

Sheraton Properties & Finance Limited

Risk Management Plan

1. Introduction

Risk Management is a key aspect of the “Corporate Governance Principles and Code of Conduct” which aims to improvise the governance practices across the Company’s activities. Risk management plan and processes will enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities. The Company is prone to inherent business risks. This document is intended to formalize a risk management plan, the objective of which shall be identification, evaluation, monitoring and minimization of identifiable risks.

This plan is in compliance of Section 134, 177 and Schedule IV of Companies Act, 2013, Regulations 4 and 17 of SEBI (LODR) Regulations, 2015 as amended and made applicable from time to time and the Standard Listing Agreement entered into with the listed stock exchanges which requires the Company to lay down procedure for risk assessment and procedure for risk minimization.

2. Objective & Purpose of Plan

The main objective of this plan 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 plan 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.
- To assure business growth with financial stability

3. Categories Of Risk & Their Identification

Risks may be broadly categorized as under: ·

- Strategic risks - which may affect the Company and its long term growth prospects.
- Operational risks – essentially risks associated with day to day operations.
- Financial risks - risks facing the Company in terms of internal systems, planning, funding etc.
- People risk – manpower availability for operations · Reporting risk – external/ internal

reporting relating to financial and non-financial information · Compliance risks - legislative framework within which the Company operates All employees of the Company, and more specifically the process and functional heads, shall have responsibility to identify and assess risks within their area of operation and report to the Management, which would ensure that adequate controls are in place to appropriately mitigate the risk.

4. Role of The Board

The Board will undertake the following actions to ensure risk is managed appropriately:

- The Board shall be responsible for framing, implementing and monitoring the risk management plan for the company.
- Ensure that the appropriate systems for risk management are in place.
- The directors shall help in bringing an independent judgment to bear on the Board's deliberations on issues of risk management and satisfy themselves that the systems of risk management are robust and defensible;
- Participate in major decisions affecting the Company's risk profile;
- Have an awareness of and continually monitor the management of strategic risks;
- Be satisfied that processes and controls are in place for managing less significant risks;
- Be satisfied that an appropriate accountability framework is working whereby any delegation of risk is documented and performance can be monitored accordingly;
- Ensure risk management is integrated into board reporting and annual reporting mechanisms;

Disclosure In Board's Report

Board of Directors shall include a statement indicating development and implementation of a risk management plan 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.

5. Implementation

Process owners and functional heads shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Managing Director who shall communicate to the Risk Management Committee.

6. Scope

This policy applies to all business units and locations of the Company's operations. This plan was amended by the Board of the Directors at its meeting dated June 05, 2021 and shall come into immediate effect.

Sd/-

Aditya Santosh Srivastava

Chairman – Board of Directors
