



GANESHA ECOSPHERE LTD.

RISK MANAGEMENT POLICY

CIN No.: L51109UP1987PLC009090
113/216-B, FIRST FLOOR, SWAROOP NAGAR, KANPUR- 208002.
E-mail : gesl@ganeshaecosphere.com, Website : www.ganeshaecosphere.com
Tel. No. 0512-2555504-06, Fax No. 0512-2555293



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.

LEGAL BACKGROUND

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 applicable provisions of Companies Act, 2013 and the amended Clause 49 of the Listing Agreement which requires the Company to lay down procedure for risk assessment and minimization.

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 that all the 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 its implementation.
3. To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
4. To assure business growth with financial stability.

APPLICATION

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



RISK MANAGEMENT SYSTEM AND IMPLEMENTATION

At Ganesh Ecosphere, 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

In compliance of Section 134 of the Companies Act, 2013, the Board of Directors shall include in its report 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.

REVIEW

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

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