

RISK MANAGEMENT POLICY

(Pursuant to Regulation 17(9) and 21 of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 and Section 134(3)(n) and 177(4)(vii) of the Companies Act, 2013.)

1. Preamble

In compliance with Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ("hereinafter referred to as "Listing Regulations"), top 1000 listed entities of India by market capitalization are mandated to lay down procedures to inform the Board about the risk assessment and minimization procedures. The procedures need to be reviewed periodically to ensure that management of the Company controls risk through various means of a properly defined framework.

Further, Section 134(3)(n) of the Companies Act, 2013 (hereinafter referred to as "the Act") necessitates that the Directors Report of every Company should contain a statement indicating development and implementation of a 'Risk Management Policy' (hereinafter referred to as "the Policy") for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company and also in compliance to the provisions of Section 177(4)(vii) of the Act. The Company is an old established organization, therefore has built-in internal control systems in place for assessing the risk environment and then taking necessary steps to effectively mitigate the identified risks.

The Policy has been amended from time to time since its adoption by the Board, in order to ascertain and mitigate the risk exposures of various functions of the Company as well as to be in lines with the requirements of the Act and the Listing Regulations

2. Scope

This Policy is framed in the context of the present business profile, future growth objectives, and new business plans that may be necessary to achieve the Company's goals and industry standards. This Policy covers all the events within the Company and its subsidiaries, in addition to events outside the Company with the ability to impact the Company's business operations.

3. Objective

Risk Management is meant to ensure continuity of business and protection of interests of the investors and thus covers all the activities within the Company and events outside the Company which have a bearing on the Company's business. The objective of the Policy is to create and protect shareholder value by minimizing threats or losses and identifying and maximizing opportunities. The Policy has been formulated to ensure that effective management of risks is an integral part of the Organization.

4. Governance Structure

The Board of Directors ("the Board") through the Risk Management Committee ("the Committee") shall provide oversight to the Risk Management Framework of the Company and evaluate the adequacy of the Risk Management system.

Risk Management Team led by the Chief Financial Officer (CFO) shall ensure a multidisciplinary approach and be responsible for the implementation of the risk management practices, including conducting risk assessments, developing and executing mitigation plans and ensuring compliance with Board set Policies.

The Audit Committee shall review and oversee the risk management and internal control arrangements and shall also evaluate internal financial controls and risk management systems of the Company.

5. Risk Management Committee

The Risk Management Committee shall be responsible to ensure that the Company maintains effective risk management and internal control systems and processes and shall keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken and provide a regular report to the Board on the effectiveness of the risk management programme in identifying and addressing material business risks. To achieve these objectives, the Committee shall have the following roles and responsibilities:

- a. Formulate a detailed risk management policy which shall include:
 - i. List of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG-related risks), information, cyber security risk or any other risk as may be determined by the Committee.
 - ii. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - iii. Business continuity plan
- b. Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- c. Monitor and oversee implementation of the Policy, including evaluating the adequacy of risk management systems.
- d. Periodically review the Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- e. Keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- f. Appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Committee.

The Company Secretary shall act as the Secretary to the Committee.

The Committee shall meet at-least twice a year, with the gap between two meetings not being more than 210 days, to review and monitor various risks identified based on their impact and significance.

6. Risk Management Process

Risk Management process involves multiple steps of identification, analysis, evaluation, mitigation and monitoring of the overall control system in place.

a. Risk identification

Risk Identification is the process of identifying the events which when triggered may cause problems for the Company. Comprehensive risk identification process enables effective analysis of the risks followed by the formulation of mitigation plan.

Senior Management of the Company shall identify the risks impacting the Company's business and document the process of risk identification, risk minimization and risk optimization as a part of risk management strategy.

The various risk areas that the Company may be exposed to are as follows:

- i. **Strategic Risk:** Strategic risk relates to Company's future business plans and strategies.
- ii. **Operational Risks:** New business models, new service offerings and the growing volume of operations can bring risks related to delivery and adherence to terms and conditions of various Agreements.
- iii. **Statutory Risk:** With the increase in geographical spread, the Company is subjected to multitudes of constantly changing local legislation, there can be a risk of non-compliance or delay in compliance with the statutory requirements. Further, in India, alcoholic beverages are State's subject, each state has their own rules, regulations, duties and taxes.
- iv. **Financial Risks:** Financial risks are risks associated with business operations which can have a financial impact on the organization.
- v. **Systems Risk:** With the increasing use of Information Technology within the organization for running business operations, there is need for having critical controls in systems and processes.
- vi. **ESG (Environmental, Social and Governance) Risk:** With the growing environmental, social and governance concerns like climate change or extreme weather conditions, spiraling pollution levels, labour or human right issues, etc., the need to manage them effectively has been gaining prominence across the industry.
- vii. **Emerging Risks:** Emerging risks are characterized by their unforeseen nature, newness, insufficient data, and lack of verifiable information and knowledge needed for decision-making related to them. These risks have the potential to emerge as possible opportunities or threats.

b. Risk analysis

Risk Analysis is a comprehensive process to understand the causes and sources of risks, triggered events that may cause the risk to occur, positive and negative impact of the risks and extent of their likelihood and impact. Conducting comprehensive risk analysis enables better understanding of the likely consequences/impacts and thus an effective mitigation plan can be formulated.

c. Risk evaluation

Risk evaluation is important as it assists in the decision-making process after risk analysis. The evaluation exercise enables prioritizing the risks in terms of their likelihood and impact. If a risk is highly likely to occur with high degree to negative impact, then such risks would require greater attention while devising risk mitigation plan.

d. Risk mitigation

The Company believes that while not all risks can be eliminated, they can either be:

- transferred, by buying an insurance Policy or entering into forward contract; or
- shared, by following right strategy to own and transfer the risks; or
- retained, by owning the risk and still reducing their impact by ensuring effective internal controls.

The Company's risk management framework has been designed to manage any adverse impact of strategic, operational, financial, ESG, cyber, compliance, etc. risks faced by it. The Company's risk management framework adopts appropriate risk mitigation measures for identified risks across functions. Risk mitigation actions are undertaken by Senior Management Personnel responsible for treating risks appropriately in a time-bound manner and the progress of the risk mitigation actions are reviewed by the Risk Management Committee periodically.

e. Monitoring and review

Periodic monitoring of the risk management plan against the key risk indicator is essential to assess the efficacy of the risk management plan. Therefore, the Company undertakes periodic review which includes review by the internal audit team. Internal audit team assesses the efficacy of the internal control processes and systems and submits its report to the Audit Committee along with its findings and observations.

f. Communication and consultation

Communication and consultation with external and internal stakeholders shall take place during all stages of the risk management process. Therefore, during the risk assessment process, the Company shall take into consideration the views and knowledge of its stakeholders to enable formulation and implementation of effective risk management plan.

7. Risk reporting

Risk reporting is essential as it enables establishing an effective risk control and monitoring system. In order to apprise the Board of Directors or the Committee, about the risk management procedures and the steps initiated to shift/ reduce/ eliminate these risks in a structured manner, the functional heads shall continuously update Risk Profiles and Risk Registers (if any), listing out various risks, risk mitigating factors and risk mitigation plans and the same will be periodically reviewed by the Committee and the Board of Directors.

8. Business Continuity Plan

Developing a robust Business Continuity Plan (BCP) is essential to ensure the smooth functioning of the business activities during or after the disruption. It is required to be defined for risks corresponding to High Impact and High Velocity to enable rapid response to address the consequence of such risks when they materialize.

9. Power to Seek Information

The Committee shall have powers to seek information from any of the employees, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, as it is considered necessary.

10. Review

The Policy shall be reviewed by the Committee as and when it deems necessary or in compliance with the amendment made to the Act, Listing Regulations or enactment of any other laws, rules and regulations made thereunder.

In the event of any inconsistency between the Policy and the applicable laws, the applicable laws will prevail. Any subsequent amendment/ modification in the Listing Regulations and/or applicable laws in this regard shall automatically apply to the Policy.

Last amended on 6th May 2026.