



**SURYAPET KHAMMAM ROAD PVT. LTD.**

**CHARTER OF THE RISK MANAGEMENT  
COMMITTEE**

### 1. Objective

The Risk Management Committee ("Committee") is constituted pursuant to and in accordance with the applicable provisions of Companies Act 2013 and the Securities and Exchange Board of Securities (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended from time to time.

**Since Suryapet Khammam Road Pvt. Ltd. is an unlisted company, the Securities and Exchange Board of Securities (Listing Obligations and Disclosure Requirements) Regulation, 2015 does not apply. As the company falls under the criteria of High Value Debts entity as per Regulation 15(1A) of the SEBI (LODR) Reg. 2015, hence, Reg 16-27 of SEBI (LODR), 2015 is applicable.**

The Committee reports to and is accountable to, the Board of Directors ('Board') of Suryapet Khammam Road Pvt Ltd. ('Company').

The primary objective of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities with regard to the risk appetite of the Company, Company's risk management framework, and the governance structure that supports it.

### 2. Composition of the Committee

- The Committee shall have minimum three Members, of which majority shall be Independent Directors.
- The Members of the Committee shall elect a Chairman from amongst themselves, who shall necessarily be an Independent Director.

### 3. Secretary

The Company Secretary shall act as Secretary to the Committee Meetings.

### 4. Meetings and Quorum

- The Committee shall meet periodically, but at least 1 time a year.
- The quorum for Meetings of the Committee shall be either two Members or one-third of the Members of the Committee, whichever is higher, including at least one Independent Director.

- The Committee may invite such of the executives, as it considers appropriate to be present at the Meetings of the Committee. On occasions considered necessary, the Committee may also meet without the presence of any executive of the Company.
- The decisions to be taken by the Committee members may be taken by way of a circular resolution, wherever permitted under the law.

## 5. Terms of Reference

The Committee shall act and have powers in accordance with the terms of reference, as approved by the Board from time to time and such other items as may be prescribed by applicable laws, which shall include the following:

1. To review the Company's risk governance structure, risk assessment and risk management policies, practices and guidelines and procedures, including the risk management plan.
2. To review and approve the Enterprise Risk Management ('ERM') framework
3. To formulate a detailed risk management policy which shall include:
  - a. 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 technology, 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 planOversee of risks, such as strategic, financial, credit, market, liquidity, technology, security, property, IT, legal, regulatory, reputational, and other risks
  - d. Oversee regulatory and policy risks related to climate change, including review of state and Central policies
4. To ensure that appropriate methodology, processes and systems are in place to identify, monitor, evaluate and mitigate risks associated with the business of the Company
5. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems
6. To review compliance with enterprise risk management policy, monitor breaches / trigger trips of risk tolerance limits and direct action

7. To periodically review the risk management policy, at least once in a year, including by considering the changing industry dynamics and evolving complexity
8. To consider appointment and removal of the Chief Risk Officer, if any, and review his terms of remuneration
9. To review and approve Company's risk appetite and tolerance with respect to line of business
10. To review and monitor the effectiveness and application of credit risk management policies, related standards and procedures to control the environment with respect to business decisions
11. To review and recommend to the Board various business proposals for their corresponding risks and opportunities
12. To obtain reasonable assurance from management that all known and emerging risks has been identified and mitigated and managed
13. To form and delegate authority to subcommittee(s), when appropriate, such as:
  - Mergers & Acquisition Committee;
  - Legal, Regulatory & Tax Committee;
  - Reputation Risk Committee; and
  - Other Committee(s) as the committee may think appropriate
14. To oversee suppliers' diversity
15. To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable

## **6. Reporting**

The Committee shall report on its activities and summarize any recommendations at subsequent Board meeting.

This charter shall be displayed on the website of the Company.

## **7. Minutes**

The Company Secretary will maintain minutes of meetings of the Committee, which will be submitted to the Board in subsequent meeting, for noting.

## 8. Review of Committee Charter

The adequacy of this charter shall be reviewed and re-assessed by the Committee, as and when required and appropriate recommendations shall be made to the Board to update the same based on the changes that may be brought about to the regulatory framework or policy changes, from time to time.

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