



# **RISK MANAGEMENT & INTERNAL CONTROL POLICY**

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## Introduction

The Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. It periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans.

The Company, through its risk management process, strives to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors.

## Scope

This policy applies to all the team members, whether full time, part time or casual at any level of seniority within the business. The policy also applies to contractors and consultants working on behalf of the Company.

The Company's Risk Management and Internal Control Policy has been developed to include the following key categories:

- **Strategic and Commercial:** The Company manager strategic risk in pursuit of profitable growth in both mature and emerging markets. Given the volatile markets and economic climate in which it operates, the adaptability of its people and its infrastructure are key to manage its risks.
- **Safety and operations:** The Company is committed to conduct all its activities in such a manner so as to avoid harm to employees and the community. It strives to deliver safe and reliable operations.
- **Compliance and control:** The Company is committed to comply with laws and regulations. The Company also believes that accurate and reliable information provides a competitive advantage and is key to effective management of its business. It therefore accepts minimal risk in relation to reporting risks.
- **Financial:** The Company manages financial risk to maintain a prudent financing strategy and therefore taking controlled risks in this area.

To ensure effective Internal Financial Controls the Company has laid down the following measures:

- a) Transactions are executed in accordance with management's general or specific authorisation;
- b) Transactions are recorded as necessary (1) to permit preparation of financial statements in conformity with IND AS or any other criteria applicable to such statements, and (2) to maintain accountability for assets;
- c) Access to assets is permitted only in accordance with management's general or specific authorisation;
- d) The recorded accountability of assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences;
- e) The Company has a comprehensive risk management framework;
- f) The Company has in place a well-defined Whistle Blower Policy/ Vigil Mechanism.



## Risk Factors

Your Company emphasizes on those risks that threaten the achievement of its business objectives over the short to medium term. An overview of these risks is provided hereafter, including the actions taken to mitigate these risks and any related opportunities:

- **Strategy:** Risks emanating out of the choices we make on markets, resources and delivery model that can potentially impact our long-term competitive advantage.
- **Industry:** Risks relating to inherent characteristics of our industry including competitive structure, technological landscape, extent of linkage to economic environment and regulatory structure.
- **Counterparty:** Risks arising from our association with entities for conducting business. These include clients, vendors, alliance partners and their respective industries
- **Resources:** Risks arising from inappropriate sourcing or sub-optimal utilization of key organizational resources such as talent, capital and infrastructure
- **Operations:** Risks inherent to business operations including those relating to client acquisition, service delivery to clients, business support activities, information security, physical security and business activity disruptions.
- **Regulations and compliance:** Risks due to inadequate compliance to regulations, contractual obligations and intellectual property violations leading to litigation and loss of reputation.

## Risk Management Practices

Risk management, by and large involves reviewing the operations of the organisation followed by identifying potential threats to the organisation and the likelihood of their occurrence, and then taking appropriate actions to address most likely threats. The Key Risk Management Practices includes those relating to identifying the risks, deciding how to manage it, implementing the management technique, measuring the ongoing effectiveness of management and taking appropriate corrective action.

The risk management process seeks to avoid incidents and maximize business outcomes by allowing management to:

- Understand the risk environment, and assess the specific risks and potential exposure for the Company.
- Manage the identified risks in appropriate ways.
- Monitor and seek assurance of the effectiveness of the management of these risks and intervene for improvement wherever necessary.
- Report up the management chain to the board on a periodic basis about how risks are being managed, monitored, and assured and the improvements that are being made.

## Policy Review

The Board is responsible for reviewing and approving the Risk Management Policy at least annually to ensure their effectiveness and continued application and relevance to the Company's business.