

RISK MANAGEMENT POLICY

Oxford Dictionary defines the term “risk” as a chance or possibility of danger, loss, injury or other adverse consequences.

Risk management is attempting to identify and then manage threats that could severely impact or bring down the organization. Generally, this involves reviewing operations of the organization, identifying potential threats to the organization and the likelihood of their occurrence, and then taking appropriate actions to address the most likely threats.

The Compuage Infocom Limited’s (CIL) Board is responsible for risk management of the Company and for ensuring that robust internal controls are instituted to respond to changes in the business environment.

Objectives:

The objectives of the Policy are to optimize business performance, protect it from damages, frauds and to promote confidence amongst our stakeholders in the effectiveness of our business management process and our ability to plan & meet our strategic objectives.

Role, Responsibilities and functions:

The Audit Committee is responsible for the review of risk management processes and for overseeing the implementation of the requirements of this policy. The Committee in turn will be assisted and will work in close connection with the Functional Heads to derive the following:

- Obtain information on emerging risks
- Conduct inspections and investigations to identify various risks
- Take necessary steps to mitigate risks

At an operational level, the respective functional managers shall be responsible for identifying and assessing risks within their area of responsibility; implementing agreed actions to treat such risks; and for reporting any event or circumstance that may result in new risks, or changes in existing risk profile.

Process to inform the Board:

The Committee shall provide updates to the Board on quarterly basis regarding key risks faced by the Company and the relevant mitigant actions required to be taken. The Board shall consider the same and take necessary action accordingly.

Further, any person with the knowledge of suspected or confirmed incident of fraud or risk must report the case immediately through following channels:

Email: riskmgmt@compuageindia.com

Tel No.: 022-67114444

Written Communication to the Head of Department or the Chairman of Audit Committee or to the Board directly.

Disclaimer Clause:

Management is not an expert in assessment of risk factors, risk mitigation measures and management's perception of risks. Readers are therefore requested to exercise their own judgment in assessing various risks associated with the Company.