

Risk Management Policy (summary extract)

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JSW Cement has developed a Risk Management Policy (the Policy) designed to protect and enhance resources and enable the achievement of its objectives. The Policy emphasizes that risk management is an integral part of JSW Cement's business processes.

The Policy is based on the following principles. Risk management is:

- a) the responsibility of the Board, all executives, managers, employees and contractors
- b) integrated into all business activities and systems

A structured risk management framework provides a number of beneficial outcomes by:

- a) enhancing strategic planning through the identification of threats to the JSW Cement's Vision and strategic goals
- b) encouraging a proactive approach to issues likely to impact on the strategic and operational objectives of the Company
- c) improving the quality of decision making by providing structured methods for the exploration of threats and opportunities, and allocating resources.

The policy considers activities at all levels of the organization, viz., Enterprise level; Division level; Business Unit level. All these components are interrelated and drive the Enterprise Wide Risk Management with focus on three key elements, viz., (1) Risk Assessment (2) Risk Management (3) Risk Monitoring