

SINGER INDIA LIMITED ("SIL")

('Company')

RISK MANAGEMENT POLICY

Policy Overview

SIL's risk management policy relates to identification, assessment, monitoring and mitigation of various risks to our business. The policy seeks to reduce adverse impact on our business objectives and increase stakeholder value. Further, our risk management practices seek to encourage and enhance long-term competitive advantage of the Company.

Singer India Limited like any other business entity is exposed to normal industry risk factors of economic cycle, uncertainties and competition in the international and domestic markets.

Our policy is to identify risks particularly those risks which can threaten the existence of the Company. At the same time, we will also determine such risks which are within the limit of risk acceptance, followed by actions and which need to be taken to avoid, mitigate and transfer or to purely monitor the risk.

BACKGROUND AND IMPLEMENTATION

Risks are events or conditions that may occur, and whose occurrence, if it takes place, has a harmful or negative impact on the achievement the organization's business objectives.

SIL recognizes that business risk management is an essential part of good management practice. Risk management is a necessary element in achieving business goals and deriving benefits from market opportunities.

The Company is prone to inherent business risks. This document is intended to formalize a risk management policy, the objective of which shall be identification, evaluation, monitoring and minimization of identifiable risks.

This Policy is in compliance with the Section 134 (3) (n) of the Companies Act, 2013 and Regulation 17 and 21 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulations, 2015 (hereinafter called as 'The Listing Regulations, 2015') which requires the Company to lay down procedure for risk assessment and procedure for risk minimization.

OBJECTIVE & PURPOSE

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 that all current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed, i.e. to ensure adequate systems for risk management.

2. To establish a framework for the Company's risk management process and to ensure company wide effective implementation.
3. To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
4. To ensure business growth with financial stability.
5. To ensure better management at all levels through improved decision making.
6. To provide effective management of change with more efficient use of resources.
7. To promote a constructive vision of the concept of risk.
8. Identification, analysis and appropriate treatment of all major sources of potential opportunity for and harm to the Company (both existing and potential).

APPLICATION

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

RISK MANAGEMENT POLICY STATEMENT

The policy statement is as given below:

1. To ensure protection of shareholder value through the establishment of an integrated risk management framework for identifying, assessing, mitigating, monitoring, evaluating and reporting of all risks.
2. To provide clear and strong basis for informed decision making at all levels of the organization.
3. To continually strive towards strengthening the Risk Management System through continuous learning and improvement.

PRINCIPLES OF RISK MANAGEMENT

1. All business decisions will be made with prior information and acceptance of the risk involved .
2. The Risk Management Policy shall provide for the enhancement and protection of business from uncertainties and consequential damages.
3. All employees of the Company shall be made aware of the risks in their respective domains and their mitigation measures.
4. Risk tolerance levels will be regularly reviewed and decided upon depending on the change in the Company strategy.
5. The occurrence, progress and status of all risks will be promptly reported and appropriate actions be taken thereof.

IMPLEMENTATION OF RISK MANAGEMENT SYSTEM

Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning .

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

RISK IDENTIFICATION

In order to identify and assess material business/operational risks (both internal & external), the Company defines risks and prepares risk profiles in light of its business plans and strategies. This involves providing an overview of each material risk, making an assessment of the risk level and preparing action plans to address and manage the risk.

The Company majorly focuses on the following types of risks:

- Technological Risk
- Foreign Exchange Risk
- Operational Risk
- Quality / Control Risk
- Finance Risk
- Human Resource Risk
- Legal/Regulatory/Compliance Risk
- Economic/Environmental Risk
- Cyber/Data Security /IT Risk

Risk Assessment: - It is the process of analyzing the impact of events that have been assessed for the purpose of potential threats and vulnerability which results into exposure to various risks & its constituents. There are external and internal factors. The external factors include competition, economic and political environment also change in government policies and interest rates are the important external factor whereas internal factor are quality assurance, project execution, operational efficiency, contractual compliance are the crucial internal factor.

ROLE OF THE BOARD

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

- The Board shall be responsible for framing, implementing and monitoring the risk management plan for the Company;
- Ensure that the appropriate systems for risk management are in place;
- The Independent Directors shall help in bringing an independent judgment to bear on the Board's deliberations on issues of risk management and satisfy themselves that the systems of risk management are robust and defensible;
- Participate in major decisions affecting the Company's risk profile;

- Continually monitor the management of strategic risks;
- Ensure risk management is integrated into Board reporting and annual reporting mechanisms.

DISCLOSURE IN BOARD'S REPORT

Board of Directors shall include a statement indicating development and implementation of 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.

REVIEW OF THE POLICY

This policy will be reviewed as and when required due to the changes in the risk management regulations/standards/best practices as appropriate to ensure it meets the requirements of legislation and the needs of the organization.