

RISK MANAGEMENT **POLICY**

A. INTRODUCTION

Risk is an inherent aspect of the dynamic business environment. Risk Management Policy helps organizations to put in place effective frameworks for taking informed decisions about risks. To minimize the adverse consequence of risks on business objectives the Company has framed this Risk Management Policy.

B. APPLICABILITY AND OBJECTIVE

Responsibility of the Board: As per Section 134 (n) of the Act, the Directors' report must include a statement indicating development and implementation of a risk management policy for the Company including identification of elements of risk, if any, which in the opinion of the board may threaten the stability of the Company.

Responsibility of the Audit Committee: As per Section 177 (4)(vii) of the Act, the Audit Committee shall act in accordance with the terms of reference specified by the Board which shall, inter alia, include evaluation of internal financial controls and risk management systems.

Responsibility of the Independent Directors: As per Schedule IV [Part II-(4)] of the Act, Independent directors should satisfy themselves that financial controls and the systems of risk management are robust and defensible.

The Company “**Ekennis Software Service Limited**” is required to adhere to the regulations of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015 and provisions of Companies Act, 2013. Where any stipulation is common between the provisions & regulations, more stringent of the two shall be complied with.

This Policy will be applicable to the Company w.e.f. 27th March, 2022.

The purpose of the risk management policy shall be to assist the Board with regard to the identification, evaluation and mitigation of operational, strategic and external environment risks.

C. DEFINITIONS

- **Company:** Ekennis Software Service Limited
- **Audit Committee:** Committee of Board of Directors of the Company constituted under the provisions of the Companies Act, 2013 and the Listing agreement.
- **Board of Directors / Board:** As per Section 2 of “The Companies Act, 2013”, in relation to a Company, means the collective body of Directors of the Company.
- **RMP / Policy:** Risk Management Policy
- **Risk*:** Risk is an event which can prevent, hinder and fail to further or otherwise obstruct the enterprise in achieving its objectives. A Business risk is the exposure a company or organization has to factor(s) that will lower its profits or lead it to fail. Anything that threatens a company's ability to achieve its financial goals is considered a business risk.

D. MONITORING AND REVIEW

The Board & Audit Committee is responsible for reviewing and approving risk disclosure statements in any public documents or disclosures.

The Board of Directors & Members of Audit of the Company shall have free access to management and management information in order to mitigate Risk Factors. The members of the Committee at their sole authority, may seek the advice of outside experts or consultants where judged necessary.

E. COVERAGE

The risk management policy will cover the following areas:

- Assessment of the Company's risk profile and key areas of risk in particular.
- Recommending to the Board and adopting risk assessment and rating procedures.
- Examining and determining the sufficiency of the Company's internal processes for reporting on and managing key risk areas.
- Assessing and recommending to the Board acceptable levels of risk.
- Development and implementation of a risk management framework and internal control system. On an annual basis, agreeing with the Audit Committee which aspects of the internal audit are non financial aspects to be monitored. In relation to the non-financial aspects of the internal audit:-
 - ✓ monitoring the progress of the Company's auditors against the audit plan;
 - ✓ reviewing all relevant representation letters signed by management;
 - ✓ discussing the results of the internal audit with the Company's auditors;
 - ✓ inquiring if there have been any significant disagreements between management and the Company's auditors;
 - ✓ and monitoring management's response to the Company's auditors' recommendations that are adopted;
 - ✓ Initiating and monitoring special investigations into areas of corporate risk and break-downs in internal control;
 - ✓ Reviewing the nature and level of insurance coverage.

F. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Listing Regulations, Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Listing Regulations / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

G. AMENDMENT

The Board of Directors may subject to the applicable laws amend any provision or substitute any of the provision with the new provision or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.
