

AUTOMOTIVE AXLES LIMITED

RISK MANAGEMENT POLICY

AUTOMOTIVE AXLES LIMITED

Document Title	RISK MANAGEMENT POLICY
Approved on	May 20, 2025
Authority approving the Policy	Board of Directors

Automotive Axles Limited
Risk Management Policy

Table of Contents

1. Purpose 2

2. Scope..... 2

3. Objectives 2

4. ERM Policy Statement..... 3

5. ERM Governance Structure..... 4

6. Enterprise Risk Management Responsibilities 5

 6.1 Risk Governance and Oversight 5

 6.1.1 Board of Directors 4

 6.1.2 Audit Committee 5

 6.1.3 Risk Management Committee 5

 6.2 Risk Infrastructure and Management 6

 6.2.1 Executive Committee 6

 6.2.2 Risk Management Secretariat 6

 6.3 Risk Ownership..... 7

 6.3.1. Functional Heads 7

 6.3.2. Risk Owners..... 7

 6.3.3. Response Owners..... 8

7. ERM Process and Framework Overview 8

8. Communication..... 11

9. Review..... 11

10. Regulatory and Disclosure Requirements 11

11. Limitations 13

12. Disclaimer 13

Appendix A – Definitions of Common Terms..... 14

Automotive Axles Limited

Risk Management Policy

INTRODUCTION

Automotive Axles Limited (*hereafter referred to as the “Company” or “Automotive Axles”*), acknowledges that it operates in a challenging business environment and given the evolving industry dynamics and regulatory requirements, the Company needs to be well prepared to manage its risks appropriately.

The Company recognizes that risk is inherent to its business operations, and that effective management of risks plays a critical role in facilitating value creation for its shareholders, employees, and other stakeholders.

The Company has laid down a risk management policy (*hereafter referred to as the “Policy”*) that provides guidelines for implementation of Enterprise Risk Management (*hereafter referred to as “ERM”*) framework across the Company. The policy supports the Company’s endeavor to design, implement, monitor, review, and continually improve its risk management practices.

This policy provides an overview of the Company’s Risk Governance structure and illustrates the roles and responsibilities of various stakeholders within it. It majorly encompasses the following elements:

- Policy Objectives
- Risk Governance Structure
- Enterprise Risk Management Roles and Responsibilities

The Risk Management policy shall be read with the Enterprise Risk Management Framework, which lists down the detailed risk management process to be followed to identify potential risks and ensure timely mitigation. The detailed guidance on the risk management process can be found in the ERM Framework.

1. Purpose

The purpose of this policy is to define the requirements around Enterprise Risk Management. This policy sets out the objectives and accountabilities for risk management within the Company such that it is structured, consistent and effective, to drive and thereupon improve the Company’s risk management capabilities in a dynamic business environment.

2. Scope

This policy shall apply to Automotive Axles business operations. This policy shall apply consistently across all levels of the Company, covering all operations, management, employees, contractors, business partners and/or individuals directly/ indirectly associated with Automotive Axles.

3. Objectives

The objective of this policy is to lay down and establish a structured and disciplined approach to the ERM process for the Company and to facilitate risk informed decision making. The specific objectives of this Policy are:

- Provide a sound basis for Risk Governance practices.
- Promote an effective risk management system that supports the Company’s growth strategy.

Automotive Axles Limited

Risk Management Policy

- Support the achievement of the Company's mission, vision, and strategic priorities in line with its core values, through risk-informed decision-making.
- Identify and pursue existing and new opportunities in accordance with the Company's risk appetite, and strategy
- Establish structured processes for identifying, assessing, responding, monitoring, and reporting on risks.
- Facilitate compliance with all applicable regulatory requirements, related to risk management and reporting.
- Establish a process to identify and assess risks which can impact business continuity of the Company and define response recovery plans for such risks.

4. ERM Policy Statement

The Company is committed to establish a robust mechanism for proactive risk management, which is based on the following underlying principles:

- The Company shall strengthen the culture of accountability and transparency towards risk reporting and governance
- The Company will align and integrate varying views on risk management to ensure a uniform risk management framework across all line of business and functions.
- The Company strives to anticipate, monitor, and take preventive action to manage or mitigate risks.
- The Company endeavors to create and foster risk awareness across the organization, through continuous education and training on risk management.
- All employees of the Company take responsibility for the effective management of risks in all aspects of the business.

Automotive Axles Limited

Risk Management Policy

5. ERM Governance Structure

The responsibility for risk management is shared across the organization. The company has established three pillars of risk management responsibilities in its Governance structure, that cascades the scope of activities to senior management and all employees, across all subsidiaries and step-down subsidiaries of the Company.

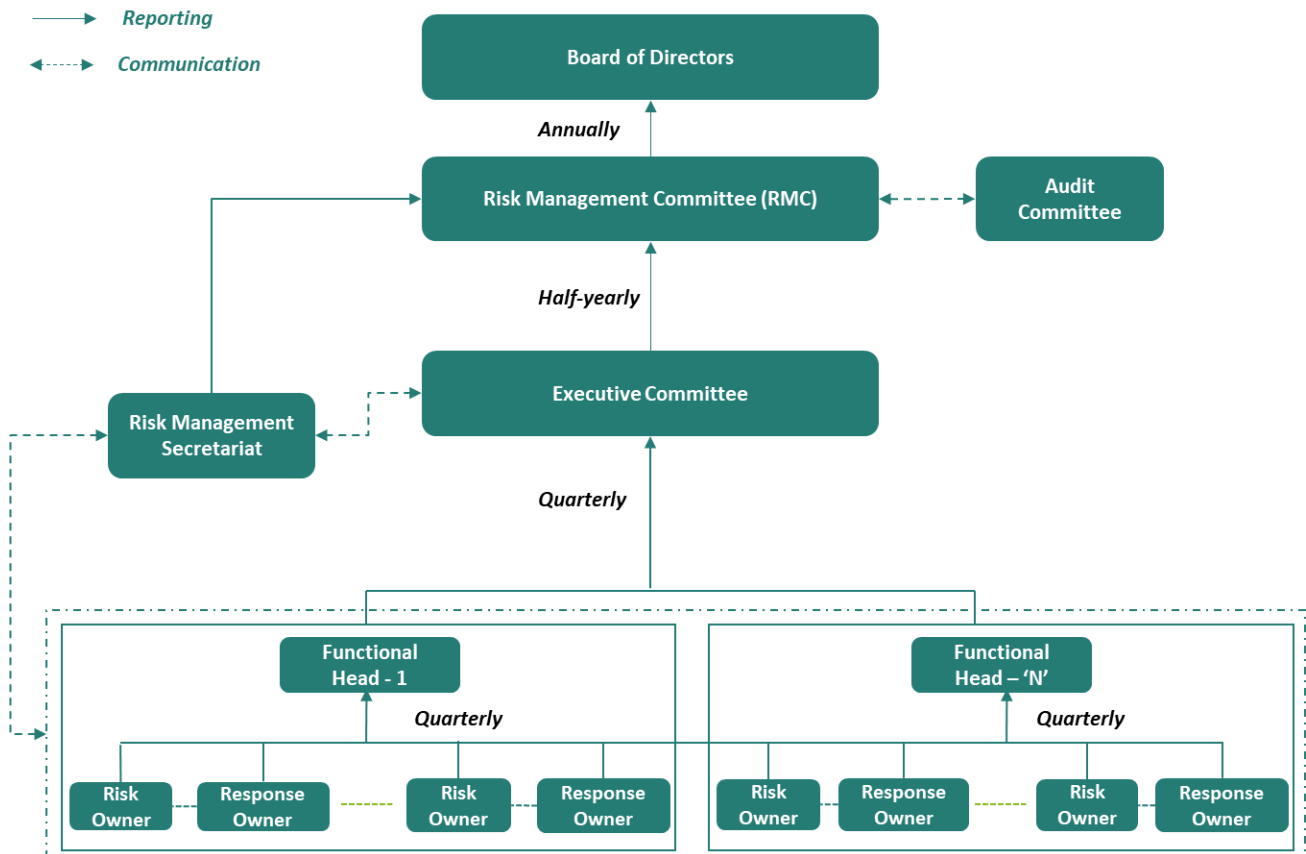


Figure 1: ERM Governance Structure

6. Enterprise Risk Management Responsibilities

6.1 Risk Governance and Oversight

6.1.1 Board of Directors

The Board is committed to the objectives of Enterprise Risk Management and its engagement in the risk oversight function to strengthen the management of organizational risk exposures, in achieving the Company’s strategic objectives. The Board plays a critical role in facilitating an enterprise-wide approach to risk management. It accomplishes this by setting the tone and culture towards effective risk management, affixing enterprise risk appetite, formulating high level objectives, strategy setting, and approving broad-based resource allocation for this purpose.

The Board will meet at least annually to review the key risks (“*high- priority*”) faced by the Company. The Board will review the Company’s portfolio of risk and determine if it is well within the Company’s appetite for risks.

Automotive Axles Limited

Risk Management Policy

Roles and responsibilities of the Board with respect to ERM are broadly classified as follows:

- Periodically approve the ERM Policy and Manual document.
- Periodically review and approve the Company's risk profile and risk appetite.
- Evaluate the effectiveness of risk management procedures on an annual basis covering key risks and associated response plans.
- Review risks associated with investment or project decisions and define a threshold for risk assessment for investments basis appetite.
- Review and approve risk disclosures to external stakeholders in adherence to regulatory requirements.

6.1.2 Audit Committee

- The Audit Committee shall receive an update on the key risks on a semi-annual basis from the Risk Management Committee (RMC)
- It shall also be responsible for providing direction and evaluating the effectiveness of Risk Management program of the company.

6.1.3 Risk Management Committee

The Risk Management Committee (hereafter referred to as "**RMC**" or "**Committee**") shall be entrusted with the responsibility to assist the Board in framing policy, guiding implementation, monitoring, and reviewing the effectiveness of ERM Policy and Framework. The RMC will act as a forum to discuss and manage key risks on a semi-annual basis. The composition, quorum, frequency of meetings is defined in the Terms of Reference of the Risk Management Committee.

The roles and responsibilities of the RMC as defined in the Terms of Reference are,

- Advise the Board on the effectiveness of the risk management systems at least annually.
- Keep the Board informed about the nature and content of RMC discussions (including status of key risks), recommendations, and actions to be taken annually.
- Review risks associated with key investment or project decisions prior to the approval of such investment/project decisions by the Board.
- Periodically review the risk management policy and manual, at least once in two years or as and when the risk appetite is revised and recommend to Board for approval. The risk management policy shall include:
 - A manual for identification of internal and external risks specifically faced by the Company, including financial, operational, sectoral, sustainability (including, ESG related risks), information, cyber security risks or any other risk as may be determined.
 - Measures for risk response including systems and processes for internal control of identified risks.
- Monitor and review implementation of the risk management procedures which shall include:
 - Processes for risk identification and assessment.
 - Risk assessment scales.
 - Key Risks for the enterprise

Automotive Axles Limited

Risk Management Policy

- Define the calendar for review of key enterprise risks with the objective to refresh the prioritized risks at defined periodicity; and
- Propose enhancements to the ERM system, including those required in adherence to changes in regulatory requirements.
- The Committee may delegate some of its responsibilities towards risk management oversight to the Executive Committee (EC), which shall assist the Committee in its risk management oversight role.
- In instances where there is any overlap of activities with other committees, the RMC shall coordinate its activities with other committees, as per the framework laid down by the Board of Directors.
- Perform such other roles, functions as may be entrusted by the Board of Directors from time to time or as may be required to be performed as per any regulatory requirements, as amended from time to time.
- The RMC will convene as needed in response to significant changes in AAL's business environment.

6.2 Risk Infrastructure and Management

6.2.1 Executive Committee

The Executive Committee shall have the following roles and responsibilities:

- Executive Committee (EC) will meet quarterly or more frequently as required by the RMC or specific circumstances and carry out its roles and responsibilities.
- Implement the ERM Policy of the organisation and achieving its stated objectives of developing a risk intelligent culture that supports strategic decision making and helps improve company performance.
- Increase the enterprise's risk intelligence i.e., process of gathering information about risks, break down, apply and gain from the outcomes.
- Provide support and consultancy role, including facilitate and advise on the implementation of risk management and related matters across functions.
- Review Critical and High risks and report the progress to the RMC on a periodic basis.
- Receive the Risk Register from each function and evaluate the appropriateness of countermeasure(s) and decide on the key risks to be presented to the RMC.
- Carry out any other activities as may be required or deemed necessary in this regard.

6.2.2 Risk Management Secretariat

The Risk Management Secretariat shall have the following roles and responsibilities:

- Assist RMC in the implementation of the risk management policy and designated personnel will co-ordinate the activities of the Risk Management Secretariat.
- Provides support and consultancy role, including facilitate and advise on the implementation of risk management and related matters across functions.
- Follow up with Risk owners for the timely update of risk registers as per the defined frequency.
- Work closely with EC and RMC and provide their feedback to risk owners.

Automotive Axles Limited

Risk Management Policy

6.3 Risk Ownership

6.3.1. Functional Heads

The roles and responsibilities of the Functional Heads include.

- Assist the Executive Committee in fulfilling the risk management responsibilities for their respective function.
- Work with the functional teams to ensure adherence and conformity to risk management policy, manual. Identify and monitor risks for their respective functions.
- Consolidate and share the risk register for their respective functions with the Risk Management Secretariat and EC, in consultation with Risk owners.
- Identify new and emerging risks for the function.
- Review the progress, timelines, and appropriateness of the response plans on an ongoing basis.
- Monitor the Key Risk Indicators for Key Risks at the function level on a continuous basis.
- Communicate risks, progress on risk assessment and response plans to the Executive Committee quarterly.
- Escalate challenges, concerns or any unforeseen developments pertaining to existing or emerging risk(s) to the Executive Committee .

6.3.2. Risk Owners

The roles and responsibilities of the Risk Owners include.

- Responsible for developing the respective response plans within their functions/departments and communicating to Function Head quarterly.
- Perform ongoing assessment of the risk scenarios, contributing factors, risk impact, likelihood, response plans, KRIs (for key risks)
- Regularly review and monitor the progress and status of the risk(s) in their respective functions/departments.
- Identify emerging risks, if any, in their functions/departments and communicate them to the Functional Heads / Risk Management Secretariat on timely basis.
- Consult with the respective Functional Heads for finalization of risks and further communicating to the Executive Committee.
- Escalate challenges, concerns or any unforeseen developments pertaining to existing or emerging risk(s) to Functional Heads.
- Align on the responsibility and timelines for the response plans with the Response Owners and respective Function Heads.
- Propose archival of risks in consultation with Function Heads

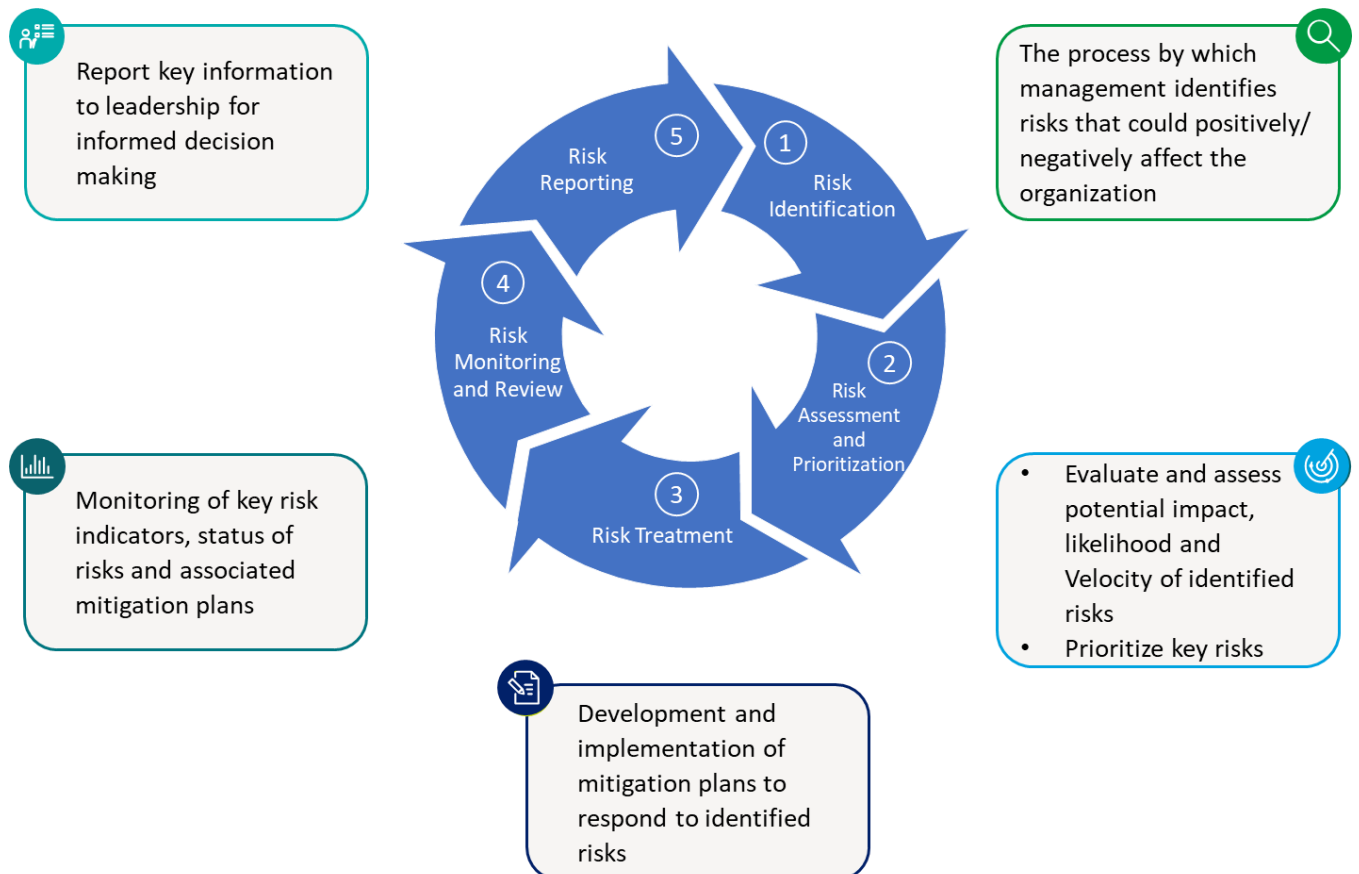
6.3.3. Response Owners

- Response Owners shall be appointed to monitor existing controls and develop response plans in consultation with Risk Owners.
- Actively participate in the design and documentation of the response plans with Risk Owners
- Implement the response plans assigned to them.
- Update the risk owners on the implementation status of the response plans.
- Support risk owners in residual risk assessment.

7. ERM Process and Framework Overview

To effectively manage uncertainty, respond to risks and exploit opportunities as they arise, the Company shall implement an ERM Framework, that lays down the risk management process, in the following steps-

- **Risk Identification:** Risk identification will involve identification of sources of risk, areas of impact events (*including emerging trends*) and their causes and their potential consequences, on the achievement of business objectives. The aim of this step is to generate a comprehensive list of risks based on events that may impact the achievement of business objectives.
- **Risk Assessment and Prioritization:** Risk Assessment and Prioritization involves evaluating and assessing the potential *impact, likelihood, and velocity* of the identified risks. This would enable prioritization of risks, basis criticality, and help decide on the appropriate risk management strategy. Prioritization involves ranking the risks based on associated risk rating, to identify key risks.
- **Risk Treatment:** Risk Treatment refers to mitigation plans developed towards reducing the probability of occurrence or the impact of risk event. Once the company has developed an understanding of its risk profile, it needs to determine if mitigation plans are required, especially in case of key risks.
- **Risk Monitoring and Review:** Risk Monitoring and Review involves defining definite review forums and frequency for monitoring the status of risks to track them periodically. An important aspect of risk monitoring involves identifying and monitoring indicators or signals to sense occurrence of risk, known as “Key Risk Indicators” (*KRIs*). Frequency of reviews is defined to ensure that key risks at the Company level are reviewed, together with review of progress of mitigation plans.
- **Risk Reporting:** Risk reporting ensures that relevant risk information is available across all levels of the Company in a timely manner to provide the necessary basis for risk-informed decision-making. Annual updates are provided to the Board on status of key risks and associated mitigation plans.



Automotive Axles Limited

Risk Management Policy

Figure 2: ERM Process

The ERM process includes actions that the organization takes to sense, evaluate, monitor, and respond to internal and external risks. The detailed guidance on the risk management process along with the enablers such as the risk assessment criteria for prioritization of risks is elaborated in the ERM Framework document.

The Key activities as defined in the above ERM process are summarized along with the frequency and responsibilities as follows:

Role	Frequency	Responsibility
Board of Directors	Annually	<ul style="list-style-type: none"> • Periodically approve the ERM Policy and Manual document. • Periodically review and approve the Company's risk profile and risk appetite. • Evaluate the effectiveness of risk management procedures on an annual basis covering key risks and associated response plans. • Review risks associated with investment or project decisions and define a threshold for risk assessment for investments basis appetite. • Review and approve risk disclosures to external stakeholders in adherence to regulatory requirements
Audit Committee	Semi-Annually	<ul style="list-style-type: none"> • The Audit Committee shall receive an update on the key risks on a semi-annual basis from the Risk Management Committee (RMC) • It shall also be responsible for providing direction and evaluating the effectiveness of Risk Management program of the company
Risk Management Committee	Semi-Annually	<ul style="list-style-type: none"> • Advise the Board on the effectiveness of the risk management systems at least annually. • Keep the Board informed about the nature and content of RMC discussions (including status of key risks), recommendations, and actions to be taken annually. • Review risks associated with key investment or project decisions prior to the approval of such investment/project decisions by the Board • Periodically review the risk management policy and manual, at least once in two years or as and when the risk appetite is revised and recommend to Board for approval • Monitor and review implementation of the risk management procedures • The RMC will convene as needed in response to significant changes in AAL's business environment.
Executive Committee	Quarterly	<ul style="list-style-type: none"> • Executive Committee (EC) will meet quarterly or more frequently as required by the RMC or specific circumstances and carry out its roles and responsibilities • Implement the ERM Policy of the organisation and achieving its stated objectives of developing a risk intelligent culture that supports strategic decision making and helps improve company performance. • Increase the enterprise's risk intelligence i.e., process of gathering information about risks, break down, apply and gain from the outcomes

Automotive Axles Limited
Risk Management Policy

Role	Frequency	Responsibility
		<ul style="list-style-type: none"> • Provide support and consultancy role, including facilitate and advise on the implementation of risk management and related matters across functions. • Review Critical and High risks and report the progress to the RMC on a periodic basis. • Receive the Risk Register from each function and evaluate the appropriateness of countermeasure(s) and decide on the key risks to be presented to the RMC • Carry out any other activities as may be required or deemed necessary in this regard.
Risk Management Secretariat	On-Going	<ul style="list-style-type: none"> • Assist the RMC in the implementation of the risk management policy and a designated personnel will co-ordinate the activities of the Risk Management Secretariat. • Provides support and consultancy role, including facilitate and advise on the implementation of risk management and related matters across functions • Follow up with Risk owners for the timely update of risk registers as per the defined frequency • Work closely with EC and RMC and provide their feedback to risk owners
Functional Heads	Quarterly	<ul style="list-style-type: none"> • Assist the RMS in fulfilling the risk management responsibilities for their respective function. • Work with the functional teams to ensure adherence and conformity to risk management policy, manual. Identify and monitor risks for their respective functions. • Consolidate and share the risk repository for their respective function with the Executive Committee, in consultation with Risk owners. • Identify new and emerging risks for the function. • Review the progress, timelines, and appropriateness of the response plans on an ongoing basis. • Monitor the Key Risk Indicators for Key Risks at the function level on a continuous basis. • Communicate risks, progress on risk assessment and response plans to the RMS quarterly. • Escalate challenges, concerns or any unforeseen developments pertaining to existing or emerging risk(s) to the Executive Committee.
Risk Owners	Quarterly	<ul style="list-style-type: none"> • Responsible for developing the respective response plans within their functions/departments and communicating to Function Head quarterly. • Perform ongoing assessment of the risk scenarios, contributing factors, risk impact, likelihood, response plans, KRIs (for key risks) • Regularly review and monitor the progress and status of the risk(s) in their respective functions/departments. • Identify emerging risks, if any, in their functions/departments and communicate them to the Functional Heads Risk Management Secretariat on timely basis.

Automotive Axles Limited

Risk Management Policy

Role	Frequency	Responsibility
		<ul style="list-style-type: none"> Consult with the respective Functional Heads for finalization of risks and further communicating to the Executive Committee. Escalate challenges, concerns or any unforeseen developments pertaining to existing or emerging risk(s) to Functional Heads. Align on the responsibility and timelines for the response plans with the Response Owners and respective Function Heads. Propose archival of risks in consultation with Function Heads
Response Owners	Quarterly	<ul style="list-style-type: none"> Response Owners shall be appointed to monitor existing controls and develop response plans in consultation with Risk Owners. Actively participate in the design and documentation of the response plans with Risk Owners Implement the response plans assigned to them. Update the risk owners on the implementation status of the response plans. Support risk owners in residual risk assessment

Table 1: Risk Reporting Calendar

8. Communication

This policy shall be communicated to all functions, plant operations and stakeholders involved in the risk management process of the Company.

9. Review

This Policy shall be reviewed at least every two years to ensure that it is aligned with the changes in business environment and regulatory requirements; and any changes to the Policy shall be approved by the Board.

10. Regulatory and Disclosure Requirements

The Companies Act 2013, and SEBI LODR (hereafter referred to as "Listing Regulations"), 2015 and as amended from time to time, have incorporated various provisions in relation to Risk Management Policy.

SEBI LODR Regulations 2015

With HIL listed in the Indian stock exchanges, it is required to comply by the standards laid down by the regulator, Securities and Exchange Board of India (SEBI). Following are the key requirements relating to risk management that are applicable to the Company.

- A. The Board of Directors shall have the following responsibilities with respect to risk management including:
 - Review the Risk Policy **[Regulation 4 (2) (f) (ii) (1)]**
 - Ensure integrity of the Risk Management systems **[Regulation 4 (2) (f) (ii) (7)]**
 - The Board of Directors shall have ability to 'step back' to assist executive management by challenging the assumptions underlying: strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the listed entity's focus. **[Regulation 4 (2) (f) (iii) (10)]**
- B. The listed entity shall lay down procedures to inform members of Board of Directors about risk assessment and minimization procedures. **[Regulation 17 (9) (a)]**

Automotive Axles Limited

Risk Management Policy

- C. The Board of Directors shall be responsible for framing, implementing and monitoring the risk management plan for the listed entity. **[Regulation 17 (9) (b)]**
- D. Risk Management Committee **(RMC) [Regulation 21]**
- **RMC shall have minimum three members** majority of them being Board of Directors and **at least one independent director**. The **Chairperson of the RMC** shall be a member of the board of directors and senior executives of the listed entity may be members of the Committee **[Regulation 21 (2)]**;
 - The Risk Management Committee shall meet at least twice in a year **[Regulation 21, (3A)]**;
 - The quorum for a meeting of the Risk Management Committee shall be either two members or one third of the members of the committee, whichever is higher, including at least one member of the board of directors in attendance **[Regulation 21, (3B)]**;
 - The meetings of the risk management committee shall be conducted in such a manner that on a continuous basis not more than two hundred and ten days shall elapse between any two consecutive meetings **[Regulation 21, (3C)]**;
 - **Risk Management Committee (RMC) has the following roles and responsibilities [Part D of Schedule II]**:
 - Formulate a detailed Risk Management policy, which would include:
 - Measures for risk mitigation, including systems/processes for internal control of identified risks
 - A Business Continuity Plan
 - A **framework for identification** of internal and external risks faced by listed entities, including financial, operational, sectoral, sustainability (particularly Environment Sustainability and Governance - ESG -related risks), information, cybersecurity risks **and any other risk determined by the RMC**.
 - **Monitor and oversee implementation** of the risk management policy, and ensure that appropriate methodology, processes, and systems are in place to **monitor and evaluate** risks associated with business of the company.
 - Periodically **review** the policy, **at least once in two years**, considering the changing industry dynamics and evolving complexity.
 - Keep the **board of directors informed** about the nature and content of RMC discussions and recommendations, as well as the actions to be taken.
 - Review the process of appointment, removal and terms of remuneration of **Chief Risk Officer (CRO), if any**.
 - RMC shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary. **[Regulation 21, (6)]**
 - Listed companies are **required to disclose** the following about RMC in the annual report **(Schedule V, Para C, 5A)**:
 - Brief description of terms of reference
 - Composition, name of members and chairperson
 - Meetings and attendance during the year

Companies Act (2013)

Companies in India are required to comply by the standards laid down by the (Companies Act 2013). Following are the requirements related to Risk Management as per **Companies Act (2013)**:

Automotive Axles Limited

Risk Management Policy

- Report by its Board of Directors, which shall include a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company. **[Section 134 (3) (n)]**
- The Audit Committee shall act in accordance with the terms of reference specified in writing by the board, which shall, inter alia, include evaluation of risk management systems. **[Section 177 (4) (vii)]**
- Independent directors should satisfy themselves that the systems of risk management are robust and defensible. **[Schedule IV]**

11. Limitation

The Risk Management Framework does not intend to provide complete assurance against failures to achieve business objectives, nor does it provide full assurance against material misstatements, losses, frauds, human errors, misjudgments in decision-making and violations of legislation and regulations.

12. Disclaimer

In any circumstances, where the terms of this Policy differ from any existing or newly enacted law, rule, regulation, or standard governing the Company, the newly enacted law, rule, regulation, or standard shall take precedence over this Policy until such time the Policy is changed to conform to the law, rule, regulation or standard.

For Automotive Axles Limited

Date : May 20, 2025

Place : Pune

Sd/-

Nagaraja Gargeshwari
President & Whole Time Director

Appendix A – Definitions of Common Terms

S.No.	Terms	Definitions
1.	Enterprise Risk Management	Enterprise Risk Management involved capability that involves identifying, assessing, measuring, monitoring, and responding to risks across the enterprise in a way that is aligned with the enterprise's objectives and risk appetite
2.	Risk	Risk is defined as "the effect of uncertainty on objectives" and an effect is a positive or negative deviation from what is expected. Risk is measured in terms of impact, likelihood, and velocity.
3.	Uncertainty	Inability to know in advance the exact likelihood or impact of future events.
4.	Challenges/Issue	If the event is certain to happen or has happened the event would be classified as an "issue/challenge". Mostly these challenges/issues are already addressed as part of annual planning processes. A "challenge" is a form of an obstacle that needs to be overcome to achieve desired business outcome. These are "certain" or "on-going" events and hence not classified as risks
5.	Business drivers	Business drivers are the factors/conditions that are vital for the continued success and growth of a business. For different sets of business, the drivers would vary across the organizational value chain depending on its inputs, output, and process parameters.
6.	Business Objectives	Objectives are the goals or targets that the organization desires to achieve within a pre-determined timeframe against each business driver.
7.	Risk Appetite	Risk appetite is defined as the amount of risk the organization is willing to take in pursuit of its organizational values. This is the amount of risk the organization is willing to accept/digest and forms its risk appetite.
8.	Risk Category	The broad categories to group risks together form the risk categories. More specifically risks are grouped based on the primary cause of the risk.
9.	Risk Register	Compendium of all risks finalized and detailed with risk definition, KRI, risk mitigation, risk owners and champions
10.	Risk Impact	Result or effect of an event. That may bring a range of possible impacts associated with the event
11.	Risk Likelihood	The assessment of the probability the risk will occur.
12.	Risk Velocity	It is the time that passes between the occurrence of an event and the point at which the organization first feels its effects.
13.	Risk Score	The combined product of risk likelihood and risk impact
14.	Risk Response	A process of assigning risk owners and functional risk champion for each risk and mitigation; determining the strategy for responding to risks, developing, and implementing risk response plans
15.	Mitigation and Contingency plans	Strategies aimed at preventing the occurrence of risk event are called mitigation plans whereas Plan B for risks in case of exigency conditions after the risk play is termed as contingency plans
16.	Root cause analysis (RCA)	Analysis techniques for identification of plausible causes that may lead to the risk event
17.	Key Risk Indicators	"Key Risk Indicators" are rule based quantitative or qualitative triggers from multiple sources of information for early identification of potentially harmful scenarios
18.	Risk workshop	A risk workshop facilitates a collaborative approach to brainstorm, identify and assess key risks for the concerned unit with the inclusion of all concerned stakeholders

Automotive Axles Limited
Risk Management Policy

19.	Residual Risk	The risk remaining after management has taken action to reduce the impact and/or Likelihood of a risk.
20.	Business Continuity	Any event that has a high impact and high velocity can be terms as business continuity events