RISK MANAGEMENT POLICY OF SANDEN VIKAS (INDIA) PRIVATE LIMITED

INTRODUCTION:

The Company's operations are exposed to various risks being an integral part of any organisation. Risks can be divided into two categories: One is "entrepreneurial risks" which directly arise out of business activities of the Company such as financial risk, operating risk, market risk etc. and Second is "non-entrepreneurial risks" which are beyond the control of an organisation such as environmental risk, political risk, regulatory risk, insurance risk etc. This policy outlines the procedure for risk assessment and its minimization.

1. PURPOSE

The main objective of this policy is to ensure stability in Company's performance with sustainable growth and improved business processes. The key purpose of this policy is to establish a framework for Company's risk management process and implementation of the same.

2. RISK MANAGEMENT PROCESS

The following is a brief introduction to the steps of the risk management process:

2.1 **Identify**–The first and foremost step for risk management is to identify the risks so that one can be aware of potential problems which our Company can face.

2.2 **Analyse and prioritize**–Identified risks need to be analysed and prioritized to allocate adequate resources to mitigate and manage the most important risks with priority.

2.3 **Plan and schedule**–Based on the analysis and prioritization, plans and schedules must be fixed and approved by the allocated resources for their implementation in the day to day functions / processes of the Company.

2.4 **Implementation of plans** - Risk action plans should be implemented by the allocated resources in consultation with the functional / process heads in a controlled and efficient manner without any deviation.

2.5 **Monitor and review**–Adequate mechanism should be placed for monitoring and reporting of the probability, impact, exposure, and other measures of risk through periodical review of plan results.

3. BOARD DISCLOSURE

Board of Directors shall include a statement in its report 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.

4. IMPLEMENTATION OF THE POLICY

The Board and the senior executives of the Company will oversee the implementation of the policy. On quarterly basis, the Board will be updated on key risks faced by the Company and the mitigating actions taken to resolve them. The functional heads at all locations will be responsible for identifying and assessing the risks within their areas of responsibilities and actions agreed beforehand to resolve such risks in accordance with this policy. They will promptly report for any new risk or changes in the existing risk.

5. REVIEW

The Policy shall be reviewed from time to time to ensure that it complies fully within the legislation.