



NEWEVER TRADE WINGS LIMITED

formerly Newever Infrahomes Limited
CIN No L74999WR2012PLC181108

RISK MANAGEMENT POLICY

BACKGROUND

Newever Trade Wings Limited (the company) is engaged in the business of Trading & Iron & steel and other commodities. The business activities of the Company carry various internal and external risks.

'Risk' in literal terms can be defined as the effect of uncertainty on the objectives. Risk is measured in terms of consequences and likelihood. Risks can be internal and external and are inherent in all administrative and business activities. Every member of any organisation continuously manages various types of risks. Formal and systematic approaches to managing risks have evolved and they are now regarded as good management practice also called as Risk Management.

'Risk Management' is the identification, assessment, and prioritization of risks followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of uncertain events or to maximize the realisation of opportunities. Risk management also provides a system for the setting of priorities when there are competing demands on limited resources.

Effective risk management requires:

- A strategic focus,
- Forward thinking and active approaches to management
- Balance between the cost of managing risk and the anticipated benefits, and
- Contingency planning in the event that critical threats are realised.

LEGAL FRAMEWORK

Risk Management is a key aspect of Corporate Governance Principles and Code of Conduct which aims to improvise the governance practices across the business activities of any organisation. The Companies Act, 2013 and the SME Listing Agreement have also incorporated various provisions in relation to Risk Management policy, procedure and practices.

PURPOSE AND SCOPE OF THE POLICY

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 Company's business. In order to achieve the key objective, this Policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

The specific objectives of this Policy are:

- 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.
- To establish a framework for the company's risk management process and to ensure its implementation.
- To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.





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- To assure business growth with financial stability.

APPLICABILITY

This Policy applies to all areas of the Company's operations.

RESPONSIBILITY FOR RISK MANAGEMENT

Generally every staff member of the Organisation is responsible for the effective management of risk including the identification of potential risks. Management is responsible for the development of risk mitigation plans and the implementation of risk reduction strategies. Risk management processes should be integrated with other planning processes and management activities.

ROLE OF THE BOARD AND DELEGATED RESPONSIBILITY

The Board is responsible for approving the Company's policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control.

The Board delegates the implementation of the risk management system and day-to-day management of risk to the Managing Director, with the assistance of senior management, as required. The Managing Director has responsibility for identifying, assessing, monitoring and managing risks. The Managing Director is required to report on the progress of, and on all matters associated with, risk management as a standing item at Board meeting. The Managing Director is to report to the Board as to the effectiveness of the Company's management of its material business risks, at least annually.

REVIEW

This Policy shall be reviewed at least every year to ensure it meets the requirements of the organization.

AMENDMENT

This Policy can be modified at any time by the Board of Directors of the Company.

