

## **TEJAS NETWORKS LIMITED**

Corporate Identity Number (CIN): L72900KA2000PLC026980  
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### **CHARTER FOR THE RISK MANAGEMENT COMMITTEE**

*(Approved by the Board of Directors on January 23, 2019)*

#### **1. Purpose**

Tejas Networks Limited (the “**Company**”) is one of the leading providers of optical telecommunication equipment that enables telecom service providers to build converged networks that can seamlessly deliver voice and data services. In today’s challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks, *inter alia*, are changes in regulations, competition, business environment, technology, investments, retention of talent and expansion of facilities. As a matter of policy, these risks must be assessed and appropriate steps must be taken to mitigate the same.

#### **2. Composition of the Committee**

- The Committee shall comprise of at least three (3) Directors and the Senior Management of the Company like Chief Technology Officer, President- Optical Products, Chief Financial Officer and such other executives as the Committee may deem fit to be a member of the Committee.
- The Board shall reconstitute the Committee as and when required to comply with the provisions of the Act and Listing regulations.
- The quorum for the meeting shall be either two members or one-third of the members, whichever is greater. The Committee shall meet atleast once in a year.
- The membership of the Committee shall be disclosed in the annual report of the Company.
- In the absence of the Chairman, the Members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- The Chairman of the Committee shall be present at the Annual General Meeting or may nominate some other member to answer the shareholders’ queries.

#### **IV. COMMITTEE RESPONSIBILITIES AND AUTHORITY:**

##### **(a) Responsibility**

The responsibility of the Risk Management Committee of the Board of Directors of the Company shall be

- To periodically assess risks to the effective execution of business strategy and review key leading indicators in this regard and approve the Risk Management Framework and processes of the Company.
  - To ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities and to assess management's actions to mitigate the exposures in a timely manner.
  - To coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities.

##### **(b) Authority**

The authority of the Risk Management Committee of the Board of Directors of the Company shall be

- To form and delegate authority to subcommittees when appropriate.
- To regularly report to the Board.
- To review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- To have access to any internal information necessary to fulfill its role.
- To obtain advice and assistance from internal or external legal, accounting or other advisors.

The purpose and responsibilities of the Committee shall include such other items/matters prescribed under applicable law or prescribed by the Board in compliance with applicable law from time to time. The Committee is also responsible for reporting progress of various initiatives and in making appropriate disclosures on a periodic basis.