

SIL INVESTMENTS LIMITED

**POLICY FOR DETERMINATION OF
MATERIALITY OF EVENTS
FOR DISCLOSURE
TO
THE STOCK EXCHANGES**

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1. Concept

1.0. INTRODUCTION

In pursuance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), SIL Investments Limited (“the Company”) is required to formulate a policy for determination of materiality of events and information which are required to be disclosed to the stock exchanges where the securities of the Company are listed (“Stock Exchanges”).

1.1 Purpose

The purpose of this Policy is to determine “materiality” of events and information, and to ensure that the Listed entity shall make disclosure of events / transaction/ information in terms of Regulation 30 of Listing Regulations [specified in para A and B of Part A of Schedule III of the Listing Regulations (as amended from time to time)] to the Stock Exchanges.

1.2. Authority

The Board of Directors of the Company at its meeting held on November 5, 2015 authorized the Audit Committee of the Board to approve and adopt this “Policy for Determination of Materiality of Events for Disclosure to Stock Exchanges” (“Policy”). Accordingly, this Policy has been approved and adopted by the Audit Committee of the Board of Directors of SIL, and shall be effective from December 1, 2015. The Policy shall also be displayed on the website of the Company.

2. Determination of Materiality

2.0 CRITERION FOR DETERMINATION OF MATERIALITY

The following criterion/ thresholds shall be considered for determination of materiality of events and information:

2.1 Qualitative Materiality Criterion:

- a) The omission of an event or information is likely to result in discontinuity or alteration of event or information already available publicly; or
- b) The omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;
- c) In case where the criterion specified in sub-clauses (a) and (b) above are not applicable, an event/ information may be treated being material, if in the opinion of the Board of Directors of the Company, the event or information is considered material.

2.2 Quantitative Materiality Threshold:

The event or information, the impact of which is more than 10% of the turnover or net worth of the Company, as the case may be. These thresholds shall be determined on the basis of audited financial statements of the Company for the preceding financial year.

3. Material Events

3.0 MATERIAL EVENTS AND INFORMATION

- 3.1. The events specified in Schedule III [Para A of Part A] to the Listing Regulations shall be deemed to be material events for the purpose of disclosure to the Stock Exchanges, without application of materiality criterion/ thresholds given in clause 2 above.
- 3.2. The following events and information specified in Schedule III [Para B of Part A] to the Listing Regulations, after application/conforming to (a) the qualitative materiality criterion given in clause 2.1 above; or (b) quantitative materiality thresholds given in clause 2.2 above, shall be considered material for the purpose of disclosure to the Stock Exchanges in terms of Regulation 30(3) of the Listing Regulations:

Sr. No.	Event / Information	Threshold/Authority
1.	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit / division/business..	Director-in-Charge and CFO to decide materiality
2.	Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit / division (entirety or piecemeal).	-----do-----
3.	Awarding, bagging/ receiving, amendment or termination of awarded / bagged orders / contracts not in the normal course of business.	-----do-----
4.	Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.	-----do-----
5.	Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.	-----do-----
6.	Effect(s) arising out of change in the regulatory framework applicable to the listed entity.	-----do-----
7.	Litigation(s) / dispute(s) / regulatory action(s) with impact.	-----do-----
8.	Giving of undertaking or indemnity or becoming a surety for any third party.	-----do-----
9.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	-----do-----
10.	Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.	As per limits prescribed under the Companies

		Act, 2013 from time to time.
11.	Capacity addition	Not Applicable
12.	Product launch	Not Applicable
13.	Options to purchase securities including any ESOP / ESPS Scheme.	Not Applicable

- 3.3 The aforesaid events and information shall be disclosed to the Stock Exchanges in the manner prescribed under Listing Regulations.
- 3.4 Without prejudice to the generality of the foregoing, the Company shall also disclose any other event or information to the Stock Exchanges which is considered material by the Director-in-Charge and CFO or the Board of Directors of the Company.

4. Implementation

4.0 Determination of Materiality: Authorization for determination of materiality of event or transaction or information

The Company's Key Managerial Personnel (KMPs) in charge of businesses i.e. Director-In-Charge and the C.F.O. shall decide the "Materiality" of any event / transaction / information based on the above guidelines/criteria for the purpose of disclosure to the Stock Exchanges and intimate the Company Secretary to disclose the information.

- 4.1 Disclosure of Material Information: Upon receipt of the intimation, the Company Secretary to disclose the said information to the Stock Exchange(s) under Regulation 30 of Listing Regulations. However, such disclosures can also be made either by the Director-In-Charge and Chief Financial Officer of the Company.

5. General

5.0 AMENDMENT

This Policy can be amended, modified or revised by the Board of Directors of the Company from time to time. In case any provisions of this Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013, rules framed there under and Listing Regulations ("Statutory Provisions"), the provisions of Statutory Provisions shall prevail.