

# VAMA SUNDARI INVESTMENTS (DELHI) PRIVATE LIMITED

## Group Risk Management Policy

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## 1. Introduction

### 1.1. Background

VAMA Sundari Investments (Delhi) Private Limited (“VAMA Delhi” / “the Company”) is a Core Investment Company (CIC) registered with the Reserve Bank of India. Vama Delhi is an investment holding / promoter company of HCL Group.

Given its position as an investment holding and promoter entity, risks may arise not only at a standalone level but also from subsidiaries, associate entities, intra-group transactions, and structural dependencies.

The Group Risk Management (GRM) Framework has been established to ensure consolidated oversight of risks across the Group structure and to safeguard the Company against concentration, liquidity, leverage, and reputational risks.

#### Regulatory Framework

Reserve Bank of India (Core Investment Companies) Directions, 2025 as amended time to time.

### 1.2. Purpose

The purpose of this Policy is to establish a consolidated group-level risk oversight framework, monitor intra-group exposures and dependencies, ensure alignment between entity-level ERM frameworks and group risk appetite, strengthen Board oversight over aggregated risk exposures.

### 1.3. Objective

The GRM Policy aims to provide visibility of consolidated group risks, identify concentration and contagion risks, monitor leverage and liquidity at group level, ensure compliance with RBI regulatory expectations, facilitate timely escalation of material group risks.

### 1.4. Scope

This Policy applies to VAMA Delhi, subsidiaries entities, associate entities, Joint ventures / affiliates, intra-group financial exposures.

This Policy operates in conjunction with the ERM Policy.

### 1.5. Approval & Review of GRM Policy

This Policy shall be reviewed and recommended by the GRMC and approved by the Board.

The Risk Management Department shall review the Policy annually or as required due to regulatory or structural changes.

## 2. Group Risk Management (GRM) Framework

The GRM Framework provides consolidated oversight of intra-group exposures, concentration risk, leverage risk, liquidity interdependencies, governance and compliance risk across group.

The Framework relies on outputs generated under entity-level ERM and ORM processes.

## 3. Governance Framework

### 3.1. Risk Governance Structure



### 3.2. Role of the Board

The Board or committee thereof (GRMC) shall define, review consolidated exposure profile, oversee concentration and contagion risks, review material escalations, approve the Policy.

### 3.3. Role of Group Risk Management Committee (GRMC)

The GRMC is a board level committee. It shall review quarterly Group Risk, monitor intra-group exposure limits, assess capital and leverage position, evaluate contagion indicators and recommend corrective measures. This Board level sub-committee comprises of 1 Chairman and 4 Board level Members. The composition of GRMC is as under:

| Count | Chairperson/Member                      |
|-------|-----------------------------------------|
| 1     | Chairman                                |
| 4     | Members Includes 1 Independent Director |

### 3.4. Chief Risk Officer (CRO)

The CRO shall consolidate risk reports from group entities via Risk Management Team , monitor compliance with risk appetite, escalate material risks and ensure risk information flow

across entities. CRO shall also follow up on the corrective action based on the recommendation & analysis of GRMC.

### **3.5. Risk Management Department / Team**

The risk management team shall be responsible for the following:

- Identify and manage risks within their operations
- Ensure adherence to Group risk policies

## **4. Group Risk Universe**

The following risk categories shall be monitored at consolidated level:

### **4.1. Concentration Risk (Intra-Group Exposure)**

Concentration Risk arises from excessive exposure to a single counterparty, sector, product, or intra-group entity, which may amplify potential losses. Intra-group exposure may lead to risk accumulation within the Group and requires defined exposure limits, monitoring and governance controls.

### **4.2. Contagion Risk**

Contagion Risk refers to the risk that financial, operational, or reputational stress in one group entity spreads to other entities within the Group. It may arise through shared branding, financial interlinkages and governance oversight.

### **4.3. Capital & Leverage Risk/ Capital Infusion Risks**

Capital & Leverage Risk is the risk of inadequate capital buffers or excessive leverage that may impair the Group's ability to absorb losses and sustain growth. It is managed through capital adequacy monitoring, stress testing, and adherence to regulatory leverage thresholds.

### **4.4. Liquidity Risk**

Liquidity Risk represents the risk that the Group may be unable to meet its financial obligations.

### **4.5. Operational Risk**

Operational & Technology Risk arises from failures in internal processes, people, systems, cyber threats, or external events impacting business continuity.

### **4.6. Compliance Risk**

Regulatory Compliance Risk is the risk of legal or regulatory sanctions, financial loss, or reputational damage arising from non-compliance with applicable laws and regulations. It requires structured compliance monitoring, periodic reporting, regulatory change management, and independent oversight mechanisms.

#### **4.7. Reputational Risk**

Reputational Risk refers to potential financial and stakeholder impact arising from any lapses in regulatory compliance, social media impact and ethical culture.

#### **4.8. Human Resource Risk**

The Group's human resources add value to it by ensuring and contributing towards organizational excellence. Risk in matters of human resources should be minimized and contained by following a policy of providing equal opportunity to every employee, inculcating in them a sense of belonging and commitment and effectively train them in spheres other than their own specialization.

#### **4.9. Technology & Cyber security Risk**

A Cyber Security Risk assessment identifies the various information assets that could be affected by a cyber-attack such as hardware, systems, laptops, customer data and intellectual property. The GRMC shall monitor and review the cyber security risks.

#### **4.10. Market Risk**

Risk from adverse movements in interest rates, equity prices, or other market variables. Monitored using sensitivity analysis and stress testing.

#### **4.11. Group Risk**

Group Risk refers to potential financial loss that the company may face due to interconnectedness of its various subsidiaries, affiliates or related entities. The risk arises when financial health of one part of the group can significantly impact the others, leading to a cascading effect on the overall stability.

#### **4.12. Strategic Risk**

Strategic Risk refers to the risk to its earnings and profitability arising from its strategic decisions, changes in the business conditions and improper implementation of decisions. Thus, Strategic Risk arises due to external causes, arising out of adopting wrong strategies and choices that can cause loss to the Company in the form of reduction in shareholder value, loss of earnings, etc

### **5. Group Risk Management Process**

The Group Risk Management process follows same methodologies as under entity-level ERM and ORM processes regarding risk identification, assessment, treatment and monitoring.

## 6. Risk Appetite Framework

The Risk Appetite Framework defines the nature and level of risk the Group is willing to accept in pursuit of its strategic objectives, within regulatory and internal governance boundaries. It provides clear quantitative and qualitative risk thresholds to guide decision-making, capital allocation, and risk monitoring across all group entities. The Group Risk appetite follows same methodologies as under entity-level risk appetite frameworks.

Risk appetite shall be reviewed at least annually.

## 7. Monitoring & Reporting

The CRO prepare quarterly report with consolidated inputs across the group. The CRO shall submit a Quarterly Group Risk Report to GRMC which further placed before the Board, if required



## 8. Review and Updates

Policy shall be reviewed and approved by Board annually or as required statutorily

## 9. Three Lines of Defence

First Line – Risk ownership at entity level

Second Line – Group oversight by Risk Management Department

Third Line – Independent review by Internal Audit