

Risk Management Policy

1. Purpose

The purpose of this Risk Management Policy is to ensure that risks which could impact the company's ability to achieve its objectives are identified, assessed, and managed effectively. This policy provides a framework for managing risk across the company to safeguard its assets, reputation, and stakeholders' interests.

2. Scope

This policy applies to all employees, directors, and stakeholders of Abirami Financial Services (India) Limited. It covers all activities and processes undertaken by the company.

3. Risk Management Objectives

- **Identify Risks:** Identify potential risks that could affect the company.
- **Assess Risks:** Evaluate the likelihood and impact of identified risks.
- **Mitigate Risks:** Develop strategies to manage and mitigate risks.
- **Monitor Risks:** Continuously monitor the risk environment and the effectiveness of risk management strategies.
- **Communicate:** Ensure transparent communication of risks and risk management practices to stakeholders.

4. Risk Management Framework

- **Risk Identification:** All departments are responsible for identifying risks within their areas of operation. This includes strategic, operational, financial, compliance, and reputational risks.
- **Risk Assessment:** Risks are assessed based on their potential impact and likelihood of occurrence. This assessment helps prioritize the risks that need to be addressed.
- **Risk Mitigation:** Develop and implement strategies to mitigate identified risks. This can include transferring, avoiding, reducing, or accepting risks.

- **Risk Monitoring:** Regularly review and monitor risks and the effectiveness of mitigation strategies. This includes tracking key risk indicators and conducting periodic risk assessments.
- **Reporting:** Provide regular risk reports to the Board of Directors and relevant stakeholders. This includes an annual risk review and ad-hoc reports as needed.

5. Roles and Responsibilities

- **Board of Directors:** Provide oversight and ensure that the risk management framework is effective. Approve the risk management policy and review risk reports.
- **Risk Management Committee:** Assist the Board in overseeing the risk management process. Review and recommend risk management strategies and policies.
- **Executive Management:** Implement the risk management framework and ensure that risks are managed effectively. Report significant risks to the Board and Risk Management Committee.
- **Risk Owners:** Identify and manage risks within their respective areas. Ensure that risk mitigation strategies are implemented and effective.
- **All Employees:** Understand and comply with the risk management policy. Report any identified risks to their supervisors or the risk management team.

6. Risk Categories

- **Strategic Risks:** Risks that affect the company's long-term objectives.
- **Operational Risks:** Risks arising from day-to-day operations.
- **Financial Risks:** Risks related to financial performance, including market, credit, and liquidity risks.
- **Compliance Risks:** Risks associated with legal and regulatory requirements.
- **Reputational Risks:** Risks that could damage the company's reputation and brand.

7. Review and Continuous Improvement

This policy will be reviewed annually by the Risk Management Committee and approved by the Board of Directors. Continuous improvement of the risk management framework will be pursued based on feedback, new developments, and best practices.

8. Communication and Training

The company will ensure that all employees are aware of the risk management policy and their responsibilities through regular training and communication. This will foster a risk-aware culture within the organization.
