

Asia Capital Limited

CIN: L65993MH1983PLC342502

Registered Office

203, Aziz Avenue, CTS-1381, Near
Railway Crossing Vallabhbhai Patel Road,
Vile Parle (W), Mumbai- 400056
Phone: 022-26100787/ 801/ 802
Email: asiacapitallimited@gmail.com
Website: www.asiacapital.in

RISK MANAGEMENT POLICY AND STRATEGY

1. OVERVIEW

This is in compliance with Section 134 (3) (n) of the Companies Act, 2013 and Regulation 17(9)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which requires the Company to develop and implement a Risk Management Policy / Plan and to lay down risk assessment and minimization procedures.

2. APPLICABILITY

This “Risk Management Policy” (the Policy) will apply to Asia Capital Limited (“the Company”), its employees and its agents or representatives.

3. RESPONSIBILITY

1. The Board of Directors will have oversight on the development of Risk Management Policy and the establishment, implementation and monitoring of the Company’s risk management system, in accordance with the policy. The Risk Management Committee or specific committees (the Committee) constituted by the Board, as delegated by it, will facilitate focused oversight of various risks.
2. The Committee will assist the Board of Directors in the oversight and implementation of a risk management framework and undertaking reviews of the risk management plan on a periodic basis.
3. The Committee shall be responsible for tracking and ensuring that all the action plan devised for identified risks are being implemented within stipulated timelines.
4. Heads 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 Committee.

4. RISK MANAGEMENT PROCESS

Our risk management approach is composed of mainly three components:

1. Risk Governance
2. Risk Identification
3. Risk Assessment and Control

1. Risk Governance:

- ✓ The Board is responsible for managing risk on various parameters, at the corporate level.
- ✓ The functional heads have to ensure implementation of the risk mitigation measures.
- ✓ The Committee provides oversight and reviews Risk Management Policy from time to time.

2. Risk Identification:

- ✓ External and internal risk factors that must be managed are identified in the context of business objectives.

3. Risk Assessment and Control:

- ✓ This is composed of:
 - a) Risk assessment and reporting
 - b) Risk control
 - c) Capability development

On a periodic basis risk due to external and internal factors are assessed by responsible managers across the organization. Norms aimed at limiting exposures are integral to this framework. The risks are identified and formally reported through mechanism such as operation reviews and committee meetings. Internal control is exercised through policies and systems to ensure timely availability of information that facilitate pro-active risk management.

The first step for formulating Risk Management Policy is therefore to define the business objectives on various parameters. The business objectives of the Company can be enumerated as follows:

Business objectives:

1. Financial Parameters

- ✓ achieve revenue growth
- ✓ sustain profitability

2. Market and Customer focus

- ✓ grow customer relationships
- ✓ develop market by promoting new uses
- ✓ broaden geographical foot print

3. Operating Efficiency

- ✓ improve quality and productivity
- ✓ control operations costs

4. Organizational Development

- ✓ develop tiers of leadership

- ✓ develop and retain competencies

5. Growth

- ✓ To diversify into new revenue streams

The risk factors which may impact the business objectives and measures to be taken for managing/mitigation these risks are:

- External Risk Factors
- Internal Risk Factors

i. External Risk Factors

- ✓ Macro-economic factors
- ✓ Exchange rate fluctuations
- ✓ Raw material price fluctuations
- ✓ Political environment
- ✓ Competitive environment
- ✓ Inflation and cost structure
- ✓ Security and business continuity
- ✓ Competition from other market players

ii. Internal Risk Factors

- ✓ Financial reporting risks
- ✓ Liquidity and leverage
- ✓ Contractual compliance
- ✓ Compliance with local laws
- ✓ Human resources management
- ✓ Protection and maintenance of Assets
- ✓ Ethics and values

Each risk factor is monitored periodically by the Management of the Company and any event arising from these likely to adversely impact operations is reported to the Board/the Committee.

5. ROLE OF AUDIT

A strong and independent Internal Audit Function at the corporate level carries out risk focused audits across all businesses, enabling identification of areas where risk management processes may need to be improved. The Audit Committee of the Board reviews Internal Audit findings and provides strategic guidance on internal controls. It also monitors the internal control environment within the Company and ensures that Internal Audit recommendations are effectively implemented.

6. REVIEW OF POLICY

This Policy can be modified at any time by the Board of Directors of the Company as and when required by the applicable rules and regulations or otherwise. This Policy shall be hosted on the website of the Company.
