



# **GANESH BENZOPLAST LIMITED**

## **RISK MANAGEMENT POLICY**



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*[Under Section 134(3) (n) of the Companies Act, 2013 and Regulation 17(9) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

This is in compliance with Section 134 (3) (n) of the Companies Act, 2013 and Regulations 17(9) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which requires the Company to develop and implement a Risk Management Policy / Plan and to lay down risk assessment and minimization procedures.

### **ROLE OF BOARD OF DIRECTORS**

The Board of Directors of the Company oversee the development of Risk Management Policy and the establishment, implementation and monitoring of the Company's risk management system, in accordance with the policy.

The Board has responsibility for identifying, assessing, monitoring and managing risks. The Board is also responsible for identifying any material changes to the Company's risk profile and ensuring the risk profile of the Company is updated to reflect any material change. Implementation of the risk management system and day-to-day management of risk is the responsibility of the Board, with the assistance of senior management, as required.

### **ROLE OF THE HEADS OF THE DEPARTMENTS**

The Heads 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 of Directors of the Company.

### **RISK PROFILE**

The Company considers that any risk that could have a material impact on its business should be included in its risk profile. The areas of risk include:-

- a) Industry Risk
- b) Raw Material Risk
- c) Liquidity Risk
- d) Competition Risk
- e) Financial Risk
- f) Realization Risk
- g) Human Resource Risk
- h) Legal Risk



The key risk management process would include:-

- I. Risk Identification
- II. Assessment of identified risk
- III. Risk measurement
- IV. Risk mitigation
- V. Monitoring of the risk mitigation efforts
- VI. Risk reporting and disclosures
- VII. Integration with strategy and business plan

## **ROLE OF AUDIT**

A strong and independent Internal Audit Function at the corporate level carries out risk focused audits across all businesses, enabling identification of areas where risk management processes may need to be improved. The Audit Committee of the Board reviews Internal Audit findings, and provides strategic guidance on internal controls. It also monitors the internal control environment within the Company and ensures that Internal Audit recommendations are effectively implemented.

## **CONTINUOUS IMPROVEMENT**

The Company's risk management system is always evolving. It is an ongoing process and it is recognized that the level and extent of the risk management system will evolve commensurate with the development and growth of the Company's activities. The risk management system is a "living" system and the documentation that supports it will be regularly reviewed and updated in Order to keep current with Company circumstances.