



QUEST CORP LIMITED

RISK MANAGEMENT POLICY

(Version 3 dated May 27, 2020)

Version	Approved By	Approval Date	Changes
1	Audit Committee	May 22 nd , 2015	
2	Board of Directors	Apr 17 th , 2019	Formation of Risk Management Committee
3	Board of Directors and Risk Management Committee	May 27, 2020	Inclusion of Cyber Security and Risk Management Framework

1. Introduction

The Board of Directors of Quess Corp Limited (“the Company”) has adopted the following policy and procedures with regard to risk management as defined below. The Company is in the process of forming Risk Management Committee (“Committee”). The Board may review and amend the Policy from time to time.

The Policy shall be applicable to the Company effective from April 1, 2019.

2. Legal Framework

Risk Management is a key aspect of the Corporate Governance Principles which aims to improve the governance practices across activities of Quess Corp Limited. Risk Management Policy and processes will enable to proactively manage uncertainty and changes in the internal and external environment to limit any negative impact and also capitalize on opportunities. For the purposes of this policy, references to Quess Corp Limited mean Quess Corp Limited and all of its subsidiaries.

3. 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 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 (which means- to ensure adequate systems for risk management) including Cyber Security.
2. To establish a framework for the company’s risk management process and to ensure its implementation.
3. To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
4. To assure business growth with financial stability.

5. To ensure integration in the reporting, controlling and planning procedures, centralize risk co-ordination, develop risk behavior, continuous risk assessment and responsiveness to changes



4. Definitions:

“Audit Committee”- means Committee of Board of Directors of the Company constituted under Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Board of Directors” or “Board”- in relation to a Company, means the collective body of Directors of the Company as per section 2(10) of the Companies Act, 2013.

“Policy”- means Risk Management Policy.

Disclosures required under Companies Act, 2013

- i) As per the provisions of Section 134(3)(n) of the Companies Act, 2013, the Company 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.

- ii) As per the provisions of Section 177(4)(vii) of the Companies Act, 2013, the Company shall include evaluation of internal financial controls and risk management systems in accordance with the terms of reference of Audit Committee.

5. Charter of the Risk Management Committee:

1. Purpose

The purpose of the Committee of the Board of Directors of the Company shall be to assist the Board with regard to the identification, evaluation, monitoring and minimization of the operational, strategic and external environment risk. The Committee has overall responsibility for monitoring and approving the risk policies, procedures and associated practices of the Company including cyber security.

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 a properly defined network. The respective 'Head of Department' shall be responsible for the implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board of Directors and the Audit Committee.

The Risk Management Committee is also responsible for reviewing and approving risk disclosure statements in any public documents or disclosures.

2. Composition

The majority of Committee shall consist of members of the Board of Directors. Senior executives of the company may be members of the said Committee but the Chairman of the Committee shall be a member of the Board of Directors.

3. Meetings and Quorum

The quorum necessary for transacting business at a meeting of the Committee shall be two members. The Company shall have at least 1 meeting in a year.

4. Terms of Reference

4.1 The Risk Management Committee shall annually review and approve the Risk Management Framework of the Company. The Committee shall periodically review the risk management processes and practices of the Company.

4.2 The Risk Management Committee shall ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.

4.3 The Risk Management Committee shall evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner (including one-off initiatives, and ongoing activities such as business continuity planning and disaster recovery planning & testing).

4.4 The Risk Management Committee will coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice).

4.5 The Risk Management Committee shall make regular reports/ recommendations to the Board.

4.6 The Risk Management Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

This Policy will be communicated to all concerned persons of the Company and shall be placed on the website of the Company at www.uesscorp.com

The Risk Management Committee shall have access to any internal information necessary to fulfill its oversight role. The Risk Management Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

The role and responsibilities of the Risk Management Committee shall include such other items as may be prescribed by applicable law or the Board in compliance with applicable law, from time to time.