

BALAJI TELEFILMS LIMITED AND ITS SUBSIDIARIES

Risk Management Policy

I. Introduction

Risk Management is a key aspect of the “Corporate Governance Principles and Code of Conduct” which aims to improvise the governance practices across the Company’s activities. Risk Management Policy and processes will enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities.

II. Objective & Purpose of Policy

The main objective of this policy is to ensure sustainable business growth with stability, protect the Shareholder value and 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 identification of internal and external risks – including but not limited to financial, operational, sectoral, sustainability (Environmental, Social and Governance related risks), information and cyber security risks
3. To evaluate and enhance, where needed, the teams, systems and processes to control identified risks.
4. To formulate a Business Continuity Plan.
5. To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
6. To assure Business growth with Financial Stability.

III. Background and Implementation

The Company is prone to inherent Business Risks. This document is intended to formalize a risk management policy, the objective of which shall be identification, evaluation, monitoring and minimization of identifiable risks. This policy is in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and the Companies Act, 2013, which requires the Company to lay down procedure for risk assessment and procedure for risk minimization.

The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network.

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.

IV. Application

This policy applies to all areas of the Company’s operations.

V. Constitution of Risk Management Committee

The Risk Management Committee shall consist of a minimum of three members with the majority of them being members of the Board of Directors, and at least one of them being an Independent Director. The Chairperson of the Risk Management Committee shall be a member of the Board of Directors and senior executives of the listed entity may be members of the Committee.

The Company Secretary of the Company shall act as Secretary of the Committee.

The Terms of reference of the Committee shall be as enlisted under the Listing Regulations and the Companies Act, 2013, and such other function as may be defined by the Board from time-to-time.

VI. Meetings

The Risk Management Committee shall meet at least twice a year. The gap between any two meetings of the Risk Management Committee shall not exceed 180 days.

The quorum of the meeting shall be either two members of 1/3rd of the total number of members, whichever is higher, including atleast one Board member.

VII. Role of the Board

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

- a. The Board shall be responsible for framing, implementing and monitoring the risk management plan for the company;

- b. The Board shall define the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the Committee and such other functions as it may deem fit;
- c. Ensure that the appropriate systems for risk management are in place;
- d. 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;
- e. Participate in major decisions affecting the organization’s risk profile;
- f. Have an awareness of and continually monitor the management of strategic risks;
- g. Be satisfied that processes and controls are in place for managing less significant risks;
- h. Be satisfied that an appropriate accountability framework is working whereby any delegation of risk is documented and performance can be monitored accordingly;
- i. Ensure risk management is integrated into board reporting and annual reporting mechanisms;
- j. Ensure risk is adequately managed and resolved, where possible.

VIII. Amendments:

The Board reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Listing Regulations, Act or any law for the time being in force. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc. The Policy shall be reviewed by the Committee at least once in every 2 years.

Note: The policy was last reviewed by the Risk Management Committee on February 09, 2024.
