



ALCOBREW DISTILLERIES INDIA LIMITED

POLICY FOR EVALUATION OF THE PERFORMANCE OF THE BOARD OF DIRECTORS

CIN: [U15520DL2002PLC117974]

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

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

POLICY FOR EVALUATION OF THE PERFORMANCE OF THE BOARD OF DIRECTORS

1. Introduction

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of Corporate Governance, in consonance with the Company's code of conduct for Board and senior management personnel. Honesty, integrity and sound judgement and performance of the Directors are key criteria for success and governance for an organization.

Therefore, the Company has formulated this Policy to comply with various provisions under the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidance Note on Board Evaluation issued by Securities and Exchange Board of India, as amended from time to time.

2. Definitions

- i. **"Act"** means the Companies Act, 2013, as amended from time to time and the rules made thereunder.
- ii. **"Company"** means Alcobrew Distilleries India Limited.
- iii. **"Committee"** shall mean the Nomination and Remuneration Committee of the Board of Directors formed under the provisions of Section 178 of the Act.
- iv. **"Director"** or **"Board"** means the Director or the Board, in relation to the Company, and deemed to include the collective body of the Board of Directors of the Company including the chairperson of the Company.
- v. **"Independent Director"** shall mean an Independent Director as defined under Section 2(47) to be read with Section 149 (6) of the Act.
- vi. **"Listing Regulations"** means Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- vii. **"Policy"** shall mean this Policy for Evaluation of performance of Board of Directors of the Company.

3. Objective

The object of this Policy is to formulate the manner and procedure to carry out the effective evaluation of performance of Board, its committees and individual Directors of the Company and to prescribe the objective criteria of performance evaluation.

Evaluation Exercise aims at adopting the best practices to manage the affairs of the Company and ensure sustained long term value creation for stakeholders by implementing best corporate governance practices.

4. Method of evaluation:

The Company may undertake the following two methods for Evaluation:

- i. **Internal assessment:** Internal assessment includes the effective evaluation of performance of the Board, its Committee and individual directors carried by the Board and Nomination and Remuneration Committee in the manner specified in para 5 of this Policy.

The internal assessment is proposed to be done by way of circulation of detailed questionnaire to individual directors, Committees, Board followed by feedback received through one-to-one interactions by the Chairperson of the Committee or Chairperson of the Board with the directors being evaluated and suggestions for the further improvements based on feedback received.

- ii. **Assessment by external experts:** The Committee may hire any external independent agency for conducting the evaluation of performance of the Board, its Committee and individual directors.

Such external assessment may be done based on questionnaires/interviews or a combination of the two and done on a regular basis. Such external assessment complements the internal assessment and adds an objectivity to the evaluation process.

Effective use of Information Technology through use of board evaluation software, applications, etc. can also play a facilitating role.

5. MANNER/PROCEDURE OF EVALUATION OF THE PERFORMANCE

A. BY THE COMMITTEE:

The Committee shall evaluate the performance of each Director based on the criteria annexed to this Policy.

The Committee shall also formulate criteria for evaluation of performance of individual directors, and board of directors and its committee.

Further, the Committee shall determine and recommend to the Board for further recommending it to the shareholders, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

B. BY THE INDEPENDENT DIRECTORS:

The independent directors of the Company (without the attendance of non-independent directors), shall:

- i. review the performance of non-independent directors and the Board as a whole;

- ii. review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- iii. assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The independent directors shall bring an objective view in the evaluation of the performance of board and management.

C. BY INDIVIDUAL DIRECTORS:

The Performance of individual Directors of the Company (including the Chairperson and Independent Directors) shall be evaluated, on an annual basis by each director of the Company.

D. BY THE BOARD OF DIRECTORS:

The performance evaluation of the respective Committees and that of Independent and Non-Independent Directors shall be done by the Board (excluding the directors being evaluated) and all the directors shall evaluate the performance of the Board as a whole.

The directors shall respond through a structured questionnaire giving feedback about the performance of the Board, its Committees, Individual Directors and the Chairperson.

E. EFFECTIVENESS OF THE BOARD

Based on the ratings given by the Committee to each Director, the overall effectiveness of the Board shall be measured and accordingly the Board shall decide the future actions plans based on the feedback received from directors.

6. SEPARATE MEETING FOR EVALUATION OF PERFORMANCE OF BOARD MEMBERS

There shall be a separate meeting of the Independent Directors of Company for the evaluation of performance without the attendance of non-independent directors and members of management and a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors shall be included in the annual report by Board of Directors placed in the annual general meeting.

7. CRITERIA FOR EVALUATION

The Committee has laid down the criteria for evaluation of performance of executive Directors, Independent Directors, Chairman and the Board:

- i. Attendance and contribution at Board and Committee meetings.
- ii. His / her stature, appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align company's value and standards.
- iii. His / her knowledge of finance, accounts, legal, investment, marketing, foreign exchange / hedging, internal controls, risk management, assessment and mitigation, business operations, processes and corporate governance.

- iv. His / her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
- v. Effective decision making ability to respond positively and constructively to implement the same to encourage more transparency.
- vi. Open channels of communication with executive management and other colleagues on Board to maintain high standards of integrity and probity.
- vii. Recognize the role which he / she is expected to play, internal board relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board.
- viii. His / her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.
- ix. Quality of decision making on the company's business, human resources, understanding financial statements and business performance, raising finance, working capital requirement, forex dealings, geopolitics, etc.
- x. His / her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.
- xi. His / her contribution to enhance overall brand image of the Company.

8. FEEDBACK

Feedback on the performance evaluation is crucial for the success and overall growth of individual directors, the Board and the Committees. On collation of all the responses, the feedback may be provided by Chairperson of the Committee or the Board, as the case may be, to the following:

- i. Each Member separately;
- ii. To the entire Board;
- iii. To the Committees.

The active role of the Chairperson is desirable in providing feedback to the members. If members are not comfortable to open individual assessments, provision for confidentiality may be made where possible. For effectiveness of the evaluation, it is essential that the feedback be given honestly and without bias.

9. 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.

10.EFFECTIVE DATE

The Policy for Evaluation of the performance of the Board of Directors shall come into effect on 16.09.2025

PERFORMANCE EVALUATION OF INDIVIDUAL DIRECTORS OF THE BOARD**Rating Scale**

5 = Strongly agree; 4 = Agree; 3 = Neither Agree Nor Disagree; 2 = Disagree; 1 = Strongly Disagree;

Sl. No.	Topics and Statements	Rating (1-5)						
		Mr. A	Mr. B	Mr. C	Mr. D	Mr. E	Mr. F	Mr. G
A	Qualification and Experience							
1.	The director has the required professional qualification, skills and experience relevant to the Company.							
B.	Knowledge and Competency							
1.	The director meets the competencies for effective functioning of the Company and the Board.							
2.	The director possesses sufficient understanding and knowledge of the Company and the sector in which it operates.							
c.	Fulfillment of functions							
1.	The director understands and fulfills the functions as assigned to him/ her by the Board and the law.							
2.	Director adheres to the applicable code of conduct for directors.							
D.	Roles performed							
1.	The director contributes to strategy and other areas impacting Company's performance.							
2.	The director helps to create brand image of the Company and helps the Company wherever possible to resolve issues, if any.							
E.	Ability to function as a team							
1.	The director is able to function as an effective team- member.							

F.	Initiative						
2.	The director actively takes initiative with respect to various areas.						
G.	Availability and attendance						
	The director is available for meetings of the Board/Committee and attends the meetings regularly and timely without delay.						
H.	Commitment						
	The director is adequately committed to the Board and the Company.						
I.	Contribution						
	The director is able to contribute effectively to the Company and in the Board meetings.						
J.	Integrity and Ethics						
1.	The director demonstrates high level of integrity (including conflict of interest disclosures, maintenance of confidentiality etc.).						
2.	Conduct himself/herself in a manner that is ethical and consistent with laws of land.						
Independence (<i>applicable only for Independent Directors</i>)							
		Mr. A	Mr. B	Mr. C	Mr. D		
1.	The director is independent from the Company and the other directors and there is no conflict of interest.						
2.	The director exercises his/her own judgment and voice opinion freely.						
3.	Undertakes to regularly update and refresh his skills, knowledge, and familiarity with the Company.						
4.	Brings an objective view in the evaluation of the performance of Board and management.						

5.	Seeks appropriate clarification / information and, where necessary, takes appropriate professional advice and opinion of outside experts at the expense of the Company.				
6.	Communicates governance and ethical problems to the Chairman of the Board.				
7.	Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions.				
8.	Ensure that the Company has an adequate and functional vigil mechanism.				
9.	Satisfies himself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible.				
10.	Refrains from any action that may lead to loss of his independence and immediately informs the Board where circumstances arise which makes him lose his independence.				
11.	Adheres to all other standards of the Code for Independent Directors as per the Schedule IV to the Companies Act, 2013.				
12.	Assists the Company in implementing the best corporate governance practices				
13.	Prepare for the Board meeting by reading the materials distributed before the Board meeting.				

S.No	Directors	Please suggest key aspects which needs to be focused by the Directors any
1	A	
2	B	
3	C	
4	D	
5	E	
6	F	
7	G	

(A) Please provide below any additional comments or suggestions.

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Signature:

PERFORMANCE EVALUATION OF CHAIRPERSON

To be Filled by [•]

Rating Scale

5 = Strongly agree; 4 = Agree; 3 = Neither Agree Not Disagree; 2 = Disagree; 1 = Strongly Disagree;

Sl. No.	Topics and Statements	Rating (1-5)
A	Qualification and Experience	
	The Chairperson have the required qualifications and experience relevant to the Company.	
B.	Knowledge and Competency	
1.	The Chairperson meets the competencies required for effective functioning of the Company and the Board.	
2.	The Chairperson possesses sufficient understanding and knowledge of the Company and the sector in which it operates.	
C.	Fulfillment of functions	
	The Chairperson understands and fulfills the functions as assigned to him by the Board and the law.	
D.	Ability to function as a team	
	The Chairperson is able to function as an effective team- member.	
E.	Initiative	
	The Chairperson actively takes initiative with respect to various areas.	
F.	Availability and attendance	
	The Chairperson is available for meetings of the Board and attends the meetings regularly and timely, without delay.	
G.	Commitment	
	The Chairperson is adequately committed to the Board, its meetings and the Company.	
H.	Contribution	
	The Chairperson is able to contribute effectively to the Company and in the Board meetings.	
I.	Integrity	
	The Chairperson demonstrates high level of integrity (including conflict of interest disclosures, maintenance of confidentiality etc.).	
J.	Independence	
	The Chairperson exercises his own judgment and voice opinion freely.	

K.	Effectiveness of leadership and ability to steer the meetings	
	The Chairperson displays efficient leadership, is open- minded, decisive, courteous, display professionalism, able to coordinate the discussion etc. and is overall able to steer the meeting effectively.	
L.	Impartiality	
	The Chairperson is impartial in conducting discussions, seeking views and dealing with dissent, etc.	
M.	Ability to keep shareholders' interests in mind	
	The Chairperson keeps shareholders' interest in mind during discussions and decisions.	

(B) Please suggest three key aspects which needs to be focused by the Chairperson.

i.	
ii.	
iii.	

(C) Please provide below any additional comments or suggestions.

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Signature:

PERFORMANCE EVALUATION FOR BOARD OF DIRECTORS

Rating Scale

5 = Strongly agree; 4 = Agree; 3 = Neither Agree Not Disagree; 2 = Disagree; 1 = Strongly Disagree;

Sl. No.	Topics and Statements	Rating (1-5)
A.	Composition and Structure of the Board	
1	Competency of directors: The Board as a whole has directors with a proper mix of competencies to conduct its affairs effectively.	
2	Mix of qualification and experience: The Board as a whole has directors with a proper mix of qualifications and experience to conduct its affairs effectively.	
3	Diversity in Board under various parameters: There is sufficient diversity in the Board on gender background/ competence/ experience, etc.	
4	Appointment to the Board: The process of appointment to the Board of directors is clear and transparent and includes provisions to consider diversity of thought, experience, knowledge, perspective and gender in the Board of directors.	
B.	Meetings of Board	
1	Regularity of meetings: The meetings are being held on a regular basis.	
2	Frequency: The Board meets frequently, and frequency of such meetings is enough for the Board to undertake its duties properly.	
3	Logistics: The logistics for the meeting is being handled properly- venue, format, timing etc.	
4	Agenda:	
a.	The agenda is circulated well before the meeting.	
b.	The agenda has all relevant information to take decision on the matter.	
c.	The agenda is up to date, regularly reviewed and involves major substantial decisions.	
d.	The quality of agenda and Board papers is up to the mark (explains issues properly, not overly lengthy etc.).	
e.	The outstanding items of previous meetings are followed-up and taken up in subsequent agendas.	

f.	The time allotted for every item (especially substantive items) in the agenda of the meeting is sufficient for adequate discussions on the subject.	
g.	The Board is able to finish discussion and decision on all agenda items in the meetings.	
h.	Adequate and timely inputs are taken from the Board members prior to setting of the agenda for the meeting.	
i.	The agenda includes adequate information on committee activities.	
5	Discussions and dissent:	
a.	The Board discusses every issue comprehensively and depending on the importance of the subject.	
b.	The environment of the meeting induces free-flowing free flowing discussions, healthy debate and contribution by everyone without any fear or fervour.	
c.	The discussions generally add value to the decision making.	
d.	The Board does not tend towards group think and critical and dissenting suggestions are welcomed.	
e.	All members actively participate in the discussions.	
f.	Overall, the Board functions constructively as a team.	
6	Recording of minutes:	
a.	The minutes are recorded properly- clearly, completely, accurately and consistently.	
b.	Minutes are approved properly in accordance with set procedures.	
c.	Dissenting views are recorded in the minutes.	
7	Dissemination of information:	
a.	All the information pertaining to the meeting are disseminated to the members timely, frequently, accurately and regularly.	
b.	The Board is adequately informed of material matters in between meetings.	
C.	Functions of the Board	
1.	The role and responsibilities of the Board are clearly documented.	
2.	Strategy and performance evaluation:	

a.	Significant time of the Board is being devoted to management of current and potential strategic issues	
b.	Various scenario planning is used to evaluate strategic risks.	
c.	The Board's overall reviews and guides corporate strategy, vision & mission of the Company, major plans of action, risk policy, annual budgets and business plans, monitors implementation and corporate performance, and oversees major capital expenditures, acquisitions and divestments.	
3.	Governance and compliance:	
a.	Adequate time of the Board is being devoted to examine governance & compliance issues.	
b.	The Board monitors the effectiveness of its governance practices and makes changes as needed.	
c.	The Board ensures 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.	
d.	The Board oversees the process of disclosure and communications.	
e.	The Board evaluates and analyses the compliance certificate from the auditors/ practicing company secretaries regarding compliance of conditions of corporate governance.	
4.	Evaluation of Risks: The Board undertakes a review of the high-risk issues impacting the organization regularly.	
5.	Grievance redressal for Investors: The Board regularly reviews the grievance redressal mechanism of investors, details of grievances received, disposed of and those remaining unresolved.	
6.	Conflict of interest: a. The Board monitors and manages potential conflicts of interest of management, members of the Board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions.	
	b. A sufficient number of non-executive members of the Board of directors capable of exercising independent judgement are assigned to tasks where there is a potential for conflict of interest.	
7.	Stakeholder value and responsibility:	

a.	The decision-making process of the Board is adequate to assess creation of stakeholder value.	
b.	The Board has mechanisms in place to communicate and engage with various stakeholders.	
c.	The Board acts on a fully informed basis, in good faith, with due diligence and care, with high ethical standards and in the best interest of the Company and the stakeholders.	
d.	The Board treats shareholders and stakeholders fairly where decisions of the Board of directors may affect different shareholder/ stakeholder groups differently.	
e.	The Board regularly reviews the Business Responsibility Reporting / related corporate social responsibility initiatives of the Company and contribution to society, environment etc.	
8.	Corporate culture and values: The Board sets a corporate culture and the values by which executives throughout a group shall behave.	
9.	Review of Board evaluation: The Board monitors and reviews the Board evaluation framework.	
10.	Facilitation of independent directors: The Board facilitates the independent directors to perform their role effectively as a member of the Board of directors and also a member of a committee of Board of directors and any criticism by such directors is taken constructively.	
D.	Board & Management	
1.	Evaluation of performance of the management and feedback: The Board evaluates and monitors management, especially	
a.	the C.E.O regularly and fairly provides constructive feedback and strategic guidance.	
b.	The measures used are broad enough to monitor performance of the management.	
c.	The management's performance is benchmarked against industry peers.	
d.	Remuneration of the management is in line with its performance and with industry peers.	
e.	Remuneration of the Board and the management is aligned with the longer-term interests of the Company and its shareholders.	
f.	The Board selects, compensates, monitors and, when necessary, replaces key managerial personnel based on such evaluation.	

g.	The Board 'steps back' to assist executive management by challenging the assumptions underlying strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the Company's focus.	
2.	Independence of the management from the Board: The level of independence of the management from the Board is adequate.	
3.	Access of the management to the Board and Board access to the management: The Board and the management are able to actively access each other and exchange information.	
4.	Succession plan: An appropriate and adequate succession plan is in place and is being reviewed and overseen regularly by the Board.	
5.	Professional development:	
a.	Adequate induction are made available to new directors.	
b.	Regular update of matters relating to Company, changes in legislation and other matter concerning Board as whole is given to ensure that the members of Board of directors are kept up to date.	

(D) Please suggest improvement area's for Board's performance.

i.	
ii.	
iii.	

(E) Please provide below any additional comments or suggestions.

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Signature:

PERFORMANCE EVALUATION OF COMMITTEES OF THE BOARD

To be Filled by [●]

Rating Scale

5 = Strongly agree; 4 = Agree; 3 = Neither Agree Not Disagree; 2 = Disagree; 1 = Strongly Disagree;

Sl. No.	Topics and Statements	Rating (1-5)
A.	Mandate and composition	
	The mandate, composition and working procedures of the committee is clearly defined and disclosed.	
B.	Effectiveness of the committee	
	The committee has fulfilled its functions as assigned by the Board and laws as may be applicable.	
C.	Structure of the committee and meetings	
1.	Structure of the committee: The committee is appropriately constituted.	
2.	Regularity of meetings: The meetings are being held on a regular basis.	
3.	Frequency: a. The committee meets frequently;	
	b. The frequency of such meetings is enough for the committee to undertake its duties properly.	
4.	Logistics: The logistics for the meeting is being handled properly-venue, timing, invites etc.	
5.	Agenda:	
a.	The agenda is circulated well before the meeting.	
b.	The agenda has all relevant information to take decision on the matter.	
c.	The agenda is up to date, regularly reviewed and involves major substantial decisions.	
d.	The quality of agenda and Board committee papers is up to the mark (explains issues properly, not overly lengthy, etc.).	
e.	The outstanding items of previous meetings are followed-up and taken up in subsequent agenda.	
f.	The time allotted for every item (especially substantive items) in the agenda of the meeting is sufficient for adequate discussions on the subject.	

g.	The committee is able to finish discussion and decision on all agenda items in the meetings.	
h.	Adequate and timely inputs are taken from the committee members prior to setting of the agenda for the meeting.	
6.	Discussions and dissent:	
a.	The committee discusses every issue comprehensively and depending on the importance of the subject.	
b.	The environment of the meeting induces free-flowing free flowing discussions, healthy debate and contribution by everyone without any fear or fervor.	
c.	The discussions generally add value to the decision making.	
d.	The committee does not tend towards groupthink and critical and dissenting suggestions are welcomed.	
e.	All members actively participate in the discussions.	
f.	Overall, the committee functions constructively as a team.	
7.	Recording of minutes:	
a.	The minutes are recorded properly- clearly, completely, accurately, and consistently.	
b.	Minutes are approved properly in accordance with set procedures.	
c.	Dissenting views are recorded in the minutes.	
8.	Dissemination of information:	
a.	All the information pertaining to the meeting are disseminated to the members timely, frequently, accurately, regularly.	
b.	The committee is adequately informed of material matters in between meetings.	
D.	Independence of the committee from the Board	
	Adequate independence of the committee is ensured from the Board.	
E.	Contribution to decisions of the Board	
	The committee's recommendations contribute effectively to decisions of the Board.	

(A) Please suggest three things that could improve Committee's performance.

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(B) Please provide below any additional comments or suggestions.

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Signature:

Approvals

Name of Director	Signature
