

RISK MANAGEMENT POLICY

Introduction

Risk Management is an integral part of the Company's plans and operations. While Company has a proven ability to successfully take on challenges, the efforts are to become even more proactive in recognizing and managing risks, through an organized framework. The Company recognizes risk management as an integral component of good corporate governance and fundamental in achieving its strategic and operational objectives.

Definitions

This policy defines the following key terms:

- a. Risk** is defined as the chance of a future event or situation, happening, that will have an impact upon the Company's objectives, favourably or unfavorably. It is measured in terms of consequence and likelihood.
- b. Risk Management** encompasses risk assessment, plus the evaluation of risks, against established tolerances, their treatment and monitoring.

Risk Management Framework

The Company adopt systematic approach to mitigate risks associated with accomplishment of objectives, operations, revenues, and regulations. We believe that this would ensure mitigating steps proactively and help to achieve the objective of the entity. The entity's objectives can be viewed in the context of four categories: (i) Strategic, (2) Operations, (3) Reporting and (4) Compliance. We consider activities at all levels of the organization, viz. (1) Enterprise level, (2) Division level, (3) Business Unit level, in our risk management framework. These components are interrelated and drive the Enterprise Wide Risk Management with focus on three key elements, viz. (1) Risk Assessment; (2) Risk Management; (3) Risk Monitoring.

Risk Management Committee

The Company, through its Board of Directors, shall constitute a Risk Management Committee, consisting of majority of Board members. The Board shall define the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the Risk Management plan, to the Committee, and such other functions as it may deem fit.

Methodology

The Company applies Risk Management in a well-defined, integrated framework, which promotes awareness of risks and an understanding of the Company's risk tolerances. The Risk Management Committee monitors the internal control system, designed to identify, assess, monitor and manage risks, associated with the Company.

The Risk Management Framework enables an orderly approach to risk identification and minimization of the Company's losses, leverage of any opportunities and provides treatment strategies to manage, transfer and avoid various risks.

Risk Assessment

To meet the stated objectives, it is imperative to make effective strategies for exploiting opportunities and as a part of this the Company has identified key risks and developed plans for managing the same.

Scope

This Policy applies to all the Employees of the Company, including the Senior Managers.

The Company's Risk Management Policy have been developed to include the following key categories:

- c.** Domestic Business
- d.** Distribution/collection/debtors
- e.** Personnel Risks
- f.** Financial Risks
- g.** Intellectual Property Rights Protection
- h.** Human resources
- i.** Business Processes & Systems
- j.** Product Liability
- k.** Corporate Governance and Compliance
- l.** Information Security
- m.** Environmental management
- n.** Fluctuations in Foreign Exchange
- o.** Inflation and cost structure
- p.** Any other risks

Responsibilities

The Board is ultimately responsible for identifying and assessing the nature and extent of internal and external risks that may impact Company in achieving its strategic objectives. The Board is responsible for determining the Company's risk appetite, overseeing the development and implementation of the Risk Management Framework and maintaining an adequate monitoring and reporting mechanism.

Reporting

The Risk Management Committee will, periodically, review the various risks associated with the Company and report the same to the Audit Committee and the Board of Directors.

In addition, Executive Directors and Chief Financial Officer with core group functional heads, will regularly monitor the compliances and ensure that the same is presented to the Audit Committee and Board.

Policy Review

The Board is responsible for reviewing and approving the Risk Management Policy, atleast annually, to ensure their effectiveness and continued application and relevance to the Company business.

This Risk Management Policy was adopted by the Board on July 31, 2020

RISK MANAGEMENT COMMITTEE MEMBERS

Mr. Ramesh Chandak	Chairperson - Independent Director
Mr. Mohinder Pal Bansal	Member- Independent Director
Mr. Parag Chheda	Member- Executive Director
Mr. Shyam Sharda	Member- Chief Financial Officer