



**RISK MANAGEMENT POLICY
(1st EDITION)**

OF

ODISHA HYDRO POWER CORPORATION LIMITED

Risk Management Policy
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1.0 INTRODUCTION

Organizations of all types and sizes face internal and external factors that may bring uncertainties onto achievement of stated / desired business objectives. The effect this uncertainty on an organization's objectives is "RISK". All sectors of the economy have shifted focus towards the management of risk as the key to making organizations successful in delivering their objectives while protecting and enhancing the interests of their stakeholders. Risk management is a holistic, integrated, structured and disciplined approach to managing risks with the objective of maximizing shareholder's value. It aligns strategy, processes, people & culture, technology and governance with the purpose of evaluating and managing the uncertainties faced by the organization while creating value.

OIIPC's Risk Management policy has been framed as per the following regulatory requirements.

1. 1. Companies Act, 2013

Due to the inherent benefits expected to be accruing to companies from implementation of a proper risk management process, the Companies Act, 2013 emphasized its importance via multiple sections as below:

- a. **Section 134 (3) (n)**: Report by the Board of Directors to Shareholders should include a statement indicating development and implementation of a Risk Management Policy for the company, including therein, identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company.
- b. **Section 177 (4)**: Terms of reference to Audit Committee shall include evaluation of Internal Financial Controls and Risk Management Systems.
- c. **Schedule IV** - referred to by Section 149 (8) - Independent Directors to satisfy themselves on the integrity of financial information, and that financial controls and the system of Risk Management are robust and defensible.

1.2. Corporate Governance Manual

As per **Corporate Governance Manual** issued by PE Department, Govt. of Odisha,

- a. The Board shall ensure that a strong risk management framework is in place that enables effective monitoring of the business process to identify, assess, measure and manage the risks, on a continuous basis.
- b. The Board shall ensure that the risks emanating from natural calamities are identified and appropriate insurance cover is obtained.
- c. The Board shall also ensure that the PSU develops effective reporting systems to inform the Board about the risk exposures and risk management mechanisms. The risk management measures shall be clearly specified along with well-defined ownerships of risks and clear reporting responsibilities.
- d. The Board shall also keep the Secretary (Administrative Department) informed of risk exposures and risk management measures currently being employed by the PSU.
- e. The Annual Report shall also include a separate statement from the Board that the PSU has appropriate risk assessment and management policies in place.

OIIPC believes that beyond compliance, a robust Risk Management Process is a good business enabler to attain its business objectives. With the vision to integrate risk management with the overall strategic and operational practices, an Enterprise Risk Management Framework has been established by OHPC Limited, as a comprehensive set of components that provide the foundations and organizational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organization.

Risk may be defined as events or conditions that may occur, and whose occurrence has a harmful or negative impact on the achievement of the organization's business objectives. Risk also includes uncertain events that provide new opportunities to the organizations. The exposure to the consequences of uncertainty constitutes a risk.

2.1 Purpose of the Policy

The prime objective of this Risk Management Policy and Procedure is to ensure sustainable business growth with stability. It aims to establish a structured and intelligent approach to Risk Management at OHPC. This approach includes a process for development and periodic review of the unit-wise Risk Registers and Databases in order to guide business decision making. This policy aims to promote a proactive approach in identification, analysis, reporting and mitigation of key risks associated with the business in order to ensure a sustainable business growth.

The specific objectives of the Risk Management Policy are:

- The policy explains OHPC's approach to risk management, documents the roles & responsibilities of the Board/ Risk Management Committee / Risk Assessment Committee/ Chief Risk Officer / Risk Cell / Risk Coordinator etc.
- It also outlines the key aspects of the risk management process and delineates the monitoring & reporting protocols.
- The policy forms part of OHPC's Internal control & Governance mechanism. This policy shall operate in conjunction with other business and operating / administrative practices.

2.2. Core principles to achieve the objectives of the Policy

To achieve these objectives, OHPC shall adhere to the following core principles:

1. **Effective Risk Management Process:** The Risk Management Committee constituted by the Board shall have the overall responsibility to ensure effective risk management process within the company.
2. **Everyone's commitment:** Every function/ department/ office in the organization shall work in coordination to ensure effective implementation of this risk management policy.
3. **Proactive Leadership:** Risk identification (including identification of the risk of lost opportunities), risk assessment, risk response and risk monitoring are ongoing activities and shall form an integral part of the company's operations, management and decision Making process. All the identified risks shall be updated in the central repository.
4. **Risk Culture:** Informed and consistent risk related decisions shall be taken, noncompliant behaviors shall not be tolerated and risk management shall be dealt professionally.
5. **Transparency and Compliance:** The risk management activities along with the most Significant risks shall be reported and the material failures in mitigation measures shall be escalated through reporting line to the relevant levels of organization structure.

6. **Result Evaluation:** To assess the effectiveness of the Risk Management Policy and its implementation and need for improvement if any.

2.3 Policy Statement

OIIPC is committed to develop an integrated Risk Management Framework to achieve the strategic objective while ensuring appropriate management of risks as well as to ensure protection and enhancement of stakeholders' value. More specifically, the policy is designed:

- To provide clear, transparent, & sound basis for informed decision making at all levels of the organization.
- To establish ownership throughout the Organization and embed risk management as an integral part of the business rather than a stand-alone system
- To help the decision makers of the organization explicitly take account of uncertainty, the nature of that uncertainty, and work towards a solution to address it.
- To ensure that all the current and emerging risk exposures of the organization are identified, qualitatively and quantitatively evaluated, analyzed and appropriately managed
- To enable compliance with the relevant legal and regulatory requirements
- To assure demonstrable achievement of objectives and improvement of financial stability of the organization
- To strive towards strengthening the Risk Management System through continuous learning & improvement.

2.4. Scope & Extent of Application

This Risk management Policy is applicable to operations at all hydro power stations of OHPC i.e. UIHEP (Mukhiguda), BIHEP (Balimela), UKHEP (Bariniput), RHEP (Rengali), HHEP (Burla), CHEP (Chiplima) and UIHEP (Khatiguda), all current and future projects, and all functions / departments at Corporate office. The policy is devised in the context of the present business profile, future growth objectives and new business endeavors/ services that may be necessary to achieve the goals. This policy covers all the events with in the company & events outside the company which have a bearing on the company's business.

3.0. Definitions of Key Terms

1. **Risk:** Risks are events or conditions that may occur, and whose occurrence, if it does take place, has a harmful or negative impact on the achievement of the organization's business objectives. The exposure to the consequences of uncertainty constitutes a risk. Effect of uncertainty on objectives. An effect is a deviation from the expected. It can be positive, negative or both, and can address, create or result in opportunities and threats. Risk is usually expressed in terms of risk sources, potential events, their consequences and their likelihood.
2. **Risk Management:** It is a process involving coordinated activities to direct and control an organization with regard to risk. Risk management Process can be defined as the identification, assessment, and prioritization of risks followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of unfortunate events or to maximize the realization of opportunities.
3. **Risk Register:** Repository of all risks facing OIIPC categorized as High, Medium or Low based on the impact/consequence and likelihood/probability ratings.
4. **Risk Event** denotes occurrence or change of a particular set of circumstances. An event can have one or more occurrences, and can have several causes and several consequences. An

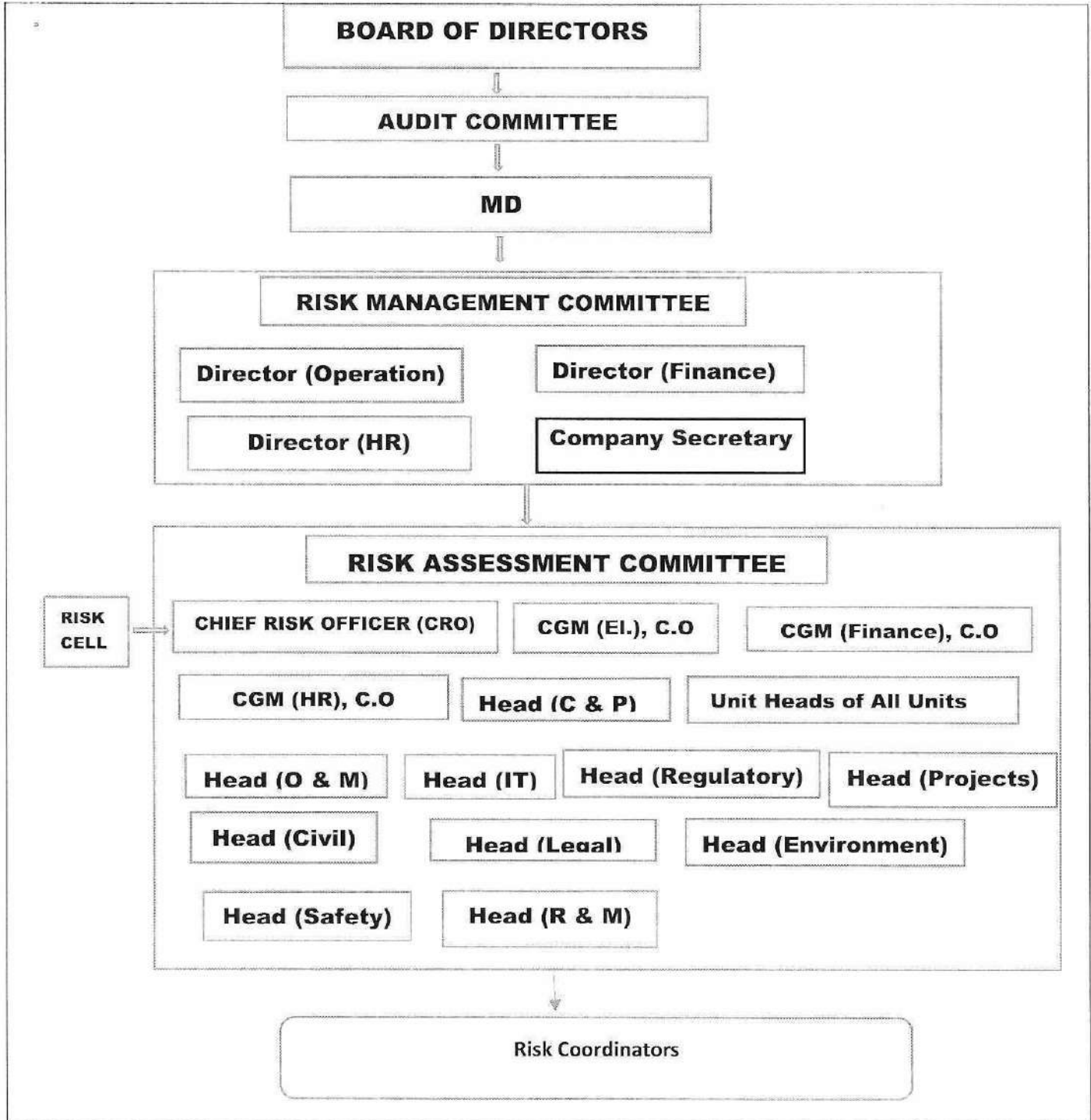
event can also be something that is expected which does not happen, or something that is not expected which does happen. An event can be a risk source.

5. **Risk Appetite:** Risk appetite is the amount of risk the organisation is willing to take in pursuit of achievement of its objective. Risk appetite levels are appropriately incorporated in organisation's Delegation of Power (DoP) as well as into the risk consequence ratings in this document.
6. **Risk Classification:** Logical classification of risk events into various buckets to enable tagging of respective business organisation's attention for monitoring and reporting of such classified risks. Categorizing risks into similar areas helps assign accountability, allocate resources, and ensure that the risk reports are more easily understood by all levels of management.
7. **Control:** A voluntary measure that maintains and/or modifies. Controls include, but are not limited to, any process, policy, device, practice, or other conditions and/or actions which maintain and/or modify risk. Controls may not always exert the intended or assumed modifying effect.
8. **Risk Rating:** The relative rating determined from the risk score derived from qualitative analysis of impact and likelihood. Categorized as High, Medium or Low. Risk rating takes into account the risk appetite of the organisation with respect to different types of risks.
9. **Risk management Process** can be defined as the identification, assessment, and prioritization of risks followed by coordinated and economical application of resources to optimize, monitor, and control the probability and/or impact of unfortunate events or to maximize the realization of opportunities.

4. Risk Governance

A well-defined risk governance structure serves to communicate the approach of risk management throughout the organization by establishing clear allocation of roles and responsibilities for the management of risks on a day to day basis. In order to develop and implement a Risk Management framework, a Risk Assessment Committee to be supported by Risk Cell has been constituted. Risk Assessment Committee shall identify the key risks and report them to the Risk Management Committee which shall ensure that risk management activities are undertaken as per this policy. The main objective of the Risk Assessment Committee shall be to provide a wide view of key risks within the organization to the Risk Management Committee. The Risk Assessment Committee shall comprise of Chief Risk Officer (CRO), Units Heads of all the units and the heads of the key departments. The Risk Management Committee comprises of Director (Operation), Director (Finance), Director (HR) and Company Secretary. The Risk management Committee shall report to MD and MD will appraise the same to the Board through Audit Committee.

The diagram below outlines the governance structure for OHPC –
OHPC's Risk Governance Structure



Note 1: Risk Management Committee shall decide the other members of the Risk Assessment Committee as and when the requirement for more departments' representation arises for implementation of the Risk Management Policy.

4.1 Risk Governance Structure

4.1.1 Risk Management Committee

Risk Management Committee is a Board Level Committee consisting of Director (Operation), Director (Finance), Director (HR) and Company Secretary. Chief Risk Officer (CRO) shall be the convener of the Risk Management Committee. The senior most Director will chair the meetings of the Committee.

The Risk Management Committee has the key role of aligning the strategic objectives with the organization's operations in order to achieve intended outcomes.

Role and Responsibilities of the Risk Management Committee:

- Assist the Board in fulfilling its corporate governance in overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environment risks.
- Monitor, approve and review the risk policies/ plans and associated practices of the company.
- Review and approve risk disclosure statements in any public documents or disclosures.
- Carry out any other function as required by the provisions of the Companies Act, 2013 and Corporate Governance Guidelines issued by DPE.
- Ensure that appropriate systems are in place to manage the identified risks, so that the organizations assets and reputation are suitably protected.
- Ensure that responsibility and authorities are clearly defined and adequate resources are assigned to implement the Risk Management Policy.
- Review the reports from the Risk Assessment Committee and take remedial action.

4.1.2 Risk Assessment Committee

Constitution of Risk Assessment Committee:

- The Chief Risk Officer (CRO)
- CGM (Electrical, Finance & HR)
- Unit Heads of all the units.
- Head of the Departments (C& P, O &M, R & M, Civil, IT, Regulatory, projects, Legal, Environment, safety).
- In case of non-availability of CGM of any Wing and Head of a particular Department, then the immediate senior executive of the Department will act as the member of the Risk Assessment Committee representing the concerned Wing / department.

Role and Responsibilities of Risk Assessment Committee:

The Risk Assessment Committee shall have the key role of identifying the key risks, suggest mitigation measures, monitoring and supervising the implementation of the Risk Management Policy and maintain wide view of the key risks faced by the organization.

- Identify, evaluate and assess the key risks anticipated for the organization and suggest mitigation measures to the risk coordinators.
- Ensure that effective risk mitigation plans are in place and the results are evaluated and acted upon.

- Report the key risks faced by the organization and their mitigation plans to the Risk Management Committee.
- Appoint the Risk Coordinators for the identified risks.
- Ensure that the Risk Management Committee is informed about any new/emerging risks faced by the organization in case of exigencies/emergent conditions.
- Assist the Risk Management Committee in overseeing and monitoring the development and implementation of the Risk Management Policy.
- Prioritize the risks reported according to their risk ratings and assist the risk management committee in decision making for risk management responses for identified key risks.

4.1.3. Chief Risk Officer

The Chief Risk Officer (CRO) shall be designated by MD as per the recommendation of Risk Management Committee from time to time. CRO shall work with the Risk Coordinators to ensure effective implementation of wide risk management process. The CRO shall be the convener of the Risk Assessment Committee meeting.

Roles and Responsibilities of the CRO:

- Communicating and managing the establishment and ongoing maintenance of risk management policy pursuant to the organization's risk management vision.
- Designing and reviewing processes for risk management.
- Communicating with the Risk Management Committee regarding the status of risk management and reporting the key risks faced by the organization.
- Coordinate with all the Risk Coordinators to compile the status of risks and mitigation measures taken.
- Convene the Risk Management and Risk Assessment Committee Meetings and facilitate discussions among the committee to fulfil its responsibilities.

4.1.4. Risk Cell

The Risk Cell located at corporate office and all shall be a team of three members comprising of middle level executives who shall report directly to the CRO. One executive from each Wing (Technical, Finance & HR) shall be nominated by the concerned Functional Director of the Wing.

Roles and Responsibilities of the Risk Cell:

- Assist the CRO in organizing Risk Assessment Committee Meetings.
- Compile the status of risks and mitigation measures taken as reported by Risk Coordinators.
- Record the key risks and their mitigation plans in the risk register as agreed by the Risk Assessment Committee. The risk register shall contain:
 - Function/ department wise record of key risks.
 - Risk category wise record of key risks.
 - Treatment plans for the key risks.

4.1.5. Risk Coordinators

The Risk Coordinators shall be the nominated representative of all the concerned Departments / Units at the Corporate office / units as mentioned in the responsibility column of the Risk Register. Concerned Functional Director shall nominate the Risk Coordinator for each department at Corporate Office and the Unit Heads shall nominate Risk coordinator of their respective units.

The Risk Coordinators shall have the key role of reviewing and assessing the risks identified by the associated department/project/Unit heads and to develop and monitor the mitigation measures for the identified risks.

Role and Responsibilities of Risk Coordinators:

- Review and assess the risks reported by the department/project/unit heads.
- Identify any new risks relevant to their respective areas.
- Develop mitigation measures and action plan for all the identified risks.
- Ensure implementation of mitigation plans by coordinating with respective departments.
- Provide status of risks and mitigation measures taken, to the CRO for reporting in the Risk Assessment Committee.

4.2 Risk Reporting Structure

The following risk reporting structure shall be followed by the organization:

First Line of Reporting

- The department/project/unit heads shall send the report on status of risks to the respective Risk Coordinators with a copy to the CRO for information in the format as provided at **Annexure-A** on quarterly basis.
- The Risk coordinators shall send the report on status of risks and mitigation measures taken to the CRO for reporting in the Risk Assessment Committee on quarterly basis.

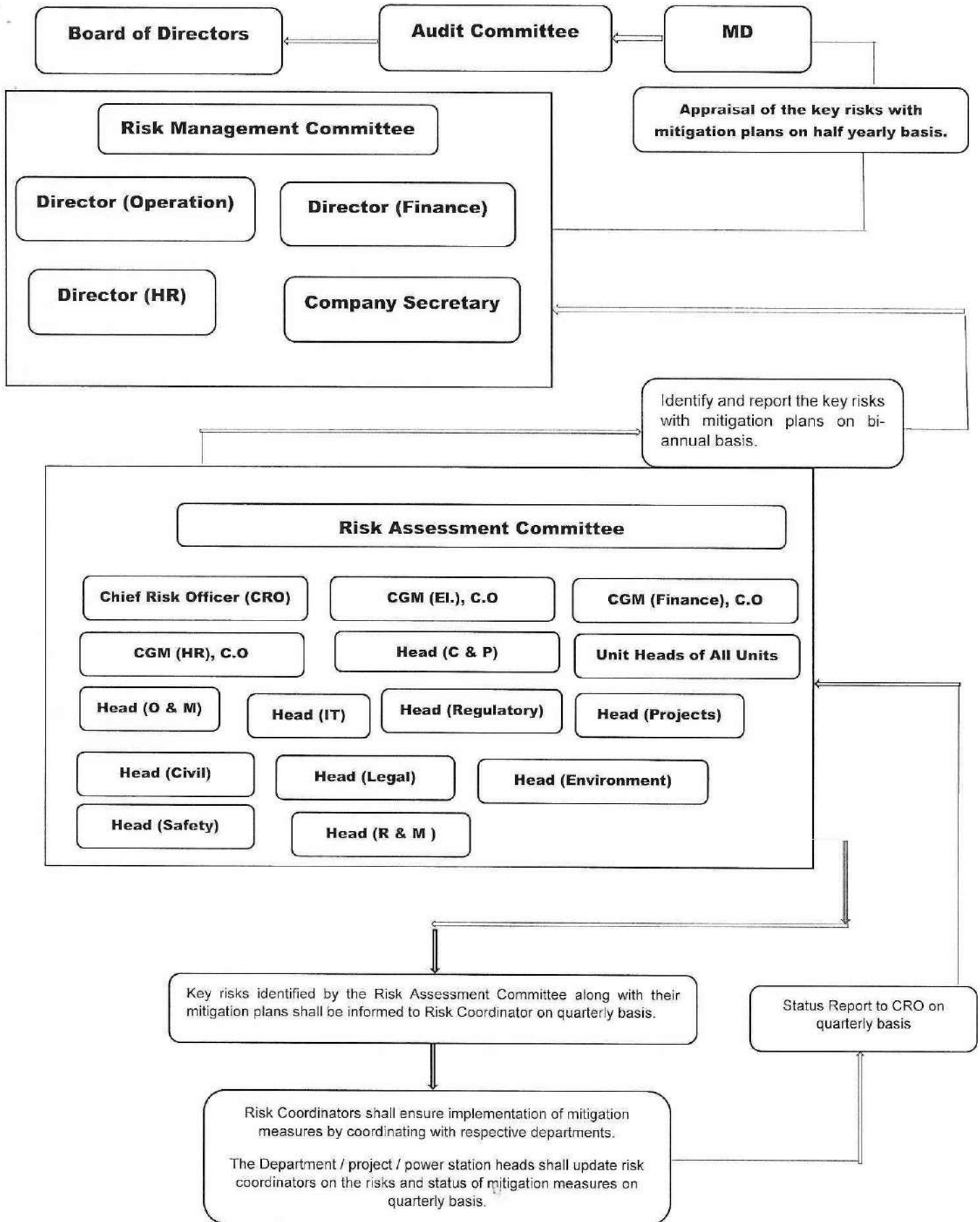
Second Line of Reporting

- The Chief Risk Officer along with the other members of the Risk Assessment Committee shall review the risks with their mitigation measures and decide upon the key risks which shall be reported to the Risk Management Committee on bi-annual basis.
- After the Risk Assessment Committee approves the risks and their mitigation measures, Risk Cell shall record it in the risk register and handover the risks with their mitigation plans to the CRO who in turn shall inform the concerned Risk Coordinators for the implementation of the mitigation plans on quarterly basis.
- Upon deciding and implementing the mitigation plan the Risk Assessment Committee through the CRO shall present it to the Risk Management Committee on bi-annual basis.

Third Line of Reporting

- The Risk Management Committee shall apprise MD on the key risks faced by the organization and the mitigation measures taken on bi-annual basis.
- The Risk Management Committee shall also apprise MD for decision on any new/emerging risks faced by the organization in case of exigencies/ emergent conditions.

Risk Reporting and Escalation Process



5.1. Risk Management Approach at OHPC

Risk Management is the process which shall enable the organization to identify, assess and treat risks. It is the responsibility of everyone in the organization viz. Board, Management Team and all OHPC personnel. Risk Management applies to all functions, departments and operations within the organization.

The primary objective(s) of establishing a Risk Management Process is to ensure that:

- Risks faced by the organization shall be identified and recorded in the risk register, enabling the top management to take a comprehensive view of the same.
- Risks identified shall be assessed, mitigated, monitored and reviewed on an ongoing basis.

5.2. Risk Management Process

The risk management process adopted by OHPC has been tailored to the business processes of the organization.

The Risk Management Process is depicted below:

5.2.1 Risk Identification

Risk identification sets out to identify an organization's exposure to uncertainty. This requires an in-depth knowledge of the organization, the market in which it operates, the economic, legal, regulatory, social, political, technological and cultural environment in which it exists, as well as the development of a sound understanding of its strategic and operational objectives, including factors critical to its success and the threats and opportunities related to the achievement of these objectives.

Risk identification shall be approached in a methodical way to ensure that all significant activities within the organization have been identified and all the risks flowing from these activities defined.

The following methodologies can be used to identify risks:

- Brainstorming
- Surveys /Interviews/Working groups
- Experiential or Documented Knowledge
- Risk Lists - Lessons Learned
- Historical risk event information

5.2.1.1 Risk Categorization

All the risks that have been identified shall be classified under the following risk categories -

- a. **Financial:** Risks that directly impact the financial position, profit and loss of the organization. They include commodity risks, currency risks, financial reporting risks, interest rate risk, etc. Examples: Default/ Delayed payment by Customers, unfavorable Tariff, Foreign Exchange Fluctuation, etc.
- b. **Strategic Risk** - Risk of loss resulting from business factors. These risks adversely affect the achievement of strategic objectives and may impair overall value.

- c. **Operational:** All risks pertaining to operations of organization and primarily arise from inadequate or failed internal processes, people and systems or from external events. These include: operational efficiency, safeguard of company's assets, IIR/people matters, IT systems, etc. Example: Breakdown of key equipment, Unplanned Shutdown, Inadequate rain/ water-inflow, evacuation/ discharge challenges, external grid imbalance, etc.
- d. **Regulatory:** All risks arising from or impacting compliance to law, rules, regulations and contractual obligations. Example: Contravention of Law or contractual terms, new law and regulations from Govt., unfavorable verdicts from Courts/APTEL/ Regulators, Force Majeure events, etc.
- e. **Social:** Risks that impact Safety & Health of employees / workers/ contractors' personnel / general public and Environment. Example: Accidents at Operating / Project sites, Breach of safety water levels, Terrorism events, Environment / Ecological damage from Project/operating sites, etc.
- f. **Project:** All risks that are related to project management. Examples: Cost and time overrun, counter party risks from project contractors, non/delayed availability of land, change in geotechnical & geological features, poor construction quality, scope changes, contingency management, etc.

5.2.2. Risk Assessment

Risk assessment allows an entity to consider the extent to which potential events have an impact on achievement of objectives.

The risks identified shall be evaluated on an appropriate risk rating for each risk identified as per the criteria below:

Measurement Reference	Financial	Stakeholders	Operational	Compliance
Low (Rating 1)	Insignificant impact on company's financials - revenue, operating profitability and Capex (Cost of impact is likely to be less than Rs.2 crores per annum)	Minimum impact on stakeholders	Minimal impact on operations	Minimal or No Impact
Moderate (Rating 2)	Moderate impact on company's financials - revenue, operating profitability and Capex (Cost of impact is likely to be between Rs.2-20 crores per annum)	Moderate impact on stakeholders	Moderate impact on operations	Moderate compliance failures detected, limited penalties
Major (Rating 3)	Major impact on company's financials - revenue, operating profitability and Capex (Cost of impact is likely to be between Rs.20 – 50 crores per annum)	Major impact on stakeholders	Major impact on operations	Major compliance failures detected, heavy penalties

Significant (Rating 4)	Significant impact on company's financials - revenue, operating profitability and Capex (Cost of impact is likely to exceed Rs.50 crores per annum)	Significant impact on stakeholders	Significant impact on operations	Significant compliance failures detected, show cause notice or Significant penalties
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5.2.3 Risk Mitigation Strategy

There are four common strategies for treating risk. There is no single "best" response strategy, and each risk must be considered on its own merits. Some risks may require a combination of strategies and multiple responses, whereas others may need only one strategy with a single response.

- **Risk avoidance/ termination:** This involves doing things differently and thus removing the risk. This is particularly important in terms of project risk, market risk or customer risk but often wishful thinking in terms of the strategic risks.
- **Risk reduction/ mitigation:** Reduce or Treat the risk. This is the most widely used approach. The purpose of treating a risk is to continue with the activity which gives rise to the risk but to bring the risk to an acceptable level by taking action to control it in some way through either:
 - Containment actions (lessen the likelihood or consequences and applied before the risk materializes) or;
 - Contingent actions (put into action after the risk has happened, i.e. reducing the impact. (Must be pre-planned)

Risk acceptance/ retention: Accept and tolerate the risk. Risk Management doesn't necessarily mean risk reduction and there could be certain risks within the organization that it might be willing to accept and continue with its operational activities. The organization shall tolerate such risks that are considered to be acceptable, for example:

- a risk that cannot be mitigated cost effectively;
- a risk that opens up greater benefits than loss
- uncontrollable risks

The Risk Assessment Committee shall take a decision to tolerate a risk as a mitigation measure, and when such a decision is taken, the rationale behind it shall be fully documented. In addition, the risk shall continue to be monitored and contingency plans shall be in place in the event of the risk occurring.

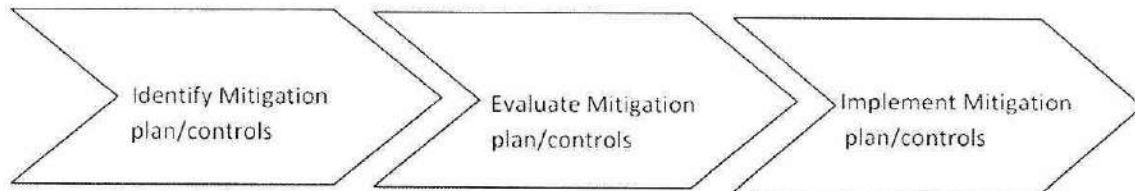
Risk transfer: Transfer some aspects of the risk to a third party. Examples of risk transfer include insurance and hedging. This option is particularly good for mitigating financial risks or risks to assets.

- a) The following aspects shall be considered for the transfer of identified risks to the transferring party:
 - Internal processes of the organization for managing and mitigating the identified risks.
 - Cost benefits analysis of transferring the risk to the third party.
- b) Insurance can be used as one of the instrument for transferring risk.

5.3. Risk Mitigation Process

The risks are identified and if the risk treatment mechanism selected is risk mitigation or risk transfer, the next step shall be to review and revise existing controls to mitigate the risks falling beyond the risk appetite and also to identify new and improved controls.

Risk Mitigation Process:



Identify controls

New control activities are designed in addition to existing controls post assessment of risk exposure at current level to ensure that the risks are within the accepted risk appetite.

Control activities are categorized into Preventive or Detective on the basis of their nature and timing:

- Preventive controls – focus on preventing an error or irregularity.
- Detective controls – focus on identifying when an error or irregularity has occurred. It also focuses on recovering from, repairing the damage from, or minimizing the cost of an error or irregularity.

Evaluate Controls

The controls identified for each risk event shall be evaluated to assess their effectiveness in mitigating the risks falling beyond the risk appetite.

Implement Controls

It is the responsibility of the Risk Assessment Committee to ensure that the risk mitigation plan for each function/department is in place and is reviewed regularly.

5.4 Risk Monitoring & Review

The Risk Assessment Committee shall work on an ongoing basis within the risk management framework outlined in this policy to mitigate the risks to the organization's business as it may evolve over time.

5.4.1 Risk Monitoring

As the risk exposure of any business may undergo change from time to time due to continuously changing environment, the risks with their mitigation measures shall be updated on a regular basis.

The following process shall be followed:

Quarterly

- 1 The departments/ project / Unit head shall review and report the status of risks and treatment actions to the Risk Coordinators with a copy to CRO on quarterly basis. In addition, Risk Coordinators shall identify and report any new or changed risk to the CRO on quarterly basis.

- 2 The Risk Assessment Committee shall monitor and supervise the development and implementation of the Risk Management Policy and maintain wide view of the key risks and their mitigation measures faced by the organization on quarterly basis.
- 3 The CRO along with the other members of the Risk Assessment Committee shall identify the key risks and suggest mitigation measures to the concerned risk coordinators on quarterly basis.

Half yearly

1. The Risk Assessment Committee shall report the key risks and their mitigation plans to the Risk Management Committee on bi-annual basis.
2. The Risk Management Committee shall apprise the Board through MD on the key risks faced by the organization and the mitigation measures taken on biannual basis.

5.5 Risk Review

Effective risk management requires a reporting and review structure to ensure that risks are effectively identified and assessed and that appropriate controls and responses are in place. Regular audits of policy and standards compliance shall be carried out and standards performance reviewed to identify opportunities for improvement. It shall be remembered that organization is dynamic and operate in dynamic environment. Changes in the organization and the environment in which it operates must be identified and appropriate modifications made to risk management practices. The monitoring process shall provide assurance that there are appropriate controls in place for the organization's activities and that the procedures are properly understood and followed.

The Risk Coordinators along with department/project/power station heads shall review the progress on the actions agreed to mitigate the risk and make an assessment of the current level of risk including:

- Establishing whether actions have been completed or are on target for completion.
- Report the status of implementation of mitigation plans to the CRO.

Risk monitoring and review process shall also determine whether:

- The measures adopted resulted in what was intended.
- The procedures adopted and information gathered for undertaking the assessment was appropriate.
- The acceptability of each identified risk and their mitigation plan shall be assessed and risks shall then be ranked to identify key risks for the organization.
- Proposed actions to eliminate, reduce or manage each material risk shall be considered and agreed.
- Responsibilities for the mitigation measures for key risks management of each risk shall be assigned to appropriate departmental heads.

SI No.	Risk Classification	Risk Sub Category	Risk Coordinator (Responsible Division)	Risk Description	Risk Rating	Risk Mitigation Measures	Associated Divisions
Risk Category: A – Operational							
A1	Geological Risk	Corporate Office	Head (Safety)	Uncertain geological conditions such as: - High ingress of water with or without debris. - High geothermal gradient - Rock popping/ bursting - Interception of faulty / shear zone of considerable thickness with or without water and debris. - Slope instability.	4	Using of Trash Rack Cleaning Machine (TRCM) to clean the debris.	Concerned safety division of the Unit.
A2	Policy Risk	Corporate Office	Head Project	Delay in start of construction due to lack of adequate/ timely Clearances / approvals from the respective Ministries.	4	<ul style="list-style-type: none"> Identify the various State Government departments such as Environment and Forests that contribute mainly towards delays and sensitize them about various issues relating to the project. Analyse procedures involved in various clearances & interactions with the Government and suggest opportunities for improvement. 	Concerned Unit Head / Project Head.
A3	New Project and R&MU Project Risk	New Project/ R&MU	Head Project / Head (R&MU)	Lack of effective project monitoring that may lead to project delays and subsequently result into time and cost overruns.	4	<ul style="list-style-type: none"> Develop an internal mechanism for proper monitoring of project execution (integrated scheduling, regular update and corrective actions, cost components). Continuous monitoring of the controllable delays to protect the Corporation from adverse effects of time and cost overruns. Uncontrollable delays to be recorded. Build a Knowledge Management System which will be the repository of all project & R&MU related information. This system can be used to understand the reasons for hindrances encountered so that new projects can take such factors into account while 	New Project Head/ Concerned Unit Head

A4	Project Risk	Project R&MU	Head Project (R&MU) / New Head	Time and cost overrun due to award of contracts without ensuring availability of land and related clearances. Site clearances and dewatering in case of R&MU.	4	<p>designing & RML the project monitoring activities.</p> <ul style="list-style-type: none"> Carry out process benchmarking for key business processes and establish standard times for each activity to be completed. <p>The new project division shall ensure that all legal documents related to clearances and land acquisitions are approved by the authority and are in place before awarding the contract.</p> <ul style="list-style-type: none"> Land acquisition can be started as a parallel activity to clearances thus allowing for issues related with land acquisition to settle in due course of time. Kick-up meeting may be convened once R&MU contract is signed Unit Head may act accordingly in co-ordination with SLDC & DoWR. 	New Project Head / Concerned Unit Head. Land Officer.
A5	Contractor Risk	Unit	Head Project / Concerned Unit Head	Time and cost overrun due to stoppage of work due to Labour problems of Contractor.	4	<ul style="list-style-type: none"> Develop a mechanism to ensure payment from contractor to sub-contractor and from sub-contractor to workmen happens on a timely basis. The Engineer in charge at the power stations / project sites shall ensure minimum wages are being paid to the labours on a timely basis. 	Unit HR Head
A6	Political Risk	Unit	Unit Head	Time and cost overruns due to Local Agitation.	4	<ul style="list-style-type: none"> Take up matter of Law & Order due to local agitation with concerned administration highlighting importance of such projects for development of state or region. 	Unit HR Head
A7	Natural Calamity Risk	Unit	Unit Head	Risk of flooding of power house, dam breakage due to floods and unprecedented rains.	4	<ul style="list-style-type: none"> Indemnify the company against possible losses by insuring the projects /power plants under natural calamity risk insurance policy / All Risk Policy. Emergency response measures such as immediate medical aid and ambulance facilities shall be made available at project sites/power stations. 	Safety Head, Corporate Office & Concerned Unit Finance Head.
A8	Project Risk	Unit	Unit Head	Risk of damage to the structures and vital installations due to fire.	4	<p>For safety against fire, a Fire Protection Manual (FPM)/ Safety Manual consisting the following, shall be in place:</p>	Safety Head , Corporate Office

A9	Terrorism Risk	Unit	Unit Head	Risk of Maoist attack on vital installation of Power Stations.	4	<ul style="list-style-type: none"> • Staff positions responsible for management and implementation of the FPM. • Fire Safety Policy, procedures, and practices for training of general plant personnel. • Adequate firefighting and smoke masks shall be stored at the power stations. • Periodic inspection, testing and maintenance of fire protection systems shall be conducted to ensure the fire equipment readiness at all times. • Installation of automatic fire detection, alarm, and suppression systems, including fire water supply and distribution systems (for e.g. Sprinkler/water spray systems) • Manual suppression capability including portable fire extinguishers, standpipes, fire hydrants, hose stations. • Regular fire mock drills shall be conducted to train the personnel. • Alternate escape routes especially near transformer gallery and proper ventilation to minimize risk to human lives. • Emergency response measures such as immediate medical aid and ambulance facilities shall be made available at project sites/power stations. • Develop disaster management plan for each power plant / project with delegation of responsibility. • The power station shall be indemnified for such kind of Risk under Industrial All Risk Policy/ Mega Risk Policy/ other relevant Insurance Policy. 	Safety Head, Corporate Office
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	A 10	Reputational Risk	Corporate Office	C&P Head	Non settlement of claims of various contractors leading to disputes resulting into arbitration and legal complications apart from delay in projects.	4.	<ul style="list-style-type: none"> safe environment to personnel working at the sites. A warning system/ PA system shall be in place which shall be triggered at the time of emergency. All the vulnerable/ sensitive areas shall be provided with high mast lights/ search lights to keep adequate illumination level. Inspection/ patrolling at night to be carried out to avoid any mishap at the power station. Emergency response measures such as immediate medical aid and ambulance facilities shall be made available at project sites/power stations. The power station shall be indemnified for such kind of risk under Industrial All Risk Policy/ Mega Risk Policy. 	Director (Operation), Director (HR) & Legal Head.
	A 11	Project Risk	Corporate Office	Head Project	Delays in timely management decisions for revival of construction of the project after any uncontrollable event which may lead to further cost overrun.	4	<ul style="list-style-type: none"> Resolve delays in contractor payment immediately to prevent project delays and cost implications. A dedicated dispute resolution committee shall be constituted for every project by corporate contracts division to ensure early settlement of claims. The Committee shall work on an ongoing basis throughout the project execution with adequate financial powers for early detection and settlement of the contractual dispute. The committee shall meet at least once in a quarter to resolve delays in contractor payment and various claims. Regular workshops shall be conducted to discuss learnings from past experiences on how delays in decision making have impacted time and cost and how Knowledge Management System can enable them to promote quicker decision making. Management Information Systems (MIS) shall be implemented that shall improve coordination between various departments and enable quick response and prompt decision making as well as bring to attention areas of short-fall. Notification mails and alerts shall be inbuilt in the system which 	Unit Head / CGM (EL.) / CGM(Finance)

A12	People Risk	Corporate Office	CGM (HR)	Lack of Succession Planning, Manpower attrition and non - development of core competency.	4	<p>will send alerts to the personnel as the deadline for decision making approaches.</p> <ul style="list-style-type: none"> Manpower planning/assessment and Succession Planning shall be performed annually to establish staffing levels and a systematic process shall be followed for identification of required human capital resources, adequate competencies and the development of strategies necessary to meet these requirements. Key demographic employment data and characteristics (e.g. sex, average age, occupational groups, skills/competency profiles, etc.), internal workforce trends (e.g. retirement eligibility, vacancy rates, turnover, etc.) and inputs from various departments are important factors which should be considered when conducting a comprehensive manpower analysis. <p>Adopt various mechanisms via financial/nonfinancial reward & recognition systems including performance related incentive based on individual/ group performance which would lead to increased organizational productivity, systems for unlocking creativity/potential of employees, competence building aiming to have higher satisfaction of employees and also arrest employee attrition.</p> <ul style="list-style-type: none"> Adopt HR tools like employee satisfaction survey, exit interviews and external benchmark study to frame and implement a companywide retention policy to prevent loss of business skills and check attrition. <p>Devise the training curriculum periodically to develop employees' core competencies.</p> <ul style="list-style-type: none"> Perform Training Need Analysis to design the training curriculum for all the organizational roles. All parameters shall be considered while drafting of training calendar including appraisal forms of employees, special requests from Department Heads, request from employee, new business lines, New system implementation etc. 	Unit HR Head
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A13	Project Risk	Unit	Unit Head	Non-maintenance of proper records, notes and documents leading to claims by contractors.	3	<ul style="list-style-type: none"> Implement a Record Management System which shall digitize and store all important documents/ records at Corporate office/ project sites/power stations. The documents/records can then be duplicated onto tapes and kept at a storage location. The head of each department shall ensure that all the data and documentation with their relevant correspondence shall be updated in the system. The HOD's shall ensure that the correspondence/ claims by contractors shall be replied promptly with appropriate response/ counter claims wherever applicable. 	Unit Finance Head & CGM (Finance).
A14	Project Risk	Corporate Office	New Project Head	Improper site selection for projects causing failure in: <ul style="list-style-type: none"> - Diversion tunnels - Cofferdams - De-silting chambers - H.R.T - Powerhouse structure (underground/ subsurface) - Surge shaft - Penstocks - Tail Race Structure 	3	<ul style="list-style-type: none"> Duration of site investigation and proportion of financial expenditure required for site selection should be adequately planned. Adequate support from design & geology experts to analyse the site investigation data and guide the site team to undertake further studies for proper site selection should be planned. Skills enhancement programme should be planned to build skills of site team undertaking the studies. Detailed studies and investigations/ surveys should be carried out in pre-feasibility stage before preparing a Detailed Project Report to select proper site. For example: <ul style="list-style-type: none"> - Topological surveys to assess the height of dam, location of diversion portals, initial geological mapping and fixing of alignment of tunnels, audits etc. - Engineering Geological surveys (Surface investigations and sub-surface investigations) to ascertain regional geology of the area (classification of rock, stratigraphy, and properties of ground to be recorded.) - The direct tools such as exploratory pits, trenches, drill holes, drifts should be used to gather detailed information of the ground under survey. - Geotechnical surveys to be carried out for estimation of rock classes done by geo-mechanical classification for tunnels/ underground works and 	Unit Head

	slope stability measures to evolve type and quantity of support system. - Geophysical methods to be employed for assessment of in-situ conditions and engineering properties of rock mass be conducted for controlled blast design and for safe excavation of major structures. Slope stability design and analysis should be carried out by utilizing inputs from inclinometer studies. - Seismological surveys to assess the seismicity of the area and demarcation of active faults in and around the project area. Rock and Soil Mechanic testing to determine deformability of rock materials, tensile strength, direct shear strength and geological properties of rocks. - Hydrological and meteorological surveys to assess rainfall, gauge, discharge, sediments, and availability of water for the benefits envisaged etc. • Such investigations should be planned to provide the information and data to select proper site for projects and perform dam safety analyses.							Unit Head.
A15	Project Risk	Project R & MU	New Head / R&MU	Project Head	Delays due to lack in contractor's/partners anticipated performance – due to its own reasons or local/forced conditions.	3	<ul style="list-style-type: none"> • Upon signing the agreement with the contractor, define key performance indicators along with intermediate milestone penalty matrix which shall form part of agreement and shall be continuously monitored to evaluate contractor performance. <p>Stringent binding penalty clauses shall be included in the contract with contractors to ensure their optimal performance.</p>	Unit Head.
A16	Technology Risk	Corporate Office	IT Corporate Office	Head	Insecure IT and Communication systems may result in its exposure to cyber threats.	3	<p>Information Security Management System (ISMS) shall be implemented in order to eliminate or minimize the impact that various security related threats and vulnerabilities might have on OHPC.</p> <ul style="list-style-type: none"> • The ISMS implementation shall be directly influenced by the OHPC's objectives, security requirements, processes employed, size and structure. • By preventing and minimizing the impacts of security incidents, ISMS shall ensure business 	Unit IT Head

A17	Contractor Risk	Unit Head	Unit Head	Unit Head	Non availability of contractors at site in case of breakdown requiring specialized maintenance leading to generation loss.	3	<p>continuity, confidentiality and integrity of critical information systems.</p> <ul style="list-style-type: none"> IT Security policy should be developed/ reviewed and implemented to minimize disruption of IT services due to malware attacks and also pilferage of information. The organization shall determine its requirements for the continuity of IT infrastructure in adverse situations, e.g. during a crisis or disaster. A Disaster Recovery Site as part of Business Continuity Plan shall be developed at an alternate location. 	Head maintenance Corporate Office
A18	People Risk	Unit Head	Unit Head	Unit Head	Lack of adequate safety measures at project sites/power stations may cause injuries to personnel.	3	<ul style="list-style-type: none"> Identify Contractors having specialized capabilities, qualifications and sufficient experience and expert manpower of similar nature to attend major breakdown of the machines. Empanel the contractors that would be available within 24 hours for attending breakdowns at project sites in remote areas. In case the contractor fails to reach the site in the stipulated time, availability of trained and expert technical manpower should be ensured to attend to critical breakdowns. 	Head Safety Corporate Office
							<ul style="list-style-type: none"> For safety measures at project sites/power stations, all persons at sites must comply with Personal Protective Equipment (PPE). Mandatory PPE requirements for project sites/stations shall include: <ul style="list-style-type: none"> Hard hat with or without torchlights Safety glasses High visibility clothing Safety boots Hearing protection and gloves. Safety Officer/Electrical Safety Officer or Dedicated personnel in charge of safety measures shall be posted at the power stations/ project to ensure compliance to PPE requirements. Emergency response measures such as immediate medical aid and ambulance facilities shall be made available at project sites/power stations. 	Head Safety Corporate Office

A19	People Risk	Corporate Office	CGM (HR)	Inadequate process to manage knowledge within the organization due to transfer of personnel from one department/ project to another.	3	<ul style="list-style-type: none"> Knowledge repository shall be built in OHPC for supporting creation, capture, storage and dissemination of information. This will enable easy transfer of knowledge between employees who will have ready access to the organization's documented base of facts, sources of information, and solutions. Knowledge sharing, proper and elaborate handholding of records should be ensured at the time of relieving/ transfer of personnel. 	Unit Head
A20	Project Risk	Unit Head	Unit Head	Inadequate/lack of timely equipment and civil maintenance exercise which may result in loss of power generation due to frequent equipment breakdowns.	3	<p>Maintenance Plan(s) to be adhered to minimize breakdown losses in power generation.</p> <ul style="list-style-type: none"> Conduct an analysis of past data to check if maintenance schedules and norms are effective. For Power Stations in remote areas where hiring contractors is difficult, process shall be initialized early and approvals shall be fast paced to mitigate the risk of loss of generation. 	Head maintenance Corporate Office
A21	Project Risk	Corporate Office	CGM (El.)	Improper strategy to choose/decide various systems and equipment as available world over with respect to cost and to have major supplies from within or outside India.	2	<p>Two stage tendering process should be adopted by OHPC. During the first stage of tendering, acceptable technical solutions/ equipment should be evaluated after calling for the Expression of Interest (EOI) from the leading experienced and knowledgeable manufacturers/ suppliers/ contractors in the field of proposed procurement. On receipt of the EOI, technical discussions should be held with the shortlisted manufacturers/ suppliers, who are prima facie considered technically and financially capable. During these technical discussions stage, acceptable technical solutions may be decided upon laying down detailed technical specifications.</p> <ul style="list-style-type: none"> Proper record of discussions and the process of decision making should be kept. Once the technical specifications are finalized, the second stage of tendering should consist of calling for techno-commercial bids as per the usual tendering system under single or two bid system as per the requirement of each case. 	Unit Head

A22	Project Risk	Unit Head	Unit Head	Loss of human and animal life, material, machinery etc. due to release of water in downstream.	3	<ul style="list-style-type: none"> OHPC shall ensure following steps for information regarding release of water in downstream: <ul style="list-style-type: none"> Establish a siren with an appropriate blow range. Notice boards to be erected in the downstream area. Additional Communication systems like calls, letters, circulars to local authorities etc. to be used during monsoon period. 	Local District Administration
A23	Project Risk	Unit Head	Unit Head	Inadequate process/ monitoring mechanism to ensure that trials and tests during commissioning/ recommissioning of a Project site are performed mandatorily.	2	<ul style="list-style-type: none"> All tests and trials (Charging of water conductor system and checking for any abnormal seepage of water, sealing of surge shaft gates and draft tube gates, etc.) shall be performed as per defined guidelines/ procedures before the commissioning/ recommissioning of the project. Projects shall be commissioned after proper analysis of the reports. Tests and trial reports shall be reviewed and audited annually. Required manpower shall be posted well in advance for round the clock operation of power house, dam and shall be adequately trained. 	Concerned Engineer-in-charge.
A24	Project Risk	Corporate Office	C&P Head	Delays in award of contracts/ retendering.	2	<ul style="list-style-type: none"> Develop a uniform tender approval procedure for avoiding contract litigations that arise due to issues raised on tendering procedures. All contracts shall cover the scope of work in detail clearly defining roles and responsibilities of the contractor to avoid litigations due to difference of understanding of scope. A feedback mechanism shall be developed wherein learnings from various contracts shall be updated and carried forward to other contracts to make them more robust. Review existing contract templates and create a model clause library after understanding the legal and management perspective on contract risks. 	Unit Head
A25	Project Risk	Corporate Office	C&P Head	Delays in works due to problems of cash flow with the working contractors.	2	<ul style="list-style-type: none"> Get credit rating of the contractors assessed prior to signing the contract to get a view about the financial status of the contractors. Establish appropriate governance structure at the project level to help the working contractors resolve their cash flow problems by providing 	CGM (Finance)

A26	Project Risk	Corporate Office	New Project Head and R&MU Head	Delays in power equipment supply which may lead to delays in commissioning of the project.	2	<p>support in day to- day supplier management activities such as contract management and financial management.</p> <p>Consider suppliers with proven technologies for supply of power equipment to reduce dependence on its existing source of power equipment.</p> <ul style="list-style-type: none"> Periodical review of the delivery status of E&M equipment and corrective actions in line with project construction schedule. Alternative source of arrangement of delayed equipment should be identified and readied at the cost of OEM to minimize delays. 	CGM (El.) Corporate Office
A27	Project Risk	Unit Head	Unit Head	Lack of adequate monitoring controls/ studies regarding collection of silt data which may lead to decreasing capacity of the reservoir/ damage to the turbines.	2	<ul style="list-style-type: none"> Silt level at operating power stations shall be Monitored. Checking of silt concentration by suitable equipment should be carried out. Reservoir Capacity of power stations shall be monitored regularly. 	CGM (El.) Corporate Office
A28	Project Risk	Corporate Office	CGM (El.)	Non availability of reliable Communication link with SLDC for telemetry of data shall lead to deduction of 1% ROE for the period of deficiency.	2	<ul style="list-style-type: none"> Review/ Augmentation of existing communication system between Power Stations and SLDCs to ensure 100% availability of link for continuous data transfer to SLDCs. The Power Stations shall continuously keep in touch with the SLDC to ensure there is no breakdown in their communication link and the data is being transferred diligently. 	Concerned Unit Head.
A29	People Risk	Corporate Office	CGM (HR)	Lack of training to keep employees abreast with the industry's latest technologies or with evolving industry demands/ international standards	2	<ul style="list-style-type: none"> OHPC shall define mandatory training hours per employee and shall review and revise the training curriculum periodically to develop employees' core competencies. Perform Training Need Analysis to design the training curriculum for all organizational roles. All parameters shall be considered while drafting of training calendar including appraisal forms of employees, special request from department heads, request from employees, new business lines, new system implementation etc. The record of training conducted during the year shall be compared with the approved training. 	HR Head of Units

									calendar. Identify whether there were any delays in imparting the training vis-à-vis the approved plan. Ascertain the reasons for the same and improve the training curriculum/ calendar accordingly.
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Risk Category: B - Financial Risk									
B1	Market Risk	Corporate Office	Director (Finance)	Ineffective management of Foreign currency fluctuation.	1	At the time of substantial foreign currency exposure develop a foreign exchange exposure management policy that will minimize the effects of adverse change rate fluctuations on the financial position of the company. The policy shall inter alia cover the following aspects: <ul style="list-style-type: none"> - Foreign exchange risk limits shall be appropriately defined. - Continuous monitoring and tracking of changes in forex rate. - Guidelines to hedge forex risk using financial instruments (forwards, futures, options, derivatives). • Report the details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate fluctuations to the board on a quarterly basis. • Strive to keep payment and expenditure currency same as far as possible. • Liaise with GRIDCO and ensure continuous follow ups for the pending payments. 	C&P Head / R&MU Head / New Project Head of Corporate Office		
B2	Credit Risk	Corporate Office	SGM (Finance)	Non – realization of outstanding dues from the beneficiaries.	2		Tariff Head		
B3	Financial Risk	Corporate Office	CGM (El.)	Non - utilization of approved additional capital expenditures and its capitalization for power stations.	2	Develop an internal mechanism for effecting proper plan to fully utilize the approved capital expenditure. <ul style="list-style-type: none"> • Regular monitoring of capex budget shall be done to improve the execution to avoid penalties. Regular review of expenditure shall be done and if deviations are found, the issues concerning deviations shall be attended promptly. • Implement a system for regular review of costs and fix responsibility for delays in decision making. 	CGM (Finance)		

Risk Category: C - Strategic Risk

C1	Strategic Risk	Corporate Office	CGM (El.)	Non - availability of defined operational strategy for power stations working in cascade causing generation loss.	2	<ul style="list-style-type: none"> • OHPC shall create a joint monitoring and remote control centre in consultation with other stakeholders for joint operations for the cascaded plants. This would entail real time monitoring of reservoir head for optimized generation besides facilitating regulation of flow in downstream areas of dams which will also ensure the safety measures to avoid downstream mishaps. OHPC shall use Supervisory Control And Data Acquisition system (SCADA) for real time monitoring. 	Concerned Unit Head
C2	Competition Risk	Corporate Office	Tariff Head	Lack of experience in competitive bidding and increased competition from private and government non hydro power companies entering into hydro / Pump Storage Project power sector may result in the loss of projects.	2	<ul style="list-style-type: none"> • Identify skill gap and seek assistance from external consultants/ hire resources with adequate knowledge/experience in competitive bidding. • Adequate training/exposure to be provided to the existing resources to build competencies in competitive bidding. • Plan to build capabilities for participating in competitive bids, by creating a Knowledge Management System which will have repository of all project bids by OHPC or by its competitors in order to identify areas where OHPC can improve (such as cost and time reduction). 	CGM (Finance)
C3	Socio-Political Risk	Corporate Office	New Project Head	Inadequate monitoring of Rehabilitation & Resettlement (R&R) may lead to ineffective Implementation of R&R program and may result in agitations in the local area leading to delays in commencement of the project.	2	<ul style="list-style-type: none"> • Follow the R&R policy for preventing delays on account of R&R issues. • To liaise with State Government's R&R department/ directorate and with District collector/ administration through the Relationship Management Committee to abide with State procedures/ policies. • Constitute a Community Relationship Cell which shall actively engage with local administration as part of local area development committee to discuss the modalities of the company's social responsibility. • Factor in the social costs as part of its R&R and the overall project budget and work out costs accordingly. Based on past experience, estimate the cost of social infrastructure and include the same under R&R activities. • Design a monitoring mechanism to review the effective implementation of R&R program. 	Land Officer of Corporate Office

C4	Socio-Political Risk	Project	New Project Head	Delays in acquisition of land for various locations of the project such as dam, power house, switch yard etc.	2	<ul style="list-style-type: none"> • Liaise with State Government departments for land acquisition. • Apart from direct compensation for assets lost to land acquisition, benefit sharing programs should be designed to sensitize the indirect benefits of development projects to the impacted stakeholders. • Monitor the effectiveness of compensation, relocation, and assistance programs provided at the time of Rehabilitation & Resettlement. 	Land Officer
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Risk Category: D - Regulatory Risk

D1	Regulatory Risk	Corporate Office	Head Tariff Cell	Time and cost overrun due to unanticipated regulatory changes by State/Central Government.	4	<ul style="list-style-type: none"> • Proactively liaise with State Government to maintain healthy relations and to ensure that discussions take place prior to such regulatory changes. • Ensure that such issues are taken up timely with the regulator so that costs due to such regulatory changes are passed on to the beneficiaries through filing of new tariff petitions with the OERC. 	CGM (Finance)
D2	Regulatory Risk	Corporate Office	Head Tariff Cell	Non adherence to OERC guidelines for tariff petition may lead to financial implications.	3	<ul style="list-style-type: none"> • The Tariff team shall ensure that the tariff petitions are as per the OERC guidelines. • The tariffs, before getting finalized, shall be internally reviewed at different levels between the various Departments to ensure that they are in line with the OERC guidelines. 	CGM (Finance)

Risk Management Policy

Abstract of Risk Register

i. **Risk Coordinator: to be decided by Director (Operation)**

Sr. No	Risk Classification
A1	Geological Risk

ii. **Risk Coordinator: to be decided by Director (Operation), Director (Finance) & Director (HR)**

Sr. No	Risk Classification
A2	Policy Risk
A3, A4, A11, A13, A21, A22	New Project and R&MU Project Risk, Project Risk, Project Risk, Project Risk, Project Risk, Project Risk.
A5	Contractor Risk
A16	Technology Risk
A21	Project Risk
B1	Market Risk
C1	Strategic Risk
C2	Competition Risk
C3	Socio-Political Risk

iii. **Risk Coordinator: to be decided by Director (Operation), Director (Finance) & Director (HR)**

Sr. No	Risk Classification
A8, A20, A23, A24, A26	Project Risk
A29	People Risk,
A17	Contractor Risk
A18	People Risk
B2	Credit Risk
B3	Financial Risk
C2	Competition Risk
D1, D2	Regulatory Risk

iv. Risk Coordinator: to be decided by Director (HR)

Sr. No	Risk Classification
A 12, A 19	People Risk
A6	Political Risk
A9	Terrorism Risk

v. Risk Coordinator: to be decided by Director (Operation)

Sr. No	Risk Classification
A7	Natural Calamity Risk
A14, A28	Project Risk
C3	Socio-Political Risk

vi. Risk Coordinator: to be decided by Director (Finance)

Sr. No	Risk Classification
B1	Market Risk
B2	Credit Risk
B3	Financial Risk

vii. Risk Coordinator: to be decided by Director (Finance) & Director (Operation)

Sr. No	Risk Classification
D1, D2	Legal & Regulatory Risk