BLUE JET HEALTHCARE LIMITED

RISK MANAGEMENT POLICY

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1. PREFACE

Oxford English Dictionary defines the term "**risk**" as a chance or possibility of danger, loss, injury or other adverse consequences.

Risk management in a business environment is attempting to identify and then manage threats that could severely impact or bring down the organization. Generally, this involves reviewing operations of the organization, identifying potential threats to the organization and the likelihood of their occurrence and then taking appropriate actions to address the most likely threats.

Section 134 (3)(n) of the Companies Act, 2013 requires every company to attach to its Board Report a statement indicating development and implementation of a Risk Management Policy for the Company including identification therein of element of risks, 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 directors of the Company ("**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. PURPOSE AND SCOPE

This policy establishes the process for the management of risks faced by Blue Jet Healthcare Limited ("**Company**"). The aim of risk management is to maximize opportunities in all activities and to minimise adversity. This policy applies to all activities and processes associated with the normal operations of the Company. Effective risk management allows the Company to:

a) embed the management of risk as an integral part of its business processes;

b) establish an effective system of risk identification, analysis, evaluation and treatment within all areas and all levels;

c) make informed decisions;

d) avoid exposure to significant reputational or financial loss;

e) assess the benefits and costs of implementation of available options and controls to manage risk;

f) have increased confidence in achieving its goals

g) strengthen corporate governance procedures

Thus, it is the responsibility of all members of the Board, senior management and employees to identify, analyse, evaluate, respond, monitor and communicate risks associated with any activity, function or process within their relevant scope of responsibility and authority.

3. RISK STRATEGY

The Company recognizes that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and effective manner.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks, inter alia, are regulations, competition, business risk, technology obsolescence, retention of talent etc. Business risk, inter-alia, further includes financial risk, political risk, legal risk etc.

For managing risk more efficiently the Company would need to identify the risks that it faces in trying to achieve the objectives of the Company. Once these risks are identified, the Company would need to evaluate these risks to see which of them will have critical impact on the Company and which of them are not significant enough to deserve further attention.

4. RISK MANAGEMENT FRAMEWORK

In principle, risk always results as a consequence of activities or as a consequence of non-activities. Risk management and risk monitoring are important in recognizing and controlling risks.

Risk mitigation is also an exercise aiming to reduce the loss or injury arising out of various risk exposures. Company adopts a systematic approach to mitigate risks associated with accomplishment of objectives, operations, revenues and regulations. The Company believes that this would ensure mitigating risks proactively and help to achieve stated objectives.

The Company will consider activities at all levels of the organization and its risk management with focus on three key elements, viz.,

a) Risk Assessment- detailed study of threats and vulnerability and resultant exposure tovarious risks.

b) Risk Management and Monitoring- the probability of risk assumption is estimated with available data and information.

c) Risk Mitigation- All identified Risks should be mitigated using any of the following Risk mitigation plan:

   i) **Risk avoidanc**e: By not performing an activity that could carry Risk. Avoidance may seem the answer to all Risks but avoiding Risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.

   ii) **Risk transfer:** Mitigation by having another party to accept the Risk, either partial or total, typically by contract or by hedging / Insurance.

   iii) **Risk reduction:** Employing methods/solutions that reduce the severity of the loss e.g. concreting being done for preventing landslide from occurring.

   iv) **Risk retention:** Accepting the loss when it occurs. Risk retention is a viable strategy for small Risks where the cost of insuring against the Risk would be greater than the total losses sustained. All Risks that are not avoided or transferred are retained by default.

   v) Develop systems and processes for internal control of identified risks.

vi) Business continuity plan

5. RISK MANAGEMENT COMMITTEE

The Company has a committee of the Board, namely, the Risk Management Committee, which is constituted with the overall responsibility of overseeing and reviewing risk management across the Company. The terms of reference of the Risk Management Committee are as follows:

a) review of strategic risks arising out of adverse business decisions and lack of responsiveness to changes;
b) review of operational risks;
c) review of financial and reporting risks;
d) review of compliance risks;
e) 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;
f) review the extent to which management has established effective enterprise risk management at the Company;
g) 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;
h) review the Company's portfolio of risk and consider it against it's 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
i) review periodically key risk indicators and management response thereto.

6. AMENDMENTS

This policy may be amended subject to the approval of Board of Directors, from time to time in line with the business requirement of the Company or any statutory enactment or amendment thereto.

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