

## RISK MANAGEMENT POLICY

1. Scope :

This policy is a formal representation of DEY'S MEDICAL STORES MANUFACTURING LIMITED's commitment to Risk Management and has been approved by the Board.

This policy is applicable to all business of the Company, its directors and all its employees and contractors.

2. Objective :

Continued growth and success depends on responding to the challenges of internal and external uncertainties and in this process to avoid disruptions of business. By understanding and managing risk, the company provides greater confidence for all stakeholders. As risk is inherent in all decision making, effective risk management is imperative for achieving growth and success of business. Basic objectives are –

- a. To recognise and identify risk embedded in all activities.
- b. To recognise all internal and external factors that might affect the achievement of strategy.
- c. To fix accountability around risk mitigation.
- d. To review, monitor and communicate reporting of risk critical to growth.
- e. To protect the interest of all stakeholders.

3. Risk Management Responsibility :

Responsibility is shared across the organisation. Employees are responsible for reporting to their immediate seniors any perceived risk that might affect the Company in any manner whether in terms of profitability, viability, assets, safety or environment. Board is responsible for providing resources to manage risk as well as for continuous monitoring effectiveness of Risk Management Framework.

4. Compliance :

Each area of business is accountable for managing risk. A register of risks relating to risk exposures has to be maintained. The risk register need to be based on outcome of risk identification and risk assessment process. The Board will periodically review risk registers.

5. Review :

The internal audit of the company will review the risk management framework at least once a year and report to the Board about effectiveness of risk management policy and risk management process. The internal audit has to suggest emerging risk in the normal operations of business of the company and also evaluate the business plan after identifying key risk factors.