



BEST AGROLIFE LIMITED

RISK MANAGEMENT POLICY

BACKGROUND

Risk Management is a key aspect of the "Corporate Governance Principles and Code of Conduct" which aims to improve the governance practices across the Company's activities. 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.

This policy is in compliance with the Regulation 21 of SEBI (Listing Obligations and Disclosure) Requirements, Regulations, 2015 which requires the Company to lay down procedure for risk assessment and procedure for risk minimization.

OBJECTIVE & PURPOSE OF POLICY

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.

BACKGROUND AND IMPLEMENTATION

The Company is prone to inherent business risks. This document is intended to formalize a risk management policy, the objective of which shall be identification, evaluation, monitoring and minimization of identifiable risks. The Board of Directors of the Company and the Audit Committee shall review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network. The Risk Management Committee shall be responsible for implementation of the risk management system as may be applicable to the respective areas of functioning and report to the Board and Audit Committee.

RISK MANAGEMENT

The Company is committed to having an effective Risk Management system in place to ensure that the significant risks the Company may face are appropriately identified, assessed, treated, monitored, reported, and reviewed.

The Risk Management Policy is adopted to make risk management an integral part of decision-making process during regular business operations so as to strengthen the Company's management practices, demonstrable to the external stakeholders. A review of risks must be done concurrently with decision making for various projects or investments and all proposals must include the relevant risks along with mitigation actions and/or business cases, as appropriate.

CONSTITUTION OF RISK MANAGEMENT COMMITTEE

Risk Management Committee have been constituted by the Company consisting one non-executive director and two independent directors.

The members of Risk Management Committee are:

1. Mr. Braj Kishore Prasad (Independent Director) - Chairman
2. Mr. Pramod Narayan Karlekar (Non-Executive Director) - Member
3. Mrs. Chetna (Independent Director) - Member

The Board shall define the roles & responsibilities of the Risk Management Committee & may delegate monitoring & reviewing of the risk management plan to the Committee & such other functions as it may deem fit.

APPLICATION

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

ROLE OF THE BOARD

The Board will undertake the following actions to ensure risk is managed appropriately:

- The Board shall be responsible for framing, implementing and monitoring the risk management plan for the company.
- The Board shall define the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the Committee and such other functions as it may deem fit.
- Ensure that the appropriate systems for risk management are in place.
- The independent directors shall help in bringing an independent judgment to bear on the Board's deliberations on issues of risk management and satisfy themselves that the systems of risk management are robust and defensible;
- Participate in major decisions affecting the organization's risk profile;
- Have an awareness of and continually monitor the management of strategic risks;
- Be satisfied that processes and controls are in place for managing less significant risks;
- Be satisfied that an appropriate accountability framework is working whereby any delegation of risk is documented and performance can be monitored accordingly;
- Ensure risk management is integrated into board reporting and annual reporting mechanisms;
- Convene any board-committees that are deemed necessary to ensure risk is adequately managed and resolved where possible.

AMENDMENT

Any change in the Policy shall be approved by the Board of the Company. The Board shall have the right to withdraw and / or amend any part of the Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding. Any subsequent amendment/modification in the Act or the rules framed thereunder or the SEBI Listing Regulations and/or any other laws in this regard shall automatically apply to the Policy.

REVIEW & REPORTING

- i) The Committee shall report and update the Board periodically, on risk-related matters.

ii) The Annual Report of the Company shall disclose, the composition of the Committee, meetings, attendance, and risk-related disclosures under SEBI Listing Regulations, as may be necessary to comply with the requirement.

Next Review: Review once in two years.