

RISK MANAGEMENT POLICY
BLUECHIP STOCKSPIN LIMITED

Back Ground and Implementation

i. Section 134(3) of the Companies Act, 2013 ('the Act') required the Board of Directors of a company, as part of the Board's Report, to give ***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.*** Additionally, Clause 49 of Listing Agreement requires to lay down procedures about the risk assessment and risk minimization.

Bluechip Stockspin Limited is a Chemical Trading Company prone to inherent business risks like any other organization. This document is intended to formalize a risk management policy the objective of which shall be identification, evaluating, monitoring, and minimizing identifiable risks.

ii. The Board of Directors of the Company and the Audit Committee of Directors shall periodically review the risk management policy of the Company so that management controls the risk through properly defined net work.

iii. Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and the Audit Committee.

The risks are broadly categorized into:

Risk Category	Description
Strategic Risks	<ul style="list-style-type: none">• Market Strategy , Organizational Growth- Market Penetration, Market share• Volatility in Commodity Market• Loss of Trade secret• Uncertainty surrounding political leadership in Domestic Markets• Economic condition of the market, Global recession and Environmental Issues

Operational Risks	<ul style="list-style-type: none"> • Consistent Revenue growth • Cost Optimization • Manpower retention • Disaster Management and Data security • Inefficient working capital management - High Inventory
Compliance Risks	<ul style="list-style-type: none"> • Ensure stricter adherence to laws/ rules/ regulations/ standards • Adherence of company Policies and Procedures
Financial and Reporting Risks	<ul style="list-style-type: none"> • Volatility in Currency • Maintaining standards of Corporate Governance and public disclosures

In adherence to the present regulatory mandates described hereinabove, risk management policy, to be implemented by departmental heads, for the purpose :

- (1) Ensure an organisation relevant and perpetual Risk Management framework for identifying, assessing, responding to, monitoring or controlling and reporting risks.
- (2) Apply an organized, thorough approach to effectively anticipate and mitigate the probable or realistic risks that could endanger achievement of key objectives.
- (3) Ensure systemic risk evaluation, categorization, and prioritization thereof to assign relative importance to identified risks to determine where appropriate management attention is required.
- (4) Practice the highest level of control measures by installing mechanisms and tools, with involvement of all process-owners across the organization, to ensure that all applicable legal, regulatory, and business requirements are up-to-date and met.
- (5) Develop alternative/ recommended courses of action for critical risks and control the probability of occurrence of the risk, keeping ready contingency plans for selected risks where the consequences of the risks are determined to be high.
- (6) Review the activities, status, and results of the risk management process on a periodic and event-driven basis with appropriate levels of management and resolve issues i.e. gauging potential risk exposure and addressing the same with appropriate corrective action.
- (7) Obtaining, wherever required or desirable, the advice, opinion and assistance from outside legal, accounting, or other advisors, as necessary, to aid informed decision making.