



S.R. Industries Limited

CIN : L29246PB1989PLC009531

Regd. Off: F-110, Industrial Area, Phase VII

Mohali, Punjab - 160055

Website : www.srfootwears.com

Email : info@srfootwears.com

Tel: +91 172 4602888

S R INDUSTRIES LIMITED

RISK MANAGEMENT POLICY



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BACKGROUND

SEBI recently notified the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 on September 2, 2015 effective from 1st December, 2015, repealing the erstwhile Listing Agreement. Regulation 17(9) provides that the listed entity shall lay down procedures to inform members of the Board of Directors about risk assessment and minimisation procedures. Further, the Board shall be responsible for framing, implementing and monitoring the risk management plan for the listed entity.

For this purpose, this document is intended to formalize a risk management policy, the objective of which shall be identification, evaluating, monitoring and minimizing identifiable risks.

OBJECTIVE AND 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 financial stability.

IMPLEMENTATION

This policy is in compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (w.e.f. 1st December, 2015) which requires the Board to frame, implement and monitor the risk management plan for the listed entity.

IDENTIFICATION OF RISKS

Risk can be minimized only after the identification, or we can say unless we identify the risk, it cannot be minimized. So the first motto of the Risk management Policy is to identify the risks.



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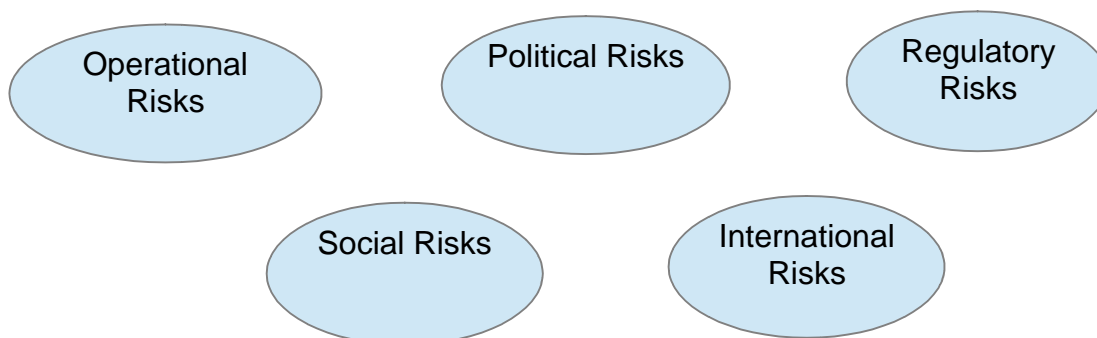
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In S R Industries Limited, risk can be identified by any director, employee, shareholders, debtors, creditors, bankers, connected agencies. They can report the identified risks to the concerned department. Immediately after the reporting of the risks, departmental head and entire team of the department shall accumulate the information pertaining to the identified risks and evaluate the risks.

KIND OF RISKS



The risks can be further categorized as

- (1) Minimal
- (2) Moderate
- (3) Extreme

Priority should be given to the extreme risks, which will be more dangerous and the company will have short time to mitigate / minimize the said risks.

MANAGEMENT OF THE RISKS

All the risks should be reported to the departmental heads and they will further intimate to the Board. In extreme cases all the concerned department head will report immediately to any member of the Board of Directors.

The Board of Directors will consider the risk reported by the Departmental heads. The management will take the necessary action on the reported risk and will do the best for minimization of the risks.

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:



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1. The Board shall be responsible for framing, implementing and monitoring the risk management plan for the company.
2. The Board shall define the roles and responsibilities of the Risk Management Committee, as and when required or applicable to the Company and may delegate monitoring and reviewing of the risk management plan to the Committee and such other functions as it may deem fit.
3. Ensure that the appropriate systems for risk management are in place.
4. 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.
5. Participate in major decisions affecting the organization's risk profile.
6. Have an awareness of and continually monitor the management of strategic risks
7. Be satisfied that processes and controls are in place for managing less significant risks.
8. Be satisfied that an appropriate accountability framework is working whereby any delegation of risk is documented and performance can be monitor accordingly.
9. Ensure risk management is integrated into Board reporting and annual reporting mechanisms.
10. Convene any Board-Committees that are deemed necessary to ensure risk is adequately managed and resolved where possible.

AMENDMENTS

Any subsequent amendments/modification in the listing regulations and/or other applicable laws in this regard shall automatically apply to this policy. This policy can be amended any time by the Board of Directors of the company.