

# **CHALET HOTELS LIMITED**

CIN: L55101MH1986PLC038538

Raheja Tower, Plot No. C-30, Block 'G', Next to Bank of Baroda,  
Bandra Kurla Complex, Bandra (E), Mumbai 400051.

Tel:- 91-22-26564000

website: www.chalet-hotels.com

## **Risk Management Policy**

### **Commitment**

The Board of Directors of Chalet Hotels Limited recognises that it has a responsibility to manage risks and supports a structured, systematic and focused approach to managing them by approval of the risk management strategy. Mitigating the risks that arise during the course of day-to-day operations would be dealt with by the Management of the Company and Units and/or other employees at the time of its occurrence and monitored by the Audit & Risk Management Committee of the Company under the guidance of the Board of Directors of the Company.

“Risk Management” means understanding, identifying, assessing and prioritizing risks followed by co-ordinated and economical application of resources to minimize, monitor and control the probability and/or the impact of unfortunate events. Risks could be posed by various factors from the uncertainty in financial markets, market conditions, threats from project failures (at any phase in design, development and operations), legal liabilities, credit risks, accidents, natural causes and disasters as well deliberate attack from an adversary or events of uncertain or unpredictable root cause.

Effective Risk Management by the Company will:

- Help achieve its corporate objectives and goals in a better manner
- Enhance the value of services it provides to the community
- Achieve sustainable growth
- Ensure Good Governance
- Limit environmental impact

### **Objectives of the Policy**

1. To ensure that all the current and future material risks and exposures of the Company are identified, assessed, quantified, appropriately mitigated and managed.
2. To establish a framework for the Company’s risk management process and to ensure its implementation.
3. To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
4. To assure business growth with financial stability.

### **Principles of Risk Management**

1. All business decisions will be made with the prior information and acceptance of risk involved.
2. The Risk Management Policy shall provide for the enhancement and protection of business value from uncertainties and consequent losses.
3. Concerned employees of the Company shall be made aware of risks in their respective domains and their mitigation measures.
4. The risk mitigation measures adopted by the Company shall be effective in the long-term and to the extent possible be embedded in the business processes of the Company.
5. Risk tolerance levels will be regularly reviewed and decided depending on changes in the Company’s strategy.

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6. The occurrence, progress and status of all risks will be promptly reported and appropriate actions be taken thereof.

## **Risks Identified**

The key risks faced as identified by the Company should include strategic, business/operational, financial, sectoral, sustainability, information / cyber security risks or any other risks, as may be determined by the Audit & Risk Management Committee from time to time.

## **Approval of the Policy**

The Board of Directors will be the approving authority for the company's overall risk management system. The Board will, therefore, monitor the compliance and approve the Risk Management Policy and any amendments thereto from time to time.

## **Review of the Policy**

The Policy will be the guiding document for risk management and will be reviewed as and when necessary and appropriate, due to the changes in the risk management regulations / standards / best practices. The risk register defining the identified risks will be regularly reviewed on an annual basis by the Audit & Risk Management Committee.

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