RISK MANAGEMENT POLICY

(Effective from 16th January, 2015)
1. **OBJECTIVE:**

This Policy aims to identify, evaluate, monitor and minimize identifiable business risks associated with the Company. Risk Management Policy and Processes will enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities.

2. **GUIDING PRINCIPLES AND APPLICABILITY:**

The guiding principle of this Policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to risk management, in order to guide decisions on risk related issues. This policy shall be applicable to all areas of the Company’s operations.

3. **SPECIFIC OBJECTIVES:**

   1. To ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management;
   2. To establish a framework for the Company’s risk management process and to ensure its implementation;
   3. To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices;
   4. To assure business growth with financial stability.

4. **DISCLOSURE IN BOARD’S REPORT:**

   Board of Directors shall include a statement indicating development and implementation of a risk management 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.
5. IMPLEMENTATION:

The Company is subject to inherent business risks. This document is intended to formalize a risk management policy, the objective of which shall be identification, evaluation, monitoring and minimization of identifiable risks.

The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network.

Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Audit Committee Members and the Board of Directors of the Company.

6. ROLE OF THE BOARD:

The Board will undertake the following actions to ensure risk is managed appropriately:

- The Board shall be responsible for reviewing implementation of the risk management plan for the Company;
- The Independent Directors shall help in bringing an independent judgment to bear on the Board’s deliberations on issues of risk management and satisfy themselves that the systems of risk management are appropriate and effective;
- Participate in major decisions affecting the organization’s risk profile;
- Have an awareness of the management of strategic risks;
- Be satisfied that processes and controls are generally in place for managing less significant risks;
- Be satisfied that an appropriate accountability framework is working Ensure risk management is integrated into Board reporting and annual reporting mechanisms.
7. REVIEW:

This policy shall be reviewed at least once in a year to ensure it meets the requirements of legislation and the needs of the organization.

8. APPROVAL REVIEW:

This Policy is approved and adopted by the Board at its meeting held on 15th January, 2015.

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