

# ONELIFE CAPITAL ADVISORS LIMITED

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## **RISK MANAGEMENT POLICY**

The Risk Management Policy of **Onelife Capital Advisors Limited** (“the Company”) is in compliance with the revised Clause 49 of Listing Agreement and applicable provisions of Companies Act, 2013 read with rules framed thereunder which requires the Company to lay down procedures about the risk assessment and risk minimization.

The Company has put in place Risk Management Policy whose objectives are to optimize business performance; and to promote confidence amongst the Company’s stakeholders in the effectiveness of its business management process and its ability to plan & meet its strategic objectives.

The Board of Directors of the Company has formed a Risk Management Committee (“RMC”) comprising majority of members of the Board of Directors who shall periodically review the risk management policy of the Company so that the management controls the risk through properly defined network.

A Risk Management Committee (“RMC”) is responsible for the review of risk management process within the Company, and for overseeing the implementation of the requirements of this policy. The RMC provides updates to the Board on a regular basis on key risks faced by the Company.

### **RISK MANAGEMENT PROGRAM:**

The Company’s risk management program comprises of a series of processes and structures which assist the Company to identify assess, monitor and manage its business risk, including any material changes to its risk profile.

To achieve this, the Company has clearly defined the responsibility and authority of the Company’s Board of Director (Board) and of the Risk Management Committee, to oversee and manage the risk management program, while conferring responsibility and authority on the Company’s senior management to develop and maintain the risk management program in light of the day-to-day needs of the Company. Regular communication and review of risk management practice provides the Company with important checks and balance to ensure the efficiency of its risk management program.

The key elements of the Company’s risk management program are set out below.

**RISK PROFILE:**

The Company considers that any risk that could have a material impact on its business should be included in its risk profile. The areas of risk include,

- a. Quality Risk
- b. Technology Risk
- c. Competition Risk
- d. Financial Risk including Foreign Exchange Risk
- e. Realisation Risk
- f. Cost Risk
- g. Legal Risk

The Foreign Exchange Risk Management Policy of the Company forms part of this policy.

The key risk management process would include

- i. Risk Identification
- ii. Assessment of identified risk
- iii. Risk measurement
- iv. Risk mitigation
- v. Monitoring of the risk mitigation efforts
- vi. Risk reporting and disclosures
- vii. Integration with strategy and business plan.

**OVERSIGHT AND MANAGEMENT:****BOARD:**

The Board is responsible for reviewing and ratifying the risk management structure and process which are developed and maintained by risk management committee. The Risk Management Committee may also refer particular issues to Board for final consideration and direction. The Board of Directors of the Company oversee the development of Risk Management Policy and the establishment, implementation and monitoring of the Company's risk management system, in accordance with the policy.

**RISK MANAGEMENT COMMITTEE:**

The day to day oversight and management of the Company's risk management program has been conferred upon the Risk Management Committee. The Committee is responsible for ensuring that the

Company maintains effective risk management and internal control systems and processes and provides regular report to the Board on the effectiveness of the risk management program in identifying and addressing material business risk. To achieve this, the Risk Management Committee is responsible for:

- Managing and monitoring the implementation of action plans developed to address material business risk within the company and its business units, and regularly reviewing the progress of action plan;
- Setting up internal processes and system to control the implementation of action plans;
- Regularly monitoring and evaluating the performance of management in managing risk;
- Providing management and employees with necessary tools and resources to identify and manage risks;
- Regularly reviewing and updating the current list of material business risk;
- Regularly reporting to the Board on the status of material business risk;
- Ensuring compliance with regulatory requirements and best practices with respect to risk management.

#### **EMPLOYEES:**

All employees are responsible for implementing, managing and monitoring action plans with respect to material business risk, as appropriate.

#### **REVIEW OF RISK MANAGEMENT PROGRAM:**

The Company regularly evaluates the effectiveness of its risk management program to ensure that its internal control systems and process are monitored and updated on ongoing basis. The division of responsibility between the Board and Risk Management Committee aims to ensure the specific responsibility for risk management so that they are clearly communicated and understood. The reporting obligations of Risk Management Committee ensures that the Board is regularly informed of material risk management issues and actions. This is supplemented by the evaluation of the performance of risk management program and risk management committee.

#### **RISK STRATEGY AND MANAGEMENT SYSTEM:**

The Company recognises that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and effective manner. The Company believes that the risk cannot be completely eliminated. However, it can be –

- Transferred to another party, who is willing to take risk, say by buying an insurance policy or entering into a forward contract;
- Reduced, by having good internal controls;

- Avoided, by not entering into risky businesses;
- Retained, to either avoid the cost of trying to reduce risk or in anticipation of higher profits by taking on more risk, and;
- Shared, by following a middle path between retaining and transferring risk.

As a diversified enterprise, the Company has always had a system-based approach to business risk management. The risk management framework consists of the following:

- A combination of centrally issued policies and divisionally – evolved procedures bringing robustness to the process which ensure business risks are effectively addressed.

- Appropriate structures have been put in place to effectively address the inherent risks in businesses with unique / relatively high risk profiles.

- A strong and independent Internal Audit Function at the corporate level carries out risk focused audits across all businesses, enabling identification of areas where risk managements processes may need to be improved.

The Audit Committee of the Board reviews internal audit findings and provides strategic guidance on internal controls, monitors the internal control environment within the Company and ensures that Internal Audit recommendations are effectively implemented.

The combination of policies and processes as outlined above adequately addresses the various risks associated with the Company's businesses.

The Board of Directors of the Company periodically reviews the risk management framework to maintain its contemporariness so as to effectively address the emerging challenges in a dynamic business environment.

#### **CONTINUOUS IMPROVEMENT:**

The Company's risk management system is always evolving. It is an ongoing process and it is recognised that the level and extent of the risk management system will evolve commensurate with the development and growth of the Company's activities. The risk management system is a "living" system and the documentation that supports it will be regularly reviewed and updated in order to keep current with Company circumstances.