

SNS PROPERTIES AND LEASING LIMITED

Risk Management Policy

PREAMBLE

Risk is defined as an expression of the uncertainty about events that can have significant impact on Company's ability to achieve its objectives. Risk is a part and parcel of every business enterprise. No business can continue to sustain for a long period without facing risk. Thus, it is very essential for the management to foresee the areas involving risks associated with its business and undertake prudent measures to minimize its impacts. 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.

DEFINITIONS

“Audit Committee”- means Committee of Board of Directors of the Company constituted under Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Board of Directors” or “Board”- in relation to a Company, means the collective board of Directors of the Company.

“Policy”- means Risk Management Policy.

OBJECTIVE

The main objective 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.

The specific objectives of the Risk Management Policy are:

1. To ensure all current and future material risk exposures of the company are identified, assessed, quantified, appropriately mitigated, minimized and managed effectively.
2. To establish a risk management framework for the company and ensure its implementation.
3. To enable compliance with applicable regulations, through adoption of best practices.
4. To assure financial stability in business.
5. To ensure integration in reporting, controlling and planning procedures, centralized risk coordination, development of risk behavior, continuous risk assessment and responsiveness to changes.

APPLICATION

This policy applies to all areas of the Company's operations.

RISK MANAGEMENT SYSTEM AND IMPLEMENTATION

At SNS Properties, risk management is a continuous process of identifying, assessing and evaluating risks and taking proactive measures to minimize or eradicate potential losses arising due to an exposure to particular risks.

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 Board and Audit Committee.

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

ROLE OF THE BOARD

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

- The Board shall ensure that the appropriate systems for risk management are in place;
- The Board shall ensure that an appropriate accountability framework is working whereby any delegation of risk is documented and performance can be monitored accordingly;
- The Board shall ensure that the risk management is integrated into board reporting and annual reporting mechanisms;
- The Board may constitute a sub-committee and delegate monitoring and reviewing of the risk management plan and such other functions to the committee, as it may deem fit.

DISCLOSURES

- i. As per the provisions of Section 134(3)(n) of the Companies Act, 2013, the Company 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.
- ii. As per the provisions of Section 177(4)(vii) of the Companies Act, 2013, the Company shall include evaluation of internal financial controls and risk management systems in accordance with the terms of reference of Audit Committee.

REVIEW

The policy shall be reviewed by the Board as and when deemed necessary to fulfil the requirements of legislation as well as the needs of organization.

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