

BINNY MILLS LTD
CIN: L17120TN2007PLC065807

Terms and Conditions for appointment of Independent Director:

1. Roles, duties and responsibilities

As members of the Board they will be collectively responsible, along with the other directors on the Board, for meeting the objectives of the Board, which include:

- * Requirements under the Companies Act, 2013
- * Act in good faith in order to promote the objects of the Company for the benefit of its members as a whole and in the best interest of the Company.
- * Discharge duties with due and reasonable care, skill and diligence. The duties are fiduciary in nature and comes with accompanying liabilities.
- * Accountability under the Directors' Responsibility Statement.
- * Overseeing the maintenance of high standards of values and ethical conduct of business.
- * Bringing in independent judgement, especially on strategy, performance, risk management, resources, key appointments, related party transactions and standards of conduct.
- * Reviewing and monitoring the performance of management.
- * Any other duty or duties and responsibility or responsibilities which is required to play the role of an Independent Director or vested in them by the Board from time to time.

The Independent director shall abide by the Company's Code of Conduct for directors and the 'Code for Independent Directors' as outlined in Schedule IV of the Companies Act, 2013 and duties of directors including those provided in section 166 of the Companies Act, 2013 and Code of practices and procedures for fair disclosure of unpublished price sensitive information for Prohibition of Insider Trading. They are required to confirm their compliance to these Codes periodically/annually.

2. Meetings of the Board and Expectations from the Independent Directors

There are generally 4 meetings held in a year with 1 in each quarter. The Agenda & necessary papers of the meetings will be sent to the Independent directors in advance of each meeting. As a member of the Board of Directors of the Company, they are required to attend and participate in the meetings of the Board of Directors and respective Committee/s, where they are or will be a member ("Respective Committee") and provide their valuable suggestions and inputs. They are entitled to have voting rights as per provisions of the Companies Act, 2013 and the Memorandum & Articles of Association of the Company in the meetings of the Board and in Respective Committees. They shall not be entitled to participate or vote in any subject of any meeting, where they or their relations are interested and they would be required to disclose their interest annually and update the changes in their interests to the Board immediately. The deliberations in the meeting of the Board and Committees are entered in the Minutes Book and circulated to the Board Members.

3. Remuneration

Their remuneration is governed by the Nomination and Remuneration Policy on Appointment, Remuneration and Diversity of Board of the Company. This policy is displayed on the web site of the Company. As Independent directors they shall be paid sitting fees (as fixed by the Board from time to time) for attending meetings of the Board and the Committees in which they are members. The sitting fees is currently fixed as Rs.5,000/- per meeting.

The Company may pay or reimburse to the Independent directors such fair and reasonable expenditure, as may have been incurred by them for attending Board meetings or committee meetings, Annual General Meetings, Extraordinary General Meetings, and Court convened meetings, while performing their duties as Independent directors of the Company.

4. Performance appraisal and Evaluation Process

The performance evaluation of Independent directors shall be done by the entire Board of Directors, excluding the Independent director being evaluated and on the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent director, as provided in Clause VIII of Schedule IV of the Companies Act, 2013 (Code for Independent Directors).

5. Disclosure and Change of personal details

During the term of appointment, the Independent directors shall promptly notify the Company any change in directorships and provide such other disclosures and information as may be required under applicable laws. They shall not use the corporate name, image, property, information, position for any personal gain. Upon becoming aware of any potential conflict of interest with their position as Independent directors of the Company, they shall promptly disclose the same to the Chairman.

During the term of appointment, they will promptly provide a declaration under section 149(7) of the Companies Act, 2013, upon any change in circumstances which may affect their status as Independent directors.

6. Termination

The directorship of the Independent directors on the Board of the Company shall terminate or cease in accordance with law. They may resign from the directorship of the Company by giving one month's notice in writing to the Company stating the reasons for the resignation and also to the Registrar of Companies (RoC).

If, at any stage, during the term of appointment of Independent directors, there is a change that may affect their status as Independent directors, as envisaged in Section 149(6) of the Companies Act, 2013, they shall promptly submit resignation to the Company with effect from the date of such change.

7. Confidentiality

All information they have acquired during their term of appointment as Independent directors is confidential to the Company and they shall not disclose or release the same, either during their term of appointment or following their cessation as director (by whatever means) to third

parties without prior written approval of the Board from the Chairman of the Company, unless otherwise required by any law or regulatory authority.

Their attention is also drawn to the requirements under both legislation and regulation as to the disclosure of price sensitive information. Therefore, they should avoid making any statements that might risk a breach of these requirements without prior approval from the Chairman. They are prohibited to trade in securities of the Company or to tip others to trade on the securities of the Company on the basis of price sensitive information before it is made public by the Company.

8. Familiarisation Programme

The Independent directors would undergo an induction and familiarisation programme to acquaint themselves with the business process and the senior management of the Company. The details of the Familiarisation Programme are available on the website of the Company.