such other place as decided by the Board of Directors.

- By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

#### **CODE OF CONDUCT AND DUTIES AND RESPONSIBILITIES**

1. You shall abide by the 'Code of Independent Directors' as outlined in Schedule IV and Section 149(8) of the Act and duties of Directors as provided in the Companies Act, 2013.
2. You will also be responsible for providing guidance in the area of your expertise.
3. You will not hold office as a director or any other office in a competing firm/entity.
4. You are expected to stay updated on how best to discharge your roles, responsibilities, and duties and liabilities, as an Independent Director of the Company under applicable law, including keeping abreast of current changes and trends in economic, political, social, financial, legal and corporate governance practices.
5. You are expected to:
  - (i) take decisions objectively and solely in the interests of the Company.
  - (ii) facilitate Company's adherence to high standards of ethics and corporate behaviour.
  - (iii) guide the Board in monitoring the effectiveness of the Company's governance practices and to recommend changes, required if any.
  - (iv) guide the Board in monitoring and managing potential conflicts of interest of Management, Board Members and Stakeholders, including misuse of corporate assets and abuse in related party transactions.
  - (v) guide the Board in ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.

#### **PERFORMANCE EVALUATION**

- The performance evaluation of Independent Director shall be done by the Board of Directors, excluding the director being evaluated.

- The reappointment or extension of term and your remuneration will be recommended by the Nomination and Remuneration Committee of the Board, pursuant to a performance evaluation carried out by the Board.

## **REMUNERATION**

1. You will be provided Sitting fees for attending each meeting of the Board and its Committees.
2. You will be entitled to reimbursement of expenses if any incurred by you in connection with attending the Board meetings.
3. Pursuant to applicable law, you will not be entitled to any stock options.

## **INSURANCE**

The Company provides all its Directors with, and pays the premium for Directors and Officers Liability Insurance cover while acting in their capacity as Directors.

## **MISCELLANEOUS**

You will have access to confidential information, whether or not the information is marked or designated as “confidential” or “proprietary”, relating to the Company and its business including legal, financial, technical, commercial, marketing and business-related records, data, documents, reports, etc., client information, intellectual property rights (including trade secrets), (“**Confidential Information**”).

You shall use reasonable efforts to keep confidential and to not disclose to any third party, such Confidential Information.

If any Confidential Information is required to be disclosed by you in response to any summons or in connection with any litigation, or in order to comply with any applicable law, order, regulation or ruling, then any such disclosure should be, to the extent possible, with the prior consent of the Board.

In case of situations of any conflict of interest at any time, a full disclosure may be made immediately to the Board.

You may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified by you in the notice, whichever is later.