



KASHYAP TELE-MEDICINES LIMITED

RISK MANAGEMENT POLICY

As Amended w.e.f. 1st April, 2024

Pursuant to the Companies Act, 2013 & the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof

PREFACE

The Kashyap Tele-Medicines Limited (“the Company”) formulated this ‘Risk Management Policy’ in pursuance to the Companies Act, 2013 (“the Act”) & the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and subsequent amendments thereof. Further pursuant to Regulation 15(2) of the Listing Regulations, Regulation 21 and Part D of Schedule II is not applicable to the Company. However as per Regulation 4(f)(ii)(1) Board of Directors shall review the Risk Management Policy of the Company.

Section 134(3) of the Act requires the Board of Directors of a company, as part of the Board’s Report, to give 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. Further, the provisions of Section 177(4)(vii) of the Companies Act, 2013 require that every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall inter alia include evaluation of risk management systems.

Recognizing and mitigating the enterprise risk is an integral part of good management practice. Risk Management is an essential element in achieving business goals and deriving benefits from market opportunities.

SCOPE

Risk Management is a key aspect of Code of Conduct which aims to improvise the governance practices across the business activities of any organization.

The purpose of formulation of this policy is:

- a) to ensure timely and accurate management of risk into the Company at all levels;
- b) to provide a framework of practice and procedures for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risks;
- c) to make an effective assessment of the identified risks;
- d) to assure the minimization of the risks identified and assessed, and
- e) to set up appropriate measures for risk mitigation including systems and processes for internal control of identified risks so that the Company can respond to the complexities and challenges that keep emerging from time to time.

The Company further endeavors to assure for the best risk management practices to be followed throughout its all business levels in order to render the best quality products and services to its customers and that the same shall be in the best interest of the stakeholders.

RISK MANAGEMENT FRAMEWORK

Risk management is a continuous process across the organization which is designed to identify, assess and frame a response to threats that affect the achievement of its objectives. It enables management to prepare for risks before they devolve to improve the operational effectiveness. Determination of the risk appetite allows management to deploy resources according to the need.

The Board and Audit Committee of the Company plays a vital role in governing the regulations of Risk Management.

- The Board's role includes implementation and monitoring risk management plan, having in place, systems for risk management as part of internal controls ensures that the Independent Directors of the Company brings an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments, corporate governance and standards of conduct. They act as a guide to the company. Their roles broadly include improving corporate credibility and playing a vital role in risk management.
- The Role of Audit Committee includes evaluation of internal financial controls and risk management systems.

We firmly believe that to ensure effective risk management, there ought to be risk management plans to handle the risks based on the priorities and challenges of the business. The factors involved in identified risks must be considered and the accuracy of assessment is very important. This implies, if proper risk management is implemented as a best practice then massive capital losses can be prevented.

The success of the Risk Management Framework depends on the efforts taken to mitigate/ reduce either the probability or consequence of the risk/ threat. Therefore considering the same, Company's Risk Management Framework includes following three key elements:

- A. Risk Assessment
- B. Risk Management and Risk Mitigation
- C. Risk Monitoring

A. Risk Assessment

Risks are analyzed, considering likelihood and impact, as a basis for determining how they should be managed effectively. Risk Assessment consists of a detailed study of potential threats and vulnerability and resultant exposure to various risks & its constituents. To meet the stated objectives, effective strategies for exploiting opportunities are to be evolved and as a part of this, key risks exposed to the Company are identified and plans for managing the same are framed. Moreover, risk assessment allows an entity to consider how potentially an event might affect the achievement of objectives.

Risk identification requires complete information of the organization, the economic & market conditions and external environment. Potential events that may affect the achievement of objectives are identified from internal or from external sources. Our Company is exposed to different types of risks that can be classified into various categories based on their nature, impact, source of their origin and core aspects.

B. Risk Management and Risk Mitigation

Risk management is an integral part of the Company's strategy and necessary for the achievement of long-term goals. The Company's risk-management mechanism ensures that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company including evaluation of adequate risk management systems. After the risks have been identified, risk management attempts to lessen their effect. The basic objective of risk

management is to minimize the negative effects of risks that can affect the financial results and capital of the Company. It means that an effective risk management system covers all embedded risk areas.

The Company firmly believes that to ensure effective risk management, there ought to be risk management plans to handle the risks based on the priorities and challenges of the business. The factors involved in identified risks must be considered and the accuracy of assessment is very important. This implies, if proper risk management is implemented as a best practice then massive capital losses can be prevented.

Risk Mitigation for the Company is the selection and implementation of controls (taking actions) to reduce risk to a level acceptable to management. It is an exercise by the Company aiming to reduce the loss or damage arising out of various risk exposures.

C. Risk Monitoring:

The Company's risk monitoring process, tracks and evaluates the levels of risk throughout the organization and as well as monitoring the risk itself and further evaluates the effectiveness of risk management strategies. It further ensures to keep a track of the identified risks, monitoring residual risks and identifying new risks, ensuring the execution of risk plans, and evaluating their effectiveness in reducing risk.

BUSINESS CONTINUITY PLAN

Business continuity management is a crucial subset of risk management. The Company ensures implementing the effective Risk Management by delineating business continuity processes and disaster management plans, for unforeseen exigencies and keeping the organization constituents well prepared for appropriately and adequately dealing with such circumstances, under eventuality of such happenings.

DISCLOSURES / AMENDMENTS

The policy shall be communicated within the Company across all levels and shall be displayed on the website of the Company i.e. <https://kashyaptele-medicines.com/>.

The Board shall have the authority to amend or modify this Policy, to align with any amendments made to the Listing Regulations or such other circulars, SOP's, guidelines, standards or regulations issued by the SEBI, Stock Exchange or any other statutory authority or as and when deemed fit.

In the event of any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws then this policy shall stand modified to the extent applicable.

In the event of inconsistency of this Policy with any statutory provisions, then the relevant provisions of such applicable law shall prevail upon the provisions of this Policy.
