

Nomination and Remuneration Policy

The Board of Directors of Binny Limited (“the Company”) constituted the “Nomination and Remuneration Committee” at the Meeting held on May 30, 2014 with immediate effect, consisting of three (3) Non-Executive Directors of which majority are Independent Directors.

PREAMBLE:

Nomination and Remuneration Policy is approved by Nomination and Remuneration Committee. This Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement.

APPLICABILITY

This policy is applicable to all Directors, Key Managerial Personnel (KMP), and Senior Management team of the company

DEFINITIONS

“**Board**” means Board of Directors of the Company.

“**Company**” means “Binny Limited.”

“**Senior Management**” means personnel of the Company who are members of its core management team excluding Board of Directors.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

ROLE OF COMMITTEE

- a) To identify persons who are qualified to become directors and who may be appointed in senior management
- b) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- c) To guide the Board in relation to the appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- d) To evaluate the performance of members of the Board and provide necessary report to the Board for further evaluation.

- e) To formulate criteria for evaluation of Independent Directors and the Board.
- f) To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- g) To devise a policy on Board diversity;
- h) To recommend the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- i) To develop a succession plan for the Board and to regularly review the plan;
- j) Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP & SENIOR MANAGEMENT

Appointment criteria and qualifications:

1. The Committee shall identify and ascertain the integrity, qualification expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
3. Appointment of managerial personnel viz., Managing Director/Whole-time Director/ Independent Director/ Non-Executive Director/Manager is subject to compliance of

provisions of section 149 of the Companies Act, 2013, read with Schedule IV and rules thereunder and the Listing Agreement.

4. The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).
5. Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness and to formulate familiarization program for independent directors

REMUNERATION POLICY TO WHOLE TIME DIRECTOR, MANAGING DIRECTOR, NON-EXECUTIVE DIRECTOR & KEY MANAGERIAL PERSONNEL & SENIOR MANAGEMENT

- 1) The remuneration shall be competitive in order to ensure that the company can attract and retain talent.
- 2) The Remuneration shall take into account the Company's overall performance, director's contribution & trends in the industry in general, in a manner which will ensure and support a high performance culture.
- 3) The committee shall consider and determine the Remuneration, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient.
- 4) The company has no stock options, plans and hence, such instruments do not form part of his remuneration package.
- 5) The Remuneration to others will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

- 6) Remuneration to Directors, Key Managerial Personnel and Senior Management will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

B. INDEPENDENT DIRECTORS (IDS)

IDs shall be paid a sitting fee of Rs. 10,000/- for every meeting of the board attended by them. The above criteria and policy are subject to review by the Nomination & Remuneration committee & the Board of Directors of the Company.

MINUTES OF COMMITTEE MEETING:

Proceedings of all meetings must be minuted and signed by the Chairperson of the said meeting. Minutes of the Committee meeting will be circulated at the subsequent Board meeting for noting.

AMENDMENT TO THE POLICY:

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

DISCLOSURE:

The details of this Policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of Board's Report therein or alternatively the same may be put up on the Company's website and reference drawn thereto in the Annual Report.