

Blue Horizon Investments Limited

Risk Management Policy

2024-25 & onward

SUMMARY OF POLICY

Policy Name	Risk Management Policy
Regulations	Section 134 of the Companies Act, 2013
Latest Review Date	May 2024 and onwards
Review Cycle	Annually or in the event of any regulatory/ statutory changes
Approver	Board of Directors of Blue Horizon Investments Limited
Version	1.0

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1. PREAMBLE

Section 134(3) of the Companies Act, 2013 requires a statement to be included in the report of the board of directors ("**Board**") of Blue Horizon Investments Limited ("**the Company**"), 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.

Furthermore, Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**Listing 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.

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.

3. COMPONENTS

Our risk management approach is composed primarily of three components:

1. Risk Governance
2. Risk Identification
3. Risk Assessment and Control

1. Risk Governance

The functional heads of the Company are responsible for managing risk on various parameters and ensure implementation of appropriate risk mitigation measures. The Board provides oversight and reviews the risk management policy from time to time.

2. Risk Identification

External and internal risk factors that must be managed are identified in the context of business objectives.

3. Risk Assessment and Control

This comprises of the following:

- Risk assessment and reporting
- Risk control
- Capability development

On a periodic basis risk, external and internal risk factors are assessed by responsible managers across the organization. The risks are identified and formally reported through mechanisms such as operation reviews and committee meetings. Internal control is exercised through policies and systems to ensure timely availability of information that facilitate pro-active risk management. Examples of certain of these identified risks are as follows:

1. Broad market trends and other factors beyond the Company's control significantly reducing demand for its services and harming its business, financial condition and results of operations

2. Failure in implementing its current and future strategic plans
3. Significant and rapid technological change
4. Damage to its reputation
5. Its products losing market appeal and the Company not being able to expand into new product lines or attracting new types of investors
6. Its risk management methods not being effective or adequate
7. Fluctuations in trading activities
8. Changes in government policies
9. Security risks and cyber-attacks
10. Insufficient systems capacity and system failure

4. DUTIES OF THE BOARD

Board has the overall responsibility of overseeing and reviewing risk management across the Company. The terms of reference are as follows:

1. Review strategic risks arising out of adverse business decisions and lack of responsiveness to changes;
2. Review of operational risks;
3. Review of financial and reporting risks;
4. Review of compliance risks;
5. Review or discuss the Company's risk philosophy and the quantum of risk, on a broad level that the Company, as an organization, is willing to accept in pursuit of stakeholder value;
7. Review the extent to which management has established effective enterprise risk management at the Company;
8. Inquiring about existing risk management processes and review the effectiveness of those processes in identifying, assessing and managing the Company's most significant enterprise-wide risk exposures;
9. Review the Company's portfolio of risk and consider it against its risk appetite by reviewing integration of strategy and operational initiatives with enterprise-wide risk exposures to ensure risk exposures are consistent with overall appetite for risk; and
10. Review periodically key risk indicators and management response thereto.

5. DISCLAIMER

The management cautions readers that the risk outlined above are not exhaustive and are for information purpose only. Management is not an expert in assessment of risk factors, risk mitigation measures and in having a complete/ proper management's perception of risks. Readers are therefore requested to exercise their own judgment in assessing various risks associated with the Company.

6. AMENDMENT

Any change in the Policy shall be approved by the Board of Directors of the Company. Any amendment in the statutory/regulatory guidelines shall prevail and necessary amendment shall be carried out at a subsequent date in the Policy. The Board of Directors of the Company shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, subject to applicable laws in force. Further, the statutory/regulatory guidelines as prescribed shall prevail in the event of any amendments or requirements not incorporated in the Policy.

7. POLICY SEVERABLE

This Policy read with the provisions of Companies Act, 2013 constitutes the entire document in relation to its subject matter. In the event that any term, condition or provision of this Policy being held to be a violation of any applicable law, statute or regulation, the same shall be severable from the rest of this Policy and shall be of no force and effect, and this Policy shall remain in full force and effect as if such term, condition or provision had not originally been contained in this Policy.