SOMA TEXTILES & INDUSTRIES LTD.

A GOVT. RECOGNISED EXPORT HOUSE

REGD. OFFICE : 2, RED CROSS PLACE, KOLKATA - 700 001, INDIA

TEL : (033) 2248-7406/07, FAX : (033) 2248-7045

E-mail : rssharma@somatextiles.com

Website : www.somatextiles.com

CIN : L51909WB1940PLC010070

3rd February, 2016

Department of Corporate Services,
BSE Limited,
Floor 25, P. J. Towers,
Dalal Street,
Mumbai – 400 001

The Secretary,
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051

Sub: Complaince of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

In accordance with Clause (ii) of sub-regulation (4) of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015, the Board of Directors of the Company at their Meeting of the Board held on 2nd February, 2016 has approved and adopted a "Policy for Determining Materiality of Events" ("hereinafter referred to as "the Policy"), effective from 1st December, 2015. The Board has authorized the Key Managerial Personnel's (KMP's) consisting of the Managing Director, the Whole-time Director, the Chief Financial Officer (CFO) and the Company Secretary & Compliance Officer of the Company, Jointly and Severally for the purpose of determining materiality of events/information and making disclosures to the stock exchanges under this Regulation. The contact details of the aforesaid KMP's are as under in compliance with regulation 30(5) of the SEBI (LODR) Regulations, 2015:-

Sr. No.	Name & Designation of Key Managerial Personnel	Phone No.	Email ID
1.	Mr. Arvind Kuma Somany (Managing Director)	079 2274-3285	asomany@somatextiles.com
2.	Mr. Shrikant Bhairaveshwar Bhat (Whole-time Director)	022 2283 6519	sbhat@somatextiles.com
3.	Mr. Maghraj Parakh (CFO)	079 2274 3285	mparakh@somatextiles.com
4.	Mr. Radhey Shyam Sharma (Company Secretary & Compliance Officer)	033 2248 7406	rssharma@somatextiles.com

A copy of the aforesaid Policy is enclosed herewith.

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For SOMA TEXTILES & INDUSTRIES LIMITED

(R.S. Sharma)
Company Secretary & Complaince Officer

POLICY FOR DETERMINING MATERIALITY OF EVENTS

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. **Background:**

The Securities Exchange Board of India (SEBI), on September 2, 2015, has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Regulations**").

Regulation 30 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations), requires Soma Textiles & Industries Limited (**"the Company"**) to frame a policy for determination of materiality for disclosure of events or information to Stock Exchanges, based on criteria specified in the said Regulation. The Policy is also required to be disclosed on the website of the Company. The event/ information that would be disclosed would be as presently prescribed by SEBI vide circular CIR/CFD/CMD/4/2015 dated September 9, 2015 and as would be amended from time to time.

In accordance with the requirements of the Regulation 30(4)(ii) of the above Regulations, the Board of Directors (**"the Board"**) of Soma Textiles & Industries Limited (**"the Company"**) has adopted this policy at its meeting held on 2nd February, 2016, for determination of materiality of events (**"Material Information"**) so that such events/ information can be promptly disclosed to the stock exchanges, as per the Regulations.

2. **Objective:**

The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality. The Board of Directors of the Company shall periodically review the materiality policy of the Company.

3. **Title:**

This Policy will be called as the "Policy for Determination of Materiality".

4. **Effective date:**

This Policy is effective from 1st December, 2015.

5. **Scope of the Policy:**

The Policy will be applicable to all the events which fall under the criteria as disclosed under the section relating to "Disclosure of events or information to Stock Exchanges". This Policy shall be read along with the Company's Policy on Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (Code of fair disclosure) framed in adherence to the principles for fair disclosure as outlined in the SEBI (Prohibition of Insider Trading) Regulations, 2015.

6. **Definitions:**

"**Board**" or "**Board of Directors**" shall mean the board of directors of Soma Textiles & Industries Limited, as constituted from time to time.

"**Company**" shall mean "Soma Textiles & Industries Limited".

"**Companies Act**" shall mean (Indian) Companies Act, 2013 as amended, modified, supplemented or re-enacted from time to time and shall include any applicable provisions of (Indian) Companies Act, 1956 which have not been superseded by the relevant provisions of the (Indian) Companies Act 2013, as on the relevant date.

"**Key Managerial Personnel**" shall mean key managerial personnel as defined in sub-section (51) pf section 2 of the Companies Act, 2013.

"Listing Agreement" shall mean an agreement that is entered / to be entered into between a recognised stock exchange and the Company pursuant to Securities and Exchange Board (Listing Obligations and Disclosure Requirements), 2015.

"Material Event" or "Material Information" shall mean such event or information as set out in the Schedule or as may be determined in terms of Clause 3 of the Policy. In the Policy, the words, "material and materiality shall be construed accordingly.

"**Normal Course**" shall mean any action, event or circumstance that is (i) recurring in nature and taken in the ordinary course of the Company's day-to-day operations; (ii) consistent with the practices and policies as followed on the date of such determination; (iii) similar in nature to actions customarily taken, without any separate or special authorization or (iv) consistent with the industry practices (i.e. practices adopted by an entity/ies engaged in the same line of business as the Company)..

"**Officer**" shall have the same meaning as provided in the Companies Act.

"**Policy**" shall mean this Policy on criteria for determining Materiality of events or information and as may be amended from time to time.

"Regulations" shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circular or re-enactment thereof.

"**Stock Exchange**" shall mean National Stock Exchange of India Limited (NSE) and BSE limited (BSE) on which the securities of the Company are presently listed.

Any other term not defined herein, shall have the same meaning as defined in the Companies Act, 2013, the Listing Agreement, Regulations or any other applicable law or regulation to the extent applicable to the Company.

7. Key Managerial Personnel authorised to determine materiality & Timeframe to Disclose Events:

7.1 The Key Managerial Personnel consisting of the Managing Director, the Whole-time Director, the Chief Financial Officer and the Company Secretary & Compliance Officer of the Company, shall jointly and severally be authorised to determine the materiality of an event or information, classify it as a Material Information and ensure disclosures of the same at the appropriate time at which disclosure is to be filed with the stock exchanges and details that may be filed in the best interest of present and potential investors, subject to the provisions of this Policy.

7.2 The contact details of such authorised personnel will be disclosed as required under the Regulations including on the Company's website.

7.3 The Company shall first disclose to stock exchanges of all events/information, as specified in Annexure 'A', as soon as reasonably possible and not later than twenty-four (24) hours from the occurrence of event or information. Outcome of board meetings shall be disclosed within 30 minutes of the closure of the Board meeting.

Provided that in case the disclosure is made after twenty-four (24) hours of occurrence of such event or information, the Company shall, along with such disclosure(s) provide the Stock Exchange as soon as possible an explanation for delay in disclosing the said information.

7.4 Any material developments on any event disclosed to the stock exchanges shall be updated on regular basis till such event is resolved.

8. Disclosure of Events or Information:

8.1 The Company shall make disclosures of any events or information which are material according to the Board of directors of the Company or person delegated by the Board of Directors in this regard.

8.2 Upon occurrence of Events, as specified in Annexure 'A', and as specified in Part A of Schedule III of SEBI (LODR) Regulations, 2015, the Company shall make disclosure of such events based on the guidelines for materiality.

8.3 Upon occurrence of Events, as specified in Annexure 'B', and as specified in Part B of Part A of Schedule III of SEBI (LODR) Regulations, 2015, the Company shall make disclosure of such events based on the guidelines for materiality.

8.4 Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts etc. and brief details thereof and any other information which is exclusively known to the Company which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

8.5 All events or information with respect to Subsidiaries/ Associates of the Company which are material for the Company shall be disclosed to the Stock Exchanges.

8.6 Without prejudice to the generality of events specified in Annexure A, B, and Clause 8.4 above, the Company make disclosures of event/information as specified by the SEBI from time to time.

9. Criteria for Determining Materiality of Events/ Information:

The events as mentioned below will be disclosed based on the application of test of materiality and key principles for determination of materiality as outlined hereunder:

(a) the omission of an event or information, which 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 a case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of the Company, is considered material and needs disclosure.

The KMP authorised under this Policy will determine on the disclosure of events or information to the Stock Exchanges based on the application of the test of materiality as mentioned above. In addition to this, the KMP while determining the materiality will do so, on a case to case basis depending on specific facts/circumstances relating to the information/event and apply such other qualitative/quantitative criteria if required and as may be deemed appropriate to the event.

10. Disclosures on the Website:

The Company shall disclose on its website all such events or information which has been disseminated to the Stock Exchanges under this Policy and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company.

11. Amendments to the Policy:

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. However no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force. "The KMP authorised under this Policy will review the Policy from the prospective of the Listing Regulations and determine the events/information for disclosure as may be amended by SEBI from time to time. All such amendments will be informed to the Board and the approval of the Board will be sought to align the policy in line with the SEBI Listing Regulations". Further, the Board may at its discretion, appoint or remove any Authorised KMP or appoint any other Key Managerial Personnel as the Authorised KMP and Clause 7.1 of this Policy shall automatically stand amended from the date of such decision.

12. **Miscellaneous:**

12.1 **Interpretation:** Unless the context of this Policy otherwise requires:

(a) words using the singular or plural number also include the plural or singular number, respectively;

(b) words of any gender are deemed to include the other gender;

(c) reference to the word "include" shall be construed without limitation;

(d) the terms "Paragraph" refers to the specified paragraph of this Policy;

(e) Reference to any legislation or law or to any provision thereof shall include references to any such legislation or Law as it may, after the date hereof, from time to time, be amended, supplemented, re-enacted, replaced or superseded, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision; and

12.2 **Scope Limitation & Applicable laws**: In case the provisions of this Policy are in conflict with the provisions of the applicable law (including provisions of the Companies Act or the Regulations) or provisions of the applicable law or any interpretation thereof are more beneficial than the provisions of this Policy, the provisions of the applicable law and the relevant interpretation thereof shall supersede the provisions of this Policy and the Company shall be entitled to act in accordance with such provisions of the applicable laws and any interpretation thereof. All actions taken by the Company in accordance with such applicable laws shall be deemed to be in consonance with this Policy.

12.3 This Policy shall be disclosed on the website of the Company and a link thereto shall be provided in the Annual Report.

On Behalf of the Board of Directors of Soma Textiles & Industries Limited

(R. S. Sharma)
Company Secretary & Compliance Officer

Dated: 2nd February, 2016

ANNEXURE-A

Events which shall be disclosed without any application of the guidelines for materiality as specified sub-regulation (4) of regulation (30) of SEBI (LODR) Regulations, 2015

The below events will be disclosed as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information except for Item 4 which shall be disclosed within thirty minutes of the conclusion of the Board Meeting. In case the disclosure is made after twenty four hours of occurrence of the event or information, the rationale for the delay will be provided along with such disclosures.

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/ restructuring), or sale or disposal of any division(s) or subsidiary of the Company or any other restructuring.

   Acquisition would mean where the Company acquires direct or indirect control or where the Company acquires five percent or more of the shares/ voting rights of a listed Company or where the Company holds five percent or more of the share of a listed Company, any further change in such shareholding occurs to the extent of two percent or more.

2. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.

3. Revision in Rating(s).

4. Outcome of meetings of the board of directors: The Company shall intimate to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider or decide the following:

   a) dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
   b) any cancellation of dividend with reasons thereof;
   c) the decision on buyback of securities;
   d) the decision with respect to fund raising proposed to be undertaken;
   e) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares would be credited/dispatched;
   f) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;
   g) short particulars of any other alterations of capital, including calls;
   h) financial results;
   i) decision on voluntary delisting by the listed entity from stock exchange(s).

   The intimation of outcome of meeting of the board of directors will contain the time of commencement and conclusion of the meeting.

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the Listing Entities), agreement(s)/ treaty(ies)/ contract(s) with media companies) which are binding and not in

normal course of business, revision(s) or amendment(s) and termination(s) thereof.

6. Fraud/ Defaults by promoter or key managerial personnel or by listed entities or arrest of key managerial personnel or promoter.

7. Change in directors, key managerial personnel, Auditor and Compliance Officer.

8. Appointment or discontinuation of share transfer agent.

9. Corporate debt restructuring, if any done for the Company.

10. One time settlement (OTS) with a Company.

11. Reference to BIFR and winding-up petition filed by any party/ creditors.

12. Issuance of notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the listed entity.

13. Proceedings of annual and extraordinary general meetings of the listed entity along with prescribed details.

14. Amendments to memorandum and articles of association of listed entity, in brief.

15. Schedule of analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors.

ANNEXURE-B

Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30) of SEBI (LODR) Regulations, 2015

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any new unit/division.

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).

3. Capacity addition or product launch.

4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the Normal Course of business.

5. Agreements (viz. loan agreements(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.

6. Disruption of operations of any one or more units or division of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.

7. Effect(s) arising out of change in the regulatory framework applicable to the Company.

8. Litigation(s) / dispute(s) / regulatory action(s) with impact.

9. Fraud/defaults etc. by Directors (other than Key Managerial Personnel) or employees of the Company.

10. Options to purchase securities including any ESOP/ESPS Scheme.

11. Giving of guarantees or indemnity or becoming a surety for any third party.

12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

13. Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the Company which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

SOMA TEXTILES & INDUSTRIES LIMITED

Disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company at its Board Meeting held on 2nd February,, 2016 has adopted the Policy for Determining Materiality of Events which shall be effective from 1st December, 2015.

In terms of the aforesaid Policy, the Company has authorized following Key Managerial Personnel (KMP) to determine the materiality of any event/information and for the purpose of making disclosure of material events to the Stock Exchange, i.e. NSE & BSE under this Regulation:

Sl.	Name of KMP	Designation	E-mail id	Phone No.
1	Mr. Arvind Kuma Somany	Managing Director	asomany@somatextiles.com	079 2274-3285
2	Mr. Shrikant Bhairaveshwar Bhat	Whole-time Director	sbhat@somatextiles.com	022 2283 6519
3	Mr. Maghraj Parakh	CFO	mparakh@somatextiles.com	079 2274 3285
4	Mr. Radhey Shyam Sharma	Company Secretary & Compliance Officer	rssharma@somatextiles.com	033 2248 7406