

**RISK MANAGEMENT POLICY**

**OF**

**MARRI RETAIL LIMITED**

<b>Document version</b>	<b>Approved By</b>	<b>Date of approval</b>	<b>Date of Amendment</b>
1.0	Board of Directors	14-01-2026	-

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## 1. Introduction

The Enterprise Risk Management ('ERM') policy provides the guidelines for institutionalizing a formal risk management function and framework for Marri Retail Limited, *formerly known as Marri Retail Private Limited* ("**Company**"). The ERM policy is to be periodically reviewed by the Risk Management Committee (RMC) and formally define the purpose, authority and responsibilities for ERM. The officer shall be appointed from time to time for discharging the responsibility of ERM.

The Company's risk management framework has been formulated to help the organisation meet its objectives. However, there is no guarantee that the Group's risk management activities will mitigate these risks or prevent them, or other risks, from occurring.

With the assistance of the management, the Board conducts periodic and robust assessments of principal risks and uncertainties of the Group, while also testing the financial plans associated with each.

## 2. Legal Framework

Pursuant to Regulation 17(9) and Regulation 21(4) read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and the provisions of Section 134(3), Section 149(8) read with Schedule IV, and Section 177(4)(vii) of the Companies Act, 2013, each as amended.

## 3. Definitions

- 3.1 "**Act**" means the Companies Act, 2013 including any statutory modifications or re-enactment thereof.
- 3.2 "**Board of Directors**" or "**Board**" means the Board of Directors of Marri Retail Limited.
- 3.3 "**Company**" means Marri Retail Limited, *formerly known as Marri Retail Private Limited*.
- 3.4 "**Risk**" is an event which can prevent, hinder or fail to further or otherwise obstruct the enterprise in achieving its objectives. A business risk is the threat that an event or action will adversely affect an enterprise's ability to maximize stakeholder value and to achieve its business objectives. By identifying and assessing changes in risk exposure, reviewing risk-control measures and approving remedial actions, wherever appropriate, the Audit & Risk Management Committee aids the Board in its risk management process.
- 3.5 "**Risk Management Committee**" or "**RMC**" or the "**Committee**" means a committee formed under Regulation 21 of the SEBI Listing Regulations, as amended from time to time.
- 3.6 "**Policy**" means Risk Management Policy or Enterprise Risk Management Policy.
- 3.7 "**SEBI Listing Regulations**" means the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time.

Any other term used but not defined herein shall have the same meaning as defined in the Companies Act, 2013, the SEBI Listing Regulations, or any other applicable law or regulation to the extent applicable to the Company.

#### **4. Enterprise Risk Management Organization**

The office of Enterprise Risk Management (ERM) is comprised of the Risk Management Committee (RMC), the Board of Directors and the risk owners. This Policy and the terms of reference of RMC are integral to the functioning of the RMC and are to be read together.

##### **4.1 Risk Management Committee**

The Risk Management Committee is constituted as per Regulation 21 of the SEBI Listing Regulations.

##### **4.2 Board of Directors**

The Board of Directors oversee the development of this Policy and the establishment, implementation and monitoring of the Company's risk management system, in accordance with the Policy.

The Board has authority to reconstitute the RMC from time to time as it deems appropriate.

##### **4.3 Risk Owners**

Each function head of the Company are the risk owners and are responsible for managing risk for their functions.

#### **5. Roles and Responsibilities**

##### **5.1 Risk Management Committee:**

The Risk Management Committee ('RMC') is responsible for:

5.1.1 To formulate a detailed risk management policy which shall include:

- A framework for identification of internal and external risks specifically faced by the Company, 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.
- Measures for risk mitigation including systems and processes for internal control of identified risks.
- Business continuity plan.

- 5.1.2 To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- 5.1.3 To monitor and oversee implementation of the Policy, including evaluating the adequacy of risk management systems;
- 5.1.4 To periodically review the Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 5.1.5 To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- 5.1.6 The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- 5.1.7 To monitor and oversee implementation of the cyber security measures.
- 5.1.8 To define the risk strategy, key areas of focus and risk appetite for the Company.

The Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

## 5.2 Board of Directors:

The Board of Directors (BoD) are responsible for:

- Reviewing the implementation of this Policy.
- Ensuring that appropriate systems of controls are in place for risk management.
- Offer periodic advice on risk appetite and risk tolerance.

## 5.3 Risk Owner:

The risk owner is responsible for, and owns, the assigned risks impacting the Company. The responsibilities include management of key risks and identification of any emerging risks impacting the organization.

## 5.4 Audit Committee:

The Audit Committee shall evaluate the risk management system implemented and comment on the adequacy and effectiveness of risk management of the company.

## 6. Risk Management Methodology

Risk management process includes four activities: Risk Identification, Risk Prioritization, Risk Treatment and Reporting. Risk management methodology is detailed in the document called “**ERM Manual**”.

It is necessary that Risks are assessed after taking into account the existing controls, so as to ascertain the current level of Risk. Based on the above assessments, each of the Risks can be categorized as – low, medium and high.

People at different levels shall identify and manage the risks within their purview. Identification of risks and escalation to the appropriate decision-makers shall be actively encouraged, with various forums provided to facilitate such discussions.

Functions across operations, strategy and business enabling functions shall be included to put up processes in place by the Company to duly enable identification and assessment of top-down and bottom-up risks.

**7. Reporting**

- 7.1 The Committee to meet at least twice in a financial year to review progress on risk mitigation plans.
- 7.2 Annual reporting to the Board of Directors on top risks identified along with mitigation plans.

**8. Amendments / limitation**

In the event of any conflict between the Companies Act, 2013 or the SEBI Listing Regulations or any other statutory enactments and the provisions of this Policy, the Regulations shall prevail over this Policy and the provisions in the Policy would be modified in due course to make it consistent with law. Any subsequent amendment/modification in the SEBI Listing Regulations, in this regard shall automatically apply to this Policy.

**9. Applicability**

This Policy applies to every part of the Company’s business and functions.

**10. Communication of this Policy**

This Policy shall be posted on the website of the Company.

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