



**Pradeep Metals Limited**  
Manufacturers of Precision Closed Die Forgings

26th September, 2020

Mr. Pradeep Goyal,  
171/172, Tower A, Kalpataru Horizon, S.K.Ahira Marg,  
Worli, Mumbai- 400 018

Dear Pradeep Sir,

**Sub:- Re-appointment as Chairman & Managing Director of Pradeep Metals Ltd**

We are glad to inform you that upon recommendation of the Remuneration Committee, the Board of Directors in its meeting held on 29<sup>th</sup> June, 2020 and shareholders' approval on AGM held on 25<sup>th</sup> September, 2020, have decided to re-appoint you as Chairman and Managing Director of the Company for a period of 3 (Three) years with effect from 17<sup>th</sup> December, 2020 till 16<sup>th</sup> December, 2023 in conformity with Schedule V of the Companies Act, 2013 on the following remuneration:

(i)	<b>Basic Salary</b>	From 17.12.2020 to	Rs. 108 lakhs
		From 17.12.2021 to	Rs. 120 lakhs
		From 17.12.2022 to	Rs. 132 lakhs
(ii)	<b>Incentive Pay</b>	Subject to maximum of Rs. 25 lakhs per annum, to be decided by the Board of Directors/Nomination and Remuneration Committee, depending on the performance of the Company.	
(iii)	<b>Perquisites (Including Allowances)</b>		
	Leave Travel Allowance	The yearly payment in the form of allowance shall be equivalent to one month's basic salary.	
	Magazines/Books Allowance	Rs. 50,000/- per annum	
	Gas/Electricity/Maintenance Allowance	Rs. 96,000/- per annum	
	Medical Reimbursement	Expenditure incurred by the Chairman and Managing Director and his family	
	Club Fees	Actual fees for maximum of two clubs. Admission fee and life Membership fees will not be paid by the Company.	
	Leave	As per Company Rules	
	Encashment of leave	As per Company Rules	
	Car with Driver	For use on the Company's business	
	Telephone	At residence and cellular phones. Personal long distance calls to be charged and recovered by the Company.	

R-205, M.I.D.C., RABALE, NAVI MUMBAI - 400 701, INDIA.

Phone : +91-22-2769 1026, 2769 3173 Fax : +91-22-2769 1123

CIN : L99999MH1982PLC026191 E-mail : info@pradeepmetals.com Website : www.pradeepmetals.com



**Pradeep Metals Limited**  
Manufacturers of Precision Closed Die Forgings

**Explanation:**

The perquisites and allowances shall be calculated as per the Income Tax Rules, wherever applicable. In case the absence of any such Rules, perquisite and allowance shall be evaluated at cost.

**Minimum Remuneration:**

In the event of loss or inadequacy of profits in any financial year during tenure of your service, the above remuneration shall be paid to you as minimum remuneration with the approval of Central Government, if required.

During the term of your office, you shall not be subject to, retirement by rotation.

We request you to kindly confirm your acceptance by signing on the duplicate copy of this letter.

Thanking you,

Sincerely,

For Pradeep Metals Limited



**Nivedita Nayak**  
Company Secretary & Compliance Officer



**Pradeep Metals Limited**  
Manufacturers of Precision Closed Die Forgings

Page No. 17 of 18

**Certified True Copy of information as required under Part II Section II (A) (iv) of Schedule V of the Companies Act, 2013 is given as under:**

<b>I. General Information</b>		<b>Information</b>
<b>No</b>	<b>Particulars</b>	
1.	Nature of Industry	Manufacturer and Exporter of closed die forged and machined components.
2.	Date or expected date of commencement of commercial production.	The Company is an existing Company and carrying out business for more than 31 years.
3.	In case of a new company, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus.	Not Applicable
4.	Financial Performance (standalone) based on given Indicators	Financial year 2019-20: Gross Revenue: Rs. 17,828.61 lakhs Profit before Interest, Depreciation, Exceptional items and Tax: Rs. 3,092.38 lakhs Profit after Tax (before OCI): Rs. 1,288.15 lakhs Rate of Dividend: 10% Earnings per Share: Rs. 7.46
5.	*Foreign Investments or Collaborations, if any (as on 31 <sup>st</sup> March, 2020)	Investment in Pradeep Metals Limited Inc, Houston, USA (WOS) a) Equity/Investment: Rs. 609.10 lakhs (At cost) b) Loan: Rs. 189.16 lakhs (USD 2,50,000) c) Corporate Guarantees/Securities Furnished: Rs. 1,626.80 lakhs (USD 2,150,000) d) SBLC (Stand by letter of credit): Rs. 756.65 lakhs (USD 1,000,000)

\*Exchange Rate of USD 1= Rs. 75.665 for FY 2019-20

<b>II. General Information</b>		
<b>Sr. No.</b>	<b>Particulars</b>	<b>Information</b>

R-205, M.I.D.C., RABALE, NAVI MUMBAI - 400 701, INDIA.

Phone : +91-22-2769 1026, 2769 3173 Fax : +91-22-2769 1123

CIN : L99999MH1982PLC026191 E-mail : info@pradeepmetals.com Website : www.pradeepmetals.com



**Pradeep Metals Limited**  
**Manufacturers of Precision Closed Die Forgings**

1.	Background details	<p>Mr. Pradeep Goyal is associated with the Company since its incorporation. He is a qualified engineer having completed his B. Tech (Metallurgy) from Indian Institute of Technology, Kanpur (1978) and obtained his S.M. (Materials Science and Engineering) from the world renowned Massachusetts Institute of Technology, Cambridge, MA, USA, (1980).</p> <p>In 2006, Mr. Goyal established a state-of-the-art research center 'Industrial Microwave Research Center' (IMRC) in Mumbai, which is dedicated to developing microwave based environment friendly technologies for saving energy. IMRC is recognized as an "In-house R&amp;D unit" by Govt. of India, Ministry of Science and Technology, Department of Scientific &amp; Industrial Research. Research was initiated in varied fields with an aim to reduce energy consumption and develop clean processes.</p>								
2.	Past Remuneration	<p>The remuneration drawn by Mr. Pradeep Goyal during the past three years is as follows:</p> <table><thead><tr><th>Year</th><th>Remuneration</th></tr></thead><tbody><tr><td>FY 2017-2018</td><td>Rs. 84 lakhs plus Rs. 39,600 perquisites</td></tr><tr><td>FY 2018-2019</td><td>Rs. 84 lakhs plus Rs. 15.42 lakhs perquisites and Rs. 25 lakhs Incentive pay</td></tr><tr><td>FY 2019-2020</td><td>Rs. 100 lakhs plus Rs. 16.86 lakhs perquisites and Rs. 25 lakhs Incentive pay</td></tr></tbody></table>	Year	Remuneration	FY 2017-2018	Rs. 84 lakhs plus Rs. 39,600 perquisites	FY 2018-2019	Rs. 84 lakhs plus Rs. 15.42 lakhs perquisites and Rs. 25 lakhs Incentive pay	FY 2019-2020	Rs. 100 lakhs plus Rs. 16.86 lakhs perquisites and Rs. 25 lakhs Incentive pay
Year	Remuneration									
FY 2017-2018	Rs. 84 lakhs plus Rs. 39,600 perquisites									
FY 2018-2019	Rs. 84 lakhs plus Rs. 15.42 lakhs perquisites and Rs. 25 lakhs Incentive pay									
FY 2019-2020	Rs. 100 lakhs plus Rs. 16.86 lakhs perquisites and Rs. 25 lakhs Incentive pay									
3.	Recognition or Awards	<p>Mr. Pradeep Goyal was awarded the 1<sup>st</sup> Rank in Metallurgy at I.I.T., Kanpur and received Silver Medal from the President of India. Best Student Metallurgist Award was conferred on him by the Indian Institute of Metals in 1978. He is the recipient of several awards and scholarships all through his career.</p>								
4.	Job Profile and his suitability	<p>Mr. Pradeep Goyal is associated with Company since its incorporation and he is on its Board of Directors since the year 1983. He has been acting as the Managing Director of the Company since 17<sup>th</sup> December, 2000. In 2010, he was elevated as the Chairman and Managing Director of the Company. The Company has been growing due to his technical, marketing and management expertise.</p>								
5.	Comparative Remuneration Profile with respect to industry; size of Company; profile and position of the person	<p>Considering the qualification and experience of Mr. Pradeep Goyal and looking to the considerable growth of the Company, its increasing revenue and the responsibilities shouldered by him, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar level counterpart(s) in the Industry.</p>								
6.	Pecuniary relationship directly or indirectly with the Company or relation with Managerial Person	<p>Mr. Pradeep Goyal belongs to the Promoter Group and is related to Mrs. Neeru P. Goyal, Director. Besides remuneration being paid/proposed to be paid, he does not have any pecuniary relationship with the Company.</p>								
<b>III. Other Information</b>										

R-205, M.I.D.C., RABALE, NAVI MUMBAI - 400 701, INDIA.

Phone : +91-22-2769 1026, 2769 3173 Fax : +91-22-2769 1123

CIN : L99999MH1982PLC026191 E-mail : info@pradeepmetals.com Website : www.pradeepmetals.com



**Pradeep Metals Limited**  
Manufacturers of Precision Closed Die Forgings

Sr. No.	Particulars	Information
1.	Reasons of loss or inadequate profits	NA
2.	Steps taken or proposed to be taken for improvement	Continuous efforts are being made to reduce the costs, wherever feasible, improve operational efficiency and develop new products and customers. It is amply reflected in the operations of the Company.
3.	Expected increase in productivity and profits in measurement terms	Considering the market conditions prevailing globally and efforts made by the management to develop new products and customers and, barring impact of Covid-19 and other unforeseen circumstances, the Company expects to achieve improved revenue and profitability going forward.

**IV. Disclosures**

Sr. No.	Particulars	Information
1.	Remuneration package of the appointee	As per the terms and conditions given in the Special Resolution and its Explanatory Statement under Item No. 6.
2.	Details of fixed component and performance linked	As per the terms and conditions given in the Special Resolution and its Explanatory Statement under Item No. 6.
3.	Service Contract, Notice Period, Severance Fees	NA
4.	Stock Options 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.	NA

For Pradeep Metals Limited



**Nivedita Nayak**  
Company Secretary & Compliance Officer