

TERMS OF REFERENCE – RISK MANAGEMENT COMMITTEE

Constitution:

- (i) The Risk Management Committee (RMC) shall comprise of an independent director (who shall also act as the Chairperson of the Committee), Vice-Chairman & Chief Executive Officer, Managing Director, Executive Director and such other members of the Senior Management as the Board may decide from time to time. The Committee shall comprise minimum of 5 members with majority being the Members of the Board.
- (ii) The Company Secretary of the Corporation shall act as the Secretary to the Committee.

Chairperson:

- (i) The Chairperson shall be an Independent Director.
- (ii) The Chairperson shall be appointed by the Board. In case the Chairperson is not present at RMC meeting, the members present at the meeting shall, amongst themselves, select a Chairperson for that particular meeting.

Meetings:

- (i) The RMC shall meet at least twice in every financial year and the gap between two meetings shall not exceed 180 days.
- (ii) The quorum for the meetings of the RMC shall be atleast three members or one third of the members, whichever is higher and should have at least one member of the Board of Directors in attendance
- (iii) The RMC may meet in person, or through video conferencing or other audio visual means.
- (iv) The Members of the Committee, who are non-executive, shall be entitled to sitting fees for attending meetings of the Committee, as may be fixed by the Board, from time to time.
- (v) The minutes of the meetings of the Committee shall be recorded and maintained.

Invitees:

In addition to the Company Secretary, the Committee may invite such officers of the Corporation to participate in the meeting, but such meetings may also be held without their presence.

Role:

- (i) Formulate a detailed Risk Management Policy which *inter alia* shall include a framework for identification of internal and external risks specifically faced by the Corporation including financial, operational, sectoral, sustainability (particularly Environmental, Social and Governance related risks), information, cyber security risks or any other risks as may be determined by the Committee, risk mitigation measures, and business continuity plan and recommend the said Policy and any amendments thereto to the Board for its approval;
- (ii) Monitor and oversee the implementation of the risk management policy, including evaluating the adequacy of the risk management systems.
- (iii) Review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- (iv) Ensure that appropriate methodology, processes and systems are in place to monitor, evaluate and report risks associated with the business of the Corporation;
- (v) Review the adequacy of the existing measures to mitigate risks covering various functions of the Corporation;
- (vi) Recommend to the Board the appointment, removal and terms of remuneration of the Chief Risk Officer.
- (vii) The Committee shall perform such other functions as may be required under the relevant provisions of the Securities and Exchange Board of India (Listing Regulations and Disclosure Requirements) Regulations, 2015, any other applicable laws and various circulars issued by the regulatory authorities thereof, as amended from time to time.

Powers:

The Committee shall be vested with the following powers:-

- (i) To investigate any activity within the terms of reference.
- (ii) To obtain advice from auditors or lawyers or experts, retain services of external consultants for redressing issues relating to and arising from risk management framework as it may deem appropriate and to secure their attendance.
- (iii) To call for any information, documents, records from any officers of the Corporation for ascertaining the adherence to the policies, procedures and standards laid for monitoring evaluating and reporting of risks.

Report:

- (i) The Committee shall apprise the Audit and Governance Committee and the Board on the risk profile of the Corporation twice in every financial year. Further, the minutes of the meeting of the Committee duly approved, shall be tabled at the subsequent meeting of the Board of Directors of the Corporation for its noting.
- (ii) The Committee shall coordinate with such other committees of the Corporation as deemed relevant and as required from time to time with relation to any activity within the terms of reference.

Review & Authority:

The terms of reference of the Committee shall be reviewed periodically to reassess its adequacy.
