

## **RISK MANAGEMENT POLICY**

### **INTRODUCTION**

The Policy lays down the framework of Risk Management at ELANTAS Beck India Limited (Company). This document shall be under the authority of the Board of Directors of the Company. It seeks to identify risks inherent in any business operations of the Company and provides guidelines to define, measure, report, control and mitigate the identified risks.

The Policy is intended to preserve shareholders' value to the extent practically feasible by identifying and mitigating major operating, and external business risks. The Company has in place its own Risk Management Manual since Year 2006 and the same gets updated from time to time. The Manual helps to identify risks, its likelihood, impact and mitigation methods.

### **SCOPE**

Following steps need to be taken to deal with the Organizational Risks:

- Risk Identification
- Risk Evaluation
- Risk Estimation
- Risk Mitigation
- Risk Reporting within the Organization and to external stakeholders.

### **MECHANISM FOR DEALING WITH THE RISKS**

A) The Company ensures implementation of Enterprise Risk Management by:

1. Putting in place Risk Management Framework.
2. Identifying Risks
3. Identifying resources and measures to mitigate and manage the Risks.
4. Providing clear and strong basis for informed decision making at all the levels of the Organization.
5. Compliance with all the relevant Laws, Rules and Regulations across its areas of operations.
6. Communication of this Policy to all the required stakeholders through suitable means.

## B) Reporting to the Board of Directors

The company has laid down procedures to inform Board members about the risk assessment and minimization. The Company reports to the Board in the following manner:

- i. On Quarterly basis at the time of Board Meeting –
  1. Presentation on Financial Performance
  2. Presentation on Current Market conditions and Competition
  3. Matters placed before the Board pursuant to Listing Agreement
  4. Statutory Compliance Report submitted by Functional Heads and Certificate thereon given by the Executive Management.
  
- ii. On Annual Basis -
  1. Review of Business Performance for the entire Year
  2. Review of Risk Management status pertaining to insurance & litigations at Audit Committee Meeting

### **RISK MANAGEMENT COMMITTEE**

The Board has constituted its Risk Management Committee as required as per the provisions of the Listing Agreement and the Companies Act, 2013 which consists of the following members:

- |    |                           |                          |
|----|---------------------------|--------------------------|
| 1. | Mr. Ravindra Kumar        | Managing Director        |
| 2. | Mr. Ranjal Laxmana Shenoy | Independent Director     |
| 3. | Dr. Guido Forstbach       | Non - Executive Director |
| 4. | Mr. Milind Talathi        | Executive Director       |
| 5. | Mr. Sanjay Kulkarni       | Chief Financial Officer  |

The Board shall define the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the committee and such other functions as it may deem fit.

The Role of Risk Management Committee includes the evaluation of risk management systems, the examination of the risk matrix, assessing the mitigation measures and suggesting improvements and greater risk mitigation measures, and examination in detail the business processes which may carry risks.

### **APPLICABILITY AND REVIEW**

This Policy shall come into force with immediate effect and shall be reviewed by the Risk Management Committee and the Board from time to time as may be necessary.

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