THE TINPLATE COMPANY OF INDIA LIMITED

RISK MANAGEMENT COMMITTEE
Constituted on 14th July, 2021

Principles, Responsibility & Governance
("Charter")

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Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, SEBI Regulations, Securities Contract (Regulation) Act, 1956 or any other applicable law or regulation.

GLOSSARY

"Act" or "CA,2013"	means the Companies Act, 2013, to the extent notified, from time to time, and includes any re-enactment thereof, with all schedules and tables thereunder, as notified, with effect from the date of such notification in the official gazette of India including all rules, notifications, circulars, clarifications and orders issued thereunder including certain provisions of the Companies Act, 1956, as and where specified, and "Section" shall mean a section of the said Act;
"Board"	implies the Board of Directors of the Company
"Company"	implies The Tinplate Company of India Limited
"Committee" or "RMC"	implies the Risk Management Committee of the Company
"Directors"	implies the directors on the Board
"Executive Director or "ED"	implies Executive Director of the Company
"Independent Director" or "ID"	implies a non-executive Director of the Company, other than a nominee Director and who is neither a promoter nor belongs to the promoter group of the company, and who satisfies other criteria for independence mentioned in the Companies Act, 2013 and the Listing Agreement entered into, with the respective Stock Exchanges in India
"Key Managerial Personnel" or "KMP"	In relation to the Company, means the following key managerial personnel: a. the Chief Executive Officer and/or Managing Director b. Company Secretary c. Whole-time Director d. Chief Financial Officer
"Managing Director" or "MD"	implies the Managing Director of the Company
"Policy"	implies the policy on Risk Management as framed by the Committee/Board of Directors, as applicable
"Senior Management"	implies personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.
"Parent Company"	Parent Company means a person/company who has control over the affairs of the Company, directly or indirectly, as a shareholder or otherwise and in accordance with whose advice, directions or instructions, the Board of Directors of the company is accustomed to act.
"CRO"	Implies the "Chief Risk Officer"
"Listing Regulations"	implies the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, as amended from time to time.

RISK MANAGEMENT COMMITTEE CHARTER

1. PRINCIPLES & OBJECTIVES OF THE COMMITTEE

1.1. The Board has constituted Risk Management Committee in accordance with the provisions of the Listing Regulations on July 14, 2021 and adopts this Charter on November 15, 2021 to outline the role, responsibilities and power of the Committee and the procedure for organizing the meeting of the Committee.

1.2. The purpose of the Committee shall be to assist the Board:

a. In its oversight of the Company's management of element wise key risks, including strategic, financial, operational, sectoral, sustainability (particularly ESG related risks), information & cyber security and compliance risks.

b. Assist the board in framing, implementing and monitoring the risk management plan for the Company and reviewing and guiding the risk policy.

c. Developing risk management policy and risk management system/framework for the Company.

2. COMPOSITION OF THE COMMITTEE

2.1 The Committee shall consist of minimum three members, who shall be appointed by the Board and may consist of members from executives of the Company. However, the majority of the members of the Committee shall be from the Board of Directors, including at least one independent Director. [Regulation 21(2)]

The Chairperson of the Committee shall be a Member of the Board and shall be nominated and appointed by the Board.

3. MEETINGS & QUORUM

3.1. The Committee shall meet as often as required but at least thrice a year. The gap between two consecutive meetings shall not be more than 180 days.

3.2. The Committee may invite other Directors/Company executives/advisers, as it considers appropriate to be present at the meetings of the Committee with the permission of the Chairperson.

3.3. The quorum necessary for transacting business at a meeting of the Committee shall be any two members or one-third of the members of the Committee, whichever is higher, including at least one Board Member in attendance.

3.4. The Chairperson in consultation with the other members of the Committee shall be responsible for establishing the agenda for meetings of the Committee.

3.5. If the Chairperson of the meeting is not present at a meeting of the Committee, the members present may elect another member from amongst themselves to act as a Chairperson for that meeting.

3.6. The Company Secretary shall act as the Secretary to the Committee Meetings and will be responsible for taking adequate minutes of the proceedings and ensuring 'Action Taken Report' is presented in the subsequent meeting.

3.7. The participation of Members in a meeting of the Committee may be either in person or through video conferencing or other audio-visual means including telepresence as deemed appropriate adhering to the statutory requirement.

4. AUTHORITY AND POWER

The Committee shall have the powers to seek any information or explanation from any employee or Director of the Company that is necessary to discharge its duties under the terms of reference. The Committee may also engage advisers, consultants or legal counsel and secure attendance of outsiders with relevant experience as deemed appropriate and necessary.

5. ROLES & RESPONSIBILITIES OF THE COMMITTEE

1. To formulate a detailed risk management policy which shall include:

    i. A framework for identification of internal and external risks specifically faced by the Company, 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.

2. To review the risk management policy at least once in two years including by considering the changing industry dynamics and evolving complexity.

3. The Enterprise Risk Management framework and processes will be deployed across the Company and risk assessment audit/effectiveness study will be conducted as per plan approved by the Committee and the report of the same shall be placed to the Committee for their review.

4. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate 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 keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

7. To appoint, remove, decide and periodically review the terms of remuneration of the Chief Risk Officer of the Company, if any.

8. Other responsibilities: 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 AND DISCLOSURE

6.1. The Committee will report to the Board.

6.2. The Committee will submit a report to the Board for it to include in the annual report. The annual report shall include a statement indicating the development and implementation of a risk management policy for the Company including identifications therein of elements of risks if any, which in the opinion of the Board may threaten the existence of the Company.

6.3. Management discussion and analysis on risk and concerns [Reg 34 read with Schedule V of Listing Regulations]

6.4. Approve risk statements and reports to be disclosed in any public documents / disclosures including annual reports.

7. COMPENSATION OF THE COMMITTEE

Non-executive Directors of the Committee may receive such sitting fees and / or commission, if any, for their services as Committee members, as may be determined by the Board at its sole discretion from time to time. (Sec 197(5) CA, 2013)

8. EVALUATION OF THE COMMITTEE (Sec 134(3)(p) CA, 2013)

8.1 Committee shall define its key priorities and goals for the year and evaluate its performance on an annual basis.

8.2 It will adopt a self-evaluation mechanism to assess its performance. Each member of the Committee shall fill the evaluation questionnaire provided for in ***Annexure 2***' and submit the same to the Chairman of the Committee.

8.3 The self-evaluation report in terms of the Committee Report will need to be provided to the Board. This report should also highlight any exceptional items that have been mandated by the Board which have not been carried out by the Committee. A discussion on this report with the Board may then be facilitated by the Chairman of the Committee.

9. REVIEW OF THE CHARTER

The adequacy of this Charter shall be reviewed and reassessed by the Committee at least once in two years and appropriate recommendations shall be made to the Board to update the Charter based on the changes that may be brought about due to any regulatory amendments or otherwise.

10. CONFIDENTIALITY

The members of the Committee shall not disclose, in particular, the information contained in the confidential reports they receive or the contents of confidential discussions. They shall also ensure that any employees appointed to support them likewise comply with this rule.

11. COMPLIANCE RESPONSIBILITY

Compliance of this charter shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarifications from the management in this regard.

Annexure 1

RISK MANAGEMENT POLICY

Contents

1. INTRODUCTION

The Tinplate Company of India Limited (the Company) is exposed to inherent uncertainties owing to the sectors in which it operates. A key factor for a Company’s capacity to create sustainable value is the risks that the Company is willing to take (at strategic and operational levels) and its ability to manage them effectively. Many risks exist in a Company’s operating environment and continuously emerge on regular basis. Risk management does not aim at eliminating them, as that would simultaneously eliminate all chances of rewards/ opportunities. Risk Management is instead focused at ensuring that these risks are known and addressed through a pragmatic and effective risk management process.

This Risk Management Policy aims to detail the objectives and principles of risk management at The Tinplate Company of India Limited along with an overview of the process and related roles and responsibilities. The Policy is a formal acknowledgement of the commitment of the Company to risk management.

2. COMPANY'S POLICY STATEMENT

The Tinplate Company of India Limited is committed to adopt a proactive approach to risk management which is based on the following underlying principles:

- The Tinplate Company of India Limited endeavours to create risk awareness across the organization.
- The Company strives to anticipate and take preventive action to manage or mitigate risks and deal with the residual risk.
- The Company will develop, implement, review and monitor a uniform risk management framework (aligned to TSL Group ERM framework) across all units, functions and geographies. All employees of the Company take responsibility for the effective management of risks in all aspects of the business.
- The Company will develop and deploy relevant capability building measures for concerned employees and relevant stakeholders to ensure effective risk management

3. RISK MANAGEMENT OBJECTIVES

The objective of risk management at The Tinplate Company of India Limited is to develop a risk intelligent culture that supports decision making and helps improve performance. Specifically, the Company intends to achieve the following objectives:

a. Better understand the Company's risk profile and develop a common understanding of risk & risk management process across the Company;
b. To identify & manage uncertainties which may have significant potential impact on the Company's objectives & values.
c. Ensure that the Management is in a position to make informed business decisions based on risk assessment;

d. Contribute to safeguard Company's value and interest of all stakeholders; and
e. Improve compliance with good corporate governance guidelines and practices as well as laws & regulations;

Risk Management has always been an integral part of business practices at The Tinplate Company of India Limited. This Policy aims at formalising a process to deal with the risks at The Tinplate Company of India Limited, building on existing management practices, knowledge and structures.

4. RISK MANAGEMENT FRAMEWORK

The Tinplate Company of India Limited shall adopt the Enterprise Risk Management framework, guidelines, principles & procedures aligned to the Group with suitable modifications. As per the guidance from the Group the Enterprise Risk Management framework will be defined and developed based on the inputs from leading risk management standards such as COSO (Committee of Sponsoring Organizations of the Treadway Commission) and ISO 31000 and best practices with the focus to keep the process relevant to the dynamic business environment and keep it pragmatic and simple from an implementation perspective.

The process may be reviewed annually along with the business planning exercise or at any point of time on account of significant changes in internal business conduct or external business environment. For all business proposals that are placed for the Board/Committee's consideration, appropriate risks associated with the proposal and mitigation plans are to be placed.
The overall risk management process shall cover:

1. **Setting the context:**
   The Company's strategy planning process should validate the themes and the business objectives of the Company annually. The business objectives may include performance themes such as financial, clients & markets, operational excellence, regulatory, safety, health, environment, leadership, reputation - and the balance between short, medium and long term. The corporate performance objectives with the performance metrics and targets to be achieved during the year may be captured in the Annual Business Plan or Long Term Planning exercise. The corporate performance should be measured, monitored and managed on an on-going basis.
   The focus of risk management should be to assess the risks to the achievement of key business objectives as captured in the Annual Business Plan or the Long Term Plan and to

deploy mitigation measures. There shall be periodic review meetings of Risk Management Committee and the Management and focus on reviewing risks to the achievement of business objectives and actions taken to mitigate them.

2. Identifying and prioritizing risks:

Mechanisms for identification and prioritization of risks may include risk surveys, industry benchmarking, incident analysis, business risk environment scanning and focused discussions with Management and Risk Management Committee or Board, as applicable. Risk register and internal audit findings may also be considered for risk identification and assessment. Operational risks may be assessed primarily on dimensions such as, strength of underlying controls, compliance to policies and procedures and business process effectiveness.

3. Managing risks

Risk evaluation may be carried out to decide the significance of risks to the Company. Estimated risks can be compared against the established risk criteria.

For identified top risks, dashboards may be created that track external and internal indicators relevant for risks to indicate the risk level and its likelihood of occurrence. The trend line assessment of top risks, analysis of exposure and potential impact can be carried out periodically. Mitigation plans should be finalized, owners be identified and progress of mitigation actions be monitored and reviewed.

4. Risk reporting and monitoring

The Chief Risk Officer will ensure:

- That risks to achievement of business objectives, trend line of risk level, impact and mitigation actions are reported and discussed with the Management and Risk Management Committee or Board, as applicable on periodic basis.
- Periodic updates are provided to the Board of Directors highlighting key risks, their impact and mitigation actions.
- Key risk factors are disclosed in the regulatory filings.

5. Activity Calendar

The Company should define a *Risk Management Activity Calendar* that summarizes the different activities and schedules for the risk management process.

5. *GOVERNANCE FRAMEWORK*

The Risk Management Process is supported by the Risk Management Governance Structure.

A. <u>Governance</u>: Board of Directors

The Board of Directors shall exercise the corporate governance oversight of risk management performed by the Management. The Board may delegate the direct oversight responsibility for the deployment of the Risk Management process to the Risk Management Committee in adherence to the statutory requirement read with SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 law. The Board may periodically review the performance of the risk management committee.

B. <u>Governance</u>: Risk Management Committee

The Risk Management Committee shall assist the Board of Directors in fulfilling its oversight responsibilities with regard to enterprise risk management.

The Risk Management Committee shall ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

The Committee, shall review the risk management practices and actions deployed by the Management in respect of identification, impact assessment, monitoring, mitigation and reporting of key risks to the achievement of business objectives.

The Risk Management Committee, as applicable shall review (i) the risk report produced by the Management at frequent intervals [(in particular, risks relating to financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks amongst others)];; (ii) the reports from the various assurance functions on a periodic basis; and (iii) the Committee shall also take note of risk related disclosures made by Management in regulatory filings such as the Annual Report, Information Memorandum etc. (iv) assist the Audit Committee of the Board in the evaluation of risk management systems of the Company. (v) the business continuity plan;

The Committee shall also oversee a formal presentation by the Management to the Board on the Risk Management activities at the Company. The presentation may be scheduled at such intervals as may be decided by the Committee or Board or Management. The presentation may include a report of the key risks faced by the Company together with an assessment of the system of risk management. The Committee shall keep the Board of

Directors informed about the nature and content of its discussions, recommendations and actions to be undertaken.

C. <u>Governance</u>: Alignment of Risk and Audit Committee Oversight,

The Audit Committee oversees the financial reporting process of the Company and the Risk Management Committee (the "Committee") overseas the governance of risk through formal processes. In doing so, the Committee considers the risk policy and plan, determines the Company's risk appetite and risk tolerance, ensure that risk assessments are performed at regular intervals, and ensures that the Company has and maintains an effective on-going risk assessment process, consisting of risk identification, risk quantification and risk evaluation.

While, both, the Audit Committee as well as the Risk Management Committee, play a unique role in the overall governance framework of the Company, there is some overlap between the functions of the Audit Committee (responsible for inter alia overseeing the management of financial and compliance risks) and the Risk Management Committee (responsible for overseeing all other risks, particularly business and operational risks).

To align the functions of both the committees and to drive efficiency and effectiveness in the overall enterprise risk management framework, it is proposed to have an overlap in membership of the Audit Committee and the Risk Management Committee. It may be appropriate to appoint one or two members of the Audit Committee, as well as the Chief Executive Officer as members of the Risk Management Committee. In doing so, care should be exercised to ensure that the collective membership of the committee accounts for the range of skill and experience required to guide the Management and perform effective oversight with respect to the risk management processes.

D. <u>Governance</u>: Execution

i. <u>Management</u>: Management will be responsible for operationalizing the risk management framework. This includes identifying & prioritizing risks, operationalizing mitigation strategies and reporting on risk mitigation. Management will further support the Risk Management Committee or Board, as applicable by providing necessary inputs on the economy, industry and the Company.

ii. <u>Divisional/Functional Risk Management</u>: Each Division/Function, should strive to support the Management pursue objectives by providing necessary Division/Function specific inputs. Stakeholders at various levels should take accountability for risk identification, appropriateness of risk analysis, and timeliness as well as adequacy of risk mitigation decisions at both individual and aggregate levels.

In connection with the routine business activities, the Divisional Heads are required to implement the risk management framework within their respective area.
In connection with non-routine business activities, such as mergers & acquisitions, divestments, entering into new lines of business, ERP implementation etc., the officer-in-charge of such a transaction shall have the responsibility for operationalizing risk management for such activities.

iii. Chief Risk Officer: The Company will have a Chief Risk Officer (CRO) for overseeing the deployment of the Risk Management Procedures. The primary role of CRO will be to ensure that the Company achieves its objectives of timely anticipation of risks and opportunities, and a cohesive and consistent response through the active involvement of process owners in reviewing risks, timely meetings, comprehensive discussions at respective units, effective escalation and regular monitoring of risks. The appointment, removal and terms of remuneration of the CRO shall be subject to review by the Risk Management Committee

In addition, each division/function should have a risk management coordinator who oversees & coordinates the deployment of risk management activities within the Division/function.

iv. Head-Internal Audit: The Head of Internal Audit will attend all Risk Management Committee meetings or Risk Management Meetings held by Management, as applicable, to be aware of risks affecting the organisation and conduct risk based audits accordingly~~.~~

v. Risk Owners: Risk Owners shall review the risks documented in the risk register and track mitigation actions. Further, the Risk Owners will identify emerging risks, perform root cause analysis and manage risks within his/her control.

6. REVIEW OF THE POLICY

This Policy will be reviewed and reassessed by the Committee or Board as and when required but atleast once in two years considering the changing industry dynamics and evolving complexity. Appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.

ANNEXURE ‘2’

RISK MANAGEMENT COMMITTEE-SELF REVIEW TEMPLATE

(To be filled in by each member of the Committee to evaluate the performance of the Committee as a whole)

This questionnaire has been designed to evaluate the committee. Every question would need to be evaluated on a 5 point scale as given below. The questionnaire also provides for space for qualitative comments.

Strongly disagree		Neither agree nor disagree		Strongly Agree
1	*2*	*3*	*4*	*5*

Parameters for Self Evaluation of the Committee	Scale
I. Degree of fulfilment of key responsibilities by the Risk Management Committee	
The committee effectively performs the responsibilities as outlined in the charter	
The mandate of the committee is sufficient in addressing the objectives for which it was set up by the Board	
Comments:	
II. Adequacy of Risk Management Committee Composition	
The Committee is staffed adequately (in terms of size, skills/ expertise, experience) to carry out the responsibilities	
Comments:	
III. Effectiveness of meetings	
The frequency of committee meetings is adequate	
The agenda discussed in the meetings is clear and realistic in terms of number and nature of items to be covered	
Time allotted for every meeting is adequate to cover most of the agenda items	
Information provided for the meeting is adequate, timely and presented in a way that facilitates productive discussion (i.e. material is relevant with the right amount of detail and is “reader-friendly”)	
Sufficient time is spent in discussing critical issues/ issues of strategic importance	
The committee does not wander into unwanted minutiae or tangents while discussing agenda items	
Appropriate balance is maintained in analyzing the past, discussing current issues and planning for future	
Discussions/ decisions made in the meeting show a large degree of alignment with the overall company strategy	

Parameters for Self Evaluation of the Committee	Scale
There is an effective system for monitoring and driving closure of critical post meeting actions/ decisions	
Comments:	
IV. Committee dynamics	
All members have clarity of their role and responsibilities	
All members feel free to speak their mind and contribute effectively on key issues	
There is cohesiveness in the overall working of the committee	
There is adequate dialogue and participation from members on critical issues/ issues of strategic importance	
Conflict/ differences of opinion between members are managed constructively	
Members are respectful to each other	
Comments:	
V. Quality of relationship of the committee with the Board and the management	
There is clarity between the Board, management and committee with respect to the role played by the committee	
There is good coordination and cohesiveness in the working of the Board, management and the committee	
Committee members are accessible to senior management employees	
Adequate opportunities are availed by the committee to be exposed to the company's management and to understand the company's products and operations	
The Board and the management shows a high degree of responsiveness/ acceptance of the guidance/ direction provided by the committee	
Comments:	

Signature :

Name of the Member :

Date :