



CHARTER OF
RISK MANAGEMENT COMMITTEE OF
SOLAR INDUSTRIES INDIA LIMITED

1st Amended on: May 26, 2021

2nd Amended on: November 2, 2023

INTRODUCTION:

The purpose of Risk Management Committee Charter is to assist the Board in ensuring that all material risks including but not limited to the risks related to business operations, cyber security, safety, compliance and control financials have been identified, assessed and adequate risks mitigation control are in place.

The composition, quorum, role, responsibilities etc., of the Risk Management Committee is in accordance with Regulation 21 read with Part D of the Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021.

A. OBJECTIVES

1.1 The primary role of the Risk Management Committee (“Committee”) of Solar Industries India Limited (“Company”) is that of assisting the Board of Directors (“Board”) in:-

- Overseeing the Company’s risk management process and controls.
- Reviewing strategic plans and objectives for risk management, risk philosophy and risk optimisation.
- Reviewing compliance with risk management policies implemented by the Company and procedures used to implement the same.
- Reviewing risk assessment of the Company half yearly and exercising oversight of various risks including credit risk, financial & operational risks, technology risk, market risk, liquidity risk, investment risk, cyber security risk, forex risk, commodity risk, etc.
- Exercising oversight of the Company’s risk tolerance, capital liquidity and funding.

1.2 The Committee will report periodically to the Board on its activities.

B. MEMBERSHIP AND COMPOSITION:

The Risk Management Committee shall consist of minimum three members with majority of them being members of the Board of Directors, including at least one Independent Director. The Chairperson of the Risk management Committee shall be a member of the Board of Directors and senior executives of the listed entity may be members of the committee. The Committee shall be appointed by and will serve at the discretion of the Board. The Chairman of the Committee shall be a member of the Board.

Mrs. Khushboo Pasari act’s as a Secretary to the Committee.

B. RESPONSIBILITIES:

The responsibilities of the Committee shall include the following:

1. 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, 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.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. Review the Company's risk governance structure, risk assessment and risk management practices and guidelines, policies and procedures for risk assessment and risk management including the risk management plan.
7. Monitor the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, cyber security risk, forex risk, commodity risk, product risk and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks.
8. Nurture a healthy and independent risk management function in the Company.
9. 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.

C. MEETINGS:

The Committee will meet at least once in a six months. Additional meetings may happen as the Committee deems it appropriate and advisable. Committee members shall be furnished with the copies of minutes of each meeting. The Committee may meet in person or through other methods like video conferencing, audio conferencing etc as may be permitted by law from time to time.

D. QUORUM

- 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 greater, including at least one member of the board of directors in attendance.
- A duly convened meeting of the Committee at which the requisite quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

E. REPORTING:

- The Committee will report and update the Board periodically, on all matters as it deems fit for the Board's attention.
- The annual report of the Company shall disclose the composition of the Committee, brief description of the scope of the Committee Charter, names of members, Chairperson, meetings, attendance and risk related disclosure under the SEBI LODR.
- In the matters where the Board does not accept any recommendation of the Committee, which is mandatorily required to be approved by the Board, the fact of the same to be disclosed in the Corporate Governance Report of the relevant financial year, along with reasons thereof.

F. MINUTES:

The Company Secretary will maintain minutes of its meetings, which will be submitted to the Board for noting.
