



**ALCOBREW DISTILLERIES INDIA LIMITED**

**Nomination and Remuneration Policy**

**CIN:** [U15520DL2002PLC117974]

**Registered Office:** [C-423, Sarita Vihar, South Delhi, New Delhi-110076, India]

**[Corporate office:** 6<sup>th</sup> floor, Magnum Tower II, Golf Course Extension Road, Sector-58, Gurgaon-122011]

## 1. Preamble

In accordance with the provisions of Section 178 of the Companies Act, 2013 (Companies Act), read with applicable rules thereto and Regulation 19 read with Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) the Board of Directors of the Company at its meeting held on 16.09.2025 constituted the Nomination and Remuneration Committee (hereinafter referred to as committee) of the Board of Directors and also stipulated terms of reference in line with the Companies Act, 2013. In order to recommend the persons to be appointed as Director of the Company and one level below the Board of Directors, and functional heads and to pay equitable remuneration to the Directors, Key Managerial Personnel and Senior Management of the Company, the Board on the recommendation of the Nomination and Remuneration Committee, formulated and approved this Nomination and Remuneration Policy ("**Policy**") in its duly convened and held meeting of the Board ("**Board of Director**" or "**Board**"), dated 16.09.2025

## 2. Applicability: The Policy is applicable to

- a) Directors (Executive and Non-Executive)
- b) Key Managerial Personnel
- c) Senior Management Personnel
- d) Other employees

## 3. Objective

- a) To lay down the criteria for identifying the persons who are qualified to become directors and who may be appointed in Senior Management and recommending to the Board of Directors of the Company their appointment and removal.
- b) To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director.
- c) To recommend candidates for appointment as Directors, KMP and Senior Management.
- d) To formulate the policy relating to appointment, removal and remuneration of Directors, Key Managerial Personnel, Senior Management and other employees.
- e) To formulate the criteria or policy for the evaluation of performance of all the Directors on the Board.
- f) To devise a policy on diversity of Board of Directors of the Company.
- g) To develop and review succession plan for the Board, KMP & Senior Management.
- h) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable.

## 4. Matters to be dealt with, perused and recommended to the Board by the Committee

The following matters shall be dealt with by the Committee:

- a) **Identification and recommendation of candidates for appointment as Directors, KMP and Senior Management:** The Committee shall identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this Policy and recommend to the Board their appointment and removal. In this regard, the Committee may rely on the Company's management, or external search firm(s), or a mix of both, as the Committee deems fit from time to time.
- b) **Size and composition of the Board:** Periodically reviewing the size & composition of the Board to
  - (i) have an appropriate mix of executive, non-executive and independent directors to maintain its independence and separate its functions of governance & management and
  - (ii) ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company.
- c) **Formulation of criteria and recommendation of Policy:** Formulating the criteria determining qualifications, positive attributes and independence of a Directors and recommend to the Board a policy, relating to the remuneration for the Directors, KMP and other employees.

- d) **Succession plans:** Establishing and reviewing succession plans of the Board, KMP and Senior Management in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management.
- e) **Evaluation of performance:**
- (i) make recommendations to the Board on appropriate performance criteria for the Directors.
  - (ii) formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company or engage with a third-party facilitator in doing so.
  - (iii) identify ongoing training and education programs for the Board to ensure that non-executive Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

**This Policy is divided into two parts:**

<b>Part A</b>	Policy for Appointment and Removal of Directors, Key Managerial Personnel and Senior Management
<b>Part B</b>	Policy for remuneration of directors, Key Managerial Personnel, Senior Management and other employees

## **PART A– POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

### **1. TITLE**

This policy shall be called the “policy for appointment and removal of director, key managerial personnel and senior management”.

### **2. APPOINTMENT**

1. The Committee shall identify and ascertain the person for appointment as Director, Key Managerial Personnel and Senior Management based on the following parameters:
  - Integrity;
  - Qualification;
  - Knowledge and Competency and
  - Expertise/Experience
  - Conflict of interest
2. The Committee to decide suitability of the qualification, expertise and experience possessed by a person for the concerned position.
3. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors/areas relevant to the Company, ability to contribute to the Company’s growth and complementary skills in relation to the other Board members.
4. For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director.
5. The Committee shall recommend the appointment to the Board of Directors of the Company.
6. The appointment of Managing Director and Independent Director of the Company shall be strictly in accordance with the applicable provisions of the Companies Act, 2013 and any other applicable law for the time being in force.

The Committee to impart training to the person appointed as Director of the Company, on matters related to the Company viz. profile, the core business, its area of operations and work mechanism etc.

### **3. TERM/TENURE**

1. The tenure for the Executive Directors, Non-Executive Directors and Independent Directors shall be governed by the terms defined in the Act and SEBI Listing Regulations.
2. The tenure of the Key Managerial Personnel (except Managing Director and Executive Directors) and Senior Management will be governed by the general rules and regulations governing human resources /employees of the company.

#### **4. REMOVAL**

1. Subject to the applicable provisions of the Act and SEBI Listing Regulations, the Committee may recommend the removal of any of the Board of Directors of the Company if he/she has incurred disqualification under Section 164 of the Act or as per Section 167 or Section 169 of the Act. The reason for removal needs to be recorded in writing, subject to the provisions and compliance of the said Act, rules and regulations and forwarded it to the Board of Directors for their consideration.
2. The removal of the Key Managerial Personnel (except Managing Director/ executive director) shall be as per provisions of Companies Act, 2013 and Senior Management will be governed by general rules and regulations/ Policy governing Human resources /employees of the company.

#### **5. RETIREMENT**

The Managing Director/ Whole-time Directors (WTD), Key Managerial Personnel and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act/ prevailing policy of the Company. The Board will have the discretion to retain the WTD, Key Managerial Personnel and the Senior Management Personnel in the same position/ remuneration or otherwise, even after attaining the retirement age for the benefit of the Company subject to approvals as required under the Applicable Laws.

#### **6. REVIEW OF THE POLICY**

The Committee will review the Policy as and when required, which will include an assessment of the effectiveness of the Policy.

In case of any subsequent changes in the provisions of the Applicable Laws which makes any of the provisions in the Policy inconsistent with such provisions of the Applicable Laws, then such provisions of the Applicable Laws would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with Applicable Laws.

#### **7. EFFECTIVE DATE**

The Policy for Appointment and Removal of Directors, Key Managerial Personnel and Senior Management shall come into effect on 16.09.2025

### **PART B – POLICY FOR REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

(Under section 178(3) of the Companies Act, 2013)

#### **1. TITLE**

This policy shall be called the “Policy for remuneration of directors, Key Managerial Personnel and other employees”

#### **2. GENERAL**

1. The remuneration / compensation / commission etc. to be paid to Directors, KMPs and Senior management personnel will be determined by the Committee and recommended to the Board for approval, in accordance with the requirements under the Applicable Laws.
2. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the shareholders in the case of Managing Director/ Whole-time Director. In case of an increase in the remuneration of KMPs and Senior management Personnel, NRC may place information before the board of directors.
3. Where any insurance is taken by the Company on behalf of its Directors, KMP and Senior Management, for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person proves guilty, the premium paid on such insurance shall be treated as part of the remuneration.

4. The level and composition of remuneration as determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully.

### **3. REMUNERATION TO MANAGING DIRECTOR/ WHOLE TIME DIRECTOR**

The remuneration to Managing Director/ Whole- time Director of the Company shall be governed by section 197 read with Schedule V of the Companies Act and SEBI Listing Regulations/ any other enactment for the time being in force.

The Committee may make such recommendations as it may consider appropriate in connection with the remuneration to Managing Director/ Whole- time Director to the Board of Directors of the Company. While setting remuneration for the Executive Directors' the Company will take into account the market sector, business performance and the practices in other comparable companies.

The total remuneration package of Executive Directors shall include fixed as well as variable Remuneration.

### **4. REMUNERATION TO NON-EXECUTIVE DIRECTORS /INDEPENDENT DIRECTORS**

1. The Non-Executive Directors, independent directors of the Company may be remunerated either monthly or annually as decided by the Board on the recommendations of the committee in accordance with all applicable provisions of Companies Act and SEBI Listing Regulations. In addition to remuneration so paid, they are eligible to get sitting fees for attending meetings of Board or Committee, if the Board so deems fit and approves subject to the provisions of Section 197 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.
2. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and SEBI Listing Regulations, as amended from time to time.
3. Other remuneration, payable, if any, to the Non-Executive/ Independent Directors shall be determined and recommended by the Committee to the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the applicable laws.

### **5. MINIMUM REMUNERATION TO DIRECTORS IN THE EVENT OF INADEQUATE / NO PROFITS**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Directors including any managing or whole-time director or manager, or any other non-executive director, including an independent director in accordance with the provisions of Schedule V of the Companies Act.

### **6. REMUNERATION TO KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT AND OTHER EMPLOYEES**

- a. The remuneration of key managerial personnel and senior management shall involve a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the company and its goals. The remuneration of the KMPs and senior management shall be recommended by the Committee to the board of directors of the Company. Any increment in their remuneration shall be guided by the internal policy, and information thereof shall be placed before the board of directors.
- b. The fixed compensation of all employees including key managerial personnel and Senior Management will be determined as per internal policy which considers amongst other things, size and scope of the job typically as reflected by the level or grade of the job, trends in the market value of the job and the skills, experience and performance of the employee. Fixed compensation will include basic salary, housing allowance, leave travel allowance, and such other allowances.

- c. The annual incentive (variable pay) of all employees, if any, will be linked directly to the performance of the Company.
- d. Employees will also be eligible for work related facilities and perquisites as may be determined through human resources policies issued from time to time based on the grade of the employee.
- e. The annual increment of all employees, including key managerial personnel and Senior Management will be on the basis of formal annual performance evaluation. Annual increment in fixed and variable compensation of individual executives will be directly linked to the performance ratings of individual employees.

## **7. REVIEW OF THE POLICY**

The Committee will review the Policy as and when required, which will include an assessment of the effectiveness of the Policy.

In case of any subsequent changes in the provisions of the Applicable Laws which makes any of the provisions in the Policy inconsistent with such provisions of the Applicable Laws, then such provisions of the Applicable Laws would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with Applicable Laws.

## **8. EFFECTIVE DATE**

The Policy for remuneration of directors, Key Managerial Personnel and Senior Management and other employees shall come into effect on 16.09.2025.