THE YAMUNA SYNDICATE LIMITED

RISK MANAGEMENT POLICY

A. This Policy has been framed taking into account the growing need for organizations to be conscious of the various types of risks that apply to their existence, strategic goals and operations; as well as in compliance to the requirements of Section 134(3)(n) of the Companies Act, 2013, and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

B. This Policy shall apply to The Yamuna Syndicate Limited (hereafter referred to as YSL). The Policy shall be framed and approved by the Board.

C. The Policy envisages inclusion of a risk analysis together with identification of risks, their evaluation, as well as risk treatment (i.e., identification of actions for mitigation; risk avoidance; risk transfer; risk absorption etc).

D. The Policy envisages laying down a system for periodic monitoring and review of the risks identified; identification of responsibility for taking actions for mitigation; and reviewing the status of implementation of various actions.

E. It is envisaged that the Policy would help ensure effective risk management including:

1. Providing a framework, that enables future activities in a consistent and controlled manner;

2. Improving decision making, planning and prioritization by comprehensive and structured understanding of business activities;
3. Contributing towards more efficient use/allocation of the resources with the organization;
4. Protecting and enhancing assets and company image;
5. Developing and supporting people and knowledge base of the organization;
6. Optimizing operational efficiency.

F. **Risk Classification**:

1. **Credit Risk** :- It is expected to arise from goods sold on credit. The measurement tools are aging analysis, credit rating and financial position of debtor. The operational management should specify credit limits and credit period based on such analysis to mitigate the risk.

2. **Liquidity Risk** : It is expected to arise from borrowings and goods purchased on credit. The measurement tools are rolling Cash Flow Forecasts, liquidity ratio analysis etc. The operational management should review the fund position, payment terms, time to time to mitigate the risk.

3. **Interest Rate Risk** : It is expected to arise from interest rate swaps. To mitigate the risk, sensitivity analysis of interest rate variation should be carried out by the management from time to time.

4. **Market (Operational) Risk** : It is expected to arise due to competition in market. The operational management should analyze market conditions,

share of product in market, competitors' marketing policies, customer feedback reports etc. and identify actions to mitigate the risk.

5. **Assets/Inventory carrying Risk** : It is expected to arise due to carrying inventories for trading/safeguard of assets. The operational management should, from time to time, carry out physical verification of inventories and assets. To safe guard the assets/inventories, YSL shall have adequate insurance policies for risk transfer. The operational management should keep track of slow moving inventories, and work to ensure time bound liquidation of such inventory.

6. **Manpower Risk** : YSL shall ensure compliance to all statutory and regulatory requirements as applicable. The operational management shall provide proper working environment to the employees. The workmen should be covered under proper Insurance Policy within the working area of YSL.

G. **Review:** This policy shall be reviewed by the Audit Committee and the Board from time to time as may be necessary.

H. This Policy will be communicated to all functional heads and other concerned persons of the Company.
