

RISK MANAGEMENT-POLICY

PIX RISK MANAGEMENT POLICY

1. PREFACE:

The Board of Directors in their meeting held on 14th November 2015 has revised and modified the policy on Risk Management as required under Companies Act, 2013 and Regulation 17 of the SEBI(Listing Obligations and Disclosure requirements) Regulation 2015 and made it applicable from 1st December 2015.

2. OBJECTIVE:

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 Company's business. In order to achieve the key objective, this Policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

The specific objectives of this policy are :

- Create and protect shareholder value by minimizing threats or losses, and identifying and maximizing opportunities.
- 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.
- To establish a framework for the company's risk management process and to ensure its implementation.
- To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices
- Reducing volatility in various areas of the business.
- To assure business growth with financial stability.

3. APPLICABILITY:

This Policy applies to all areas of the Company's operations.

4. KEY DEFINITIONS:

I. Risk Assessment –

The systematic process of identifying and analysing risks. Risk Assessment consists of a detailed study of threats and vulnerability and resultant exposure to various risks.

II. Risk Management –

The systematic way of protecting business resources and income against losses so that the objectives of the Company can be achieved without unnecessary interruption.

III. Risk Management Process –

The systematic application of management policies, procedures and practices to the tasks of establishing the context, identifying, analysing, evaluating, treating, monitoring and communicating risk.

5. RISK FACTORS:

The objectives of the Company are subject to both external and internal risks that are enumerated below:-

a) External Risk Factors

- Economic Environment and Market conditions .
- Fluctuations in Foreign Exchange .
- Competition.
- Revenue concentration .
- Inflation and cost structure.
- Technology obsolescence.
- Political Environment.

b) Internal Risk Factors

- Risk of Corporate Accounting Fraud .
- Financial reporting risks.
- Contractual compliance.
- Compliance with local laws.
- Environmental management.
- Human resource management.
- Culture and values.

6. RESPONSIBILITY FOR RISK MANAGEMENT:

Generally every staff member of the Organisation is responsible for the effective management of risk including the identification of potential risks. Management is responsible for the development of risk mitigation plans and the implementation of risk reduction strategies. Risk management processes should be integrated with other planning processes and management activities.

7. COMPLIANCE AND CONTROL:

All the Senior Executives under the guidance of the Chairman and Board of Directors has the responsibility for over viewing management's processes and results in identifying, assessing and monitoring risk associated with Organisation's business operations and the implementation and maintenance of policies and control procedures to give adequate protection against key risk. In doing so, the Senior Executive considers and assesses the appropriateness and effectiveness of management information and other systems of internal control, encompassing review of any external agency in this regards and action taken or proposed resulting from those reports.

8. REVIEW:

This Policy shall be reviewed at least every year to ensure it meets the requirements of legislation and the needs of organization.

9. AMENDMENT:

This Policy can be modified at any time by the Board of Directors of the Company.

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