

# **BINNY**



## **ANNUAL REPORT AND ACCOUNTS**

**MARCH 2015**

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**BINNY LIMITED**  
ANNUAL REPORT  
MARCH 2015

<b>DIRECTORS</b>	M.Nandagopal – Executive Chairman Justice S.Jagadeesan S.Natarajan T.Manisriram T.Radhakrishnan Dr.D.V.R.Prakash Rao Arvind Nandagopal – Managing Director
<b>CFO &amp; COMPANY SECRETARY</b>	T.Krishnamurthy
<b>BANKERS</b>	Axis Bank State Bank of Hyderabad HDFC Bank
<b>AUDITORS</b>	CNGSN & Associates LLP 22, Flat “C” & “D” Vijayaraghava Road T.Nagar, Chennai 600017
<b>REGISTERED OFFICE</b>	No: 1, Cooks Road Perambur Chennai 600 012 Tamilnadu

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# **BINNY LIMITED**

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## **NOTICE**

Notice is hereby given that the Forty Sixth Annual General Meeting of Binny Limited will be held at Kasturi Srinivasan Hall (Mini Hall), The Music Academy, New No.168, T.T.K. Road, Royapettah, Chennai 600014, on Wednesday, the 30th September 2015, at 11.00 A.M., to transact the following business:

### **Ordinary Business**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2015, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri. S. Natarajan (DIN 00155988), who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Statutory Auditors and fix their remuneration.

To consider and if thought fit, to pass with or without modifications the following resolution as an ordinary resolution:

RESOLVED THAT pursuant to provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, the retiring Auditors M/s. CNGSN & Associates LLP, Chartered Accountants, Chennai (Firm Registration No: 004915S) be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting, on such remuneration as may be fixed in this behalf by the Board of Directors of the Company.

### **Special Business**

4. To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the rules made thereunder, Shri. M.Nandagopal (DIN 00058710), Executive Chairman be and is hereby re-appointed as a Whole-time Director, designated as Executive Chairman, liable to retire by rotation with effect from 3rd October 2013, on the same terms and conditions.

5. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to applicable provisions read with Schedule V of the Companies Act 2013, consent of the members be and is hereby accorded for payment of remuneration of Rs.5 lakhs per month (Annual Remuneration - Rs.60 lakhs) to Shri. Arvind Nandagopal (DIN : 00059009), w.e.f. 1.10.2015, who was appointed as a Managing Director of the Company for a period of 5 years with effect from 3rd October 2013.

RESOLVED FURTHER THAT the directors or the Secretary of the Company be and are hereby authorised to filing of any statutory forms or other related documents and to do all such act and things as may be necessary in this regard.

6. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

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RESOLVED THAT subject to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder read with Schedule IV to the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force), Smt.T.Manisriram (DIN 06966170), who was appointed by the Board of Directors as an Additional Director of the company with effect from 14th November 2014 and who holds Office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Smt. T.Manisriram as a candidate for the office of director of the Company, be and is hereby appointed as a Non-Executive and Independent Director of the Company, to hold office for a term of 5(five) years, up to 13th November 2019, not liable to retire by rotation.

RESOLVED FURTHER THAT the directors or the Secretary of the Company be and are hereby authorised to filing of any statutory forms or other related documents and to do all such act and things as may be necessary in this regard.

7. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

RESOLVED THAT subject to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder read with Schedule IV to the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri. T.Radhakrishnan (DIN 06702023), who was appointed by the Board of Directors as an Additional Director of the company with effect from 27th March 2015 and who holds Office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Shri T.Radhakrishnan as a candidate for the office of director of the Company, be and is hereby appointed as a Non-Executive and Independent Director of the Company, to hold office for a term of 5(five) years up to 26th March 2020, not liable to retire by rotation.

RESOLVED FURTHER THAT the directors or the Secretary of the Company be and are hereby authorised to filing of any statutory forms or other related documents and to do all such act and things as may be necessary in this regard.

8. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

RESOLVED THAT, subject to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder read with Schedule IV to the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force), Dr.D.V.R. Prakash Rao (DIN 01099479) who was appointed by the Board of Directors as an Additional Director of the company with effect from 27th March 2015 and who holds Office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Dr.D.V.R.Prakash Rao as a candidate for the office of director of the Company, be and is hereby appointed as a Non-Executive and Independent Director of the Company, to hold office for a term of 5(five) years, up to 26th March 2020, not liable to retire by rotation.

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RESOLVED FURTHER THAT the directors or the Secretary of the Company be and are hereby authorised to filing of any statutory forms or other related documents and to do all such act and things as may be necessary in this regard.

## REGISTERED OFFICE

No: 1, Cooks Road  
Perambur,  
Chennai 600 012  
Date: 12<sup>th</sup> August 2015

## BY ORDER OF THE BOARD

**M. Nandagopal**  
Executive Chairman

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. The instrument appointing the Proxy, in order to be effective, should be deposited, duly complete and signed, at the Registered Office of the Company not less than (48) Forty-Eight hours before the scheduled start of the meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the **Form No. MGT.11** annexed herewith.

3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.

4. In terms of Clause 49 of the Listing Agreement entered with the stock exchanges, brief particulars of the Directors who are proposed to be appointed/re-appointed at this meeting forms part of the notice.

5. The Register of Members and the Share Transfer books of the Company will remain closed from Thursday, 24th September, 2015 to Wednesday, 30th September, 2015 (both days inclusive) for the purpose of Annual General Meeting.

6. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Registrar and Share Transfer Agent/Depository Participants(s). For members who have not registered their email address, physical copies of the above documents are being sent in permitted mode. Annual Report 2015 shall be available on the web site of the Company [www.binnyltd.in](http://www.binnyltd.in)

7. The Registrar and Transfer Agent ('RTA') of the Company is M/s. Cameo Corporate Services Limited, No. 1, Subramanian Building, Club House Road, Anna Salai, Chennai-600002, Tamil Nadu. Please send all correspondence including requests for transfer / transmission of shares, change of address etc. to RTA of the Company.

8. Members are requested to intimate changes, if any, in their registered address to the RTA. Members holding shares in dematerialised form are requested to intimate/update their e-mail address with their respective Depository Participants.

9. Members are requested to furnish a copy of the PAN Card to the RTA for registration of transfer / transmission of shares.

10. Members, who are individuals may avail the facility of nomination as provided in Section 72 of the Companies Act, 2013 wherein a member may nominate in the prescribed manner with the

## BINNY LIMITED

Company's Registrar and Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.

11. Members are requested to bring their copy of the Annual Report to the Annual General Meeting. Members/Proxies/Representatives are requested to bring the attendance slip enclosed to the annual report / notice for attending the meeting.
12. In terms of Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company has engaged the services of Central Depository Services Limited (CDSL) to provide the facility of electronic voting ('e-voting') in respect of the Resolutions proposed at this AGM. The Board of Directors of the Company has appointed Mr. V. Suresh, Practicing Company Secretary, as the Scrutinizer for this purpose.

The instructions for e-voting are as under:

- (i) The voting period begins on Sunday, September 27, 2015 at 9.00 A.M and ends on Tuesday, September 29, 2015 at 5.00 P.M. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, 23rd September 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB	<ul style="list-style-type: none"> <li>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 folio number in the PAN field.</li> <li>In case the folio 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 folio number is 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If 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).</li> </ul>

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- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant “Binny Limited” on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) 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.
- (xviii) 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](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - 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 account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.



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- 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.
- (xix) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### **ANNEXURE TO THE NOTICE:**

#### **(A) Statement pursuant to section 102 of Companies Act, 2013, in respect of Item Nos.4 to 8 of the Notice**

##### **ITEM NO: 4**

In the Board Meeting held on 3rd October 2013, Shri. M.Nandagopal was appointed as a Whole-time Director, designated as Executive Chairman, not liable to retire by rotation, for a period of 5 years, with effect from 3rd October 2013, subject to the approval of the shareholders in General Meeting.

The Shareholders have also approved the appointment in the Annual General Meeting held on 4th November 2013.

As per the provisions of Section 152 of the Companies Act, 2013, not less than 2/3rd of total number of directors shall be made liable to retire by rotation. The same is subject to the following provisions of clauses:

- 1) The total number of directors shall not include Independent Directors
- 2) The total number of directors shall not include the office of director, whose office under the Articles of Association is not liable to retire by rotation

As per the provisions of Article 112 of the Articles of Association of the Company, the Managing Director of the Company is not liable to retire by rotation.

In order to comply with the provisions of Section 152 of the Act, wherein in the instant case, office of 2 directors are liable to retire by rotation, it is proposed to amend the appointment of Shri. M.Nandagopal, holding office as Whole-time Director, designated as Executive Chairman, as liable to retire by rotation.

None of the directors other than Shri. M.Nandagopal and Shri. Arvind Nandagopal and their relatives or Key Managerial Personnel (KMP) or relatives of directors and KMP is interested or concerned in the said resolution.

The documents relating to the subject matter are open for inspection on all working days during business hours at the Registered Office of the Company till the date of AGM.

The Board recommends this Special Resolution for members approval.

##### **ITEM NO: 5**

The Board of Directors at their meeting held on 3rd October 2013 appointed Shri. Arvind Nandagopal as a Whole time Director of the Company with effect from 3rd October 2013, subject to necessary approvals as Managing Director of the Company, without any remuneration, for a period of 5 years with effect from the said date. He is also a member of the Audit Committee, Nomination and Remuneration Committee and Stakeholder's Relationship Committee. Now, it is proposed to approve the following remuneration package:

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I. SALARY	Rs.5,00,000/- per month (Annual Remuneration : Rs.60,00,000/-)
II. PERQUISITES	(evaluated as per Income tax rules, wherever applicable, and at actual cost to the Company in other cases)
1. Car	Free usage of Company's Car for Business purpose
2. Telephone	Free Telephone facility at residence. Personal long distance calls for private purpose shall be billed by the Company to the individual
3. Club Fee	Fees of clubs to a maximum of 2 clubs. However, admission and life membership fee shall not be paid
III. OTHER BENEFITS	
This shall not be included in the computation of ceiling on Managerial Remuneration	
1. Provident fund	Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent of these, either singly or put together are not taxable under Income Tax Act.
2. Gratuity	Gratuity payable not exceeding one half month's salary for each completed year of service.
3. Encashment of leave	At the end of the tenure as per rules of the Company.
IV. MINIMUM REMUNERATION	
In the event of absence or inadequacy of profit, the Company will pay remuneration by way of salary and perquisites as specified above subject to the limits specified in Schedule V of the Companies Act, 2013 or any amendments made there to.	

Shri Arvind Nandagopal holds a Bachelor's degree in Commerce. He joined the Board of Directors of M/s.Mohan Breweries and Distilleries Limited (MBDL) as Executive Director in the year 1996 and elevated as Managing Director of the said Company in the year 2011. He was drawing a remuneration of Rs.10 lakhs per month with an annual limit of Rs.1.20 crores, during his tenure as Managing Director of MBDL.

Shri Arvind Nandagopal has been appointed as Managing Director of Binny Limited with effect from 3rd October 2013. He has resigned from the Board of MBDL as Managing Director on 1st April 2015. He holds 8,00,000 equity shares of Rs.5/- each in Binny Limited

Shri Arvind Nandagopal is also on the Board of the following Companies:

Sl.No.	Name of the Companies	Position
1	Orissa Sugars Limited	Director
2	Mother Mira Industries Limited	Director
3	Bhankerpur Distilleries Limited	Director
4	Mohan Microbes Limited	Director
5	SM IT Services Private Limited	Director
6	Nandha Logistics Limited	Director
7	Nandha Glass Limited	Director