



GOPAL SNACKS LIMITED

RISK MANAGEMENT POLICY

1. BACKGROUND

Section 134(3)(n) of the Companies Act, 2013 (“**Act**”) requires a statement to be included in the report of the board of directors (“**Board**”) of Gopal Snacks Limited (“**GSL**” or the “**Company**”), indicating development and implementation of a Risk Management Policy (“**Policy**”) for the Company, including identification therein of elements of risk, if any, which, in the opinion of the Board, may threaten the existence of the Company.

Furthermore, Regulation 17(9)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI LODR Regulations**”), requires that the Company set out procedures to inform the Board of risk assessment and minimization procedures and makes the Board responsible for framing, implementing and monitoring the risk management plan of the Company.

This Policy shall come into force from the date of listing of equity shares of the Company on the stock exchanges.

2. OBJECTIVE AND PURPOSE

In line with the Company’s objective towards increasing stakeholder value, a risk management policy has been framed, which attempts to identify the key events / risks impacting the business objectives of the Company and attempts to develop risk policies and strategies to ensure timely evaluation, reporting and monitoring of key business risks.

The Policy and Procedure would promote a proactive approach in analysis, reporting and mitigation of key risks associated with the business in order to ensure a sustainable business growth and stability.

Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

3. COVERAGE

The Policy guidelines are devised in the context of the present business profile, future growth objectives and new business endeavours/ services that may be necessary to achieve the goals & the emerging global standards & best practices amongst the comparable organizations.

This Policy will be applicable to all areas of the Company and its subsidiaries operations.

4. RISK MANAGEMENT FRAMEWORK

The Company’s risk management approach is composed primarily of three components-

a. **Role of the Board**

The Board will undertake the following actions to ensure risk is managed appropriately:

- i. The Board shall be responsible for framing, implementing and monitoring the risk management plan for the company
- ii. Ensure that the appropriate systems for risk management are in place.
- iii. 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;
- iv. Participate in major decisions affecting the organization's risk profile;
- v. Have an awareness of and continually monitor the management of strategic risks;
- vi. Be satisfied that processes and controls are in place for managing less significant risks;
- vii. Be satisfied that an appropriate accountability framework is working whereby any delegation of risk is documented and performance can be monitored accordingly;
- viii. Ensure risk management is integrated into board reporting and annual reporting mechanisms;
- ix. Convene any board-committees that are deemed necessary to ensure risk is adequately managed and resolved where possible.

b. Role of the management

- i. Management is responsible for monitoring and whether appropriate processes and controls are in place to effectively and efficiently manage risk, so that the strategic and business objectives of the Company can be met;
- ii. To assist the Board in discharging its responsibility in relation to risk management;
- iii. To ensure that the financial reports of the Company reflect the true and fair view, in all material respects, of the Company's financial position and comply in all material respects with relevant accounting standards and are founded on a sound system of risk management and internal control (inclusive of cyber security cover) and that the system is operating effectively in relation to financial reporting risks;
- iv. Reporting to the Board of Directors on risks and mitigation strategies on regular intervals.

c. Role of the Risk Management Committee

- i. The Committee is delegated with responsibilities in relation to risk management and the financial reporting process of the Company;
- ii. The Committee is also responsible for monitoring overall compliance with laws and regulations.

5. LIMITATION AND AMENDMENT

In the event of any conflict between the provisions of this Policy and of the Act or SEBI LODR Regulations or any other statutory enactments, rules, the provisions of such Act or SEBI LODR Regulations or statutory enactments, rules shall prevail over this Policy.

Any subsequent amendment / modification in the SEBI LODR Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

6. DISCLOSURE IN BOARD'S REPORT

Board of Directors shall include a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company.

7. REVIEW

This Policy will be reviewed and reassessed by the Risk Management Committee as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise
