

SEC/SEBI/72

May 14, 2019

1. The Secretary
BSE Ltd
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001
Scrip code : 520113
2. The Manager, Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, 5th floor, Plot No C/1,
G Block, Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051
Scrip Code : VESUVIUS

Dear Sirs,

Constitution of Risk Management Committee
Regulation 21 of SEBI-LODR, 2015

The Stock Exchanges have notified that our Company is within the top 500 listed companies based on market capitalisation as on March 31, 2019 and accordingly the amended provisions of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has become applicable.

The Board of Directors has constituted a Risk Management Committee with Members of the Board and Senior Executives of the Company as Members of the Risk Management Committee and also finalised the Terms of Reference of this Committee. A certified copy of the Board resolution and the Terms of Reference in this regard are attached.

Yours faithfully
Vesuvius India Limited



Vikram Singh
Company Secretary

Encl : Board resolution and Terms of Reference of the Risk Management Committee

**CERTIFIED TRUE COPY OF THE RESOLUTIONS PASSED AT
THE MEETING OF THE BOARD OF DIRECTORS OF
VESUVIUS INDIA LIMITED
HELD AT THE BELVEDERE, HOTEL OBEROI GRAND
AT 15 JAWAHARLAL NEHRU ROAD, KOLKATA 700013
ON THURSDAY, APRIL 25, 2019 AT 4.00 P.M.**

18. CONSTITUTION OF RISK MANGEMENT COMMITTEE

The Company Secretary informed the Board that since the Company was now within the top 500 listed companies in India, pursuant to regulation 21 of SEBI-LODR a Risk Management Committee had to be constituted with Directors and Company's senior executives as members of this Committee, but majority should be Board members. The Board discussed the matter and thereafter it was

RESOLVED that

1. A Risk Management Committee be constituted with the following persons as Members :

DIRECTORS :

Mr Biswadip Gupta
Mr Ritesh Dungarwal
Mr Tanmay Ganguly
Miss Nayantara Palchoudhuri
Mr Sudipto Sarkar

SENIOR EXECUTIVES OF THE COMPANY :

Mr Subrata Roy, Chief -Operations
Mr Sanjoy Dutta, Chief Financial Officer
Mr Vikram Singh, Company Secretary;

2. The Terms of Reference already circulated with the Agenda and which has been attached to these minutes will define the role and responsibility of this Risk Management Committee;
3. The Chairman of the Board shall be the Chairman of this Committee;
4. The Managing Director shall be the Chief Risk Officer;
5. At least one meeting of this Committee should be held in a financial year;
6. The Quorum of the meetings of this Committee will be at least 3 persons with Directors forming majority in each meeting;
7. Meetings may be held through video conference when needed;
8. The Company Secretary shall be the Secretary of this Committee and shall convene the meetings of this Committee from time to time and maintain all records and documents related to this Committee.

Place : Kolkata
Date : May 14, 2019

VESUVIUS INDIA LIMITED


Vikram Singh
Company Secretary

Vesuvius India Limited

TERMS OF REFERENCE OF THE RISK MANAGEMENT COMMITTEE

Purpose of Risk Management Committee

The purpose of the Risk Management Committee is to protect shareholders' interest and create a long-term value by adopting available methods of diligence and to assist the Board in optimising corporate governance standards of the Company and discharge its responsibilities with regard to the identification, evaluation and mitigation of various kinds of risks associated with the business of the Company. The Risk Management Committee will be entrusted with the responsibility of approving and monitoring the risk management framework and associated practices of the Company.

Applicability of relevant Regulation

As per Regulation 21 of SEBI, LODR, Regulations, 2015 and amendments thereof:

1. The Board of Directors shall constitute a Risk Management Committee.
2. The majority of members of the Risk Management Committee shall consist of members of the Board of Directors.
3. 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.
- 3A. The Risk Management Committee shall meet at least once in a year.
4. The Board of Directors shall define the role and responsibility of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the committee and such other functions as it may deem fit.
5. The provisions of this regulation shall be applicable to top 500 listed entities, determined on the basis of market capitalisation, as at the end of the immediate previous financial year.

Functions of the Risk Management Committee:

1. To Identify the key areas of risk considering the business requirements of the Company.
2. To map and assess the risk profile of the Company.
3. To recommend to the Board of Directors with regard to the risk assessment and rating procedures.

4. To examine and determine the sufficiency of the Company's internal process for reporting on and managing key risk areas.
5. To assess and recommend to the Board acceptable levels of risk.
6. To develop and implement a risk management framework and internal control and to have appropriate approval by the Board of Directors.
7. To review and ensure the sufficiency of insurance coverage.
8. To oversee the compliance and adoption of recommendations made by the Auditors.

Responsibilities of the Risk Management Committee

1. To define the acceptable limits of the risk while considering the nature of business and other specific requirements of business.
2. To ensure that appropriate measures are in place to have a balance between risk and reward in the current or new business activities.
3. To assist the board in setting risk strategies, policies and frameworks, and procedure to achieve a sufficient level of risk hedging.
4. To annually review and assess the effectiveness of risk management systems and ensure that the risk policies and strategies are appropriately managed.
5. To supervise management's responsibilities and review of the risk profile of the organisation to ensure that risk is not higher than the acceptable limits.
5. To ensure that an ongoing process to identify risk, its potential impact against a broad set of assumptions and then to implement a plan necessary pro-actively to manage such risks.
6. To oversee formal reviews of activities associated with the effectiveness of risk management and internal control processes. A comprehensive system of control should be established to ensure that risks are mitigated and that the Company's objectives are attained.
7. To review process and procedure to ensure the effectiveness of internal systems of control so that decision making capability and accuracy of reporting and financial results are always maintained at an optional level.
8. To keep a watch on various intangible and external factors or events which may adversely impact the Company and reporting the same to the Board of Directors.
9. To assess the sufficiency of acceptable limits of the risk considering reserves of the Company, insurance coverage and other hedging instruments.
10. To approve a plan, if needed, to ensure that the risk awareness is raised among the employees of the Company.
11. To adequately maintain the infrastructure, resource and systems in place to handle any risk identified.
12. The Risk Management Committee shall perform additional activities related to risk management as assigned by the Board of Directors within its "Term of Reference".
13. The Risk Management Committee will coordinate its activities with the Audit Committee if there is any overlap.
14. To delegate authority(ies) to subcommittees when deemed appropriate.

15. The Risk Management Committee shall have access to any internal information necessary to discharge its functions and responsibilities.
22. The Risk Management Committee may from time to time delegate authority to subcommittees when appropriate. The Risk Management Committee shall make regular reports to the Board, including with respect to risk management and minimization procedures.
23. The Risk Management Committee shall review and reassess the adequacy of this “Terms of Reference” and recommend any proposed changes to the Board for approval.
24. The Risk Management Committee shall have the right to obtain advice and assistance from internal or external subject matter experts and advisors.
25. The Board shall review the performance of the Risk Management Committee annually.

Amendment to the Terms of Reference

This “Terms of Reference” shall stand amended automatically without any further approval, in case of any change in applicable law/ regulation. However, if there is a conflict between this “Terms of Reference” and the new requirements occasioned due to the change in applicable law/ regulation, the “Terms of Reference” will require to be revised and approved by the Board of Directors.

VESUVIUS INDIA LIMITED

Vikram Singh
Company Secretary

Place : Kolkata
Date : May 14, 2019