



# BINNY LIMITED

Estd 1799

February 10, 2016

Department of Corporate Services  
Bombay Stock Exchange Limited  
Phiroze Jee Jee Bhoy Towers  
Dalal Street  
Mumbai – 400 001

Dear Sir,

**Subject: Adoption of Policies**  
**Security Code: 514215**

The Board of Directors of the Company in their meeting held today 10.02.2016, has approved the following policies to be effective from 1<sup>st</sup> December 2015 pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

1. Policy for Determination of Materiality of Events;
2. Policy on Preservation of Documents and
3. Archival Policy on Disclosures hosted on Website of the Company.

The Policies are enclosed herewith and will also be hosted on the Company's website [www.binnyltd.in](http://www.binnyltd.in).

Kindly take the same on your record.

Thanking you,

Yours faithfully,  
For, **BINNY LIMITED**

(T. Krishnamurthy)  
Chief Financial Officer and Company Secretary



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CIN:L17111TN1969PLC005736 Website: [www.binnyltd.in](http://www.binnyltd.in)

## POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS FOR DISCLOSURE TO STOCK EXCHANGES

### **1. INTRODUCTION**

The Board of Directors (The “Board”) of Binny Limited (the “Company”) have adopted the following policy and procedures with regard to disclosure of material events which are necessary to be disclosed to the stock exchanges based on criteria as may be deemed necessary and has been adopted as part of this policy.

The Board may review and amend this policy from time to time.

This Policy is formulated in compliance with the terms of Clause 30 of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”).

### **2. MATERIAL EVENTS AND INFORMATION**

2.1. The events specified in Para A of Part A of Schedule III 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 3 below. List enclosed as *Annexure I*.

2.2 Further to the clause 2.1 the events specified in sub-para 4 of Para A of Part A of Schedule III shall be disclosure within thirty minutes of the conclusion of the Board Meeting. List enclosed as *Annexure II*.

2.3. The events specified in Para B of Part A of Schedule III to the Listing Regulation conforming to the qualitative materiality criterion given in clause 3.1 below or quantitative materiality thresholds given in clause 3.2 below shall be considered material for the purpose of disclosure to the Stock Exchanges in terms of Regulation 30(3) of the Listing Regulations. List enclosed as *Annexure III*.

2.3 The Company shall also disclose any other event or information to the Stock Exchanges which is considered material by the Board of Directors of the Company.

2.4 In respect of events covered in Clause 2.1 and 2.3 the Company shall make disclosure of events as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information and in respect of events covered in Clause 2.2 the disclosure shall be made within thirty minutes of the Conclusion of Board Meeting.

2.5 In case the disclosure is made after twenty four hours of occurrence of the event or information, the Company along with the disclosure shall provide an explanation for delay.

2.6 The aforesaid events and information shall be disclosed to the Stock Exchanges in the manner prescribed under Listing Regulations.

### **3. CRITERION FOR DETERMINATION OF MATERIALITY**

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

#### **3.1 Qualitative Materiality Criterion**

- 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 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.

### **3.2 Quantitative Materiality Thresholds**

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

## **4. AUTHORITY**

4.1. The Managing Director is the authority:

- To determine the materiality of an event or information;
- To classify a Material event or information;
- To decide 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.
- To make disclosures updating material developments on a regular basis, till such time the pervious disclosed material events is resolved/closed with relevant explanations.
- To provide specific and adequate reply to all queries raised by Stock Exchange with respect to any events or information.

In any circumstance where the terms of this policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as this policy is changed to conform to the law, rule, regulation or standard.

This Policy and all material events or information's shall be disclosed on the Company's Website – [www.binnyltd.in](http://www.binnyltd.in). Such disclosures shall be hosted on the website of the Company as per the Archival Policy.

4.2 Normally, the Company Secretary shall make necessary disclosures of events or information to the Stock Exchanges under Regulation 30 of Listing Regulations. However, such disclosures can also be made either by Chief Financial Officer or Managing Director of the Company.

## **5. 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 thereunder and Listing Regulations (“Statutory Provisions”), the provisions of Statutory Provisions shall prevail.

Para A of Part A of Schedule III to the Listing Regulations:

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

Explanation the word 'acquisition' shall mean-

- (i) acquiring control, whether directly or indirectly; or,
- (ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that –
  - (a) the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or
  - (b) there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.

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. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), 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.

5. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.

6. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.

7. Appointment or discontinuation of share transfer agent.

8. Corporate debt restructuring.

9. One time settlement with a bank.

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

11. 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.

12. Proceedings of Annual and extraordinary general meetings of the listed entity.

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

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

Sub-para 4 of Para A of Part A of Schedule III to the Listing Regulations:

Outcome of Meetings of the board of directors:

The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider 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 shall 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).

Para B of Part A of Schedule III to the Listing Regulations:

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any 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 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.
6. 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.
7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
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.

## Policy on Preservation of Documents

### 1. **Purpose and Scope**

The Board of Directors (The “Board”) of Binny Limited (the “Company”) have adopted the following policy and procedures regarding preservation of its documents in accordance with the provisions of the Companies Act, 2013 and in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”).

The policy is intended to define Company’s preservation of documents responsibilities and to provide guidance to the executives and Employees working in the Company in making decisions and undertaking other activities that may have an impact on the operations of the Company. It also frames the guidelines for fundamental accountability of the Company to retain and preserve its documents as the basis for communication with a range of external stakeholders.

The policy is framed for the purpose of systematic identification, categorization, maintenance, review, retention and destruction of documents received or created in the course of business. The policy would contain guidelines on how to identify documents that need to be maintained, how long certain documents should be retained, how and when those documents should be disposed of, if no longer needed and how the documents should be accessed and retrieved when they are needed.

### 2. **Statutory Mandate**

The policy on preservation of documents and archival is mandated by the provisions of regulation 9 of Chapter III of LODR, 2015. Under this regulation, the Company has a strategic objective of ensuring that significant documents are safeguarded and preserved to ensure its longevity of priority documents including its electronic resources.

### 3. **Classification of Documents to be preserved / retained**

Based on the recommendation of the management of the Company, the Board of Directors have classified the following documents to be retained and preserved for posterity.

- ❖ Documents that need to be preserved / retained permanently – Doc 1
- ❖ Documents that may be preserved / retained for a period of 8 years as specified under the Companies Act, 2013 or LODR – Doc 2
- ❖ Documents to be preserved electronically and archived when necessary – Doc 3.
- ❖ Documents that may be required by judicial proceedings and which may be destroyed after closure of the legal case – Doc 4.
- ❖ Documents like budget papers etc., which may be retained for less than 8 years – Doc-5.

4. **Principle of Responsibility of Employees for Preservation of Documents**

All the Employees in the permanent rolls of the Company are responsible for taking into account the potential impacts on preservation of the documents in their work area and their decision to retain/preserve or destroy documents pertaining to their area. Such policy bestowing responsibility on the Company's employees would immensely help company's litigation preparedness tool helping the Company's and Outside legal counsel to track down documents to handle the legal cases.

5. **Periodical Review of the Policy by Top Management**

The Policy should be flexible and easy to understand and comply with by all levels of employees. The policy should be reviewed periodically by the Top Management and amendments effected to subject to approval of the Board if and when practical difficulties are encountered. The Top management may also review the policy on document retention to comply with any local, state, central legislations that may be promulgated from time to time.

6. **Administration**

The Record Retention Schedule approved by the Board of Directors for initial maintenance, retention and disposal schedule for physical records is as given in the annexure.

7. **Suspension of Record Disposal in the event of Litigation or Claims**

In case the Company is served with any notice for request of documents or any employee becomes aware of a governmental investigation or audit concerning the Company or commencement of any litigation against the Company, such employee shall inform the Top Management and any further disposal of documents shall be suspended until such time as the Top Management with the due advice from the legal counsel determine otherwise. The Top Management in such case shall inform all the employee by mail under "Userlist" of the need to retain the documents and suspension of disposal of the same.



## APPENDIX

### Type of Record

1. Accounting and Finance records including Annual Financial statement
2. Insurance Records
3. Tax records
4. Contracts entered into by the Company including Marketing Contracts
5. Corporate Records including Certificate of Incorporation, Listing Agreement and other approvals from other statutory authorities.
6. Legal Files and Records
7. Property Records
8. Payroll Records
9. Pension and retiral related Records
10. Personnel and HR Records
11. Programs & Service Records
12. Sponsorship Projects Records
13. Corporate Social Responsibility Records
14. Correspondence and Internal Memoranda
15. Electronic Documents including email retention and back up
16. Miscellaneous Records

#### 1. Accounting and Finance records including Annual Financial statement

Record Type	Retention Period	Document Type
Annual Audit Reports and Financial Statements	Permanent	Doc-1
General Ledger	Permanent	Doc-1
Investment Records	Permanent	Doc-1
Accounts Payable ledgers and schedules	8 Years	Doc-2
Accounts Receivable ledgers and schedules	8 Years	Doc-2
Annual Audit Records, including work papers and other documents that related to the audit	8 years after completion of audit	Doc-2
Bank Statement and Cancelled Cheques	8 years	Doc-2
Employee Expense Reports	8 years	Doc-2
Interim Financial Statements	8 years	Doc-2
Notes Receivable ledgers and schedules	8 years	Doc-2
Security deposit receipt copies	3 years after termination of the contract	Doc-5
Annual Plans and Budgets	3 years after the budget year is closed	Doc-5

## 2. Insurance Records

Record Type	Retention Period	Document Type
Claim Files (Including correspondence, medical records, injury documentation, etc.	Permanent	Doc-1
Group Insurance Plans - Retirees	Permanent	Doc-1
Insurance Policies for the Company	Permanent	Doc-1
Releases and Settlements	Permanent	Doc-1
Annual Loss Summaries	8 Years	Doc-2
Audits and Adjustments	8 Years	Doc-2
Group Insurance Plans – Active Employees	8 years	Doc-2
Journal Entry Support Data	8 years	Doc-2

## 3. Tax records

Record Type	Retention Period	Document Type
Tax-Exemption Documents and related correspondence	Permanent	Doc-1
Excise Tax records	Permanent	Doc-1
Tax Returns – Income, Franchise, Property	Permanent	Doc-1
Annual Information Returns – State and Central	Permanent	Doc-1
Service Tax Records	8 years	Doc-1
Payroll Tax records	8 years	Doc-2
Tax Bills, Receipts, Statements	8 years	Doc-2
Tax work paper packages - Originals	8 years	Doc-2
Sales Tax Records	8 years	Doc-2

## 4. Contracts entered into by the Company including Marketing Records

Record Type	Retention Period	Document Type
Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documents	8 years	Doc – 2

## 5. Corporate Records including Certificate of Incorporation, Listing Agreement and other approvals from other statutory authorities.

Record Type	Retention Period	Document Type
Corporate Records (certificate of incorporation, commencement of business, listing agreement, common seal, minutes book of board and committees thereof, annual reports originals, etc.)	Permanent	Doc-1

Licence and Permits, Industrial entrepreneurial Memorandum, and other statutory approvals	Permanent	Doc-1
ROC Filings and Stock Exchange filings in physical and Electronic form	5 years from the date of filing	Doc-5

## 6. Legal Files and Records

Record Type	Retention Period	Document Type
Court Orders	Permanent	Doc-1
Legal Memoranda and Opinions	3 years after the closure of the matter	Doc-4
Litigation files	1 year after expiration of disposal of the case	Doc-4

## 7. Property Records

Record Type	Retention Period	Document Type
Correspondence, Property Deeds, Assessments, Licenses, Rights of Way	Permanent	Doc-1
Original Purchase / Sale Deeds	Permanent	Doc-1
Original Lease Agreements	3 years after expiration of the lease	Doc-5

## 8. Payroll Records

Record Type	Retention Period	Document Type
Employee Deduction Authorization	3 years after termination of service of employment	Doc-5
Payroll Deductions	3 years after termination of service of employment	Doc-5
Labour Distribution Cost Records including details regarding gratuity and retiral disbursements	3 years after termination of service of employment	Doc-5
Payroll Registers (Gross and Net)	3 years after termination of service of employment	Doc-5
Time Cards / Sheets	2 years	Doc-5
Unclaimed Wage Records	3 years	Doc-5
Leave Records	2 years after the relevant period	Doc-5

## 9. Pension and retiral related Records

Record Type	Retention Period	Document Type
Retirement and Pension Records	Permanent	Doc-1

## 10. Personnel and HR Records

Record Type	Retention Period	Document Type
Personnel Files of individual employees	Permanent	Doc-1
Employee Handbook & Induction Manual	Permanent	Doc-1
Commission / Bonuses / Incentives / Awards	8 years	Doc-2
Employee Earnings Records	3 years after termination of service of employment	Doc-5
Employee Medical Records	3 years after termination of service of employment	Doc-5
Attendance records, application forms, job or promotion records, performance evaluations, termination papers, test results, training and qualification records, enquiry related papers	3 years after termination of service of employment	Doc-5
Employment Contracts - Individual	3 years after termination of service of employment	Doc-5
Correspondence with Employment Agencies and Advertisements for job openings	3 years	Doc-5
Job Description	3 years after superseding the earlier document	Doc-5

## 11. Programs & Service Records

Record Type	Retention Period	Document Type
Research & Publications	Permanent	Doc-1
Attendance Records	3 years	Doc-5
Program statistics, etc,	3 years	Doc-5

## 12. Sponsorship Projects Records

Record Type	Retention Period	Document Type
Sponsorship agreements	Permanent	Doc-1

## 13. Corporate Social Responsibility Records

Record Type	Retention Period	Document Type
Records on CSR Projects(including amount budgeted, spent and balance if any) projects undertaken and progress thereon	Permanent	Doc-1

#### 14. Correspondence and Internal Memoranda

General Principle : Most correspondence and internal memoranda should be retained for the same period as the document they pertain to or support. For instance, a letter pertaining to a particular contract would be retained as long as the contract

1. Those pertaining to routine matters and having no significant, lasting consequences should be discarded within two years.
2. Those pertaining to non-routine matters or having significant lasting consequences should generally be retained permanently.

#### 15. Electronic Documents including email retention and back up

1. Electronic Mail : Not all email needs to be retained, depending on the subject matters
  - All e-mail – from internal and external sources to be deleted after 24 months.
  - Employees will strive to keep all but an insignificant minority of their email related to business issues.
  - Central I.T team would archive email for six months after the Employees has deleted it after which time the email will be permanently deleted.
  - Employees will not store or transfer the Company related emails on non-work related computers except as necessary or appropriate with due approvals from the Central IT team and the respective Managers.
  - Employees will take care not to send confidential / proprietary information to outside sources.
  - Any e-mail that the Employees deemed vital to the performance of their job should be copied to the Employees’s specific folder and/or printed and stored in the employees’ workplace.

#### Document Type : Doc – 3

##### 2. Web page files

- May be retained for a period of 5 years as specified in SEBI’s LODR Regulations, 2015.
- May be archived by the I.T. team with the support of the service provider for a period of 3 years after the initial period of five years of live page.

#### 16. Miscellaneous Records

Record Type	Retention Period	Document Type
Annual Reports	Permanent	Doc-1
Consultant Reports	3 years	Doc-5
Policy and procedures manuals – Original	Current version with revision history	Doc-5
Policies and procedures manuals – Copies	Retain current version only	Doc-5
Dealership agreements	Current version with revision history	Doc-5

# **ARCHIVAL POLICY ON DISCLOSURES HOSTED ON WEBSITE OF THE COMPANY**

## **1. INTRODUCTION**

In pursuance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), Binny Limited (“the Company”) is required to disclose on its website all such events or information which has been disclosed to stock exchanges where the securities of the Company are listed (“Stock Exchanges”) under Regulation 30 of Listing Regulations. Further, such disclosures shall be hosted on the website of the Company for a minimum period of 5 years and thereafter as per the archival policy of the Company. Accordingly, the Company has adopted this “Archival Policy on disclosures to be hosted from time to time on the website of the Company” (“Policy”).

## **2. PERIOD OF HOSTING THE EVENTS OR INFORMATION**

All the disclosures made by the Company to the Stock Exchanges under Regulation 30 of the Listing Regulations, shall be hosted on the website of the Company namely [www.binnytld.in](http://www.binnytld.in) for a minimum period of 5 years and thereafter, the same shall be archived so as to be available for retrieval for a further period of Three years by storing the same on suitable media. Thereafter the said information, documents, records may be destroyed as per the policy on preservation of documents.

In case the aforesaid disclosures are required by any applicable law or regulation to be hosted for a period longer than that mentioned above, such disclosures shall be hosted on the website of the Company for such longer period.

## **3. AMENDMENT**

The Policy can be amended, modified or revised by the Key Managerial Personal of the Company from time to time. In case any provisions of the Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013, rules framed thereunder and Listing Regulations (“Statutory Provisions”), the provisions of Statutory Provisions shall prevail.

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