

Risk Management

Key Risk Management Principles

Risk management at SEPC aims to identify significant risk factors, prepare for them and manage them in an optimal way so that the company's strategic and financial objectives are achieved in a holistic manner.

Responsibilities

The principles of SEPC's risk management are approved by the company's Board of Directors. The Board monitors the implementation of risk management and assesses the efficiency of the methods employed. The Managing Director & CEO is responsible for the organisation and implementation of risk management. Risk management at SEPC is controlled by the risk management policy confirmed by the Board of Directors. The policy specifies the objectives and principles, organisation and responsibilities and procedures of the Company's risk management. The Company's financing policy confirmed by the Board of Directors is followed in the management of financial risks. The principles for insurance risk management are specified in the Insurance Policy.


Identification, assessment and reporting of risks

Risks are surveyed regularly and systematically at both division and company level and in central functions considered to be critical. The significance of risks is assessed by a risk matrix. Measures for managing and minimising the identified risks are prepared and responsibility for these measures is allocated to specified individuals or divisions. The most significant risks identified and the preparations for them are regularly reported to the CEO and the Board of Directors.

Terms of reference:

The terms of reference of the Risk Management Committee are as follows:

- Review the existing Risk Management Policy, framework and processes, Risk Management Structure and Risk Mitigation Systems. Broadly, the key risks will cover strategic risks of the group at the domestic and international level, including Sectoral developments, risk related to market, competition, political and reputational issues etc.
- Review operational risks including client quality, manpower availability, logistics and other aspects which impact the Company and the group.
- Fool proof mechanism on Cyber security.



K. SURESH

Vice President & Company Secretary