

BINNY MILLS LIMITED

Regd Office : No. 4 (Old No. 10), Karpagambal Nagar, Mylapore, Chennai - 600 004. INDIA

e-mail : binnymills@bmlindia.com
website : www.bmlindia.com

CIN.:L17120TN2007PLC65807
TIN No.:33831062658
CST No. 1209099/Dt.02.12.2013

Phone: +91-44-24992115
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Through: BSE Listing Centre

BML/ Sec-F-SE/

11-10-2017

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

Sir,

Sub: Submission of Annual Report for the financial year 2016-2017

In terms of requirements of Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the 10th Annual Report of Binny Mills Limited, for the financial year 2016-2017 which was duly adopted at the 10th Annual General Meeting of the Company held on 22nd September 2017

Kindly take the above disclosure on record.

Thanking you,

Yours faithfully,
For Binny Mills Limited



V. Rajasekaran
Managing Director

Encl: as above

BINNY MILLS LIMITED

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Members may please note that they can vote by electronic voting (remote e-voting) on the resolutions set out in the Notice by logging on to www.evotingindia.com. The e-voting period is from **19th September 2017 at 9 A.M. to **21st September 2017 at 5 P.M.** Please refer Note No.20 of the Notice for procedure for remote e-voting. Members holding shares either in physical form or in dematerialized form, as on the cut-off date of **15th September 2017**, may cast their vote by remote e-voting.**

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BINNY MILLS LIMITED

TCP Sapthagiri Bhavan, No.4 (Old No.10), Karpagambal Nagar,
Mylapore, Chennai – 600 004

DIRECTORS

DIN

Shri V. R. Venkataachalam	00037524	Chairman
Shri V. Rajasekaran	00037006	Managing Director
Shri V. Sengutuvan	00053629	Director
Ms. V. Samyuktha	02691981	Additional Director-Woman Director
Shri S. Natarajan	00155988	Director
Shri S. Varatharajan	01819133	Independent Director
Shri M. Parthasarathi	03209175	Independent Director
Shri N. Jaiganesh	06969618	Independent Director

Registered Office:

TCP Sapthagiri Bhavan
No.4 (Old No.10) Karpagambal Nagar,
Mylapore,
Chennai 600 004.

Internal Auditors :

Sankaran & Krishnan
Chartered Accountants
1E, Marble Arch Apartments,
4 & 5, Bishop Wallers Avenue East,
Mylapore, Chennai 600004.

Works:

No.9, Stephenson Road,
Perambur, Chennai 600 012

Auditors:

T. Selvaraj & Co.,
Chartered Accountants
32, Dewan Rama Road,
Purasawalkam,
Chennai 600 084.

Share Transfer Agents

Cameo Corporate Services Limited

“Subramanian Building”,
No.1, Club House Road, Chennai 600002
Phone : 044 28460390 (5 lines)
Fax: 044 28460129
E-mail: investor@cameoindia.com

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NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of the Members of Binny Mills Ltd will be held on Friday, the 22nd September 2017 at 3.30 P.M. at the Registered Office of the company at No.4, Karpagambal Nagar, Mylapore, Chennai 600004 to transact the following business:

1. To receive, consider and adopt the Audited Financial Statements of the company for the Financial Year ended 31st March, 2017 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri V. R. Venkataachalam (DIN 00037524), who retires by rotation under section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment and in this regard to consider and if thought fit to pass, with or without modification, the following resolution as an **Ordinary resolution**.

“**RESOLVED THAT** Shri V. R. Venkataachalam (DIN 00037524), Director, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

3. To appoint Auditors and fix their remuneration.

In this context to consider, and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee and the Board of Directors, M/s N S R & Co., Chartered Accountants, Chennai (Firm Registration No. 010522S) be and are hereby appointed as the Auditors of the Company (in place of M/s. T. Selvaraj & Co., Chartered Accountants, Chennai, (Firm Registration No. 003703S), retiring Auditor, whose tenure expires at the conclusion of this Tenth Annual General Meeting) at the remuneration of Rs.1,50,000/- (Rupees one lakh fifty thousand only) exclusive of The Goods and Services tax and reimbursement out of pocket expenses for the financial year 2017-18 services.

RESOLVED FURTHER THAT M/s N S R & Co, Chartered Accountants, Chennai, on appointment as the Auditors of the Company, shall hold office from the conclusion of this 10th Annual General Meeting till the conclusion of the 15th Annual General Meeting of the Company (subject to ratification of their appointment by Members at every Annual General Meeting till the 14th Annual General Meeting) for conducting the audit of the Accounts of the Company for a term of five consecutive financial years commencing from 1st April, 2017.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

Special Business

4. To appoint Ms. V. Samyuktha as a director (Woman Director) of the Company liable to retire by rotation and in this regard, to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

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“RESOLVED THAT Ms. V. Samyuktha [DIN 02691981], who was appointed as an Additional Director of the Company with effect from 25th May 2017 by the Board of Directors, pursuant to Article 87 of the Articles of Association of the Company and Section 161 of the Companies Act, 2013 (“the Act”) and who holds office only up to the date of this Tenth Annual General Meeting and who is eligible for appointment as a Director of the Company pursuant to Section 152 of the Act read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Ms. V. Samyuktha for the office of Director, be and is hereby appointed as a Director of the Company (in the category of Non Independent Director and Woman Director) liable to retirement by rotation.”

By Order of the Board of Directors
For Binny Mills Limited

V. Rajasekaran
Managing Director

Registered Office:

No.4, (Old No.10) Karpagambal Nagar,
Mylapore, Chennai 600 004.

Date: 11th August 2017

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
2. Proxy Form, in order to be effective, must be deposited at the Registered Office of the company not later than 48 hours before the commencement of the meeting.
3. Notice is also given that pursuant to section 91 of the Companies Act, 2013, and Rule 10 of the Companies (Management and Administration) Rules, 2014, as amended, the Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 16th September 2017 to Friday, 22nd September 2017 (both days inclusive).
4. Members/Proxies are requested to bring the attendance slip sent herewith, duly filled in, for attending the meeting and their copy of the Annual Report to the meeting.
5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

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7. Members desiring to seek any information on the annual accounts or operations of the company are requested to send their queries to the Company, at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
8. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them in the company. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company viz, Cameo Corporate Services Ltd., 'Subramanian Building', 5th Floor, No.1, Club House Road, Chennai 600 002. Phone: 044-2846 0390 to 2846 0394. Members holding shares in dematerialized form may approach their respective Depository Participant to avail and/or effect any change in the nomination facility.
9. M/s Cameo Corporate Services Ltd., 'Subramanian Building', 5th Floor, No.1, Club House Road, Chennai 600 002. Phone: 044-2846 0390 to 2846 0394 is the Company's Registrar and Share Transfer Agent for physical transfer of shares and all correspondence may be addressed directly to them. In respect of shares held in Demat form, members may send requests or correspond through their respective Depository Participants.
10. Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board resolution authorising their representatives to attend and vote at the Annual General Meeting.
11. Members who have multiple folios in identical names in the same order are requested to send all the Share Certificates either to the Company addressed to the Registered Office or to the Company's Registrar and Share Transfer Agent for consolidation of such folios into one to facilitate better services.
12. Members may approach any Depository Participant directly for dematerialising their physical shares.
13. SEBI has made it mandatory for every participant in the securities / capital market to furnish the details of Income tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details of PAN along with a photocopy of both sides of the PAN card, duly attested, to the Registrar and Share Transfer Agents of the Company, viz., Cameo Corporate Services Ltd, Chennai, and the members holding shares in Demat form are requested to submit the PAN to their DP with whom they are maintaining their Demat Account.
14. SEBI vide circular dated 7th January 2010 has made it mandatory for legal heirs to furnish their PAN in addition to the legal procedural document, duly attested, in the following cases in respect of shares of listed companies held in physical form:
 - Deletion of name of the deceased shareholder where the shares are held in the names of two or more shareholders.
 - Transmission of shares, in favour of legal heirs, where the shares are held in the names of two or more shareholders
 - Transposition of shares, when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.
15. As required by Rule 18(3) of the Companies (Management & Administration) Rules, 2014, members are requested to provide their e-mail id to facilitate easy and faster dispatch of Notices of the general meetings and other communications by electronic mode from time to time.

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16. The Annual Report of the Company sent to the members will be made available on the Company's website www.bmlindia.com. The physical copies of the documents pertaining to the items of business transacted at the Annual General Meeting will be available for inspection at the Registered Office of the Company during normal business hours on working days.
17. Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, provide that every listed company shall provide to its members facility to exercise their right to vote at general meetings by electronic means. A member may exercise his right to vote at any general meeting by electronic means and company may pass shareholders' resolutions by electronic voting system (e-voting) in accordance with the aforesaid provisions.
18. The members may exercise their right to vote on the resolutions to be passed at this Annual General Meeting by remote e-voting. The Company may pass shareholders' resolutions by remote e-voting in accordance with the aforesaid provisions
19. The Board of Directors has appointed Shri P. Sriram, Practising Company Secretary (Membership No. FCS 4862), Chennai, as the Scrutinizer for conducting the electronic voting (e-voting) process in accordance with the provisions of the Act and Rules made there under in a fair and transparent manner and he has consented to act as such.
20. Voting through electronic means by remote e-voting:

The business set out in this Notice shall be conducted through electronic means by remote e-voting. 'Remote e-voting' means the facility of casting votes by a member using an electronic voting system from a place other than the venue of the 10th Annual General Meeting.

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility, as an alternate, to exercise their right to vote on the resolutions set out in the Notice for the 10th Annual General Meeting by remote e-voting. Please note that the remote e-voting facility is optional. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.

The members who have cast their vote by remote e-voting prior to the 10th Annual General Meeting may also attend and participate at the 10th Annual General Meeting but shall not be entitled to cast their vote again.

For this purpose of remote e-voting, the Company has entered into an agreement with the Central Depository Services (India) Ltd (CDSL) for facilitating e-voting to enable the shareholders to cast their votes electronically.

The process and manner of remote e-voting, the time schedule and the time period during which votes may be cast by remote e-voting, details about the log-in ID and the process and manner of generating or receiving the password and for casting of vote in a secure manner:

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- I The procedure and instructions for the voting through electronic means are as follows:
- (i) The remote e-voting period begins on **19th September 2017 at 9 A.M.** and ends on **21st September 2017 at 5 P.M.** During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 15th September 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, he shall not be entitled to change it subsequently or cast the vote again.
 - (ii) The Company provides only remote e-voting facility and those members who have not cast their vote by remote e-voting by 21st September 2017 at 5 P.M. shall not be entitled to vote by electronic voting thereafter but may vote through ballot paper at the meeting.
 - (iii) The shareholders should log on to the e-voting website www.evotingindia.com
 - (iv) Click on Shareholders.
 - (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (vi) Next enter the Image Verification as displayed and Click on Login.
 - (vii) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
DOB	Enter the Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or in the company records in order to login.

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Dividend	<p>Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account in order to login.</p> <ul style="list-style-type: none"> ● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
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- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN of Binny Mills Ltd.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

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- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communications.
- IV. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on 15th September 2017, being cut-off date.
- V. For the purpose of ensuring that members who have cast their votes through remote e-voting do not vote again at the 10th Annual General Meeting, the scrutiniser shall have access, after the closure of period for remote e-voting and before the start of the 10th Annual General Meeting, the details relating to members, such as their names, folios, number of shares held and such other information that the scrutiniser may require, who have cast votes through remote e-voting but not the manner in which they have cast their votes.
- VI. The scrutiniser shall, immediately after the conclusion of voting at the 10th Annual General Meeting, first count the votes cast at the meeting, thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated scrutiniser’s report of the total votes cast in favour or against, if any, to the Chairman who shall countersign the same. The Chairman shall declare the result of the voting forth with.
- VII. The results declared along with the report of the scrutiniser shall be placed on the Company’s website www.bmlindia.com and on the website of CDSL immediately after the result is declared by the Chairman. The results shall also simultaneously be forwarded to the BSE which shall place the results on its website.
21. Electronic copy of the Notice of the 10th Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with the Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 10th Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with the Attendance Slip and Proxy Form is being sent in the permitted mode.

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IMPORTANT COMMUNICATION TO MEMBERS- GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs (MCA) vide its Circular No.17/2011 dated 21st April 2011 and Circular No.18/2011 dated 29th April 2011 has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies, thereby allowing companies to serve documents to its members through electronic mode.

Your Company believes in Environment conservation for sustainable development and therefore your Company supports MCA in this initiative.

Members who hold shares in physical form are requested to intimate their e-mail address to the Company/ Share Transfer Agent and members holding shares in demat form can intimate their e-mail address to their Depository Participant, to enable the company, in future, to send documents such as notices of general meetings, annual reports and other share holder's communication to all the members through e-mail.

Members may also note that in case any member makes a request to the Company for the physical copy of the documents sent by e-mail, it shall be sent by post.

Explanatory Statement in respect of the Special Business (Pursuant to Section 102 of the Companies Act, 2013)

Item No.4: To appoint Ms. V. Samyuktha as a director (Woman Director) of the Company liable to retire by rotation.

Ms. V. Samyuktha [DIN 02691981], who was appointed as an Additional Director of the Company with effect from 25th May 2017 by the Board of Directors, pursuant to Article 87 of the Articles of Association of the Company and Section 161 of the Companies Act, 2013 ("the Act") holds office up to the date of the ensuing 10th Annual General Meeting and being eligible for appointment as Director of the Company pursuant to Section 152 of the Act read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 offers herself for appointment as director of the Company. The Company has received a notice in writing from a member, under Section 160 of the Act, proposing the candidature of Ms. V. Samyuktha for the office of Director of the Company. The appointment, if made, will be in the category of Non Independent Director and Woman Director, liable to retirement by rotation.

The Board of Directors recommend the passing of the resolution set out in item no.4 of the Notice. Shri V. R. Venkataachalam, director (father of the proposed appointee) and Shri V. Sengutuvan, director (brother of the proposed appointee) shall be deemed to be concerned or interested in the proposed resolution. None of the other Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise in the proposed resolution.

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DIRECTORS' REPORT

To the Members

Your Directors have pleasure in presenting the Tenth Annual Report and the Audited Accounts of your company for the year ended 31st March 2017.

FINANCIAL RESULTS

	31st March 2017 Rs.	31st March 2016 Rs.
Revenue from operations & other income	9,19,39,708	7,98,69,541
Profit before Depreciation and extraordinary item	1,18,27,404	1,01,48,167
Depreciation	3,15,184	3,16,500
Profit before Tax and extraordinary item	1,15,12,220	98,31,667
Extraordinary item*	39,52,697	-
Profit after extraordinary item before Tax	75,59,523	98,31,667
Provision for Tax (including Deferred tax)	38,06,212	36,85,873
Profit after Tax	37,53,311	61,45,794

* Extraordinary item of expense pertains to prior period electricity charges paid during the first quarter of the financial year.

OPERATIONS

As the members may be aware, pursuant to the Demerger Scheme of Binny Ltd, the Agencies and Services Undertaking of Binny Ltd was transferred to and vested in the Company, with effect from 1st Jan 2010, the Appointed Date as per the Demerger Scheme.

The company operates in 4 divisions' viz., Warehousing, Showrooms, Agencies and Bintex. The Warehousing division has rented its warehouses and is deriving rental income from it. The Showrooms are engaged in retail selling of textile materials. The Agencies division is engaged in the business of selling Tarpaulin, rain coats and bags. The Bintex division is engaged in selling textile materials, particularly uniform materials, bed spreads, and other textile varieties.

For the year 2016-17, the Rental income from Warehousing division was Rs.199.58 lakhs as against Rs. 208.36 lakhs in the previous year, a marginal decrease by about 4%. The sales made by the Showrooms division was Rs.165.94 lakhs as against Rs. 107.45 lakhs in the previous year, the Agencies division did not make any sale during the year as also in the previous year and the Bintex division Rs.543.58 lakhs as against Rs. 470.89 lakhs in the previous year.

The aggregate amount of revenue from Rent, Sales and operating income were Rs.919.40 lakhs as against Rs. 798.70 lakhs in the previous year. The Company has earned a Net Profit (before tax) of Rs.75.59 lakhs as against Rs. 98.31 lakhs in the previous after setting off an extraordinary item of expense of Rs.39.53

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lakhs pertaining to prior period electricity charges paid during the first quarter of the financial year and a Net Profit (after tax) of Rs.37.53 lakhs as against a Net Profit of Rs. 61.45 lakhs in the previous year.

PREFERENCE SHARES

The 28,14,18,142 (9%) CRPS of Rs.5/- each aggregating to Rs.140,70,90,710/- are redeemable on or before 12th May 2020.

Preference share dividend is payable on the CRPS from the date of original allotment of shares by Binny Ltd. The holders of the CRPS have preferential right to dividend over the equity share holders, as and when dividend is declared by the company. The Preference share dividend in arrears for 9% CRPS, as at 31st March 2017 is Rs.127,77,36,038/-.

Since the Company is in the process of consolidating its operations, the company could not find enough resources to pay dividend this year. Hence, the company is not recommending preference dividend this year.

DIVIDEND ON EQUITY SHARES

As stated for Preference Dividend, since the Company is in the process of consolidating its operations, the company could not find enough resources to pay dividend this year. Hence, the company is not recommending dividend on the equity shares this year.

COMPANY'S PERFORMANCE

Considering the difficult macro-economic conditions and challenging business environment, the Company's performance during the year under review was satisfactory.

FUTURE PLANS

The Company has plans to improve its sales performance in the Textile Division by focusing on whole sale customers while retaining the existing retail customers. The Company has plans to procure bulk orders for its Textile division in order to improve the sales and profit. The Company has plans to modernize its showrooms at Bangalore and Kolkata to attract new customers for its retail textile sale.

ECONOMIC AND BUSINESS ENVIRONMENT

Ahead of the G-20 (Group of Twenty Nations) meeting held recently in Germany to take stock of the Global economy, the International Monetary Fund (IMF) has said that the India's growth outlook has improved as the impact of the last year's demonetization exercise seems to be fading, with the key structural reforms paying off. In April 2017, IMF had predicted India to grow at 7.2% in Financial Year 2017-18 and at 7.7% in the Financial Year 2019-20. Earlier, in the January to March 2017 quarter, India's growth rate has gone down to 6.18% due to demonetization declared in November 2016.

The Government's emphasis on skill building, with the Make in India, Start-up India and Digital India initiatives are expected to show results in the days to come. As a result we can safely expect to have a bank of 500 million trained manpower by 2020. They will be fueled by quality education and the spirit of entrepreneurship.

The Goods and Services Tax (GST), being dubbed as the single biggest tax reform in the country, was rolled out from 1st July 2017. While GST is 'theoretically' good from the consumer point of view, particularly

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in eliminating multiple taxation and providing seamless input tax credit, doubts persist on its proper implementation.

The Demonetisation of the Specified Bank Notes (SBN's) during November – December 2016 is said to be a landmark economic reform. It needs to be seen what effect it has on the medium and small industries. The informal sector of the economy, undeniably, has been hit by it.

OUTLOOK AND OPPORTUNITIES

Your directors expect that with stable government in the Centre, estimates of better GDP growth rate, the Company's strong business model, innovative fund management and marketing techniques, continued confidence and support of the lending institutions to the Company's fund mobilization activities on account of good track record of debt servicing, continued confidence and support of the customers and suppliers, your Company should achieve better performance in the year 2017-18.

BOARD OF DIRECTORS

Director retiring by rotation:

Shri V. R. Venkataachalam, Director, (DIN 00037524), retires by rotation at this Annual General Meeting and being eligible offers himself for reappointment.

Director appointment made during the year:

Ms. V. Samyuktha [DIN 02691981], who was appointed as an Additional Director of the Company with effect from 25th May 2017 by the Board of Directors, pursuant to Article 87 of the Articles of Association of the Company and Section 161 of the Companies Act, 2013 ("the Act") holds office up to the date of the ensuing 10th Annual General Meeting and being eligible for appointment as Director of the Company pursuant to Section 152 of the Act read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 offers herself for appointment as director of the Company. The Company has received a notice in writing from a member, under Section 160 of the Act, proposing the candidature of Ms. V. Samyuktha for the office of Director of the Company. The appointment, if made, will be in the category of Non Independent Director and Woman Director, liable to retirement by rotation.

A brief resume of the directors including therein the nature of their expertise in functional areas, inter-se relationship with other directors, names of other listed entities in which they also hold directorship and membership of Committees of the Board and their shareholding in the Company, as required under regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given in the Report on Corporate Governance which forms part of the Annual Report.

Present term of office of Managing Director:

The present term of appointment of Shri V. Rajasekaran as Managing Director of the Company is up to 12th May 2020.

DISCLOSURES AS PER SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH RULE 8(5) OF THE COMPANIES (ACCOUNTS) RULES, 2014

Extract of Annual Return:

The extract of the Annual Return in the Form MGT 9 is annexed to the Directors' Report as Annexure I.

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Number of meetings of the Board:

There were four Board meetings held during the year. The details of the Board meetings and the Committee meetings are given in the Report on Corporate Governance which forms part of the Annual Report.

Directors' Responsibility Statement:

To the best of their knowledge and belief and according to the confirmation and explanations obtained by them, your Directors make the following statement in terms of Section 134(5) of the Companies Act, 2013.

- i) That in the preparation of the Annual Accounts, for the year ended 31st March 2017, the applicable Accounting Standards had been followed along with proper explanation for material departures, if any;
- ii) That the selected accounting policies were applied consistently and judgements and estimates that are reasonable and prudent were made so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year ended 31st March 2017 and of the profit of the Company for that period;
- iii) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safe guarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- iv) That the annual accounts for the year ended 31st March 2017 had been prepared on a going concern basis.
- v) Internal financial controls had been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and;
- vi) Proper systems to ensure compliance with the provisions of all applicable laws had been devised and that such systems were adequate and operating effectively.

Declaration by Independent Directors:

The Board has received the declaration from all the Independent Directors as per the requirement of section 149(7) of the Companies Act, 2013 and the Board is satisfied that all the Independent Directors meet the criterion of independence as mentioned in section 149(6) of the Companies Act, 2013.

Company's policy on Directors appointment and remuneration:

In accordance with section 178(4) of the Companies Act, 2013 and pursuant to Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (henceforth referred to as 'the Listing regulations'), the Nomination and Remuneration Committee has put in place the policy on diversity of Board of directors for appointment of directors taking into consideration the qualification and wide experience of the directors in the fields of textiles trading, banking, finance, administration and legal apart from compliance of legal requirements of the Company. The policy on diversity of Board of directors is annexed to the Directors' Report as Annexure II.

The Nomination and Remuneration Committee has laid down remuneration criteria for the directors, key managerial personnel and other employees in the Nomination and Remuneration Policy. It has also laid down, in the Nomination and Remuneration Policy, the evaluation criteria for performance evaluation of

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the directors including independent directors. The Nomination and Remuneration Policy is annexed to the Directors' Report as Annexure III pursuant to section 178(4) of the Companies Act, 2013.

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made in the Auditors' Report and in the Secretarial Audit Report:

The Auditors' Report to the Shareholders for the year under review does not contain any qualification, reservation, or adverse remark or disclaimer. The Secretarial Audit Report, given by a Company Secretary in practice, states that the Company has to appoint Key Managerial Personnel as prescribed under section 203 of the Companies Act, 2013 and the Rules made thereunder. The Company is advised to appoint one more independent Director and fill up the vacancy caused by the resignation of Women Director. The Company has appointed a Woman Director on 25th May 2017. The Company is taking all effective steps to appoint the Key Managerial Personnel and an Independent Director.

Particulars of loans, guarantees or investments under section 186 of the Companies Act, 2013:

There are no loans made, guarantees given or security provided or securities of any other body corporate acquired, during the year, under section 186 of the Companies Act, 2013.

Particulars of contracts or arrangements with related parties:

The Related Party Transactions (RPT's) entered into by the Company are given in Note No.36 of the Notes on Accounts attached to the Financial Statements forming part of this Annual Report. These transactions were entered into in the ordinary course of business and on an arm's length basis and were in compliance with the provisions of the Companies Act, 2013 and Regulation 23 of the Listing Regulations. There are no contracts or arrangements with Related Parties referred to in section 188 (1) of the Companies Act, 2013. There are no materially significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. None of the directors have any pecuniary relationships or transactions with the Company except for the payment of sitting fees. There are no particulars of RPT's to be disclosed in Form AOC-2.

The statement of RPT's is placed before the Audit Committee and the Board on a quarterly basis. Omnibus approval was obtained for the transactions of repetitive nature.

The Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions as approved by the Board is uploaded on the Company's website www.bmlindia.com

The state of the Company's affairs:

The state of the Company's affairs is explained in the paragraph 'operations' in the Directors' Report.

The amount, if any, carried to reserves:

The Company has not transferred any amount to reserves.

The amount, if any, which it recommends, should be paid by way of dividend:

The Board is not recommending payment of any dividend on the Preference shares and the equity shares issued by the Company.

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Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of report:

There are no material changes and commitments affecting the financial position of the Company, that have occurred between the end of the financial year of the Company to which the financial statements relate and the date of report viz., for the period from 31st March 2017 to 11th August 2017.

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information pursuant to section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is as follows:

- a. The Company has no activity involving conservation of energy or technology absorption.
- b. The Company does not have any foreign exchange earnings and outgo.

Risk Management Policy:

The Company has framed a Risk Management Policy to identify, communicate and manage material risks across the organisation. The policy also ensures that responsibilities have been appropriately delegated for risk management. Key Risk and mitigation measures are provided in the Management Discussion and Analysis Report attached to the Directors' Report.

The details about the policy developed and implemented by the Company on Corporate Social Responsibility initiatives taken during the year:

The provisions of section 135 of the Companies Act, 2013 are not applicable to the Company. Hence, the Company has no Corporate Social Responsibility Policy. However, pursuant to good corporate governance practice, your company demands adherence of social responsibility coupled with creation of value in the larger interest of the society. Your company and its dedicated employees continue to contribute towards several worthwhile causes. Your company aims to enhance the quality of life of the community in general and has a strong sense of social responsibility. Your Company and its employees have participated in welfare activities of the community.

Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors:

Pursuant to the provisions of the Companies Act, 2013 and regulation 17(10) of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually, as well as the evaluation of the working of its various Committees. The manner in which the evaluation has been carried out has been explained in the Report on Corporate Governance.

The financial summary or highlights:

The financial summary is given in the Paragraph 'Financial Results' in the Directors' Report.

The change in the nature of business, if any:

There is no change in the nature of business.

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The details of directors or key managerial personnel who were appointed or have resigned during the year:

There were no directors or key managerial personnel who were appointed or have resigned during the year.

The names of companies which have become or ceased to be Subsidiaries, joint ventures or associate companies during the year:

There are no companies which have become or ceased to be Subsidiaries, joint ventures or associate companies during the year.

The details relating to deposits, covered under Chapter V of the Companies Act, 2013 and details of deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013:

The company has not accepted any deposits covered under Chapter V of the Companies Act, 2013.

The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

The details in respect of adequacy of internal financial controls with reference to the Financial Statements:

The Company's well defined organizational structure, documented policy guidelines, defined authority matrix and internal financial controls ensure efficiency of operations, protection of resources and compliance with the applicable laws and regulations. Moreover, the Company continuously upgrades its systems and undertakes review of policies. The internal financial control is supplemented by regular reviews by management and standard policies and guidelines to ensure reliability of financial and all other records to prepare the financial statements and other data. The Audit Committee reviews the internal financial controls and also monitors the implemented suggestions.

Disclosure under section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there were no cases filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

DISCLOSURES BY A LISTED COMPANY UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Since no director of the Company is in receipt of remuneration from the Company there are no particulars to be furnished.

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The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

There is no increase in the remuneration to the aforesaid personnel in the financial year 2016-17.

The percentage increase in the median remuneration of employees in the financial year:

There is no increase in the median remuneration of employees in the financial year 2016-17.

The number of permanent employees on the rolls of the Company:

There are 12 permanent employees on the rolls of the Company as at 31st March 2017.

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year viz., 2016-17 and its comparison with the percentile increase in the managerial remuneration:

There is no managerial remuneration paid during the financial year 2016-17. There was no increase in the salaries of employees during the financial year 2016-17.

The key parameters for any variable component of remuneration availed by the directors:

The directors were not paid any remuneration during the financial year 2016-17.

STATEMENT OF EMPLOYEES' PARTICULARS

The particulars required to be furnished under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is as follows:

During the year, there are no employees drawing remuneration of Rs.60 lakhs or more per annum or Rs.5 lakhs or more per month, or was in receipt of remuneration which, neither in the aggregate nor at a rate, which in the aggregate, is in excess of that drawn by the Managing Director or holding, either by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company.

AUDITORS

M/s T. Selvaraj & Co., Chartered Accountants, Chennai, (Firm Registration No. 003703S), the auditors of the company, retire at the conclusion of the ensuing Annual General Meeting. The existing auditors M/s T. Selvaraj & Co., Chartered Accountants, Chennai, are not eligible for re-appointment as the auditors for the year 2017-2018, pursuant to the provisions of rotation of auditors, as specified in section 139 (2) of the Companies Act, 2013, as they have completed two terms of five consecutive years each, as provided therein.

It is proposed to appoint M/s N S R & Co., Chartered Accountants, Chennai (Firm Registration No. 010522S) as the auditors of the Company (in the place of M/s. T. Selvaraj & Co., Chartered Accountants, Chennai, (Firm Registration No. 003703S), the retiring auditor, whose tenure expires at the conclusion of the ensuing Annual General Meeting). The appointment of new auditor is made pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee and the Board of Directors.

The Company has received written consent from M/s N S R & Co., Chartered Accountants, Chennai (Firm Registration No. 010522S) for being appointed as the auditor of the Company, subject to the shareholders'

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approval of the appointment at the ensuing 10th Annual General Meeting, as provided in section 139(1) of the Companies Act, 2013.

The Company has also received a Certificate from M/s N S R & Co., Chartered Accountants, Chennai (Firm Registration No. 010522S), pursuant to section 139 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014, in respect of the matters specified in those Rules.

Certificate has also been received from them to the effect that their appointment as auditors of the Company, if made, would be within the limits prescribed under Sections 139 & 141 of the Companies Act, 2013.

They have also confirmed that they hold a valid peer review certificate as prescribed under regulation 33(1) (d) of the Listing Regulations.

The Directors recommend their appointment. Members are requested to consider their appointment. If appointed they shall hold office from the conclusion of this 10th Annual General Meeting till the conclusion of 15th Annual General Meeting of the Company (subject to ratification of their appointment by Members at every Annual General Meeting till the 14th Annual General Meeting) for conducting the audit of the Company for a term of five consecutive years commencing from 1st April, 2017.

The Auditors' Report to the Shareholders for the year under review does not contain any qualification.

SECRETARIAL AUDIT

The Board had appointed Shri K. Elangovan, M/s Elangovan Associates, Company Secretaries in Practice, Chennai, (Certificate of Practice No.3552) Membership No. (FCS 1808) to carry out Secretarial Audit under the provisions of section 204 of the Companies Act, 2013 for the financial year 2016-17. The Secretarial Audit Report is annexed to this report as Annexure IV.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

Pursuant to section 177 (9) and (10) of the Companies Act, 2013 and regulation 22 of the Listing regulations, the Company has formulated and established a Whistle Blower Policy / Vigil Mechanism providing a mechanism under which an employee and director of the Company may report violation of personnel policies of the Company, unethical behavior, suspected or actual fraud, violation of Company's code of conduct or ethics policy.

The Vigil Mechanism provides for adequate safeguards against victimization of directors / employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. It also ensures standards of professionalism, honesty, integrity and ethical behavior. The Whistle Blower Policy / Vigil Mechanism is uploaded on the Company's website www.bmlindia.com

ANNEXURES TO THE DIRECTORS' REPORT

1. The Extract of Annual Return in Form MGT-9 – Annexure I
2. The Policy of Board Diversity – Annexure II
3. The Nomination and Remuneration Policy – Annexure III
4. Secretarial Audit Report – Annexure IV; and
5. Auditors' Certificate on Corporate Governance Compliance – Annexure V

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ATTACHMENTS TO THE DIRECTORS' REPORT

The Management Discussion and Analysis Report

The Management Discussion and Analysis Report, pursuant to regulation 34 (2) (e) and Schedule V of the listing regulations, is given as a separate Report and this report is part of the Directors' Report.

The Report on Corporate Governance

The Report on Corporate Governance, pursuant to regulation 34 (3) and Schedule V of the listing regulations, together with Auditors' Certificate on Corporate Governance, the certificate duly signed by the Managing Director on the Financial Statements of the Company for the year ended 31st March 2017 as submitted to the Board of Directors at their meeting held on 25th May 2017 and the declaration by the Managing Director regarding compliance by the Board members and senior management personnel with the Company's Code of Conduct is included as a separate section in the Annual Report.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the continued co-operation and support extended by all concerned persons and authorities for the smooth and efficient functioning of the Company.

For and on behalf of the Board

V.R. Venkataachalam
Chairman

Registered Office:

No.4, (Old No.10) Karpagambal Nagar,
Mylapore,
Chennai 600 004.

Date: 11th August 2017

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ANNEXURE I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31.03.2017

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014.]

1. REGISTRATION & OTHER DETAILS:

i.	CIN	L17120TN2007PLC065807
ii.	Registration Date	20-12-2007
iii.	Name of the Company	BINNY MILLS LIMITED
iv.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
v.	Address of the Registered office & contact details	No 4, Karpagambal Nagar, Mylapore, Chennai, 600004 Telephone: 044 24991518
vi.	Whether Listed Company	Listed in BSE Ltd (Bombay Stock Exchange Limited) Scrip Code:- 535620; Scrip ID:- BINNYMILLS; ISIN:- INE160L01011
vii.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Cameo Corporate Services Limited "Subramanian Building" No. 1, Club House Road Chennai 600 002 - India. Ph : 91-44 - 2846 0390 (5 lines) Fax : 91-44 - 2846 0129

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Warehousing & Storage	6302	22
2	Trading of Textile materials	171	78

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The company does not have holding or subsidiary or associate companies.

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4. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
A.	Shareholding Of Promoter And Promoter Group									
1.	Indian									
a.	Individuals/Hindu Undivided Family	17,08,439	-	17,08,439	53.5817	17,08,439	-	17,08,439	53.5817	0
b.	Central Government/ State Government(S)	-	-	-	0.0000	-	-	-	0.0000	0
c.	Bodies Corporate	6,78,297	-	6,78,297	21.2734	6,78,297	-	6,78,297	21.2734	0
d.	Financial Institutions/Banks	-	-	-	0.0000	-	-	-	0.0000	0
e.	Any Other									0
	Sub - Total (A)(1)	23,86,736	-	23,86,736	74.8551	23,86,736	-	23,86,736	74.8551	0
2.	Foreign									
a.	Individuals (Non-Resident Individuals/Foreign Individuals)	-	-	-	0.0000	-	-	-	0	0
b.	Bodies Corporate	-	-	-	0.0000	-	-	-	0	0
c.	Institutions	-	-	-	0.0000	-	-	-	0	0
d.	Qualified foreign investor	-	-	-	0.0000	-	-	-	0	0
e.	Any other									
	Sub - Total (A)(2)	-	-	-	0.0000	-	-	-	0	0
	Total Share Holding Of Promoter And Promoter Group (A) = (A)(1)+(A)(2)	23,86,736	-	23,86,736	74.8551	23,86,736	-	23,86,736	74.8551	0.0000
B.	Public shareholding									
1.	Institutions									
a.	Mutual Funds/UTI	-	-	-	0.0000	-	-	-	0.0000	0.0000
b.	Financial Institutions/ Banks	2,48,957	1,602	2,50,559	7.8583	2,44,626	1,602	2,46,228	7.7224	-0.1358
c.	Central Government/ State Government(S)	-	52,654	52,654	1.6513	-	52,654	52,654	1.6513	0
d.	Venture Capital Funds	-	-	-	0	-	-	-	0	0
e.	Insurance Companies	-	-	-	0	-	-	-	0	0
f.	Foreign Institutional Investors	-	-	-	0	-	-	-	0	0

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	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
B.	Public shareholding									
g.	Foreign Venture Capital Investors	-	-	-	0	-	-	-	0.0000	0
h.	Qualified Foreign Investor	-	-	-	0	-	-	-	0.0000	0
i.	Any Other									
	Sub - Total (B)(1)	2,48,957	54,256	3,03,213	9.5096	2,44,626	54,256	2,98,882	9.3738	-0.1358
2.	Non-Institutions									
a.	Bodies Corporate	12,092	23,528	35,620	1.1171	13,160	23,411	36,571	1.1469	0.0298
b.	Individuals -									
i.	Individual Shareholders Holding Nominal Share Capital up to Rs. 1 lakh	89,249	1,72,923	2,62,172	8.2225	98,919	1,67,269	2,66,188	8.3484	0.1259
ii.	Individual Shareholders Holding Nominal Share Capital In Excess Of Rs. 1 lakh	1,31,711	-	1,31,711	4.1308	1,31,711	-	1,31,711	4.1308	0
c.	Qualified Foreign Investor	-	-	-	0.0000	-	-	-	0.0000	0
d.	Any Other									
	Clearing Members	14	-	14	0.0004	178	-	178	0.0055	0.0051
	Foreign Nationals	56	-	56	0.0017	56	-	56	0.0017	0
	Hindu Undivided Families	3,079	-	3,079	0.0966	2,605	-	2,605	0.0817	-0.0148
	Non Resident Indians	63,713	2,155	65,868	2.0658	63,544	1,998	65,542	2.0555	-0.0102
	Trusts	5	-	5	0.0001	5	-	5	0.0001	0.0000
		66,867	2,155	69,022	2.1647	66,388	1,998	68,386	2.1447	-0.0199
	Sub - Total (B)(2)	2,99,919	1,98,606	4,98,525	15.6352	3,10,178	1,92,678	5,02,856	15.7710	0.1358
	Total Public Shareholding (B) = (B)(1)+(B)(2)	5,48,876	2,52,862	8,01,738	25.1448	5,54,804	2,46,934	8,01,738	25.1448	0.0000
	Total (A)+(B)	29,35,612	2,52,862	31,88,474	100	29,41,540	2,46,934	31,88,474	100	0.0000
C.	Shares Held By Custodians And Against Which Depository Receipts Have Been Issued									
	Promoter and Promoter Group	-	-	-	0	-	-	-	0	0
	Public	-	-	-	0	-	-	-	0	0
	Total Custodian (C)	-	-	-	0	-	-	-	0	0
	Grand Total (A)+(B)+(C)	29,35,612	2,52,862	31,88,474	100	29,41,540	2,46,934	31,88,474	100	0

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ii) Shareholding of promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year	Pledged Shares at beginning of the Year	Pledged Shares at end of the Year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares			
1	V R Venkatachalam	15,40,254	48.3069	0	15,40,254	48.3069	0	0	0	
2	Arthos Breweries Limited	1,50,000	4.7044	0	1,50,000	4.7044	0	0	0	
3	Sheetala Credit And Holdings Private Limited	1,21,428	3.8083	0	1,21,428	3.8083	0	0	0	
4	Satluj Credit And Holdings Private Limited	1,20,000	3.7635	0	1,20,000	3.7635	0	0	0	
5	Rajat Chakra Credit And Holdings Private Limited	1,20,000	3.7635	0	1,20,000	3.7635	0	0	0	
6	Calcom Credit And Holdings Private Limited	1,20,000	3.7635	0	1,20,000	3.7635	0	0	0	
7	Rajalakshmi N	82,571	2.5896	0	82,571	2.5896	0	0	0	
8	V Sengutuvan	74,600	2.3396	0	74,600	2.3396	0	0	0	
9	Twentieth Century-Apco Leasing Private Limited	41,205	1.2923	0	41,205	1.2923	0	0	0	
10	Dr Andal Arumugam	8,987	0.2818	0	8,987	0.2818	0	0	0	
11	TCP Limited	5,664	0.1776	0	5,664	0.1776	0	0	0	
12	Nandagopal M	1,615	0.0506	0	1,615	0.0506	0	0	0	
13	Ethiraj M	391	0.0122	0	391	0.0122	0	0	0	
14	Namitha Shanmugam	21	0.0006	0	21	0.0006	0	0	0	

(iii) Change in Promoters' Shareholding

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	V R VENKATACHALAM				
	At the beginning of the year 01-Apr-2016	15,40,254	48.3069	15,40,254	48.3069
	At the end of the Year 31-Mar-2017	15,40,254	48.3069	15,40,254	48.3069

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Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
2	ARTHOS BREWERIES LIMITED				
	At the beginning of the year 01-Apr-2016	1,50,000	4.7044	1,50,000	4.7044
	At the end of the Year 31-Mar-2017	1,50,000	4.7044	1,50,000	4.7044
3	SHEETALA CREDIT AND HOLDINGS PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2016	1,21,428	3.8083	1,21,428	3.8083
	At the end of the Year 31-Mar-2017	1,21,428	3.8083	1,21,428	3.8083
4	SATLUJ CREDIT AND HOLDINGS PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2016	1,20,000	3.7635	1,20,000	3.7635
	At the end of the Year 31-Mar-2017	1,20,000	3.7635	1,20,000	3.7635
5	RAJAT CHAKRA CREDIT AND HOLDINGS PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2016	1,20,000	3.7635	1,20,000	3.7635
	At the end of the Year 31-Mar-2017	1,20,000	3.7635	1,20,000	3.7635
6	CALCOM CREDIT AND HOLDINGS PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2016	1,20,000	3.7635	1,20,000	3.7635
	At the end of the Year 31-Mar-2017	1,20,000	3.7635	1,20,000	3.7635
7	RAJALAKSHMI N				
	At the beginning of the year 01-Apr-2016	82,571	2.5896	82,571	2.5896
	At the end of the Year 31-Mar-2017	82,571	2.5896	82,571	2.5896
8	V SENGUTUVAN				
	At the beginning of the year 01-Apr-2016	74,600	2.3396	74,600	2.3396
	At the end of the Year 31-Mar-2017	74,600	2.3396	74,600	2.3396
9	TWENTIETH CENTURY-APCO LEASING PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2016	41,205	1.2923	41,205	1.2923
	At the end of the Year 31-Mar-2017	41,205	1.2923	41,205	1.2923
10	DR ANDAL ARUMUGAM				
	At the beginning of the year 01-Apr-2016	8,987	0.2818	8,987	0.2818
	At the end of the Year 31-Mar-2017	8,987	0.2818	8,987	0.2818

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Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
11	TCP LIMITED				
	At the beginning of the year 01-Apr-2016	5,664	0.1776	5,664	0.1776
	At the end of the Year 31-Mar-2017	5,664	0.1776	5,664	0.1776
12	NANDAGOPAL M				
	At the beginning of the year 01-Apr-2016	1,615	0.0506	1,615	0.0506
	At the end of the Year 31-Mar-2017	1,615	0.0506	1,615	0.0506
13	ETHIRAJ M				
	At the beginning of the year 01-Apr-2016	391	0.0122	391	0.0122
	At the end of the Year 31-Mar-2017	391	0.0122	391	0.0122
14	NAMITHA SHANMUGAM				
	At the beginning of the year 01-Apr-2016	21	0.0006	21	0.0006
	At the end of the Year 31-Mar-2017	21	0.0006	21	0.0006

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	STATE BANK OF INDIA				
	At the beginning of the year 01-Apr-2016	1,38,714	4.3504	1,38,714	4.3504
	At the end of the Year 31-Mar-2017	1,38,714	4.3504	1,38,714	4.3504
2	LIFE INSURANCE CORPORATION OF INDIA				
	At the beginning of the year 01-Apr-2016	88,170	2.7652	88,170	2.7652
	At the end of the Year 31-Mar-2017	88,170	2.7652	88,170	2.7652
3	RAMANATHAN SRINIVASAN				
	At the beginning of the year 01-Apr-2016	62,285	1.9534	62,285	1.9534
	At the end of the Year 31-Mar-2017	62,285	1.9534	62,285	1.9534

Binny Mills Limited

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
4	SADAYAVEL KAILASAM At the beginning of the year 01-Apr-2016 At the end of the Year 31-Mar-2017	62,285 62,285	1.9534 1.9534	62,285 62,285	1.9534 1.9534
5	GOVERNOR OF TAMIL NADU JT1 : REPRESENTING GOVT OF TAMIL NADU At the beginning of the year 01-Apr-2016 At the end of the Year 31-Mar-2017	48,705 48,705	1.5275 1.5275	48,705 48,705	1.5275 1.5275
6	SAKTHIVEL J At the beginning of the year 01-Apr-2016 At the end of the Year 01-Apr-2017	40,856 40,856	1.2813 1.2813	40,856 40,856	1.2813 1.2813
7	NATIONAL INSURANCE COMPANY LTD At the beginning of the year 01-Apr-2016 At the end of the Year 31-Mar-2017	14,440 14,440	0.4528 0.4528	14,440 14,440	0.4528 0.4528
8	V N MUNISAMY At the beginning of the year 01-Apr-2016 At the end of the Year 31-Mar-2017	14,285 14,285	0.4480 0.4480	14,285 14,285	0.4480 0.4480
9	R APPAJI At the beginning of the year 01-Apr-2016 At the end of the Year 31-Mar-2017	14,285 14,285	0.4480 0.4480	14,285 14,285	0.4480 0.4480
10	P UMAMAHESWARI At the beginning of the year 01-Apr-2016 Sale 21-Oct-2016 Sale 04-Nov-2016 Sale 17-Feb-2017 Sale 17-Mar-2017 At the end of the Year 31-Mar-2017 NEW 10 th POSITION AS ON (31-Mar-2017)	4,995 -995 -598 -402 -1,000 2,000	0.1566 0.0312 0.0187 0.0126 0.0313 0.0627	4,995 4,000 3,402 3,000 2,000 2,000	0.1566 0.1254 0.1066 0.0940 0.0627 0.0627
11	INSOTEX (INDIA) LTD At the beginning of the year 01-Apr-2016 At the end of the Year 31-Mar-2017	4,257 4,257	0.1335 0.1335	4,257 4,257	0.1335 0.1335

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(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares at the beginning and at the end of the year	% of total shares of the company	No of shares	% of total shares of the company
	Equity Shares				
1	V.R. Venkatachalam	15,40,254	48.3069	15,40,254	48.3069
2	V. Sengutuvan	74,600	2.3396	74,600	2.3396
3	V. Rajasekaran	71	0.002	71	0.002
	9% Cumulative Redeemable Preference Shares				
1	V.R. Venkatachalam	32,000	0.01	32,000	0.01
2	V. Sengutuvan	32,000	0.01	32,000	0.01
3	V. Rajasekaran	1,000	-	1,000	-

5. INDEBTEDNESS:

The indebtedness of the Company including interest outstanding/accrued but not due for payment are as follows:

	Unsecured Loans Rs.	Deposits Rs.	Total Indebtedness Rs.
Indebtedness at the beginning of the financial year			
i) Principal Amount	62,616	NIL	62,616
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
Total (i+ii+iii)	62,616		62,616
Change in Indebtedness during the financial year			
Additions	-	-	-
Reduction	-	-	-
Net Change			

Binny Mills Limited

Indebtedness at the end of the financial year			
i) Principal Amount	62,616	-	62,616
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
Total (i+ii+iii)	62,616		62,616

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

No Remuneration was paid to the Managing Director during the year.

B. Remuneration to other directors

The directors are not paid any remuneration except sitting fees of Rs.5,000/- for attending Board meetings and Committee meetings.

Sl. No.	Name of Directors	Particulars of Remuneration			
		Fee for attending board / committee meetings (in Rs)	Commission (in Rs)	Others (in Rs)	Total amount (in Rs)
1	Independent Directors				
	Shri S. Varatharajan	30,000	-	-	30,000
	Shri M. Parthasarathi	40,000	-	-	40,000
	Shri N. Jai Ganesh	20,000	-	-	20,000
	Total of (1)				90,000
2	Other Non-Executive Directors				
	Shri V.R. Venkataachalam	5,000	-	-	5,000
	Shri V. Sengutuvan	5,000	-	-	5,000
	Total of (2)		-	-	10,000
	Total of (1) & (2)				1,00,000
	Overall Ceiling as per the Act				NOT APPLICABLE

C. Remuneration to Key Managerial Personnel (other than Managing Director)

There is no remuneration paid to Key Managerial Personnel.

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Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

7. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Registered Office:

No.4, (Old No.10) Karpagambal Nagar,
Mylapore,
Chennai 600 004.
Date: 11th August 2017

For and on behalf of the Board

V.R. Venkataachalam
Chairman
DIN : 00037524

POLICY ON BOARD DIVERSITY

1. Purpose

Pursuant to Part D of Schedule II of the Listing regulations (in Para A (3)), the Company has framed a formal policy on Board Diversity which sets out a framework to promote diversity on Company's Board of Directors (the 'Board').

2. Vision

The Company recognizes the importance and benefits of having a diverse Board to enhance quality of its performance.

3. Policy Statement

The Company believes that a diverse Board will enhance the quality of the decisions made by the Board by utilizing the different skills, qualification, professional experience, gender, knowledge, etc. of the members of the Board, necessary for achieving sustainable and balanced development. For appointments of persons to office of directors and deciding composition of the Board, the Nomination and Remuneration Committee and the Board shall also have due regard to this policy on Board Diversity. In this process, the Nomination and Remuneration Committee and the Board will take into consideration qualification and wide experience of the directors in the fields of textiles, manufacturing, finance, regulatory, administration and legal segment apart from compliance of legal and contractual requirements of the Company.

The total number of directors constituting the Board shall be in accordance with the Articles of Association of the Company. The Board of Directors of the Company shall have optimum combination of executive and non-executive directors with at least one woman director and the composition of the Board shall be in accordance with requirements of the Articles of Association of the Company, the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the statutory, regulatory and contractual obligations of the Company.

4. Review of Policy

The Nomination and Remuneration Committee will review the policy from time to time and make recommendations on any required changes to the Board for consideration and approval.

BINNY MILLS LIMITED

CIN: L 17120TN2007PLC065807

REGISTERED OFFICE: No.4, Karpagambal Nagar, Mylapore, Chennai 600004

BINNY MILLS LIMITED – NOMINATION AND REMUNERATION POLICY RELATING TO THE REMUNERATION FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES (Pursuant to section 178 (4) of the Companies Act, 2013)

Constitution of Nomination and Remuneration Committee

Section 178 of the Companies Act, 2013 read with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 and the provisions of Regulation 19 and Part D of Schedule II of the Listing Regulations requires the Board of Directors of every listed company to constitute the Nomination and Remuneration Committee. The Nomination and Remuneration Committee shall consist of three or more non-executive directors out of which not less than one-half shall be independent directors. The Chairperson of the Nomination and Remuneration Committee shall be an independent director.

Principle and Rationale:

The Role of the Nomination and Remuneration Committee shall be as follows:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- Carry out evaluation of every director's performance.
- Formulate the criteria for evaluation of performance of Independent Directors and the Board.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors.

Accordingly, in adherence to the above said requirements and in line with the Company's philosophy towards nurturing its human resources, the Nomination and Remuneration Committee of the Board of Directors of Binny Mills Limited herein below recommends to the Board of Directors for its adoption the Nomination and Remuneration Policy for the directors, key managerial personnel and other employees of the Company as set out below:

Company Philosophy:

Binny Mills Ltd is an organisation committed to paying fair remuneration to its employees matching the responsibilities and performance. The organisation does not discriminate on grounds of age, gender, colour, race, ethnicity, language, caste, creed, economic or social status or disability. The Company's committed workforce, spread across its corporate office and factory locations, which has, over the years, transformed Binny Mills Ltd into a consistent growing organisation, forms the backbone of the Company.

Binny Mills Limited

Pay revisions and other benefits are designed in such a way to compensate good performance of the employees of the Company and motivate them to do better in future.

Employee recognition schemes in the form of Production incentive and Service award have also been introduced as successful tools in acknowledging their contribution.

The endeavour of the company is to acknowledge the contributions of its directors, key managerial personnel and other employees with best compensation and benefits that appropriately rewards performance in line with the regulatory and industry best practices.

Guiding Principles:

In the formulation of this Policy, the Nomination and Remuneration Committee has also endeavoured to ensure the guiding principles as prescribed u/s 178(4) of the Companies Act, 2013 and Part D of Schedule II of the Listing Regulations, are summarized hereunder:

- a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate human resource including directors of the quality required to run the company successfully;
- b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- d) Facilitating effective shareholder participation in key Corporate Governance decisions such as the nomination and election of board members;
- e) Aligning key executive and board remuneration with the longer term interests of the company and its shareholders;
- f) Ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.

Nomination of the Directors:

The Nomination and Remuneration Committee of the Board of Directors is dedicated to ensuring the continuance of a dynamic and forward-thinking Board and recommend to the Board qualified candidates for directorship.

Before recommending a nominee's candidature to the Board for being appointed as a Director, the following criteria set out may be applied as guidelines in considering potential nominees to the Board of Directors.

General Criteria

- a) The background and qualifications of the Directors considered as a group should provide a significant combination of experience, knowledge and abilities to assist the Board in fulfilling its responsibilities.
- b) Directors should be so selected such that the Board of Directors should remain as a diverse body, with diversity reflecting gender, ethnic background and professional experience. Because a mix

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of viewpoints and ideas enhances the Board's ability to function effectively, the Committee shall consider the diversity of the existing Board when considering potential nominees, so that the Board maintains a body of directors from diverse professional and personal backgrounds.

- c) Potential nominees shall not be discriminated against on the basis of race, religion, national origin, sex, disability, or any other basis prohibited by law.
- d) Any nominee should be free of any conflict of interest which would violate any applicable law or regulation or interfere with the performance of the responsibilities of a director.
- e) Commitment of the nominee to understanding the Company and its industry, embracing the Company's values to help shape its vision, mission and strategic direction including oversight of risk management and internal control.
- f) Commitment of the nominee to spending the time necessary to function effectively as a Director, including attending and participating in Board meetings and its Committee meetings.

Specific Criteria

- a) Demonstrated business acumen, experience and ability to use sound judgment and to contribute to the effective oversight of the business and financial affairs of a large or medium sized, multifaceted, Indian Company.
- b) The nominee reflects the right corporate tone and culture and excels at board-management relationships.
- c) Experience in strategic planning and managing multidisciplinary responsibilities, the ability to navigate among diverse professional groups and points of view, a track record of communicating effectively in a global environment, and high standards of integrity and professional conduct.
- d) Nominees understand and endeavour to balance the interests of shareholders and / or other stakeholders and put the interests of the company above self-interest. He/she has demonstrated a commitment to transparency and disclosure.
- e) He/ she is committed to superior corporate performance, consistently striving to go beyond the legal and/or regulatory governance requirements to enhance, not just protect, shareholder value.
- f) Nominee contributes to effective governance through superior, constructive relationships with the Executive Directorate and management.

Remuneration of the Directors:

The Company strives to provide fair compensation to directors, taking into consideration industry benchmarks, Company's performance vis-à-vis the industry, responsibilities shouldered, performance/ track record, macroeconomic review on remuneration packages of heads of other similar sized companies.

The remuneration payable to the directors of the company, shall at all times be determined, in accordance with the provisions of Companies Act, 2013.

Binny Mills Limited

Appointment and Remuneration of Managing Director and Whole time- Director:

The terms and conditions of appointment and remuneration payable to the Managing Director and the Whole-time Director(s) shall be recommended by the Nomination and Remuneration Committee to the Board for its approval which shall be subject to approval by shareholders at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in Schedule V to the Companies Act, 2013. Approval of the Central Government is not necessary if the appointment is made in accordance with the conditions specified in Schedule V to the Act.

In terms of the provisions of Companies Act, 2013, the Company may appoint a person as its Managing Director or Whole-time Director for a term not exceeding 5 (years) at a time. The executive directors may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required.

While recommending the remuneration payable to a Managing/ Whole-time Director, the Nomination and Remuneration Committee shall, inter alia, have regard to the following matters:

- * Financial and operating performance of the Company
- * Relationship between remuneration and performance
- * Industry/ sector trends for the remuneration paid to similar executives.

Annual Increments to the Managing/ Whole Time Director(s) shall be within the slabs approved by the Shareholders. Increments shall be decided by the Nomination and Remuneration Committee at times it desires to do so but preferably on an annual basis.

Insurance Premium as Part of Remuneration:

Where any insurance is taken by a company on behalf of its managing director, whole-time director, manager, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

However, if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration of Independent Directors:

Independent Directors may receive remuneration by way of

- * Sitting fees for participation in the Board and other meetings
- * Reimbursement of expenses for participation in the Board and other meetings
- * Commission as approved by the Shareholders of the Company

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Independent Directors shall not be entitled to any stock options

Based on the recommendation of the Nomination and Remuneration Committee, the Board may decide the sitting fee payable to independent directors. Provided that the amount of such fees shall not exceed the maximum permissible under the Companies Act, 2013.

Remuneration to Directors in other capacity:

The remuneration payable to the directors including managing or whole-time director or manager shall be inclusive of the remuneration payable for the services rendered by him in any other capacity except the following:

- (a) The services rendered are of a professional nature; and
- (b) In the opinion of the Nomination and Remuneration Committee, the director possesses the requisite qualification for the practice of the profession.

Evaluation of the Directors:

As members of the Board, the performance of the individual Directors as well as the performance of the entire Board and its Committees is required to be formally evaluated annually.

Section 178 (2) of the Companies Act, 2013 also mandates the Nomination and Remuneration Committee to carry out evaluation of every director's performance.

In developing the methodology to be used for evaluation on the basis of best standards and methods meeting international parameters, the Board / Committee may take the advice of an independent professional consultant.

Nomination and Remuneration of the Key Managerial Personnel (other than Managing / whole time directors), key executives and senior management:

The executive management of a company is responsible for the day to day management of a company. The Companies Act, 2013 has used the term "key managerial personnel" (KMP) to define the executive management.

The KMPs are the point of first contact between the company and its stakeholders. While the Board of Directors are responsible for providing the oversight, it is the key managerial personnel and the senior management who are responsible for not just laying down the strategies but for its implementation as well.

The Companies Act, 2013 has, for the first time, recognized the concept of Key Managerial Personnel. As per section 2(51) "key managerial personnel", in relation to a company, means—

- (i) The Chief Executive Officer or the managing director or the manager;
- (ii) The whole-time director;
- (iii) The Chief Financial Officer;
- (iv) The company secretary; and
- (v) Such other officer as may be prescribed.

Among the KMPs, the remuneration of the CEO or the Managing Director and the Whole time Director(s), shall be governed by the Section on **Remuneration of the Directors** of this Policy dealing with "Remuneration of Managing Director and Whole time- Director".

Binny Mills Limited

Apart from the directors, the remuneration of

- * All the Other KMPs such as the company secretary or any other officer that may be prescribed under the statute from time to time; and
- * “Senior Management” of the Company defined in the clause 49 of the Listing Agreement with the Stock Exchanges i.e. personnel who are members of its core management team excluding the Board of Directors. Senior executives one level below the Board i.e. President cadre

Shall be determined by the Human Resources Department of the Company in consultation with the Managing Director and/ or the Whole time Director.

The remuneration determined for all the above said senior personnel shall be in line with the Company's philosophy to provide fair compensation to key - executive officers based on their performance and contribution to the Company and to provide incentives that attract and retain key executives, instill a long-term commitment to the Company, and develop a pride and sense of Company ownership, all in a manner consistent with shareholder interests.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided by the Company's HR department.

Decisions on Annual Increments of the Senior Personnel shall be decided by the Human Resources Department in consultation with the Managing Director and/ or the Whole time Director of the Company.

Remuneration of other employees:

Apart from the Directors, KMPs and Senior Management, the remuneration for rest of the employees is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and local market conditions.

The Company considers it essential to provide incentives to the workforce to ensure adequate and reasonable compensation to the staff. The Human Resources Department shall ensure that the level of remuneration motivates and rewards high performers who perform according to set expectations for the employee.

The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package. The annual increments to the remuneration paid to the employees shall be determined based on the annual appraisal carried out by the Head of Departments of various departments.

Decisions on Annual Increments shall be made on the basis of this annual appraisal.

General:

This Policy shall apply to all future employment of Company's Senior Management including Key Managerial Personnel and Board of Directors.

Any or all the provisions of this Policy would be subject to the revision/ amendment in the Companies Act, 2013, related rules and regulations, guidelines and the Listing Agreement on the subject as may be notified from time to time.

Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the Nomination and Remuneration Committee and/ or the Board of Directors.

**Form No.MR-3
Secretarial Audit Report**

For the Financial Year ended 31st March, 2017

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To
The Members
Binny Mills Limited
(CIN: L17120TN2007PLC065807)
Chennai 600 004.

1. I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s BINNY MILLS LIMITED (hereinafter referred to as the company). Secretarial Audit was conducted with reference to the required books and records made available to me, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.
2. Based on my verification of the Company's Books, records, papers, minutes books, various forms and returns filed and other records and returns maintained by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I on the basis and strength of such records, and information so provided, hereby report that in my opinion and understanding, the Company has during the audit period covering the financial year ended 31st March 2017, appears to have complied with the statutory provisions listed hereunder and also in my limited review, that the company has proper and adequate Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the forms and returns as filed, books including minutes books, papers and other records maintained by the Company and made available to me, for the audit period up to the financial year ended 31st March, 2017 according to the applicable provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder as applicable;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and Rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. The following guidelines and regulations stipulated under the Securities and Exchange Board of India Act, 1992 (SEBI ACT)
 - i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

Binny Mills Limited

- iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - v) The Securities and Exchange Board of India(Issue and Listing of Debt Securities) Regualtions,2008;
 - vi) The Securities and Exchange Board of India (Registrar to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
5. Other applicable laws on the operation of the company and the rules made thereunder and I have examined the systems and procedures of the company as placed to ensure the compliance with general laws like Labour Laws, Employees Provident Funds Act, Employees State Insurance Act, considering and relying upon representations made by the company and its Officers for systems and mechanisms formed by the company for compliance under these laws and other applicable sector specific Acts, Laws, Rules and Regulations applicable to the company and its observance by them.

I have examined the compliance with the applicable clauses of:

1. Secretarial Standards issued by The Institute of Company Secretaries of India.
2. Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (with effect from December 1, 2015)

The company has complied with the applicable provisions of the Act, Rules, Regulations, Standards, Guidelines etc., mentioned above during the period under review, except those matters noted hereunder:

- i. The Company has to appoint Key Managerial Personnel as prescribed under Section 203 of the Companies Act, 2013 and the Rules made thereunder;
- ii. The Company has to appoint one Independent Director and to fill up the vacancy caused by the resignation of Woman Director.

It has been reported by the management that they have since appointed a Woman Director, who is on the board as on the date of this report. I further report that the related documents that I have come across show that the Board of Directors of the company is constituted as per applicable provisions with proper balance of Executive Directors, Non-Executive Directors and Independent Directors subject to my observation made at (ii) above, and the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and adequate notices have been given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting

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for meaningful participation at the meeting. I also report that board's decisions have been arrived at and recorded in the Minutes Book in line with the stipulations prescribed by the Companies Act, 2013, Rules made thereunder and the Secretarial Standards in operation. The company has to conduct Board meetings within the interval as specified by the Companies Act, 2013.

I further report that there appears to be adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that my audit is subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliance by the company and I am not responsible for any lapses in those compliances on the part of the company.

Place: Chennai
Date: 19-07-2017

K.ELANGOVAN
FCS 1808
CP NO. 3522

This Report is to be read with my testimony of even date which is annexed as Annexure A and forms an integral part of this report.

Binny Mills Limited

Annexure A

To
The Members,
Binny Mills Limited
(CIN: L17120TN2007PLC065807)

My report of even date is to be read along with this supplementary testimony.

1. Maintenance of secretarial record is the responsibility of Management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes that were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have consulted the Management and Officers of the company about the compliance of laws, rules and regulations and happenings of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules and regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit is neither an assurance as to the future viability of the company nor of the efficacy of effectiveness with which the management conducted the affairs of the company

Place: Chennai
Date: 19-07-2017

K.ELANGOVAN
FCS 1808
CP NO. 3522

ANNEXURE V

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCE

(Pursuant to Para E of Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015)

To the Members of
Binny Mills Ltd

We have examined the compliance of conditions of Corporate Governance by Binny Mills Ltd ("the Company") for the year ended 31st March 2017, as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, pursuant to the Listing Agreement of the said Company with the BSE Ltd.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, *except that the Company does not have one more Independent Director to comply with the requirement of the Proviso to Regulation 17(1) (b) and a qualified Company Secretary as Compliance Officer to comply with the requirement of Regulation 6(1) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.*

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **T. SELVARAJ & CO**
Chartered Accountants
Firm Regn No.:003703S

S. Vidya
Partner
Membership No: 217934

Place : Chennai 600 004
Date : 11st August 2017

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(Pursuant to regulation 34(3) and Para B of Schedule V of the Listing Regulations)

This report is part of the Directors' Report

Economic scenario

The economy grew by 7.1% in the year 2016-17 compared with 8% in the previous year. The annual inflation was 5.9% in 2014-15. It declined to 4.5% in 2016-17. Green shoots are slowly becoming visible in the merchandise trade with rising revenues. There was growth in new taxpayers at 45.3% in financial year 2016-17 when compared with 25.1% in the financial year 2015-16. Exports witnessed growth after a gap of two years. These are some of the good things that have happened in the economy during the financial year 2016-17.

The encouraging developments are that 3.50 lakh new registrations on GST Portal. Action being taken to address stressed bank and corporate balance sheets. Structural down ward shift in inflation. Dip in cash holdings due to impact of demonetization.

The second volume of *Economic Survey* that was tabled in the Parliament on 11th August 2017, states that demonetisation has reduced Rs.3.50 lakh crores of cash from the amounts available in the system before, and the digitization has increased across the board, even among the poor.

Agriculture – to say that Agriculture is the lifeline of India's economy would be an understatement. There is no other sector that is as critical for the country's development and at the same time so besieged by its myriad challenges, as Agriculture. Agriculture engages nearly a half of India's workforce. It provides food security to the nation's 1.3 billion people. It also provides livelihoods to more than 70% of the rural households. Agrarian distress, therefore, can cripple the lives of millions.

Agriculture remains the most vulnerable to the vagaries of nature and a threat to climate change. As it stands today, agriculture consumes about 90% of the country's renewable fresh water, one-fifth of the total electricity and a significant part of Government subsidies. Yet this sector contributes less than 15% to the Gross Domestic Product. It is therefore, not surprising, that the farmer's per capita income is less than one-fifth of the country's average. Hence, steps should be taken rapidly to substantially increase the per capita income of the farmer to show that agriculture is still a profitable venture.

Opportunities and threats

The Company is engaged in retail sale of textile products. The Company's future relies on the Textile industry growth.

Government Initiatives

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

The key initiatives announced in the Union Budget 2017-18 to boost the textiles sector are listed below:

- Encourage new entrepreneurs to invest in sectors such as knitwear by increasing allocation of funds to Mudra Bank from Rs 1,36,000 crore (US\$ 20.4 billion) to Rs 2,44,000 crore (US\$ 36.6 billion).
- Upgrade labour skills by allocating Rs 2,200 crore (US\$ 330 million)

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The Government of India plans to introduce a mega package for the power loom sector, which will include social welfare schemes, insurance cover, cluster development, and upgradation of obsolete looms, along with tax benefits and marketing support, which is expected to improve the status of power loom weavers in the country. The Indian cotton textile industry is expected to showcase a stable growth in financial year 2017-18, supported by stable input prices, healthy capacity utilisation and steady domestic demand.

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand.

The threats to the textiles industry are in the form of lack of enough skilled workforce and urgent need for labour reforms in this sector. There is a need for attracting more investments in the industry. The technology up gradation of the textile mills is another area of serious concern. The biggest challenge facing the Indian textile industry is competition from the other low cost neighbouring countries which attract more business from the international market because of lower production costs, ease in doing business and easier trade routes, according to an industry expert.

Risks and concerns

The company is engaged in trading business. Hence, the risks associated with the stiff competition in retail textile business are the major risk for the Company. But, the company has built up reputation among the buyers and has created a brand image for its products. Hence, it is confident of mitigating the effects of the risks.

Internal control systems and their adequacy

The Company has proper and adequate internal control systems commensurate with its size and nature of operations, to provide reasonable assurance that all assets are safeguarded, transactions are authorised, recorded and reported properly and that all applicable statutes and corporate policies are duly complied with.

Human Resources Development and Industrial Relations

The Company attaches considerable importance to Human Resource Development and harmonious industrial relations. There are senior and experienced professionals managing the operations of its divisions. The company takes all efforts to train its employees to make them a skilled employee. The overall industrial relations, during the year, were cordial.

Environmental protection

The Environmental Policy of your company is maintaining clean and green environment and ecofriendly atmosphere. Your company has been complying with applicable environmental regulations and preventing pollution in all operations. Your company continues to strive for energy saving and conservation of natural reserves.

Risk Management

Risk Management is an ongoing process. The Board of directors has constituted a Risk Management Committee of three members, all of whom are directors on the Board. The Risk Management Committee

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has approved the revised Risk Management Policy. The Board has defined the roles and responsibilities of the Risk Management Committee and has delegated the monitoring and reviewing of the Risk Management Plan to the Committee. The terms of reference of the Risk Management Committee include review of Risk Management Policy, approval of Risk Management Plan, implementing, monitoring and reviewing the Risk Management Plan.

The Company maintains Risk Register listing all the risks likely to affect the achievement of the business goals set by the Company. Significant risks are identified using a scoring methodology. The process of Risk Management includes Risk Identification and Categorization, Risk Description and Risk Mitigation. The Risk Owners are accountable to the Risk Management Committee for identification, assessment, aggregation, reporting and monitoring of the risks related to their respective areas / functions.

The key implementation areas for Risk Mitigation are as follows:

For Finance function:	Treasury operations and fund transfers
For Computer systems and Data maintenance	Data Security
For purchase and sales functions	Credit Administration

The Company is exposed mainly to Credit Risk and Cash Management Risk in its business operations. The Company has taken over the business of erstwhile Binny Ltd along with the respective business division employees. Their expertise in dealing with suppliers and customers has helped to mitigate the Credit Risk. The sales collections at the showrooms of the Company are mainly in the form of cash. This exposes our Company to cash management risk. In order to mitigate the same, the Company ensures efficient and secured collection at its showrooms. The cash collections are deposited in the Company's bank account the next day. The Company has also adopted stringent checks and internal controls at its showrooms. At the Head Office of the Company, each day's collections are monitored and reconciled on a daily basis. Such procedures and internal controls has helped to mitigate Cash Management Risk.

Cautionary Statement

This report contains forward looking statements that involve risks and uncertainties including, but not limited to, risks inherent in the Company's growth strategy, dependence on certain businesses, dependence on availability of qualified and trained manpower, economic conditions, government policies and other factors. Actual results, performance or achievements could differ materially from those expressed or implied in such forward looking statements. This report should be read in conjunction with the financial statements included herein and the notes thereto.

REPORT ON CORPORATE GOVERNANCE

(Pursuant to regulation 34 (3) and Para C of Schedule V of the Listing regulations)

1. Company's Philosophy on Corporate Governance Code:

The Company's philosophy on Corporate Governance Code aims at enhancing the shareholders' value in the Company in the long-term through assisting the Board and the senior management in taking prudent business decisions and prudent financial management. It also aims at transparency and professional approach in all decisions and activities of the Company. The Company's philosophy is also for achieving excellence in Corporate Governance by conforming to the prevalent guidelines on Corporate Governance and excelling, wherever it is possible. It also provides for periodical review of the existing systems and controls for further improvements.

2. Board of Directors:

Composition:

The composition of the Board of Directors is in conformity with regulation 17 of the Listing regulations except that the company has to appoint one more independent director. The Directors on the Board are experienced, competent and highly respected persons in their respective field.

The present strength of the Board is eight directors. The Board comprises of an optimum combination of Executive and Non-Executive directors, with seven directors being Non-Executive directors, including the Non-Executive Chairman. There are three Independent Directors, who exercise independent judgement in the Board's deliberations, discussions and decisions. Not less than fifty percent of the Board comprises of Non-Executive directors. The regular Non-Executive Chairman is a Promoter of the Company and consequently one-half of the Board should comprise of Independent Directors.

Shri V.R. Venkataachalam is the Chairman of the Board and accordingly the Non-Executive Chairman of the Company and Shri V. Rajasekaran is the Managing Director of the Company.

The day to day management of the affairs of the Company is entrusted with the senior management personnel, headed by the Managing Director, who functions under the overall supervision, direction and control of the Board of Directors of the Company.

Independent Directors:

The Company has three Independent Directors and they have affirmed compliance with the requirements of the Listing regulations. Their appointment is for a term of five consecutive years on the Board of the Company. They shall be eligible for reappointment for another term of five consecutive years on passing of a special resolution by the Company.

The Independent Directors have made disclosures confirming that there is no material, financial and / or commercial transactions between Independent Directors and the Company which could have potential conflict of interest with the Company at large.

As required by Regulation 25 of the Listing Regulations, as of 31st March, 2017, none of the independent directors of the company served as an independent director in more than seven listed entities

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Performance evaluation by the Board of directors of its own performance, the Directors individually and that of Independent Directors:

As provided in section 134(3) (p) of the Companies Act, 2013 the Board has carried out an annual performance evaluation of its own performance and that of the Directors, individually. As provided in regulation 17 (10) of the Listing regulations, the Board has carried out an annual performance evaluation of the Independent Directors. The details of the evaluation procedures are given under the heading 'Performance Evaluation' in this Report.

Separate meeting of the Independent Directors:

As provided in regulation 25 (3) of the Listing regulations, a separate meeting of the Independent Directors of the Company was held on 31st January 2017 to evaluate the performance of Non-Independent Directors and the Board of directors as a whole, to review the performance of the Chairman, who were evaluated on parameters such as attendance, level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its stakeholders.

The Independent Directors expressed their satisfaction on the performance and effectiveness of the Board, individual Non-Independent Board members, Independent Directors and the Chairman. They also expressed satisfaction with the quality, quantity and timeliness of flow of information between the Company management and the Board of directors to effectively and reasonably perform their duties.

Familiarisation Programme for Independent Directors:

Pursuant to regulation 25 (7) of the Listing regulations, the Company had familiarisation programmes for the Independent Directors, on a continuous basis, about the operations of the Company and other details from time to time, inter alia, as follows:

1. The Independent Directors were informed about their roles, responsibilities and duties under the Companies Act, 2013 and the Listing regulations through Board papers and appointment letter given to them.
2. Presentations were made and discussions were held from time to time on major developments in the areas of the Companies Act 2013 and the Listing regulations.
3. The Directors, including Independent Directors, were updated about the industry, the Company's business model, various business activities, competition faced by the Company and such other issues through presentations at the Board meetings.

As required to be disclosed by Para C (2) (g) of Schedule V of the Listing regulations, the details of such familiarisation programmes has been disclosed on the Company's website www.bmlindia.com as provided in regulation 46 (2) (i) of the Listing regulations.

Board functioning and procedure:

The Board plays a pivotal role in ensuring good governance and functioning of the company. The Board's role, functions, responsibilities and accountabilities are clearly defined. In addition to its primary role of setting corporate goals and monitoring corporate performance, it directs and guides the activities of the Management towards the set goals and sets accountability, with a view to ensure that the corporate philosophy and objective is accomplished. It also sets standards of corporate behaviour

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and ensures ethical behaviour at all times and strict compliance with the laws and regulations. The Board holds periodic meetings every year to discuss, review and decide upon the matters such as policy formulation, setting up of goals, appraisal of the performance of the company, its future plans, strategies and other pertinent issues relating to the company. The Board periodically reviews compliance reports of all laws applicable to the company prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances. The Board satisfies itself that plans are in place for orderly succession for appointments to the Board and to senior management positions. Some of the powers of the Board have also been delegated to Committee(s), which monitors the day-to-day affairs relating to operational matters. The Board thus exercises close control over the overall functioning of the Company with a view to enhance the Shareholder value.

Information placed before Board of Directors:

The information, as required under Part A of Schedule II of the Listing regulations, is placed before the Board of directors. The agenda for the Board Meetings setting out the business to be transacted at the meeting along with the explanatory notes on the agenda items, for consideration at the Board Meetings, are circulated to the directors, seven days before the Board Meeting date, to enable the directors to have a proper study and deliberation on the agenda matters, to take appropriate decisions. In some instances, documents are tabled at the meetings and presentations are also made by the respective executives on the matters related to them at the Board or Committee meetings. The Directors have complete freedom to express their opinions at the Board Meetings and the Board takes decisions after detailed discussions.

Number of Board Meetings held during the year and the dates on which they were held: (Pursuant to Para C (2) (d) of Schedule V of the Listing regulations)

As prescribed in regulation 17(2) of the Listing regulations, during the year four Board Meetings were held on 30th May 2016, 29th July 2016, 27th October 2016 and 31st January 2017 with a maximum time gap of 120 days between any two meetings.

The Ninth Annual General Meeting was held on 23rd September 2016.

Membership in Committees:

As required by Regulation 26 of Listing Regulations none of Directors is a member of more than ten committees or acting as Chairperson of more than five committees across all listed entities in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

Further, for the purpose of reckoning the aforesaid limit only 2 committees, viz., the Audit Committee and the Stakeholders' Relationship committee alone are considered and committees in Public Limited companies alone are considered.

Code of conduct:

The Board has laid down the Code of Conduct ("Code") for the Board members and Senior Management Personnel of the Company as required under regulation 17(5) (a) of the Listing regulations. Pursuant to regulation 26(3) of the Listing regulations, all members of the Board of directors and senior management personnel of the company have affirmed compliance with the Code for the financial year

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ended 31st March 2017. A declaration to this effect, duly signed by the Managing Director (CEO), as required in Para D of Schedule V of the Listing regulations, is included in the 'Report on Corporate Governance' which forms part of this Annual Report. The Code has also been posted on the website of the company www.bmlindia.com as provided in regulation 46 (2) (d) of the Listing regulations.

The Code suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013, as required under regulation 17(5) (b) of the Listing regulations. The Code also lays down that an Independent Director shall be held liable, only in respect of such acts of omission or commission by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently with respect to the provisions contained in the Listing Agreement as provided in regulation 25(5) of the Listing regulations..

Composition and category of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting (AGM) and the number of other Boards or Board Committees in which the director is a member or Chairperson: (Pursuant to Para C (2) (a), (b) and (c) of Schedule V of the Listing regulations)

Composition of Board of Directors as of 31st March, 2017

The details are given in the Table below:

Name of Director	Category	Number of Board meetings attended during the year	Attendance at the last AGM	Number of other company Boards in which the director is a member	Number of other Board Committees in which the director is a member or chairman
Shri V.R.Venkataachalam DIN: 00037524	Promoter, Non- Executive Chairman –	1	Yes	18 (Public: 2 Private: 16)	2
Shri V. Rajasekaran DIN: 00037006	Managing Director – Executive and Non Independent	4	Yes	4 (Public: 2 Private: 2)	-
Shri V. Sengutuvan DIN: 00053629	Promoter, Non- Executive	1	Yes	16 (Public: 2 Private: 14)	2
Shri S. Natarajan DIN: 00155988	Promoter, Non- Executive	4	Yes	14 (Public: 5 Private: 9)	2
Shri S. Varatharajan DIN: 01819133	Non- Executive and Independent	2	Yes	4 (Public: 1 Private: 3)	-

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Name of Director	Category	Number of Board meetings attended during the year	Attendance at the last AGM	Number of other company Boards in which the director is a member	Number of other Board Committees in which the director is a member or chairman
Shri M. Parthasarathi DIN: 03209175	Non-Executive and Independent	4	Yes	3 (Public: 1 Private: 2)	-
Shri N. Jaiganesh DIN: 06969618	Non-Executive and Independent	1	No	1 (Public: 1 Private: -)	-

Note:

1. While considering the total number of directorship of directors, their directorships in private companies and Section 8 companies have been included and their directorship in the Company has been excluded.
2. The membership and chairmanship of directors in committees do not include their membership and chairmanship in the committees of the Company.
3. Shri V. R. Venkataachalam, Promoter and Non-Executive Chairman, is the father of Shri V. Sengutuvan, Promoter and Non- Executive Director. No other directors are related to each other.
4. Shri V. R. Venkataachalam, Promoter and Non-Executive Chairman, holds 15,40,254 equity shares of Rs.10/- each aggregating to Rs.1,54,02,540/- and 32,000 9% Cumulative Redeemable Preference of Rs.5/- each aggregating to Rs.1,60,000/-, in the Company.
5. Shri V. Sengutuvan, Promoter and Non- executive Director, holds 74,600 equity shares of Rs.10/- each aggregating to Rs.7,46,000/- and 32,000 9% Cumulative Redeemable Preference of Rs.5/- each aggregating to Rs.1,60,000/-, in the Company.

**INFORMATION OF DIRECTOR RETIRING BY ROTATION AND SEEKING REAPPOINTMENT
(PURSUANT TO REGULATION 36(3) OF THE LISTING REGULATIONS)**

Name	Shri V. R. Venkataachalam
DIN	00037524
Date of Birth	9 th April 1960
Date of Appointment	26 th August 2009
Qualifications	Graduate

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Expertise in specific functional areas	Industrial experience in the field of Textile, Chemical, Power and Engineering
Chairman/Director of other listed Companies	---
Chairman / Member of Committees of the Board of listed Companies in which he is a Director	---

Shri V.R. Venkataachalam, is the father of Shri V. Sengutuvan, Director and Promoter.

Shri V.R. Venkataachalam, Promoter and Non- executive Chairman, holds 15,40,254 equity shares of Rs.10/- each aggregating to Rs.1,54,02,540/-, constituting 48.31% of the paid-up equity share capital and 32,000 9% Cumulative Redeemable Preference of Rs.5/- each aggregating to Rs.1,60,000/-, in the Company.

**INFORMATION ON APPOINTMENT OF NEW DIRECTOR
(PURSUANT TO REGULATION 36(3) OF THE LISTING REGULATIONS)**

Name	Ms. V. Samyuktha
DIN	02691981
Date of Birth	29 th September 1990
Date of Appointment	25 th May 2017 – Additional Director
Qualifications	Graduate
Expertise in specific functional areas	Designing fashionable clothing, textiles business.
Chairman/Director of other listed Companies	---
Chairman / Member of Committees of the Board of listed Companies in which he is a Director	---

Ms. V. Samyuktha is the daughter of Shri V.R. Venkataachalam, Promoter and Non- executive Chairman and is the sister of Shri V. Sengutuvan, Director and Promoter.

Performance Evaluation: (Pursuant to section 134(3) (p) of the Companies Act, 2013 and Para C (13) of Schedule V of the Listing Regulations)

As provided in section 134(3) (p) of the Companies Act, 2013, Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its

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Committees. As provided in regulation 17 (10) of the Listing regulations, Board has carried out an annual performance evaluation of the Independent Directors.

The evaluation process was carried out through a structured evaluation procedures covering various aspects of the functioning of the Board and its Committees viz., The sufficiency of the existing Committees in relation to the existing size and nature of operations, their roles in decision making, frequency of their meetings, the level of participation at the meetings, the exercise of independence of judgement, performance of their duties and obligations and implementation of good Corporate Governance practices.

The Board expressed its satisfaction of the performance of all the Directors, Board and it's Committees which reflected the overall engagement of the Board and its Committees with the Company.

Policy for prohibition of Insider Trading:

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations 2015, (as amended from time to time) and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a Code for Prohibition of Insider Trading for Directors/ Designated persons of the Company, relating to dealings by them in the securities of the Company.

The Code also provides for periodical disclosures from Directors and Designated persons as well as pre-clearance of transactions by such persons.

3. Audit Committee:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act 2013 read with Regulation 18 of the Listing Regulations.

The following Non-Executive directors are the members of the Audit Committee:

Shri S. Varatharajan, Chairman of the Committee

Shri M. Parthasarathi; and

Shri N. Jaiganesh;

All the members of the Audit Committee are Independent Directors. The members of the committee are financially literate with ability to read and understand the financial statement. The Chairman of the committee has related financial management expertise by way of experience in financial management in his field of business. The Company Secretary acts as the Secretary to the Audit Committee.

The Audit Committee shall have such powers, duties and responsibilities and shall function in such manner as provided in Section 177 of the Companies Act, 2013 and Regulation 18(3) and Part C of Schedule II of the Listing Regulations.

Meetings and attendance during the year:

During the year four Audit Committee Meetings were held on 30th May 2016, 29th July 2016, 27th October 2016 and 31st January 2017. All the members of the Committee attended the meetings held during the year except that Shri N. Jaiganesh did not attend the meeting held on 27th October 2016.

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The maximum gap between any two meetings was not more than one hundred and twenty days. The necessary quorum was present for all the meetings.

The Statutory Auditors and Managing Director and the Head of Accounts Department of the Company and invitees, if any, attend the Audit Committee meeting to provide information and clarifications.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the company.

Terms of Reference:

The terms of reference of the Audit Committee, *inter alia* includes:

- Overseeing the financial reporting process.
- To ensure proper disclosure in the quarterly, half yearly and Annual Financial Statements.
- To recommend appointment, re-appointment of auditors and the fixing of their remuneration. Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the management, the Financial Statements before submission to the Board.
- Reviewing, with the management, performance of statutory and internal auditors, adequacies of the internal control systems.
- Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Reviewing, with the management, the statement of uses / application of funds.
- Discussing with Internal auditors on any significant findings and follow up there on.
- Reviewing the findings of any internal examinations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To discuss with the management, the senior internal audit executives and the statutory auditor/s the Company's major risk exposures and guidelines and policies to govern the processes by which risk assessment and risk management is undertaken by the Company, including discussing the Company's major financial risk exposures and steps taken by management to monitor and mitigate such exposures and from time to time conferring with another Committee/s of the Board about risk exposures and policies within the scope of such other Committee's oversight.
- To review the functioning of the Whistle Blower Mechanism.
- Approval of appointment of CFO (i.e., the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

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- Review and monitor the Auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- To review the financial Statements.
- Granting omnibus approval to related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

4. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee has been constituted by the Board as per the requirements of the provisions of Section 178 (1) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The following Non-Executive directors are the members of the Nomination and Remuneration Committee:

Shri S. Varatharajan, Chairman of the Committee

Shri M. Parthasarathi; and

Shri N. Jaiganesh;

The Chairman of the Committee is an Independent Director. All the other members of the Committee are also Independent Directors. The Company Secretary acts as the secretary to the Committee.

Functions of the Committee:

- i. It shall formulate the criteria for determining qualifications, positive attributes and independence of a director.
- ii. It shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment or removal.
- iii. It shall formulate criteria for evaluation of Independent Directors and the Board.
- iv. It shall carry out an evaluation of every directors' performance.
- v. It shall devise a policy on Board diversity.
- vi. It shall recommend to the Board of directors a policy relating to the remuneration for the directors, key managerial personnel and other employees. (Nomination and Remuneration Policy)

Pursuant to the provisions of section 178(3) and (4) of the Companies Act, 2013 and Part D Para A (1) of Schedule II of the Listing regulations, the Committee has recommended to the Board a Policy relating to the remuneration for the directors, key managerial personnel and other employees which

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is laid down in the Nomination and Remuneration Policy and was approved at the Board Meeting held on 30th January 2015. The Nomination and Remuneration Committee has also laid down, in the Nomination and Remuneration Policy, the evaluation criteria for evaluation of directors including independent directors. The Nomination and Remuneration Policy is disclosed in the Annexure III to the Directors' Report

Remuneration of directors:

The Non-Executive and independent directors do not have any pecuniary relationship or transactions with the company. At present no remuneration is paid to the Managing Director or any other director.

Payment of sitting fees to directors:

The Non-Executive Directors are paid sitting fees of Rs.5,000/- per meeting for attending the meetings of the Board and Audit Committee. The details of sitting fees paid in the year 2016-17 are as follows:

Director	Sitting fees paid (Rs.)
Shri V. R. Venkataachalam	5,000
Shri V. Sengutuvan	5,000
Shri S. Varatharajan	30,000
Shri M. Parthasarathi	40,000
Shri N. Jaiganesh	20,000
Total	1,00,000
Service tax - on reverse charge	14,900
Total Sitting fees paid	1,14,900

Since the Company does not pay any remuneration to any of its directors, there are no disclosures to be made on the remuneration of directors with regard to elements of remuneration package of individual directors and details of fixed component and performance linked incentives. The Company has not entered into any service contract with any director which provides for notice period and severance fees.

Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable:

At present the company does not have any Stock Option Scheme.

Disclosure of shares held by Non- executive directors:

Shri V.R. Venkataachalam, Non-Executive Chairman, holds 15,40,254 equity shares of Rs.10/- each in the Company constituting 48.31% of the paid-up equity shares of the Company and 32,000 9% Cumulative Redeemable Preference Shares of Rs.5/- each and Shri V. Sengutuvan, Director, holds 74,600 equity shares of Rs.10/- each in the Company constituting 2.34% of the paid-up equity shares

of the Company and 32,000 9% Cumulative Redeemable Preference Shares of Rs.5/- each. No other Non-Executive directors hold equity shares in the Company.

5. Stakeholders Relationship Committee:

The “Stakeholders’ Relationship Committee” is constituted in line with the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of SEBI Regulation.

The following Non-Executive directors are the members of the Stakeholders Relationship Committee:

Shri S. Varatharajan, Chairman of the Committee and

Shri M. Parthasarathi;

The Chairman of the Committee is a Non-executive, Independent director. The company secretary acts as the secretary to the committee.

The Stakeholders Relationship Committee was constituted to consider and resolve the grievances of shareholders and other security holders of the Company. The Committee shall expedite the process of share transfers. The Board has delegated the powers of registration of share transfers to the committee. Any major transfers approved at the Stakeholders Relationship Committee meetings are placed before the Board.

The Committee in particular looks into:

- The listing of securities on stock exchanges.
- The shareholders’ and investors’ complaints on matters relating to transfer of shares, non-receipt of dividends and matters related thereto and resolve the grievances.
- The matters that can facilitate better investor services and relations.
- Attending to investors’ queries and complaints regarding transfer, dividend, annual reports, etc.
- Attending to complaints of investors routed by SEBI (SCORES) /Stock Exchanges.
- The amounts transferable to Investor Education and Protection Fund.
- The profile of investors.
- Taking decision on waiver of requirement of obtaining the Succession Certificate/ Probate of Will, on case to case basis, within the parameters set out by the Board.

Meetings of the committee:

There were twelve meetings of Stakeholders’ Relationship Committee held during the year on 27th April 2016, 30th May 2016, 20th June 2016, 27th July 2016, 18th August 2016, 26th September 2016, 27th October 2016, 25th November 2016, 19th December 2016, 25th January 2017, 27th February 2017 and 30th March, 2017. All the members of the Committee attended the meetings.

The status of investor grievances is monitored by the Committee periodically and the minutes of the Committee are made available to the Board. The complaints received from the Shareholders, SEBI (SCORES) / Stock Exchanges and others are reviewed and they are replied to by the Company /

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Registrar & Share Transfer Agents regularly. The status of the pending complaints as well as the system of Redressal mechanism is reviewed by the Committee periodically.

Name and designation of compliance officer:

Compliance Officer: Shri V. Rajasekaran
 Managing Director
 Phone: 044-24991518
 Fax: 091-44-24991777
 Email: binnymills@bmlindia.com

Shareholders' / Investors complaints status: (1-4-2016 to 31-3-2017)

Particulars	No. of complaints
Complaints pending as on 1 st April, 2016:	Nil
Complaints received during the period 1 st April, 2016 to 31 st March, 2017	2
Complaints identified and reported under Regulation 13(3) of Listing regulation	2
Complaints disposed of during the year ended 31 st March, 2017	2
Complaints unresolved as of 31 st March, 2017	Nil

As on 31st March, 2017, no investor grievance has remained unattended/ pending for more than thirty days.

The company's Registrar and Share Transfer agents, viz., Cameo Corporate Services Ltd., also redresses all shareholders'/Investors' complaints/grievances.

All valid share transfers, received during the year ended 31st March 2017, have been acted upon. There are no pending share transfers, both in physical form as well as in Demat category, as on 31st March 2017.

6. General Body Meetings:

Location and time of the last three Annual General Meetings:

Year	Date	Time	Location
2015-16	23-9-2016	3.30 P.M.	'TCP Sapthagiri Bhavan', No.4, (Old No.10), Karpagambal Nagar, Mylapore, Chennai 600004
2014-15	18-9-2015	3.30 P.M.	'TCP Sapthagiri Bhavan', No.4, (Old No.10), Karpagambal Nagar, Mylapore, Chennai 600004
2013-14	19-9-2014	3.30 P.M.	'TCP Sapthagiri Bhavan', No.4, (Old No.10), Karpagambal Nagar, Mylapore, Chennai 600004

- a) One Special Resolution was passed at the 7th AGM held on 19-9-2014 for adoption of new Articles of Association.
- b) No Special Resolution was passed last year through Postal Ballot.

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- c) No Special Resolution is proposed to be passed this year through Postal Ballot.
- d) In compliance with the Act, all the members were given an option at the 9th AGM held on 23-9-2016, to vote through electronic means on all the resolutions of the Notice using the CDSL platform. The Board of Directors had appointed Shri. P. Sriram (Membership No. FCS 4862), a Practicing Company Secretary (PCS No.3310), Chennai, as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner and all the resolutions were passed with requisite majority.

7. Disclosures:

- (a) There are no materially significant related party transactions with the Company's promoters, directors, key managerial personnel, or their relatives, which may have potential conflict with the interests of the Company at large. Disclosures on transactions with related parties, as required under the Indian Accounting Standard 18, have been included in Note No.32 in the Notes on Accounts attached to the Financial Statements. A statement in summary form of transactions with related parties in the ordinary course of business is placed before the Audit Committee and the Board on quarterly basis. Omnibus approval has been obtained for transactions of repetitive nature.

The Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions as approved by the Board is uploaded on the Company's website www.bmlindia.com

None of the directors have any pecuniary relationships or transactions with the Company except the payment of sitting fees. The details of the transactions with Related Party are given in the Notes to the Financial Statement.

- (b) There are no instances of non-compliance by the Company; no penalties or strictures were imposed on the company by the Stock Exchanges, SEBI or any statutory authority, on any matter relating to capital markets during the last three years.
- (c) The Company has adopted Code of Conduct ('Code') for the Members of the Board and Senior Management Personnel as required under Regulation 17(5) of the Listing Regulation. All the Board Members and the Senior Management Personnel have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect signed by the Managing Director. Further, the Code of Conduct of the Company applicable to the Board and Senior Management Personnel is also posted on the website of the company.
- (d) The Company has adopted the Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee. The Vigil Mechanism as per Regulation 22 of Listing Regulation ensures standards of professionalism, honesty, integrity and ethical behavior. The Whistle Blower Policy/Vigil Mechanism is uploaded on the Company's website www.bmlindia.com
- (e) The Company does not have any material listed/unlisted subsidiary company as defined in Regulation 24 of Listing Regulation. However, the Company has framed the Policy on Material Subsidiaries and the same is uploaded on the Company's website www.bmlindia.com

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- (f) The Company has complied with all the mandatory requirements as stipulated in Listing Regulation and fulfilled the non-mandatory requirements as prescribed in discretionary requirements as specified in Part E of the Schedule II of Listing Regulation of the following:
1. **The Board:** The Company has a non-executive Chairman and Chairman's office is maintained at the Company's expense.
 2. **Shareholder Rights:** The half yearly financial performance and a summary of the significant events in the last six-months are not sent to each household of shareholders.
 3. **Modified opinion in Audit Report:** The Company's financial statements are with unmodified audit opinion.
 4. **Separate posts of Chairman and CEO:** The Chairman of the Board is a Non-executive Director and his position is separate from that of the Managing Director.
 5. **Reporting of Internal Auditor:** The Internal Auditor reports directly to the Audit Committee.
- (g) The Company has complied with all the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Regulation except that the Company has to appoint one more independent director to comply with the requirements of regulation 17 (1) of the Listing regulations.

Share Capital Audit

The Share Capital Audit as required under Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996, read with SEBI Circular No. D&CC/FITTC/Cir-16/2002 dated 31/12/2002 and SEBI Circular No. CIR/MRD/DP/30/2010, a qualified Practicing Company Secretary carries out Capital Audit to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services Limited (India) Limited (CDSL) and the total issued and listed equity capital. The audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and to the Board of Directors.

8. Means of Communication:

Quarterly results:

Newspapers wherein results normally published: Financial Express and Malai Sudar

Website where displayed: www.bmlindia.com

Whether the website also displays official news releases, and presentations made to Institutional investors or analysts: No

9. General Shareholder Information:

As at 31st March 2017

1. 10th Annual General Meeting:

Date	:	22 nd September 2017
Time	:	3.30 PM
Venue	:	No.4 (Old No.10) Karpagambal Nagar Mylapore, Chennai 600 004

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2. Financial Year : 2016-17
3. Book Closure Date : 16-9-2017 to 22-9-2017 (Both days inclusive)
On account of AGM.
4. Dividend payment Date : Not applicable
5. Financial Calendar : 2017-18
Annual General Meeting : September 2018
Unaudited results for 1st quarter : last week of July, 2017
Unaudited results for 2nd quarter : last week of October, 2017
Unaudited results for 3rd quarter : last week of January, 2018
Audited results for 31st March 2017 : last week of May, 2017
6. Listing on Stock Exchanges : The equity shares of the company are listed on
The BSE Limited
7. Stock Code
 - a) BSE : 535620
 - b) Demat ISIN No. in NSDL and CDSL : INE160L01011

The Company has paid the annual listing fee and custodian fees for the year 2017-18 to the BSE Ltd and to the Depositories.

The equity shares of the Company are facilitated to be traded in the demat form at the National Securities Depository Ltd and Central Depository Services (India) Ltd.

8. Market Price Data

The high and low market price and volume of shares traded during each month of the financial year ended 31st March 2017 are given below:

Months	BSE Limited		
	Share Prices		Volume
	High (Rs.)	Low (Rs.)	
April 2016	183.80	155.30	2,650
May 2016	181.00	157.90	1,864
June 2016	182.00	154.45	2,147
July 2016	170.00	142.30	1,106
August 2016	184.60	131.00	2,850
September 2016	253.30	191.50	12,668
October 2016	275.30	245.40	9,065
November 2016	259.85	178.40	2,005
December 2016	218.95	170.00	1,184
January 2017	193.00	158.15	2,905
February 2017	231.95	165.00	7,531
March 2017	248.00	186.35	9,698

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9. Binny Mills Ltd Share Price performance in comparison to BSE Sensex:

Binny Mills Ltd Share Price at the BSE and BSE Sensex

Month	Binny Mills Ltd . Share price at close Rs	BSE Sensex at close
April 2016	175.00	25,607
May 2016	171.00	26,668
June 2016	163.80	27,000
July 2016	157.05	28,052
August 2016	184.60	28,452
September 2016	251.65	27,866
October 2016	254.80	27,930
November 2016	185.00	26,653
December 2016	180.40	26,626
January 2017	177.00	27,656
February 2017	213.05	28,743
March 2017	198.45	29,620

10. Registrar and Transfer Agents:

M/s Cameo Corporate Services Ltd.,
 'Subramanian Building', 5th Floor,
 No.1, Club House Road,
 Chennai 600002.
 Tel No. 044-28460390 – 28460394
 Fax No. 044-28460129
 e-mail ID: cameo@cameoindia.com

Shareholders / Investors are requested to forward share transfer documents, Dematerialisation requests and other related correspondence directly to Cameo Corporate Services Ltd at the above address for speedy response.

11. Share Transfer System:

(a) Share Transfers:

The authority to approve share transfers has been delegated by the Board to the Stakeholders' Relationship Committee. Physical share transfers are registered and returned generally within a period of seven days from the date of receipt, if the documents are correct and valid in all respects. Shareholders / Investors are requested to send share transfer related documents directly to our Registrar and Transfer Agents, viz., M/s Cameo Corporate Services Ltd., whose address is given in Para 10 of this section.

(b) Nomination facility:

Individual shareholders holding shares in physical form can nominate any person for the shares held by them. This will save the nominee from going through the lengthy process of getting the shares later on transmitted to his / her name. For further details, shareholders may write to our Registrar and Transfer Agents, viz., M/s Cameo Corporate Services Ltd., whose address is given in Para 10 of this section.

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(c) Correspondence regarding Change of address, etc.:

Shareholders are requested to ensure that any correspondence for change of address, change in Bank Mandates, etc., should be signed by the first named shareholder. Shareholders who hold shares in Demat form should correspond with the Depository Participant with whom they have Demat Account.

12. Distribution of shareholding as on 31st March 2017:

(A) Distribution Schedule as on 31st March 2017:

Number of Shares held	Number of Shareholders		Number of shares	
	Total	% to total shareholders	Total	% to total Share Capital
1 – 500	8,629	99.00	2,38,162	7.46
501 – 1,000	43	0.49	31,300	0.98
1,001 – 2,000	16	0.17	23,942	0.75
2,001 – 3,000	3	0.02	7,349	0.23
3,001 – 4,000	3	0.03	10,573	0.33
4,001 – 5,000	2	0.04	8,414	0.26
5,001 – 10,000	2	0.02	14,651	0.45
10,001 and above	18	0.20	28,54,083	89.51
TOTAL	8,716	100.00	31,88,474	100.00

(B) Distribution of Shareholding (Category wise) as on 31st March 2017:

Category	Number of shares held	% of total shareholding
Promoters	23,86,736	74.85
Mutual Funds	-	-
Financial Institutions/ Banks	2,46,228	7.72
Central Government / State Government	52,654	1.65
Non Resident Indians	65,542	2.05
Bodies Corporate	36,571	1.14
Resident individuals	3,97,899	12.47
Others	2,839	0.08
TOTAL	31,88,474	100.00

13. Dematerialisation of shares and liquidity:

For Dematerialisation of Equity shares, the company has entered into a tripartite agreement with the **National Securities Depository Ltd., (NSDL)** and **Central Depository Services (India) Ltd., (CDSL)**.

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Details of shares in Demat and Physical Form as on 31st March 2017:

Particulars	No. of Shareholders	No. of Shares	% to Capital
NSDL	1,209	28,96,669	90.84
CDSL	519	44,871	1.40
Physical Form	6,988	2,46,934	7.74
Total	8,716	31,88,474	100.00

14. Outstanding GDRs/ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity:

The Company has not issued any GDR^s or ADR^s. No Warrants or any Convertible Instruments are outstanding.

15. Plant locations : Binny Mills Ltd
No.9, Stephenson Road,
Perambur, Chennai 600 012.
16. Address for Correspondence : Binny Mills Limited
No.4, (Old No.10) Karpagambal Nagar,
Mylapore,
Chennai 600 004, India.
Ph: 044-24991518
E-mail: binnymills@bmlindia.com

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DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY 'S CODE OF CONDUCT

(Pursuant to Regulation 26(3) and Para D of Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015)

The Board of Directors of Binny Mills Limited has adopted Code of Conduct to be followed by all Members of the Board and Senior Management Personnel of the Company respectively in compliance with the Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

As per Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct for the year ended 31st March, 2017.

For Binny Mills Ltd

V. Rajasekaran
Managing Director (CEO)

Place : Chennai 600 004

Date : 11th August 2017

MANAGING DIRECTOR (CEO) COMPLIANCE CERTIFICATE TO THE BOARD OF DIRECTORS

(Pursuant to Regulation 17(8), Part B of Schedule II and Para C (13) of Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015)

I, to the best of my knowledge and belief, certify that —

- a. I have reviewed the financial statements and the cash flow statement for the year ended 31st March 2017 and that to the best of my knowledge and belief:
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial

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reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware of and the steps I have taken or propose to take to rectify these deficiencies.

- d. I have disclosed, based on my evaluation, wherever applicable, to the Auditors and the Audit Committee that:
- There were no significant changes in internal controls over financial reporting during the year;
 - All the significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements; and
 - There were no instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

V. Rajasekaran
Managing Director (CEO)

Place : Chennai 600 004

Date : 25th May, 2017

INDEPENDENT AUDITOR'S REPORT

**To the Members of
BINNY MILLS LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **Binny Mills Limited** (herein after refer to "*the Company*") which comprises the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after refer to as financial statements).

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. These procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and

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fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its Profit and its Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
 - e. On the basis of written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Notes 24 to 25 to the financial statements;
 - ii. The Company does not have any long-term contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. However, as stated in Note 41 to the financial statements, amounts aggregating to Rs.1,09,000/- as represented to us by the Management have been received from transactions which are not permitted.

For T. Selvaraj & Co.,
Chartered Accountants
Firm Regn. No. 003703S

Place : Chennai
Date : 25th May 2017

S Vidya
Partner
M. No: 217934

ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books / records and the physical fixed assets have been noticed.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books / records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) The company has not given/made any loans, investments, guarantees, and securities requiring compliance with the provisions of section 185 of the Companies Act, 2013.

The Company has provided requisite disclosures in its financial statements as to the advance made with Binny Ltd. amounting to Rs.1139.66 Lakhs and these are in accordance with the provisions of section 186 of the Companies Act, 2013
- 5) The Company has not accepted any deposits from the public during the year.
- 6) The maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

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- 8) The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures. Accordingly, paragraph 3(viii) of the Order is not applicable.
- 9) The company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11) No managerial remuneration has been paid or provided during the year;
- 12) The Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For T. Selvaraj & Co.,
Chartered Accountants
Firm Regn. No. 003703S

Place : Chennai
Date : 25th May 2017

S Vidya
Partner
M. No: 217934

ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Binny Mills Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

Binny Mills Limited

external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management, override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For T. Selvaraj & Co.,
Chartered Accountants
Firm Regn. No. 003703S

Place : Chennai
Date : 25th May 2017

S Vidya
Partner
M. No: 217934

10th Annual Report 2016-2017

BALANCE SHEET AS AT 31ST MARCH, 2017

	Note No.	As at 31-03-2017		As at 31-03-2016	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds:					
(a) Share Capital	3	1,438,975,450		1,441,915,450	
(b) Reserves and Surplus	4	265,312,749		265,009,488	
			1,704,288,199		1,706,924,938
(2) Non-current liabilities:					
(a) Long-term borrowings	5	62,616		62,616	
(b) Other Long-term liabilities	6	15,213,378		15,208,553	
(c) Long-term provisions	7	1,181,151	16,457,145	1,717,533	16,988,702
(3) Current liabilities:					
(a) Trade payables	8	11,171,508		15,174,791	
(b) Other current liabilities	9	8,777,063		9,305,966	
(c) Short-term provisions	10	526,490	20,475,061	702,624	25,183,381
Total			1,741,220,405		1,749,097,021
II. ASSETS:					
(1) Non-current assets					
(a) Fixed Assets					
(i) Tangible assets	11	1,554,468,787		1,554,705,853	
(b) Deferred tax assets (Net)	12	914,936		1,088,148	
(c) Long-term loans and advances	13	1,180,612	1,556,564,335	979,465	1,556,773,466
(2) Current assets					
(a) Inventories	14	14,505,702		16,256,424	
(b) Trade receivables	15	4,424,855		7,061,013	
(c) Cash and cash equivalents	16	16,484,465		19,899,072	
(d) Short-term loans and advances	17	149,241,048	184,656,070	149,107,046	192,323,555
Total			1,741,220,405		1,749,097,021
Significant Accounting Policies & Notes to Accounts 1 to 42					

For and on Behalf of the Board

V.R.Venkataachalam

Chairman

DIN 00037524

V.Rajasekaran

Managing Director

DIN 00037006

Place : Chennai

Date : 25th May 2017

As per our Report of even date

For M/s **T.SELVARAJ & CO**

CHARTERED ACCOUNTANTS

Firm Regn. No : 003703S

S. Vidya

Partner

M.No.217934

Binny Mills Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

	Note No.	For the year ended 31-03-2017 Rs.	For the year ended 31-03-2016 Rs.
I Revenue from operations	18	90,910,488	78,837,912
II Other income	19	1,029,220	1,031,629
III Total Revenue		91,939,708	79,869,541
IV Expenses:			
a Cost of materials consumed	20	1,348,067	1,479,037
b Purchases of Stock-in-Trade		57,725,860	50,255,864
c Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	1,750,721	(2,651,476)
d Employee benefits expenses	22	3,167,984	3,872,646
e Finance costs			
f Depreciation and amortization expenses	11	315,184	316,500
g Other expenses	23	16,119,672	16,765,303
Total expenses		80,427,488	70,037,874
V Profit before exceptional and extraordinary items and tax		11,512,220	9,831,667
VI Exceptional items		3,952,697	-
VII Profit before extraordinary items and tax		7,559,523	9,831,667
VIII Extraordinary items		-	-
IX Profit before tax		7,559,523	9,831,667
X Tax expense			
(1) Current tax		3,633,000	3,379,000
(2) Taxes relating to earlier years		-	435,672
(3) Deferred tax (Net)		173,212	(128,799)
XI Profit for the period from continuing operations		3,753,311	6,145,794
XII Profit from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit from discontinuing operations after tax		-	-
XV Profit for the period		3,753,311	6,145,794
XVI Basic & Diluted Earnings per share		1.18	1.93

For and on Behalf of the Board

V.R.Venkataachalam

Chairman

DIN 00037524

V.Rajasekaran

Managing Director

DIN 00037006

Place : Chennai

Date : 25th May 2017

As per our Report of even date

For M/s **T.SELVARAJ & CO**

CHARTERED ACCOUNTANTS

Firm Regn. No : 003703S

S. Vidya

Partner

M.No.217934

10th Annual Report 2016-2017

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2017

		31.3.2017		31.3.2016
	Rs.	Rs.	Rs.	Rs.
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit for the year before tax		7,559,523		9,831,667
Adjustment for Depreciation		315,184		316,500
Operating Profit before working Capital Changes		7,874,707		10,148,167
Changes in Current Assets & Current Liabilities				
(Increase) / Decrease in sundry debtors	2,636,159		(1,952,784)	
(Increase) / Decrease in inventories	1,750,723		(1,845,460)	
(Increase) / Decrease in loans and advances	202,450		1,116,140	
Increase / (Decrease) in Current liabilities & Provisions	(5,239,877)	(650,545)	3,420,573	738,469
Cash Generated from / (used in) Operating Activities		7,224,163		10,886,636
Direct Taxes Paid		4,170,599		3,384,497
Net Cash from Operating Activities (a)		3,053,564		7,502,139
B CASH FLOW FROM INVESTING ACTIVITIES				
(Purchase) / Sale of Fixed Assets		(78,120)		(39,960)
Bank balances not considered as Cash & Cash equivalents		3,000,000		(5,000,000)
(b)		2,921,880		(5,039,960)
C CASH FLOWS FROM FINANCING ACTIVITIES				
Redemption of Preference Shares		(2,940,000)		-
Payment of Preference Dividend		(3,450,050)		-
Net Cash flow from Financing Activities (c)		(6,390,050)		-
Total increase / (Decrease) in cash and equivalents during the year (a + b + c)		(414,607)		2,462,180
Cash and equivalents at the beginning of the year		4,899,072		2,436,892
Cash and equivalents at the end of the year*		4,484,465		4,899,072
*Comprises:				
Cash on Hand		149,140		81,006
Balances with Bank in current accounts		4,335,325		4,818,066
		4,484,465		4,899,072

For and on Behalf of the Board

V.R.Venkataachalam

Chairman

DIN 00037524

V.Rajasekaran

Managing Director

DIN 00037006

Place : Chennai

Date : 25th May 2017

As per our Report of even date

For M/s **T.SELVARAJ & CO**

CHARTERED ACCOUNTANTS

Firm Regn. No : 003703S

S. Vidya

Partner

M.No.217934

NOTES FORMING PART OF FINANCIAL STATEMENTS

1. Corporate Information

Binny Mills Ltd was incorporated as a Public Limited Company on 20th December, 2007. The company was issued Certificate for Commencement of Business on 6th February 2008. The CIN of the Company is L17120TN2007PLC065807.

The Company is engaged in the business activities of providing services and trading of goods. The company derives rental income by letting out on rent, its warehouses situated in Perambur, Chennai, to various tenants. Apart from this the Company buys and sells textile materials (trading in textile) including retail sales to customers, from its textile division at Chennai and from the showrooms in Bangalore and Kolkata.

2. Summary of Accounting Policies

The significant accounting policies followed by the company are as stated below:

I. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in conformity with The Generally Accepted Accounting Principles (GAAP) to comply in all material respects with the notified Accounting Standards ('AS') under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those adopted in the previous year.

Current / Non-current classification of assets / liabilities

The Company has classified all its assets / liabilities into current / non-current portion based on the time frame of 12 months from the date of financial statements. Accordingly, assets / liabilities expected to be realized / settled within 12 months from the date of financial statements are classified as current and other assets / liabilities are classified as non-current.

Presentation and disclosures in financial statements:

The presentation and disclosures in the Financial Statements are made in accordance with the Schedule III of the Companies Act, 2013.

II. USE OF ESTIMATES

In the preparation of the financial statements, conforming to the GAAP requirements, certain estimates and assumptions are essentially required to be made with respect to items such as future obligations under employee retirement benefit plans, income taxes and the useful life period of Fixed Assets. Due care and diligence have been exercised by the Management in arriving at such estimates and assumptions since they may directly affect the reported amounts of income and expenses during the period as well as the balances of Assets and Liabilities including those which are contingent in nature as at the date of reporting of the financial statements.

III. REVENUE RECOGNITION

Revenues in respect of revenue from trading of goods are recognized when the significant risks and rewards of ownership of the goods have passed to the Buyer.

Revenues in respect of rental income and hire charges received are recognized in accordance with the terms of the agreement.

IV. PROPERTY, PLANT AND EQUIPMENT

Tangible Fixed Assets

Fixed assets are stated at the cost of acquisition or construction less accumulated depreciation and impairment losses, if any. All costs directly attributable to bring the fixed assets to its working condition for its intended use is included in the cost of acquisition. Fixed Assets which does not have useful life in accordance with the useful life specified in Schedule II of the Companies Act, 2013 is stated at its Residual Value of 5% of the cost of the asset as provided in Schedule II of the Companies Act, 2013.

Intangible Assets

The cost of Intangible Assets are recorded on the basis of consideration paid and are carried at cost less accumulated amortisation.

V. DEPRECIATION ON FIXED ASSETS

Depreciation is provided on Straight line method basis over the useful lives of the assets as provided in Schedule II of the Companies Act, 2013. Depreciation on additions to the fixed assets and sale of fixed assets are provided on a pro-rata basis. Intangible Assets are amortized over their useful life based on the provisions of AS 26.

VI. INVESTMENTS

There are no Investments made by the company.

VII. INVENTORIES

Stock-in-trade comprises of traded goods which are valued at lower of cost and net realizable value. Cost is determined on weighted average cost. In the case of obsolete stock / damaged stock, it has been valued at cost.

VIII. FOREIGN CURRENCY TRANSACTIONS

There are no foreign currency transactions during the year.

IX. PROVISION FOR TAXATION

Provision for Current Income Tax is made in accordance with the provisions of Income Tax Act, 1961.

Deferred tax assets and liabilities are measured using substantially enacted tax rates as on the Balance Sheet date. Provision for Deferred Tax is provided on timing differences. The effect of deferred tax assets and liabilities of a change in tax rates is recognized in the Profit and Loss statement.

X. LEASES

Lease rental in respect of operating lease arrangements are charged to revenue on a straight line basis over the term of the related lease agreement.

XI. RETIREMENT BENEFITS

Provident Fund & Employee State Insurance:

Contribution to Provident Fund and Employee State Insurance is made as per the respective laws.

Gratuity:

Provision for gratuity is made in accordance with AS -15 (revised) as per Actuarial Valuation using Projected Unit Credit Method and not funded.

Leave encashment:

The leave encashment benefit to the employees is provided in accordance with AS -15 (revised) as per Actuarial Valuation using Projected Unit Credit Method.

XII. BORROWING COSTS

Borrowing costs attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of the cost of such assets up-to the date when such assets are ready for intended use. Other borrowing costs are charged as an expense in the year in which they are incurred. In the current year the Company does not have any borrowing costs.

XIII. CASH FLOW STATEMENT

The Cash flow statement is prepared under the indirect method as per Accounting Standard 3 "Cash Flow Statements".

XIV. EARNINGS PER SHARE

The company reports basic and diluted earnings per share in accordance with the Accounting Standards – 20-'Earnings per Share'.

XV. SEGMENT REPORTING

The Company operates in only one segment.

XVI. IMPAIRMENT OF ASSETS

All assets, other than inventories and deferred tax asset, are reviewed for impairment, wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets, whose carrying value exceeds their recoverable amount, are written down to their recoverable amount.

XVII. PROVISION AND CONTINGENCIES

The company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

XVIII. RELATED PARTY DISCLOSURE

Information on transactions with related parties has been provided in the format specified by ASI -13. Disclosure is made, party wise in respect of material related party transactions as specified by ASI -13.

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NOTES TO THE BALANCE SHEET FOR THE YEAR ENDED 31.03.2017

	As at 31-03-2017 Rs.	As at 31-03-2016 Rs.
NOTE-3		
(A) Authorised, Issued, Subscribed and Paid-up share capital and par value per share		
Authorised Share Capital		
Equity Shares		
32,00,000 Equity Shares of Rs.10/- each	32,000,000	32,000,000
Preference Shares		
6,00,000 9.75% Cumulative Redeemable Preference Shares of Rs.5/- each	3,000,000	3,000,000
28,15,00,000 9% Cumulative Redeemable Preference Shares of Rs.5/- each	1,407,500,000	1,407,500,000
Total	1,442,500,000	1,442,500,000
Issued, Subscribed and Paid Up share capital		
Equity Shares		
31,88,474 Equity Shares of Rs.10/- each	31,884,740	31,884,740
Preference Shares		
5,88,000 9.75% Cumulative Redeemable Preference Shares of Rs.5/- each (redeemed)	-	2,940,000
28,14,18,142 9% Cumulative Redeemable Preference Shares of Rs.5/- each	1,407,090,710	1,407,090,710
Total	1,438,975,450	1,441,915,450
<u>Terms of Issue and Redemption</u>		
9.75% Cumulative Redeemable Preference Shares issued on 2.6.2010		
Redeemed on 30.06.2016	-	2,940,000
9% Cumulative Redeemable Preference Shares issued on 2.6.2010		
redeemable on or before 12.05.2020	1,407,090,710	1,407,090,710
(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:		
Number of equity shares outstanding as at the beginning of the year	3,188,474	3,188,474
Add: Number of Shares allotted during the year	-	-
Less: Number of Shares bought back	-	-
Number of equity shares outstanding as at the end of the year	3,188,474	3,188,474

Binny Mills Limited

NOTES TO THE BALANCE SHEET FOR THE YEAR ENDED 31.03.2017

	As at 31-03-2017 Rs.	As at 31-03-2016 Rs.
(C) Shares in the company held by each shareholder holding more than 5%:		
Name of shareholder	No of shares at year end	No of shares at year end
Shri.V.R.Venkataachalam	1,540,254	1,540,254
Name of shareholder	% as at year end	% as at year end
Shri.V.R.Venkataachalam	48.31	48.31
 Note: 4		
RESERVES AND SURPLUS		
a Revaluation Reserve	235,021,085	235,021,085
b Capital Redemption Reserve		
Opening Balance	—	—
Add: Reserve made during the year	2,940,000	—
Closing Balance	2,940,000	—
c Surplus in Statement of Profit and Loss		
Opening Balance	29,988,403	23,842,609
Add : Profit for the year	3,753,311	6,145,794
Less : Appropriations		
Capital Redemption Reserve	2,940,000	
Arrears of preference dividend	2,866,500	
Dividend Distribution Tax	583,550	
Closing Balance	27,351,664	29,988,403
	265,312,749	265,009,488
 Note-5		
LONG-TERM BORROWINGS:		
Loans and advances from related parties	—	62,616
	62,616	62,616
 Note-6		
OTHER LONG TERM LIABILITIES		
Advance for sale of property	15,213,378	15,208,553
	15,213,378	15,208,553
 Note-7		
LONG TERM PROVISIONS		
Provision for Gratuity	1,092,590	1,584,045
Provision for Compensated Absences	88,561	133,488
	1,181,151	1,717,533
 Note-8		
TRADE PAYABLES		
Other than Acceptances (Refer Note 26)	11,171,508	15,174,791

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NOTES TO THE BALANCE SHEET FOR THE YEAR ENDED 31.03.2017

	As at 31-03-2017 Rs.	As at 31-03-2016 Rs.
NOTE-9		
<u>OTHER CURRENT LIABILITIES</u>		
a Expenses payable	4,787,477	4,993,764
b Rent advance received	3,989,586	4,312,202
	8,777,063	9,305,966
NOTE-10		
<u>SHORT TERM PROVISIONS</u>		
a Provision for gratuity	507,093	687,084
b Provision for compensated absences	19,397	15,540
	526,490	702,624
NOTE-12		
<u>DEFERRED TAX ASSETS (NET)</u>		
Deferred tax (liability) / asset		
Tax effect of items constituting deferred tax liability		
a On difference between book balance and tax balance of fixed assets	1,012,034	930,451
b Employee Benefits	1,692,871	1,400,781
c Admissibles U/s40 a(ia)	96,453	96,453
d Service tax offered to tax as trading Receipt earlier	53,540	53,540
e Admissibles u/s 43B	39,529	39,529
	2,894,427	2,520,754
Tax effect of items constituting deferred tax assets		
a Employee benefits	1,640,443	1,589,248
b Disallowances U/s.40 a (ia)	1,652,063	1,649,583
c Service tax offered to tax as trading Receipt	56,217	56,217
d Disallowance for payments covered U/s.43B	460,640	313,854
	3,809,363	3,608,902
Tax effect of items constituting deferred tax assets	3,809,363	3,608,902
Net deferred tax (liability) / asset	914,936	1,088,148
NOTE-13		
<u>LONG TERM LOANS AND ADVANCES</u>		
<u>Unsecured Considered Good</u>		
a Deposits	360,998	232,843
b Others	819,614	746,622
	1,180,612	979,465

NOTES TO THE BALANCE SHEET AS AT 31ST MARCH 2017

NOTE-11 : FIXED ASSETS - TANGIBLE

Description	Gross Carrying Amount			Accumulated Depreciation		Net Carrying Amount		
	As at 1st April, 2016	Additions	Deletions	As at 31st March, 2017	As at 1st April, 2016	Depreciation for the year ended 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land	1,551,813,981	-	-	1,551,813,981	-	-	1,551,813,981	1,551,813,981
Building	1,937,300	-	-	1,937,300	205,325	30,240	1,701,735	1,731,975
Plant & Equipments	310,298	-	-	310,298	294,781	-	15,517	15,517
Furniture & Fixtures	318,766	-	-	318,766	302,827	-	15,939	15,939
Vehicles	958,188	-	-	958,188	299,766	122,103	536,319	658,422
Computers	220,827	40,620	-	261,447	100,846	44,597	116,004	119,981
Electrical Installations	74,990	37,500	-	112,490	18,472	12,402	81,615	56,518
Office Equipments	467,107	-	-	467,107	173,587	105,842	187,677	293,520
TOTAL	1,556,101,457	78,120	-	1,556,179,577	1,395,604	315,184	1,710,788	1,554,468,787
Previous Year	1,556,061,497	39,960	-	1,556,101,457	1,079,104	316,500	1,395,604	1,554,705,853

Note : Furniture & Fixtures and Plant & Equipments is shown at its Residual Value of 5% of the Gross carrying amount, hence no depreciation is charged for the year

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NOTES TO THE BALANCE SHEET FOR THE YEAR ENDED 31.03.2017

	As at 31-03-2017 Rs.	As at 31-03-2016 Rs.
NOTE-14		
<u>INVENTORIES</u>		
Stock in Trade	14,505,702	16,256,424
	14,505,702	16,256,424
NOTE-15		
<u>TRADE RECEIVABLES</u>		
Unsecured considered good		
a Trade receivables outstanding for more than six months from the date they became due for payment	–	55,475
b Trade receivables (others)	4,424,855	7,005,538
	4,424,855	7,061,013
NOTE-16		
<u>CASH AND CASH EQUIVALENTS</u>		
a Balance with banks		
(i) in current account	4,335,325	4,818,066
(ii) in deposit accounts	12,000,000	15,000,000
b Cash on hand	149,140	81,006
	16,484,465	19,899,072
NOTE-17		
<u>SHORT TERM LOANS AND ADVANCES</u>		
Unsecured, Considered Good		
a Balance with Customs & Excise authorities	61,045	79,020
b Advance to related parties	113,966,222	114,132,890
c Advance tax	2,014,540	1,476,941
d Interest receivable	253,340	396,270
e Others	32,900,000	32,900,000
f Prepaid Expenses	29,901	23,207
g Advances to Staff	16,000	98,718
	149,241,048	149,107,046

Binny Mills Limited

**NOTES TO THE PROFIT & LOSS STATEMENT FOR THE YEAR ENDED
31ST MARCH 2017**

	For the year ended 31-03-2017 Rs.	For the year ended 31-03-2016 Rs.
NOTE-18		
<u>INCOME</u>		
a Sale of Products	70,952,668	57,834,083
b Sale of Services	19,800,437	20,836,497
c Other Operating Revenues	157,383	167,332
	<u>90,910,488</u>	<u>78,837,912</u>
Less: Excise Duty	—	—
	<u>90,910,488</u>	<u>78,837,912</u>
NOTE-19		
<u>OTHER INCOME</u>		
Other non-operating income	1,029,220	1,031,629
	<u>1,029,220</u>	<u>1,031,629</u>
NOTE-20		
<u>COST OF MATERIALS CONSUMED</u>		
Packing Materials consumed	1,348,067	1,479,037
	<u>1,348,067</u>	<u>1,479,037</u>
NOTE-21		
<u>CHANGES IN STOCK-IN-TRADE</u>		
Opening - Stock in trade (traded items)	16,256,423	13,604,947
Closing - Stock in trade (traded items)	14,505,702	16,256,423
	<u>1,750,721</u>	<u>(2,651,476)</u>
NOTE-22		
<u>EMPLOYEE BENEFIT EXPENSES</u>		
a Salaries and wages	2,674,366	2,458,519
b Contribution to PF and other funds	—	612,971
c Staff welfare expenses	429,180	347,691
d Gratuity	21,363	380,300
e Compensated absences	43,075	73,165
	<u>3,167,984</u>	<u>3,872,646</u>

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	For the year ended 31-03-2017 Rs.	For the year ended 31-03-2016 Rs.
NOTE-23		
OTHER EXPENSES		
a Rent	757,871	884,263
b Insurance	152,284	110,234
c Power and Fuel	608,732	558,963
d Repairs to building	2,084,282	3,686,194
e Repairs to machinery	-	10,726
f Listing fees	229,000	224,720
g Rates and taxes	858,483	870,556
h Payment to statutory auditors		
for audit	202,125	174,210
for tax audit	28,750	29,035
for certification	74,750	170,100
for tax matters	34,500	
i VAT, PF & Secretarial audit fees	50,000	82,250
j Legal expenses	753,001	247,945
k Selling expenses	2,050,126	1,381,506
l Bank Charges	53,632	67,677
m Professional fees paid	432,265	413,265
n Retainer fees paid	2,713,859	2,438,528
o Security Charges	1,539,937	1,332,774
p Director Sitting Fees	114,900	227,430
q Miscellaneous expenses	3,381,175	3,148,920
r Loss on Showroom old stock	-	636,663
s Loss on Flood damaged stock	-	69,344
	16,119,672	16,765,303

24. The Company has classified separately an exceptional item in the Statement of Profit and Loss for an amount of Rs.39,52,697/- pertaining to the Company's share of arrears of electricity charges pertaining to pre-demerger period, paid during the year, on resolution of dispute. The TANGEDCO had raised a demand for an amount of Rs.79,05,394/- upon revision of the tariff for the period from 1-12-1982 to 30-11-1987 against the pre-demerged Binny Ltd. Binny Ltd had filed a writ petition in the Honourable High Court of Madras seeking a direction to quash the demand raised. The Honourable High Court of Madras, however, directed Binny Ltd to file its representations on this before the TANGEDCO. Upon filing of the representation before the TANGEDCO, it conveyed its non-acceptance of Binny Ltd plea to quash the demand and directed Binny Ltd to pay the demand amount. Pursuant of the demerger of erstwhile Binny Ltd, the Company paid 50% of the aforesaid demand amount on 18th April 2016.

The Company has a pending litigation in the court of City Civil Judge at Bengaluru, in the form of compensation payable by the Company and S V Global Mills Ltd to the legal successors of a victim

Binny Mills Limited

who died in an electricity accident outside the premises of the Company's showroom at Bengaluru. The amount of compensation payable is not yet determined as the case is pending and hence no provision is made in the books.

25. The Company has a pending litigation in the Court of City Civil Judge at Bengaluru, in the form of rent payable by the Company to M/s Square Projects Associates for the Company's Show Room at M G Road, Bengaluru. The case is pending for disposal and hence the liability, if any, is not quantifiable. However, the Company has created provision for possible liability of rent payable to the extent of Rs.10,65,000/- and for rent damages to the extent of Rs,6,60,000/- in the books of accounts in the respective years itself. The Company is paying property tax for the Show Room at M G Road, Bengaluru for the period under litigation and the amount so paid is shown as receivable from M/s Square Projects Associates in the Balance Sheet.

The Company is a Resulting Company of the Demerger Scheme of erstwhile Binny Ltd. Subsequent to the Demerger, the Company was not provided with the list of litigations that are pending and for which the Company may become liable. Hence, the liability of the Company, if any, arising out of the settlement of the pending litigations, will be provided for and settled as and when the liability arises.

26. In the opinion of the Management, all current assets, debtors and loans and advances would, in the ordinary course of business, realize at the value stated.
27. Acknowledgement of Balances: The Company has obtained confirmation of balances from all the banks. In respect of Debtors and Creditors, the confirmations of balances were sought for by the company or by the concerned parties, as the case maybe. The reconciliation of discrepancies in balances, wherever applicable, is in progress. However, the reconciliation of these balances is not expected to result in any material adjustments in the stated balances.
28. There are no Obsolete/Damaged stocks with the company for the year ended 31st March, 2017.
29. Depreciation has been provided based on the useful life of asset as specified in Schedule II of the Companies Act, 2013.
30. Total outstanding dues of Creditors to Small Scale Industrial Undertakings – Rs. Nil (Rs. Nil as on 31-3-2016). Total outstanding dues of Creditors other than Small Scale Industrial Undertakings – Rs. 111.72 lakhs (Rs. 151.75 lakhs as on 31-3-2016).
31. All operating leases entered into by the company are cancellable on giving a notice of one to three months. The operating lease amount for the year is charged to revenue.
32. There are no Micro, Small and Medium Enterprises to whom the Company owes dues which are outstanding for more than 45 days at the Balance Sheet Date, computed on unit wise basis. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.
33. Employee Benefits:
- A. The Company has determined the liability for employee benefits as at 31st March 2017 in accordance with Accounting Standard – 15 (revised) "Employee Benefits" issued by the ICAI and as provided in the Companies (Accounting Standard) Rules, 2006.

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B. Defined Benefit Plan – as per Actuarial Valuation as on 31st March 2017 –Gratuity & Long Term Compensated Absence

Particulars	Gratuity Unfunded	Long term Compensated Absence
	Amount in Rs.	Amount in Rs.
Changes in the present value of obligations:		
Present value of obligation as at the beginning of the year	19,25,169	1,49,028
Interest cost	1,36,199	9,624
Current service cost	60,069	(16,047)
Benefits paid	(6,92,628)	(41,401)
Actuarial loss / (gain) on obligation	1,70,874	6,753
Present value of obligation as at the end of the year	15,99,683	1,07,957
Changes in the fair value of plan assets:		
Fair value of plan assets as at the beginning of the year	Not Applicable	Not Applicable
Expected return on plan assets	Not Applicable	Not Applicable
Contributions	Not Applicable	Not Applicable
Benefits paid	Not Applicable	Not Applicable
Actuarial gain on plan assets	Not Applicable	Not Applicable
Fair value of plan assets as at the end of the year	Not Applicable	Not Applicable
Actual Return on Plan Assets:		
Expected return on plan assets	Not Applicable	Not Applicable
Actuarial gain on plan assets	Not Applicable	Not Applicable
Actual return on plan assets	Not Applicable	Not Applicable
Fair value of plan assets:		
Fair value of plan assets as at the beginning of the year	Not Applicable	Not Applicable
Actual return on plan assets	Not Applicable	Not Applicable
Contributions	Not Applicable	Not Applicable
Benefits paid	Not Applicable	Not Applicable
Fair value of plan assets as at the end of the year	Not Applicable	Not Applicable
Funded status (Liability)	Not Applicable	Not Applicable
Excess of Actual over Expected return on plan assets	Not Applicable	Not Applicable
Net Actuarial Loss:		
Actuarial loss / (gain) on obligation	1,70,874	6,753
Actuarial gain on plan assets	0	0

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Particulars	Gratuity Unfunded	Long term Compensated Absence
	Amount in Rs.	Amount in Rs.
Net Actuarial loss / (gain) at the end of the year	1,70,874	(6,753)
Net Liability recognized in the Balance Sheet		
Present value of obligation as at the end of the year	15,99,683	1,07,957
Fair value of plan assets as at the end of the year	Not Applicable	Not Applicable
Funded status (Liability)	Not Applicable	Not Applicable
Net Liability recognized in the Balance Sheet as at the end of the year	15,99,683	1,07,957
Expense recognized in the statement of Profit & Loss for the year ended 31st March 2017		
Current service cost	60,069	(16,047)
Interest cost	1,36,199	9,624
Expected return on plan assets	Not Applicable	Not Applicable
Net Actuarial (Gain) / Loss to be Recognized	1,70,874	(6,753)
Expense recognized in the Statement of Profit & Loss	3,67,142	330
Movement of Net Liability		
Net Liability as at the beginning of the year	19,25,169	1,07,957
Contributions	(6,92,628)	(41,401)
Expense recognized in the Statement of Profit & Loss	3,67,142	330
Net Liability as at the end of the year	15,99,683	1,07,957
Actuarial Assumptions:	31st March 2017	31st March 2016
Discount rate	7%	7.50%
Expected rate of return on plan assets	Not Applicable	Not Applicable
Salary Escalation	6%	8%
Attrition rate	7%	10%
Mortality rate	IALM (2006-08) Ult	

The present value of obligations has been calculated using Projected Unit Credit Method, as specified in Accounting Standard 15-Employee Benefits, which assumes that each period of service gives rise to an additional unit of obligation.

The company is a going concern with normal changes in the employees' profile.

34. Since the Company has not availed any borrowings, there are no borrowing costs during the year.
35. Short Term Advances include a sum of Rs. 1,139.66 lakhs (Rs. 1,141.33 lakhs as on 31.3.2016) towards Advance given to Binny Ltd for purchase of property. Shri S. Natarajan, Director of the Company is also a director in Binny Ltd.

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36. Related Party Disclosures:

The following are the related party transactions during the year

<p>Related Parties: (Companies in which one or more directors of the Company are also directors)</p>	<p>TCP Limited The Thiruvalluvar Textiles Private Limited Binny Limited</p> <p>Shri V.R. Venkataachalam, Director Shri V. Sengutuvan, Director Shri S. Natarajan, Director</p>
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	Amount in Rs.
Preference Shares Allotted:	
Transactions during the year	(29,40,000) (-)
Outstanding amount at the Balance Sheet date	
TCP Limited	138,02,70,330 (138,32,10,330)
The Thiruvalluvar Textiles Private Limited	2,63,20,380 (2,63,20,380)
Shri V.R. Venkataachalam, Director	1,60,000 (1,60,000)
Shri V. Sengutuvan, Director	1,60,000 (1,60,000)
Total	1,40,69,10,710 (1,40,98,50,710)
Loans and Advances:	
Advance given to Binny Ltd for purchase of property:	
Transactions during the year	(-)1,66,668 (15,39,189)
Outstanding amount at the Balance Sheet date	11,39,66,222 (11,41,32,890)

Binny Mills Limited

Advance received from TCP Ltd for sale of Land: Transactions during the year	4,824 (2,09,079)
Outstanding amount at the Balance Sheet date	1,52,13,377 (1,52,08,553)
Sale of Goods to TCP Ltd: Transactions during the year	7,55,067 (7,68,886)
Outstanding amount at the Balance Sheet date	33,891 (79,658)

Figures in bracket relate to the previous year.

All the transactions were made by the Company in the ordinary course of business and on arm's length basis. Hence, these transactions will not attract the provisions of section 188(1) of the Companies Act, 2013.

No amounts have been written off, or provided for, or written back, during the year, in respect of debts due from, or to, the related parties.

37. The estimated amount of contracts, remaining to be executed on Capital account, as at 31st March 2017: Rs. Nil (Rs. Nil as at 31st March 2016).
38. Provision for Wealth tax is not made in the accounts as in the opinion of the management no Wealth tax is payable.
39. The Preference Dividend payable on the Cumulative Redeemable Preference Shares (CRPS) issued by the Company is as follows:

On the 28,14,18,142 (9%) CRPS of Rs.5/- each aggregating to Rs. 140,70,90,710/-, the preference dividend payable is Rs.127,77,36,038/- (Rs. 115,10,97,874/- for 31-3-2016). The 9% CRPS issued on 2-6-2010 are due for redemption on or before 12th May 2020.

The arrears of Preference Dividend are calculated from the date of original allotment of shares by Binny Ltd. Binny Ltd was demerged on 1st January 2010 (i.e., the Appointed date) vide the Order of the Madras High Court dated 22nd April 2010. The arrears of preference dividend are to be borne by the resulting companies, viz., Binny Mills Ltd and S V Global Mill Ltd, from the date of original allotment of shares by Binny Ltd.

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40. Earnings per Share

Particulars	As at 31st March 2017	As at 31st March 2016
Profit available to Equity Share holders used as Numerator - (A)	37,53,311	61,45,794
Number of Shares outstanding	31,88,474	31,88,474
Weighted Average Number of shares outstanding - (B)	31,88,474	31,88,474
Effect of dilution if any - (C)	NIL	NIL
Weighted Average No. of Equity Shares including potential shares - (D)	31,88,474	31,88,474
Adjusted PAT for Dilution if any (E)	37,53,311	61,45,794
Earnings per share (Basic) - (A/ B) In Rs.	1.18	1.93
Earnings per share (Diluted) - (E / D) In Rs.	1.18	1.93

41. The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 are provided in the Table below:-

PARTICULARS	SBN Amount in Rs.	OTHERS Amount in Rs.	TOTAL Amount in Rs.
Closing Balance as at 8 November 2016	3,21,500	2,212	3,23,712
Transactions between 9th November 2016 and 30th December 2016			
Add: Withdrawal from Bank accounts	0	4,06,000	4,06,000
Add: Receipts for permitted transactions	0	11,71,029	11,71,029
Add: Receipts for non permitted transactions	1,09,000	0	1,09,000
Less : Paid for permitted transactions	0	6,30,495	6,30,495
Less: Deposited in bank accounts	4,30,500	5,74,295	10,04,795
Closing balance as at 30 December 2016	0	3,74,451	3,74,451

42. Figures for the previous year have been regrouped and reclassified, wherever necessary, to conform to the current year's classification

For and on Behalf of the Board

V. R. Venkatachalam

Chairman

DIN 00037524

V. Rajasekaran

Managing Director

DIN 00037006

Place : Chennai

Date : 25th May 2017

For **M/s T. Selvaraj & Co**

Chartered Accountants

Firm Regn No. 003703S

S. Vidya

Partner

M. No. 217934

Binny Mills Limited

BINNY MILLS LIMITED

CIN: L17120TN2007PLC065807

Registered Office: NO.4, KARPAGAMBAL NAGAR, MYLAPORE, CHENNAI 600 004

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):

Registered address:

E-mail Id:

Folio No. / Client ID No. : DP ID No.

I / We, being the member(s) of equity Shares of Binny Mills Limited, hereby appoint.....

1. Name: E-mail Id:

Address:

..... Signature:

or failing him/ her...

2. Name: E-mail Id:

Address:

..... Signature:



or failing him/ her...

3. Name: E-mail Id:

Address:

..... Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Tenth Annual General Meeting of the company to be held on 22nd September 2017 at 3.30 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

1. To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended 31st March, 2017 and the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri V. R. Venkataachalam (DIN 00037524), who retires by rotation under section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.
4. To appoint Ms. V. Samyuktha as a director (Woman Director) of the Company liable to retire by rotation.

Signed this day of 2017

Signature of shareholder.....

Signature of Proxy holder(s).....

Affix one
Rupee
Revenue
Stamp

NOTES:

1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at No.4, Karpagambal Nagar, Mylapore, Chennai 600 004, not less than 48 hours before the commencement of the Meeting.
2. Those Members who have multiple folios with different joint holders may use copies of this Proxy Form. Attendance slip.

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ATTENDANCE SLIP

BINNY MILLS LIMITED

**Registered Office: NO.4, KARPAGAMBAL NAGAR, MYLAPORE,
CHENNAI 600 004**

1. Full Name of the Shareholder/proxy.....
2. Registered Folio No./ DP Id & Client Id No. No. of Shares.....
3. If Proxy, full name of the Shareholder.....



I hereby record my presence at the Tenth Annual General Meeting at No.4, (Old No.10) Karpagambal Nagar, Mylapore, Chennai 600 004 on Friday, the 22nd September, 2017 at 3.30 P.M.

.....
(Signature of shareholder/proxy)

Important: This attendance slip must be handed over at the entrance of the meeting hall.

Those Members who have multiple folios with different joint holders may use copies of this Attendance slip.

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