RISK MANAGEMENT POLICY

OVERVIEW

This is in compliance with Section 134 (3) (n) of the Companies Act, 2013 and Regulation SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 which requires the Company to develop and implement a Risk Management Policy and to lay down risk assessment and minimisation procedures.

Effective date - 15th January 2022

Definitions

"Risk" is defined as the chance of a future event or situation happening that will have an impact upon company's objective favourably or unfavourably. It is measured in terms of consequence and likelihood

"**Risk Management"** encompasses risk assessment plus the evaluation of risks against established tolerances, their treatment and monitoring

ROLE OF BOARD OF DIRECTORS

The Board of Directors of the Company oversee the development of Risk Management Policy and the establishment, implementation and monitoring of the Company's risk management system, in accordance with the policy.

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

1. The Board shall be responsible for framing, implementing and monitoring the risk management plan for the company;

2. Ensure that the appropriate systems for risk management are in place;

3. Participate in major decisions affecting the organization's risk profile;

4. Have an awareness of and continually monitor the management of strategic risks, financial risks, operational risks, investment risks, people's risk, legal and regulatory risks & compliance risks;

5. Be satisfied that processes and controls are in place for managing less significant risks;

6. Be satisfied that an appropriate accountability framework is working whereby any delegation of risk is documented and performance can be monitored accordingly; and

7. Ensure risk management is integrated into board reporting and annual reporting mechanisms

Risk Management Committee

The role of the committee shall, inter alia, include but not limited to the following:

1. To formulate a detailed risk management policy which shall include:

   A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   Measures for risk mitigation including systems and processes for internal control of identified risks.

   Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

Company Personnel and Auditors

1. All Functional Heads, Department Heads, Key Managerial Personnel are responsible to ensure that systems, processes and controls in the Company are in place to position identified risk at an acceptable level;

2. All employees of Company must report any new risks or changes to existing risks to their managers or supervisors as soon as they become aware of the risk;

3. The statutory auditor(s) are responsible for providing an independent opinion of the financial results / Compliance framework of the Company. In undertaking this role, the auditor also provides comments on the management of risk and

4. A strong and independent Internal Audit Function carries out risk focussed audits across all businesses, enabling identification of areas where risk management processes may need to be improved. The Audit Committee of the Board reviews Internal Audit findings, and provides strategic guidance on internal controls. It also monitors the internal control environment within the Company and ensures that Internal Audit recommendations are effectively implemented.

RISK PROFILE

The Company believes that risk should be managed and monitored on a continuous basis. As a result, the Company has designed a dynamic risk management framework to allow to manage risks effectively and efficiently, enabling both short term and long term strategic and business objectives to be met. The areas of risk include,

a. Human capital Risk
b. Quality Risk
c. Technology Risk
d. Competition Risk
e. Financial Risk including Foreign Exchange Risk
f. Realisation Risk
g. Cost Risk
h. Legal and compliance Risk
i. Operational Risk
j. Strategy Risk
k. Investment Risk

The key risk management process would include
Risk Identification Technique's

These techniques are elaborated below:

Sources	Description
Internal Audit Reports	Internal audit observations are evaluated to identify if any of those could pose a risk and mapped to the risk management framework wherever required
Whistle Blower Mechanism	Learnings from investigations into whistle blower complaints also help identify process gaps and risks.
Brainstorming	Perceived risks for a business are identified by key members of business teams through a brainstorming discussion every two years which acts as a platform to identify risks and opportunities

Risk Analysis: This is the determination of existing controls and the analysis of risks in terms of the consequence and likelihood in the context of those controls. The analysis should consider the range of potential consequences and whether these consequences are likely to occur. Consequence and likelihood are reviewed to produce an estimate of the level of risk.

Risk Evaluation: After risk analysis, comparison of estimated risks against organization risk criteria is required. It is to be used to make decisions about the significance of risks and whether each specific risk to be accepted or treated.

Risk Estimation: Can be quantitative, semi quantitative or qualitative in terms of probability of occurrence and possible consequences.

Impact level and Treatment of Risk: For high priority risks, the management develop and implement specific risk management / mitigation plans. Low priority risks may be accepted and monitored.

Reporting of Risk: Internal Reporting to Individual, Vertical head, Audit Committee and Board of Directors and External Reporting to Communicate to the stakeholders on regular basis as part of Corporate Governance.

RESPONSIBILITY TO STAKEHOLDERS

The Company considers the reasonable expectations of stakeholders particularly with a view to preserving the Company's reputation and success of its business. Factors which affect the Company's continued good standing are included in the Company's risk profile.

CONTINUOUS IMPROVEMENT

The Company's risk management system is always evolving. It is an ongoing process and it is recognised that the level and extent of the risk management system will evolve commensurate with the development and growth of the Company's activities. The risk management system is a "living" system and the documentation that supports it will be regularly reviewed and updated in order to keep current with Company circumstances.

....