

RISK MANAGEMENT POLICY

RISK MANAGEMENT

Ushakiran Finance Limited (the Company) recognises that enterprise risk management is an integral part of good management practice. The purpose of this policy is to articulate our approach and expectations in relation to the management of risk across the organisation. Risk Management is an essential element in achieving business goals and deriving benefits from market opportunities.

Effective risk management allows us to:

- Have increased confidence in achieving our goals
- Manage risks at tolerable levels
- Make informed decisions
- Strengthen corporate governance procedures

OBJECTIVE

The risk management objectives are to;

- embed the management of risk as an integral part of our business processes;
- establish an effective system of risk identification, analysis, evaluation and treatment
- within all areas and all levels of the Company;
- avoid exposure to significant financial loss;
- contribute to the achievement of the Company's objectives; and
- assess the benefits and costs of implementation of available options and controls to manage risk.

POLICY STATEMENT

- All employees are responsible for managing risk in so far as is reasonably practicable within their area of activity.
- Sound risk management principles and practices will become an integral part of the normal management strategy for all departments within the Company.

Implementation of risk management strategy is a priority and will be accomplished through embedding a risk management ethos in all aspects of the Company's activity.

- Accountability for managing risk must be clear and reflected in all individual job descriptions, with relevant key performance indicators.
- The management of risk will be integrated into the Company's existing strategic planning and operational process and is to be fully recognised in the funding and reporting processes.
- Will ensure that the necessary resources are made available to those accountable and responsible for the management of risk.
- This policy will be reviewed and updated as required on an annual basis or in the event of a significant change of circumstances.

ROLES AND RESPONSIBILITIES

The Manager is accountable for ensuring risk is managed across all activities. The Staff, at all levels, are required to create an environment where the management of risk is accepted as the personal responsibility of all employees, volunteers and contractors.

The Manager is accountable for the implementation and maintenance of sound risk management processes and structures within their area of responsibility in conformity with this risk management policy. All employees are to be actively involved in the management of risk.

The Manager is responsible for the provision of advice and service assistance to all areas on risk management matters. In order for the Board to be properly informed of the status of risks being faced by the Company, all departments are required to report regularly on risks assessed and progress with respect to their management.