



SIL INVESTMENTS LIMITED

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Preamble

In terms of Reg. 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company should familiarise the Independent Directors about the insights of Company to enable the Independent Directors understand the Company's business in depth that would facilitate their active participation in managing the Company.

Mission

We believe in inspirational objectives that motivate us to stretch ourselves to challenge the limits and overcome them. We also believe that as time changes, one must evolve in thinking.

Vision



To be a dominant player in the financial services industry, committed to constant innovation and sustained customer service that enhances shareholder wealth.

Company Overview

Promoted by Late Shri G.D.Birla in the year 1934, the Company originally known as Sutlej Cotton Mills Limited, came to be known as Sutlej Industries Limited upto 2005.

The textiles division of Sutlej Industries Limited was demerged and vested effective from 01.07.2005, in a new Company called "Sutlej Textiles And Industries Limited" on a "going concern" basis as per the scheme of Demerger sanctioned on 12.05.2006, by the Honorable High Court of Judicature for Rajasthan (Jaipur Bench) and Sutlej Industries Limited was left with investment activities only. Therefore, after the Demerger of the textiles division in the year 2005, the name of the Company was changed from Sutlej Industries Limited to SIL Investments Limited (SIL) w.e.f 21.03.2007.

SIL got registered as NBFC w.e.f. 22nd May, 2009 in the category of Non-deposit Taking Systemically Important NBFC (ND-SI).

The Company has two partly owned Subsidiary namely "RTM Investments & Trading Co. Ltd." & "SCM Investments & Trading Co. Ltd." which in turn have one subsidiary company each.

<i>Name of the company</i>	<i>% of shares held</i>
RTM Investment & Trading Co. Ltd.	84.79
RTM Properties Ltd. [subsidiary of RTMIT]	23.53
SCM Investment & Trading Co. Ltd.	80.52
SIL Properties Ltd [subsidiary of SCMIT]	23.53

Business Overview

SIL is a registered NBFC since 22nd May, 2009 in the category of Non-deposit Taking Systemically Important NBFC (ND-SI). Company's standalone performance is discussed in the Directors' Report. The mainstay of Company' operations continued to be Investments in various Companies, under which steady dividend income flows into the Company coupled with sustained appreciation in capital. During the year under review Company has earned income in the form of dividends, rent income, interest on ICD lending activity and profit on sale of investments.

SIL focuses on two broad categories: (i) Commercial Finance & (ii) Investments. The Company's product suites are given below.

Verticals	Product
Commercial Finance	Inter-Corporate Deposits
Investments	Investments mainly in the Listed entities

Business Outlook

❖ Performance Highlights

- Net Income for the FY 2014-15 was Rs.2733.48 Lakhs as compared to Rs.2809.45 Lakhs in FY 2013-14;
- Profit before Tax for the FY 2014-15 was Rs.1570.05 Lakhs as compared to Rs.1386.96 Lakhs in FY 2013-14;
- Profit after tax for the FY 2014-15 was Rs.1282.21 Lakhs as compared to Rs.1181.67 Lakhs in FY 2013-14.

❖ **The RBI's Norms And Standards Highlights**

SIL Investments Limited fulfils and often exceeds norms and standards laid down by the RBI relating to the recognition and provisioning of non-performing assets, capital adequacy, statutory liquidity ratio, etc. The capital adequacy ratio of the Company is 57.82 %, which is well above the RBI norm of 15%.

Sector Outlook

The Country seems to be witnessing a slow but clearly perceptible pick-up in growth. The table below gives the growth of real Gross Value Added (GVA), the newly calculated measure of national income prepared by the Central Statistical Organisation (CSO) of the Government of India. It remains to be seen whether the slew of initiatives announced by the Central Government like 'Make in India' programme, coal and telecom auctions, increased FDI limits in certain sectors, financial inclusion effort through its Pradhan Mantri Jan Dhan Yojana and India's improved rating outlook gives a fillip to the performance of the banking and financial sector in the coming year.

To encourage the Corporates to manufacture or produce their products in India under the 'Make in India' policy, many important reforms in the pipeline such as land acquisition reform, new manufacturing policy, FDI, among others. To put this dream of Make in India into reality, there would be a huge Capital demand from the Corporates. This demand of Capital in India can be predominantly fulfilled by Banking Institutions and Non-Banking Financial Institutions (mostly Investment Companies), etc. Therefore, these reforms would also open the flood gates for the Non-Banking Financial Institutions to prosper taking Indian Economy to new heights.

Future Outlook

The Company's present business operations are preponderantly that of an investment company, future of which largely depends upon financial and capital markets. Your Company has investments in financially sound companies and has immovable properties in the State of Maharashtra, U.P. etc. and Company will continue to earn good dividend and rent income. However, the income from the advances/lending business is steadily growing, contributing significant volume to the overall business of the Company. The Management is optimistic about the future outlook of the Company. Further, more promising areas of activity are being explored on a sustained basis. The company will expand its activities, consistent with its status as a NBFC-ND-SI.

Financial Highlights

(Rs. In Lakhs)

Particulars	Half-yearly 30.09.2015	2014-15	2013-14	2012-13	2011-12	2010-11
Income from operations & Investment (Including other Income)	1561.87	2733.48	2809.45	3124.88	3103.62	2082.16
Gross Profit	1050.32	1578.37	1393.39	1061.25	1167.57	1030.70
Less: Exceptional Item						
Depreciation	5.04	8.32	6.43	6.43	5.78	4.21
Taxation:						
- Current	103.00	275.00	208.00	189.00	127.00	81.60
- Earlier years (net)	-	4.93	-	(1.78)	(7.92)	(3.39)
- Deferred (net)	0.95	7.91	(2.71)	1.30	9.79	11.41
Profit after Tax	941.33	1282.21	1181.67	866.30	1032.92	936.87
Add:						
Balance brought forward from the previous year	6879.50	6045.80	5285.69	4770.01	4123.85	3498.13
Profit available for appropriation	7820.83	7328.01	6467.36	5636.31	5156.77	4435.00
Appropriations:						
Proposed dividend	-	132.45	132.45	132.45	132.45	105.96
Corporate dividend tax	-	26.96	22.51	22.51	21.48	17.19
Transfer to the general reserve	-	32.10	29.60	21.66	25.83	-
Transfer to the reserve fund	-	257.00	237.00	174.00	207.00	188.00
Balance in statement of profit and loss	-	6879.50	6045.80	5285.69	4770.01	4123.85
TOTAL	7820.83	7328.01	6467.36	5636.31	5156.77	4435.00

Familiarization & Continuing Education Process

- ✧ The Company through its Director-in-Charge/ Managing Director/ Key Managerial Personnel shall conduct programmes / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.
- ✧ Such programmes /presentations will provide an opportunity to the Independent Directors to interact with the Senior Management of the Company and help them to understand the Company's strategy, business model, markets, organization structure, finance, human resources, facilities and risk management and such other areas as may arise from time to time.
- ✧ The programmes/presentations familiarises the Independent Directors with their roles, rights and responsibilities.
- ✧ Whenever a new Independent Director is inducted to the Board of the Company, a meeting is arranged with the Chairman, Director-in-Charge, & Managing Director to discuss the functioning of the Board and the nature of the operation of the Company's business activities.
- ✧ New Independent Directors are provided with copy of latest Annual Report, the SIL Code of Conduct, the SIL Code of Conduct for Prevention of Insider Trading and Schedule of upcoming Board and Committee meetings.
- ✧ The Company encourages the Directors to familiarize with company's facilities from time to time.
- ✧ A detailed Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, insurance cover, SIL Code of Conduct and obligations on disclosures, is issued for the acceptance of the Independent Directors.

Disclosure / Amendment :

This Policy shall be disclosed on the website of the Company and a web link thereto, shall be provided in the Annual Report of the Company. The right to interpret/ amend/ modify the Familiarization Policy and procedures shall vest with the Board of Directors of the Company.

The policy shall be liable for change in accordance with the requirements of the law from time to time and the said changes shall be carried out in the Policy as per the directions of the Board by the Secretary and Compliance Officer.

All facts and figures appearing and forming part of this Policy shall be suo motu updated by the Secretary & Compliance Officer in sync with the Audited / Published facts and figures, which are made available by the Company in the public domain.