

# CUBE CONSTRUCTION ENGINEERING LIMITED

Registered Office :

1, Chandramani Nagar, Vidya Vihar School Lane, Off: High Tension Road,  
Subhanpura, Vadodara 390 023, Gujarat.

CIN : U45200GJ2006PLC048119

Phone : 0265-2393209, 2398190 Fax : 0265-2391552,

e-mail : info@ccl.in, website : www.ccl.in

---

## RISK MANAGEMENT POLICY

The Risk Management Policy is in terms of the provisions of Companies Act, 2013 together with Rules made thereunder and amended from time to time.

### BACKGROUND:

**CUBE CONSTRUCTION ENGINEERING LIMITED** (hereinafter referred as "the Company" ) is one of the fastest growing Construction Company having its head office at; Vadodara, Gujarat – India, focusing on infrastructure construction segment including Industrial, Commercial, Residential, Institutional, NGO/ Government Construction, Infrastructure Projects, PPP/Trunk Projects, Architectural Design etc.

CCEL is an approved Government Contractor with Government of Gujarat Road and Building under "Class AA" Category, "Special Category-I" for Building works, "Special Category-I" for Road work, "Class A" for Electrical works and An "ISO 9001:2015" Certified Company with a rich and varied experience in the field of Civil Construction and has been engaged in this business for more than a decade. CCEL has built-up its reputation through its excellence service and high standard of Workmanship having landmark projects across the region. CCEL expert team utilizes its experience in deploying modern equipments for better and reliable Civil Construction.

### THREATS INCLUDE:

- Growing competition.
- Changing Government policies
- Rising cost of materials.
- Price Escalations.
- Technology up gradation.
- Energy Resources crises.

### KEY DEFINITIONS:

- **Risk Assessment** : The systematic process of identifying and analyzing risks. Risk Assessment consists of a detailed study of threats and vulnerability and resultant exposure to various risks.
- **Risk Management** : The systematic way of protecting business resources and income against losses so that the objectives of the Company can be achieved without unnecessary interruption.
- **Risk Management Process** : The systematic application of management policies, procedures and practices to the tasks of establishing the context, identifying, analyzing, evaluating, treating, monitoring and communicating risk.

Some of the major risk factors inter alia would include the following but the list is indicative only and may change with drastic changes in the circumstances and situations.

## **EXTERNAL RISK FACTORS**

1. Government Policies
2. Economic Environment
3. Competition
4. Revenue Concentration and liquidity aspects.
5. The risks are therefore associated on each business segment contributing to total revenue, profitability and liquidity.

## **INTERNAL RISK FACTORS**

1. Project Execution
2. Contractual Compliance
3. Operational Efficiency
4. Hurdles in optimum use of resources
5. Quality Assurance
6. Environmental Management

### **The primary objectives of this Risk Management Policy are:**

1. Identification and categorization of potential risks
2. Assessment and mitigation of risks
3. To monitor and assure continuous growth and to sustain market leadership in the mobility industry, domestically and globally.

### **The Risk Management Policy aims to cover, amongst others, the following key areas / risks:**

#### **Technology risks/Information/Cyber security risks**

The Company always strives to adopting embracing new technologies to deliver superior solutions to its customers and stakeholders. Slow Adoption of new technology or being left behind in the era of evolving technologies is the primary risk that it monitors. IT and digitalization are the key areas for delivering end-to-end solutions. However, these are susceptible to risks associated with data security, information privacy, legal compliance, etc. The technology risks is intended to be mitigated by continuous R&D initiatives of the Company, keeping abreast with the global changes, promoting entrepreneurial skills of the personnel and developing either in-house solutions or procuring them.

#### **Financial risks**

The financial risks relate to adequate liquidity for routine operations and availability of funds for future expansions / diversifications, impact of currency fluctuations, change in credit ratings, etc. It also includes the financial performance of its subsidiaries, associates etc. that may adversely affect the Company's results which are being closely monitored.

#### **Economic environment risks**

The ever changing economic policies may impact the strategies and performance of the Company. The change in demand of the companies to whom the company is vendor may impact the company. The Company always keeps a close watch on the upcoming new policies and changes in the existing policies and endeavours to adapt itself timely in the effective.

#### **Operational risks**

Operational defects, labour shortage, injuries, accidents, delay in operations of a project sites may impact the operations of the Company.

**Regulatory /Policy risks**

Non-compliance of the applicable laws may result in liabilities and may impact the reputation of the Company. The frequent changes in government policies / emission norms require the Company to be prepared and update with the applicable standards. The Company has proper systems in place to ensure that there is no non-compliance of any law that is applicable to company.

Further, the Company constantly monitors and complies with the frequent changes in the emission norms and sectorial regulations.

**APPLICABILITY:**

This Policy applies to all areas of the Company's operations

**AMENDMENT:**

This Policy can be modified at any time by the Board of Directors of the Company.