

## **RISK MANAGEMENT COMMITTEE**

### **Composition of Risk Management Committee**

1. Ms. Pooja Suri, Independent Director	Chairperson
2. Shri Samik Bhattacharya, Independent Director	Member
3. Shri Harish Madhav, Director (Finance)	Member
4. Shri P.K. Goswami, Director (Operations)	Member
5. Dr. Manas Kumar Sharma, Director (E&D)	Member
6. Shri Ashok Das, Director (HR)	Member

### **Terms of Reference**

#### **Preamble**

The Board Level Risk Management Committee (*hereafter referred to as the “Committee” or “RMC”*), has been constituted in alignment with the requirements laid down by the Regulation 21 of the SEBI LODR Regulations (*hereafter referred to as “Listing Regulations”*), 2015 and as amended from time to time.

Oil India Limited (*hereafter referred to as the “Company”*) has laid down a risk management policy and a framework that informs the Board members about the risk management process. The Board is responsible for reviewing the risk management policy for the Company. The Board of Directors (*hereafter referred to as the “Board”*) may delegate the monitoring and reviewing of the risk management plan to the RMC as deemed fit. This section covers the roles and responsibilities of the Risk Management Committee.

#### **1. Primary Objectives**

The Committee is constituted by, and accountable to, the Board of Directors of Oil India Limited. RMC shall assist the Board in monitoring and reviewing:

- The risk management plan;
- The implementation of risk management framework of the Company;
- Review key (“high priority”) risks applicable to the Company;
- The cybersecurity and data protection risk of the Company and;
- Such other functions as the Board may deem fit, from time to time.

#### **2. Risk Management Committee Composition**

The Board of Directors has constituted a sub-committee - Risk Management Committee (Board Level) to assist the Board in framing policy, monitoring and reviewing the effectiveness of risk management policy and framework. The Committee shall act as a forum to discuss and manage key risks. As per Regulation 21 (2) of Listing Regulations;

- a) The Committee shall consist of minimum three members;
- b) Majority members of the Committee shall be Board members; *and*
- c) The Committee shall include at least one independent director.

The Chairperson of the Committee shall be a member of the Board and shall be responsible for overseeing the functioning of the Committee.

### **3. Quorum**

The quorum for a meeting of the Risk Management Committee shall be either two members or one third of the members of the committee, *whichever is higher*, including at least one member of the Board in attendance. *(Regulation 21 (3B) of the Listing Regulations)*

### **4. Meetings and Reporting**

- The Committee shall meet at least twice in a year with a gap of not more than one hundred and eighty days shall elapse between any two consecutive meetings;
- All or any members may participate in a meeting by video conferencing or by other audio-visual means. A member so participating is deemed to be present in person at the meeting and shall be counted for the purpose of quorum at the meeting of the RMC;
- The Secretary to the RMC shall be responsible, in conjunction with the Chairperson for compiling and circulating the agenda and papers for the meeting;
- Formal decisions shall be made by simple majority, in case of equality the Chairperson of the meeting shall have the casting vote;
- The Secretary to the RMC shall prepare minutes of all the meetings of the RMC and shall circulate the same to the Board and RMC for consideration;
- RMC shall report the outcomes of all its meetings to the Board periodically.

### **5. Roles and Responsibilities of the Committee**

The Committee shall have the following roles and responsibilities *(as read with Roles and responsibilities of Risk Management Committee (RMC) under Part-D of Schedule II of SEBI (LODR)*:

- Advise the Board on the effectiveness of the risk management systems atleast annually.
- Keep the Board informed about the nature and content of RMC discussions, recommendations, and actions to be taken. Engage other stakeholders in the risk management process when the need is identified.
- Formulate a detailed risk management policy which shall include:

- a) 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.
- b) Measures for risk mitigation including systems and processes for internal control of identified risks.
- c) Business continuity plan.
  - Review and approve the Risk Management framework of the Company on a periodic basis. The Committee shall review the risk management culture, processes, and practices of the Company.
  - Review and recommend for Board's approval the risk profile and risk appetite statements
  - Ensure risk assessment and mitigation procedures are implemented which shall include:
    - a) Formulate measures for risk mitigation
    - b) Oversee the development and implementation of Business Continuity procedures and guidelines
    - c) Monitor and review the exposures of the enterprise level key ("high priority") risk(s), and assess management preparedness to deal with the risk and associated events;
    - d) Ensure that the Company is taking appropriate measures to achieve prudence balance in risk and reward in both ongoing and new business activities;
- Monitor and oversee implementation of the risk management policy and ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company, which shall include:
  - a) Defining the calendar for review of existing risks for each of the functions with the objective to refresh the prioritized risks at defined periodicity;
  - b) Reviewing the key risks for the enterprise at a defined periodicity;
  - c) Refreshing at defined intervals the key risks at the group level so that the Board can refresh the risk review calendar
  - d) Propose enhancements to the ERM system, including those required in adherence to changes in regulatory requirements.
- Periodically review the risk management policy, at least once in two years, and recommend to Board for approval.
- The Committee may form and delegate authority and responsibility to Risk Management Steering Committee (RMSC), which shall assist the RMC to manage the ERM activities.
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the RMC.
- Perform any other activities as prescribed under the Listing Regulations and other applicable laws.

- The Risk Management Committee shall coordinate its activities with RMSC and Operational Risk Management Committee (ORMC), in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors

#### **6. Powers of the Committee**

The Risk Management Committee (Board level) shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

#### **7. Periodic review of the TOR**

- The TOR shall be subject to review as may be deemed necessary and in accordance with any regulatory amendments; and
- Any changes to the TOR shall be approved by the Board.

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