POLICY ON RISK MANAGEMENT

1. Overview

The Omaxe Group's risk management approach incorporates people, processes and systems to enable the organisation to realise potential opportunities whilst managing adverse effects. Omaxe recognises the requirement for effective risk management as a core capability and consequently all employees are expected to be managers of risk.

2. Legal Framework

In accordance with Section 134(3)(n) of the Companies Act, 2013, a company is required to 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 and further as per Regulation 17 of the SEBI (LODR) Regulations, the board of directors shall be responsible for framing, implementing and monitoring the Risk management plan for the listed entity. Accordingly, to mitigate and manage risks the Company has formed the policy (the "Risk management Policy") for the same.

3. Purpose

This policy is part of Omaxe's enterprise-wide risk management framework and sets out the principles, objectives and approach that have been established to maintain Omaxe's commitment to integrated risk management.

4. Scope

This policy applies to all directors and employees in all legal entities in the Omaxe Group (herein after referred as Omaxe) and, to the maximum extent possible, to the agents and contractors that act for or on behalf of The Omaxe Group and legal entities.

5. Definitions

5.1. Company: Company means Omaxe Limited.

5.2. Risk: A probability or threat of damage, injury, liability, loss, or any other negative occurrence that may be caused by internal or external vulnerabilities; that may or may not be avoidable by pre-emptive action.

5.3. Risk Management: Risk Management is the process of systematically identifying, quantifying, and managing all risks and opportunities that can affect achievement of a corporation's strategic and financial goals.

5.4. Risk Assessment: Risk Assessment is defined as the overall process of risk analysis and evaluation.

6. Risk Management Principles

1. The Risk Management shall provide reasonable assurance in protection of business value from uncertainties and consequent losses
2. All concerned process owners of the company shall be responsible for identifying & mitigating key risks in their respective domain.
3. The occurrence of risk, progress of mitigation plan and its status will be monitored on periodic basis

7. Risk Management Framework

7.1. General Risk management process includes four activities:

Risk Identification, Risk Assessment, Risk Mitigation and Monitoring & Reporting.

7.2. Risk Identification

The purpose of risk identification is to identify the events that can have an adverse impact on the achievement of the business objectives. The risk can be internal and external and includes financial, operational, sectoral, sustainability (particularly, Economic Social Governanace related risks), information, cyber security risks.

7.3. Risk Assessment

Assessment involves quantification of the impact of risks to determine potential severity and probability of occurrence. Based on the assessments, each of the Risks can be categorized as – Low, Medium and High.

7.4. Risk Mitigation

The following framework shall be used for implementation of Risk Mitigation:

All identified risks should be mitigated using any of the following Risk mitigation plan:

a) Risk Avoidance: 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.

b) Risk Transfer: Mitigation by having another party to accept the risk, either partial or total, typically by contract or by hedging / Insurance.

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

d) 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.

8. Risk Management Committee

The Board of Directors of the Company has formed a Risk Management Committee (hereinafter referred to as "Committee" who shall periodically review the risk management policy of the Company so that the management controls the risk. The Board of Directors may re-constitute the composition of the Committee, as it may deem fit, from time to time. The majority of members of Committee shall consist of members of the board of directors. The Chairperson of the Committee shall be a member of the board of directors and senior executives of the listed entity may be members of the committee.

The day to day oversight and management of the company's risk management program has been conferred upon the Committee. The Committee is responsible for ensuring that the Company maintains effective risk management and internal control systems and processes, and provides regular reports to the Board on the effectiveness of the risk management program in identifying and addressing material business risks.

To achieve this, the Committee is responsible for:

1) Framing, implementing and monitoring the risk management and business continuity plan,

2) Assign the roles and responsibilities in relation to enterprise risk management, ensuring that the chosen risk approach is aligned to the organizational vision, mission, strategy, goals and objectives etc

3) Formulate risk management policy which includes:
a)A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
(b) Measures for risk mitigation including systems and processes for internal control of identified risks.
(c) Business continuity plan.

4) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

5) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

6) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

7) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

8) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

9. Communication of this Policy:

This policy shall be made available at the Web site of the Company.