



ALCOBREW DISTILLERIES INDIA LTD

WHISTLE BLOWER POLICY / VIGIL MECHANISM



ALCOBREW DISTILLERIES INDIA LIMITED WHISTLE BLOWER POLICY / VIGIL MECHANISM

1. PREAMBLE

The Company believes in conducting its business in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity, and ethical behavior. As such the Company endeavors to work against corruption in all its forms including demand and acceptance of illegal gratification and abuse of official position with a view to obtaining a pecuniary advantage for self or any other person.

The Company has framed and adopted Conduct, Discipline and Appeal Rules, Service Rules, and Standing Orders which govern the conduct of Management employees and workmen. The Vigilance dept. of the Company is also empowered to initiate investigations on its own and act on complaints received from public/employees, with regard to violation of the Company's rules and procedures and code of ethics in the conduct of business. Any actual or potential violation of the Company's rules, regulations, and policy governing the conduct of business is a matter of serious concern for the Company. The Company is therefore committed to developing a culture where it is safe for employees to raise concerns about instances if any, where such rules, regulations, and policies are not being followed or any fraud has been committed or business has been conducted in an unethical manner.

- 1.1. As per Section 177 of the Companies Act 2013 and Rule 7 of the Companies (Meetings of Board and its Powers), Rules 2014, every company having borrowed money from banks and public financial institutions in excess of fifty crore rupees is required to establish a **vigil mechanism** for the directors and employees to report genuine concerns
- 1.2. Under these circumstances, Alcobrew Distilleries India Limited ("the Company") proposes to establish a Whistle Blower Policy/ Vigil Mechanism.

As per Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 The companies which are required to constitute an audit committee shall oversee the vigil mechanism through the committee and if any of the members of the committee have a conflict of interest in a given case, they should abstain themselves and the others on the committee would deal with the matter. Mr. Arvind Kaul, Deputy Managing Director of the Company, nominated by the Board of Directors in their meeting held on 07th April, 2017, as the Nodal Officer of the vigil mechanism as laid down in this Policy.



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2. POLICY OBJECTIVES

- 2.1. A Whistle Blower Policy/ Vigil Mechanism provides a channel to the employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees to avail of the mechanism and also provide for direct access to the Chairperson of the Company in exceptional cases.
- 2.2. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.

3. SCOPE OF THE POLICY

- 3.1. This Policy covers malpractices and events which have taken place/ suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activity on account of which the interest of the Company is affected.
- 3.2. Whistle Blower/ Vigil Mechanism Policy shall be applicable for all permanent employees including all Directors of the Company.

4. DEFINITIONS

- 4.1. **“Alleged wrongful conduct”** shall mean violation of law, infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.
- 4.2. **“Board”** means the collective body of Directors of the Company.
- 4.3. **“Company”** means Alcobrew Distilleries India Limited.
- 4.4. **“Chairman”** means Chairman of the Company i.e. Mr. Romesh Pandita.
- 4.5. **“Employee”** means all the present employees including Managing Director and Whole-time Director(s) of the Company.
- 4.6. **“Audit Committee”** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013.



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- 4.7. **“Competent Authority”** means the Chairman & Managing Director of the Company and will include any person(s) to whom he may delegate any of his powers as the Competent Authority under this policy from time to time. In case the subject person is Chairman & Managing Director, then Audit Committee, Chairman will be the Competent Authority.
- 4.8. **“Nodal officer”** means an officer of the Company nominated by the Board of Directors of the Company in their meeting to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Board for its disposal and informing the whistle blower the result thereof.
- 4.7. **“Protected Disclosure”** means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity with respect to the Company. However, the Protected Disclosures should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- 4.8. **“Senior Management”** means personnel of the Company excluding Board of Directors comprising all members of Management one level below the Executive Directors, including the functional heads.
- 4.9. **“Subject”** means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 4.10. **“Whistle Blower”** is an employee or group of employees who make a Protected Disclosure under this Policy and also referred to in this policy as complainant.

5. ELIGIBILITY

All Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

6. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES

- 6.1. Protected Disclosures should be reported in writing by the complainant as soon as possible after he becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or in Regional language.
- 6.2. The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as “Protected disclosure under the whistle blower policy”. If the complaint is not super scribed and closed as mentioned above it will not be possible for the Nodal Officer to protect the complainant and the protected disclosure will be dealt



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with as if a normal disclosure. In order to protect identity of the complainant, the nodal officer will not issue any acknowledgement to the complainant and the complainants are advised neither to write the name / address of the complainant on the envelope nor to enter into any further correspondence with the nodal officer. The Nodal Office assures that in case any further clarification is required it will get in touch with the complainant.

- 6.3. Anonymous disclosure shall not be entertained by Nodal Officer without the consent of the Chairman and the Chairman has discretion power over that said complaint should be processed or not.
- 6.4. The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Nodal Officer shall detach the covering letter bearing the identity of the whistle blower and process only the Protected Disclosure.
- 6.5. All Protected Disclosures should be addressed to the Nodal Officer of the Company. The contact details of the Nodal Officer are as under: -

Address of Nodal Officer

Mr. Arvind Kaul

Nodal Officer
Alcobrew Distilleries India Limited
Corporate office, 6th floor,
Magnum Tower- II, sector-58,
Gurugram, Haryana - 122011

- 6.6. Protected Disclosure against the Nodal Officer should be addressed to the Chairman of the Company. The contact details of the Chairman of the Company are as under:

Mr. Romesh Pandita

Chairman & Managing Director
Alcobrew Distilleries India Limited
Q-1/26, DLF City Phase-II, Gurgaon- 122002 (Haryana)

- 6.7. On receipt of the protected disclosure the Nodal Officer/Chairman of the Company as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not before referring the matter to the Audit Committee for further appropriate investigation and needful action. The record will include:
- a) Brief facts;
 - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - c) Whether the same Protected Disclosure was raised previously on the same subject;



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- d) Details of actions taken by Nodal Officer for processing the complaint;
- e) Findings of the Nodal Officer.

6.8. The Committee if deems fit may call for further information or particulars from the complainant.

7. INVESTIGATION

- 7.1. All protected disclosures under this policy will be recorded and thoroughly investigated. The Nodal Officer may investigate and may at its discretion consider involving any Officer of the Company or any other person for the purpose of investigation.
- 7.2. The decision to conduct an investigation taken by Nodal Officer is by itself not an accusation and is to be treated as a neutral fact finding process.
- 7.3. Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 7.4. Subject(s) shall have a duty to cooperate with the Nodal Officer or any of the Officers appointed by Nodal Officer in this regard to the extent that such cooperation will not compromise self-incrimination protections available under the applicable laws.
- 7.5. Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).
- 7.6. Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 7.7. Subject(s) have a right to be informed of the outcome of the investigations.
- 7.8. The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Board deems fit and as applicable.

8. DECISION AND REPORTING

- 8.1. Nodal Officer along with its recommendations will report its findings to the Audit Committee within 30 days of receipt of the protected disclosure. In case prima facie case exists against the subject, then the Audit Committee shall forward the said report with his recommendation to the Board for further appropriate action in this regard or shall



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close the matter, for which he shall record the reasons. Copy of above decision shall be addressed to the Nodal Officer, the complainant and the subject.

- 8.2. In case the subject is nodal officer or any member of Audit Committee of the Company, the protected disclosure shall be addressed to the Chairman. The Chairman after providing an opportunity to the subject to explain his position and after completion of investigation shall submit a report along with its recommendation to the Board. The Board further will take appropriate action in this regard or shall close the matter, for which they shall record the reasons. Copy of the above decision shall be addressed to the subject and the complainant.
- 8.3. A complainant who makes false allegations of unethical & improper practices or about wrongful conduct of the subject to the nodal officer or the Chairman, then he shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

9. SECRECY / CONFIDENTIALITY

- 9.1. The complainant, Nodal officer, Chairman, the Subject and everybody involved in the process shall:
 - 9.1.1. Maintain confidentiality of all matters under this Policy.
 - 9.1.2. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
 - 9.1.3. Not keep the papers unattended anywhere at any time.
 - 9.1.4. Keep the electronic mails / files under password.

10. PROTECTION

- 10.1. No unfair treatment will be made to a whistle blower by virtue of his/ her having reported a Protected Disclosure under this policy. Complete protection will be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination/ suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/ functions including making further Protected Disclosure.
- 10.2. A Whistle Blower may report any violation of the above clause to the Chairman of the Company, who shall investigate into the same and recommend suitable action to the Board.
- 10.3. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. In the event of the identity of the complainant being disclosed, the



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Nodal Officer is authorized to initiate appropriate action as per the extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.

10.4. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

10.5. In case of repeated frivolous complaints being filed by an employee, the Nodal Officer may take suitable action against the concerned employee. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

11. ACCESS TO CHAIRMAN OF THE COMPANY

11.1. The Whistle Blower shall have right to access Chairman of the Company directly in exceptional cases and the Chairman of the Company is authorized to prescribe suitable directions in this regard.

12. COMMUNICATION

12.1 A whistle blower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the website of the Company or any other way as communicated by Nodal Officer.

13. RETENTION OF DOCUMENTS

13.1 All Protected disclosures documented along with the results of investigation relating thereto, shall be retained by the Nodal Officer for a period of 5 (five) years or such other period as specified by any other law in force, whichever is more.

14. ADMINISTRATION AND REVIEW OF THE POLICY

14.1. Nodal Officer shall be responsible for the administration, interpretation, application and review of this policy. Noda Officer shall also be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Board.

15. AMENDMENT

15.1 The Company reserves its right to amend or modify this policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employee and Director unless the same is notified to them in writing.