

**Charter of the Risk Management Committee****CHARTER AND ROLE & RESPONSIBILITY OF RISK MANAGEMENT COMMITTEE:**

1. The following existing Board Members/Senior Executives of the Company are appointed as members of the Committee:

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Chairman/Member</b>
1	Mr. Falgunbhai C. Patel	Chairman and Managing Director	Chairman
2	Mr. Mukesh M. Patel	Independent Director	Member
3	Mr. Parthiv F. Patel	Managing Director	Member
4	Mr. Sanjay Kumar Tandon	Whole Time Director and Chief Financial Officer	Member

2. The Chairman shall preside over all meetings, coordinate the Committee's compliance with its mandate, work with the management to develop the meeting agendas, annual work plan and provide reports of the Committee to the Board, as and when required.
3. Each Member of the Committee shall serve at the pleasure of the Board or till ceasing to be a member of the Board, whichever is earlier. The Board may fill a vacancy in the Membership of the Committee at its discretion. At least two Members of the Committee shall be present in any meeting of the Committee. The Committee may meet and adjourn as it thinks proper.
4. Questions arising at any meeting of the Committee shall be determined by a majority of votes of the Members present, and in case of an equality of votes, the Chairman shall have a second or casting vote.
5. The Members of the Committees may use video / teleconferencing facilities to enable their participation. The Meeting shall include, for the purpose of quorum, participation of a Committee member through video /teleconferencing.
6. The Committee shall perform following roles and responsibilities in terms of the applicable provisions:
- formulate a detailed risk management policy which shall include:
    - A framework for identification of internal and external risks specifically faced by the listed entity, 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.
- b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c) Business continuity plan.
- ii. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
  - iii. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
  - iv. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
  - v. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
  - vi. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
  - vii. 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;
  - viii. To monitor and review the risk management plan;
  - ix. Such other activities and functions as may be prescribed by the Board of Directors from time to time in compliance with the applicable provisions, which shall specifically cover cyber security.
- 7.** In addition to aforesaid roles and responsibilities as well as any other matters that are specifically delegated to the Committee by the Board, the Committee shall perform the duties required of a Risk Management Committee by applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 and by applicable statute's requirements of the stock exchanges, where the equity shares of the Company are listed.
- 8.** The Committee shall report to the Board of Directors on all matters arising at the Committee meetings and, where applicable shall present the Committee's recommendations to the Board for its approval.
- 9.** The Committee shall have the powers to seek information from any employee, obtain outside legal or other professional advice and secure

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attendance of outsiders with relevant expertise, if it considers necessary. It shall have the authority to retain and terminate consultants or advisors to assist it in fulfilling its responsibilities and to set and pay the compensation of these advisors without consulting or obtaining approval from any officer of the Company. The Company shall provide appropriate funding, as determined by Committee, for the services of these advisors.

10. The Company Secretary of the Company, for the time being and from time to time, shall act as the secretary for Committee meetings. Minutes of the meetings shall be recorded and maintained by the Company Secretary and subsequently presented to the Committee for noting. The proceedings of the Committee Meetings will be placed before the Board, at its next meeting for consideration and taking suitable decision as may be required by the Company.”

## **CHARTER OF THE COMMITTEE**

### **1. Objective:**

The Risk Management Committee of the Board of Directors of the Company (the Committee) is constituted under the provisions of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) and the applicable provisions of the Companies Act, 2013 (the Act), if any.

### **2. Formation of Committee:**

The Board of Directors shall constitute the Committee as follows:

- a) The Committee shall have minimum three members with majority of them being members of the Board of Directors, including atleast one Independent Director.
- b) The Chairperson of the Committee shall be member of the Board of Directors and senior executives of the listed entity may be the members of the Committee.
- c) The Committee shall be appointed by and will serve at the discretion of the Board and it shall continue to be operative until otherwise decided by the Board. The Committee shall carry out functions as approved by the Board from time to time.
- d) The Company Secretary of the Company shall act as the secretary to the Committee.

### **3. Meetings, Quorum & other matters:**

- a) The Committee shall meet atleast twice in a year.
- b) The quorum for the meeting of the Committee shall be either two members or one third of the members of the Committee, whichever is

higher, including atleast one member of the Board of Directors in attendance.

- c) The meetings of the Committee shall be conducted in such a manner that on a continuous basis not more than one hundred and eighty days shall elapse between any two consecutive meetings.

**4. Role & Responsibility of Committee:**

- a) The Board of Directors shall define role and responsibility of the Committee and may delegate monitoring and reviewing of the risk management plan to the Committee and such other functions as it may deem fit and such function shall specifically cover cyber security;
- b) formulate a detailed risk management policy which shall include:
  - i. A framework for identification of internal and external risks specifically faced by the listed entity, 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;
  - ii. Measures for risk mitigation including systems and processes for internal control of identified risks;
  - iii. Business continuity plan.
- c) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- d) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- e) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- f) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- g) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- h) 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;
- i) To monitor and review the risk management plan.
- j) The Committee shall report to the Board of Directors on all matters arising at the Committee meetings and, where applicable shall present the Committee's recommendations to the Board for its approval.
- k) The Committee shall have the powers to seek information from any employee, obtain outside legal or other professional advice and secure

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**5. Review by Board:**

The Board of Directors will and as when required, assess the adequacy of the Charter and make any necessary or desirable amendments to ensure it remains consistent with the objectives and applicable law. In case of any conflict between the provisions of this Charter and LODR or the Act or any other statutory enactments, the provisions of LODR or the Act or other statutory enactments, shall prevail over this Charter.