



SKYLINE MILLARS LIMITED

RISK MANAGEMENT POLICY

Purpose

The purpose of the Risk Management Policy is to highlight the Company's practices and risk management frame work for the identification and management of uncertainty with the aim of balancing between risk and reward in the Company's activities that is in the best interest of the Company and its stakeholders.

Regulation 4 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires Corporates to institute risk management frame work comprising a process for risk assessment and minimization with roles and responsibilities for monitoring and reporting risks and controls.

Scope

The Risk Management Policy applies to the Company. Although the Board is responsible for the oversight of the risk management process, the Company relies on the judgment, skill and experience of its employees to make the risk management decisions within the risk management frame work and to communicate risks issues to relevant parties.

Risk Profile

The Company considers that any risk that could have material impact on its business should be included in its risk profile. The risk profile of the Company can be categorized as under:

- Market related
- Financial Reporting & Compliances
- Foreign Exchange Fluctuation
- Operational
- Product & Service (Revenue Concentration/Inflation/Rising Costs)
- Environmental
- Human Capital ,Occupational Health & Safety
- Strategic/ Competition
- Ethical Conduct (Corporate Fraud)
- Legal & Compliances
- Information Technology
- Technological (including obsolescence)
- Intellectual Property
- Reputation
- Stake Holders communication
- Political

Role of Audit Committee and Accountabilities

The Audit Committee has responsibility for identifying, assessing, monitoring and managing risks. The Audit Committee is also responsible for identifying any material changes to the Company's risk profile and ensuring, with approval of the Board, the risk profile of the Company listed in this Policy are updated to reflect any material change.

The committee is required to report on the progress of, and on all matters associated with, risk management to the Board of Directors.

Risk Management Strategies

The Company maintains a number of policies and practices designed to manage specific business risks. These include:

- **Insurance Program:**
The Company has comprehensive and appropriate insurance policies for its assets and operations
- **Regular budgeting and financial reporting;**
The Company has regular budgeting in place. It is the role of the Audit Committee (or its equivalent) to review the integrity of the financial reporting of the Company. The Audit Committee is to ensure the Board is fully aware of matters which may significantly impact the financial conditions or affairs of the business.
- **Clear limits and authorities for expenditure levels.**
The Company's Board Charter sets out Materiality Thresholds. These include quantitative and qualitative thresholds as well as triggers for the materiality of contracts;
- **Procedures/controls to manage environmental and occupational health and safety matters;**
The Company has implemented a range of procedures/controls for managing these matters.
- **Procedures for compliance with continuous disclosure obligations under Listing Agreement.**
The Company's Compliance Procedures have been designed for the purpose of ensuring the Company complies with its continuous disclosure obligations.
- **Procedures to assist with establishing and administering corporate governance systems and disclosure requirements.**
The Company's administrative Procedures have been designed for the purpose of ensuring the Company complies with corporate governance and disclosure requirements.

Continuous improvements

The Company's risk management system is evolving. It is an on-going process and it is recognized that the level and extent of the risk management system will evolve commensurate with the development and growth of the Company's activities.