



## KARNATAKA POWER TRANSMISSION CORPORATION LIMITED

Corporate Identity Number (CIN): U40109KA1999SGC025521

Registered office: Corporate Office, Kaveri Bhavan, K.G.Road, Bengaluru- 560009

**Subject : Constitution of Risk Management Committee.**

**Ref: Resolutions passed by the Board of Directors  
KPTCL at its 140<sup>th</sup> Meeting held on 19<sup>th</sup> July  
2023 vide Subject. No.140/16.**

### Preamble:

Board of Directors of KPTCL at its 140<sup>th</sup> Meeting held on 19<sup>th</sup> July 2023 constituted the "Risk Management Committee" in pursuance of applicable provisions of the Companies Act, 2013 and Rules made thereunder read with Corporate Governance Guidelines issued by Ministry of Power, GoI.

Hence, this Order:

**ORDER No. KPTCL/B37/4424/2001-02,**

**BENGALURU, DATED : 11 SEP 2023**

In accordance with the preamble above, "Risk Management Committee" is hereby constituted with the following members.

<i>Sl. No.</i>	<i>Members</i>	<i>Designation</i>
<i>1</i>	<i>Additional Chief Secretary to Government, Energy Department, GoK</i>	<i>Chairman</i>
<i>2</i>	<i>Managing Director, KPCL</i>	<i>Member</i>
<i>3</i>	<i>Managing Director, KPTCL</i>	<i>Member</i>
<i>4</i>	<i>Director (Transmission), KPTCL</i>	<i>Member</i>
<i>5</i>	<i>Company Secretary, KPTCL</i>	<i>Convener</i>

**NOTE: \*Membership is coterminous with their Directorship on the Board of KPTCL**

### **II. The Following Roles were prescribed to Risk Management Committee:**

**(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 KPTCL, in particular including financial, operational, sectoral, sustainability, information, cyber security risks, no increase in tariff, AT&C Loss increased by a certain limit, late/non receipt of subsidy, increase in open access, non-receipt of bills 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 examine and determine the sufficiency of the Company's internal processes for reporting on and managing key risk areas.**

**PK**  
Company Secretary  
KPTCL

- (4) *To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;*
- (5) *To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;*
- (6) *To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;*
- (7) *To develop and implement a risk management framework and internal control system.*
- (8) *To have special investigations into areas of corporate risk and break-downs in internal control.*
- (9) *To report the trends on the Company's risk profile, reports on specific risks and the status of the risk management process.*
- (10) *To ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.*
- (11) *To ensure that the risk awareness culture is pervasive throughout the organization.*
- (12) *The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.*

*The powers so conferred above through this resolution shall remain intact unless and until modified or altered or amended further by way of a resolution passed by the Board of Directors of the Company;*

By Order,

*Ranjana .K*  
11/19  
Company Secretary,  
KPTCL  
Company Secretary  
KPTCL

To:

1. SPS/P.Ss to the Additional Chief Secretary to Government, Energy Department, GoK/ Managing Director, KPTCL / Director (Finance) / Director (Transmission) / Managing Director, KPCL to bring it to the kind reference of the respective Directors.
2. SA-2 Records.