

PERMANENT MAGNETS LIMITED



B-3, MIDC, Village Mira, Mira Road (East), Thane - 401104. Maharashtra, India

Phone : +91-22-2495 2121 Facimile : +91-22-2945 2128 Email : sales@pmlindia.com Website : www.pmlindia.com

LETTER OF APPOINTMENT

Date : 26th December, 2017

To,
Shri. Kamal Shankarlal Binani
A-1 Ground Floor,
Sameer Co. Op.
169, S.V. Road, Andheri (West),
Mumbai - 400058

Sub : Your Appointment as an Additional Director (Non- Executive, Independent) of our Company Permanent Magnets Limited

Dear Sir,

On behalf of the Company, I am pleased to inform you that, the Board of Directors of the Company at its meeting held on 26th December, 2017 have appointed you as an Additional Director (Non- Executive, Independent) on the Board of the Company subject to approval of the Shareholders.

We thank you for your consenting to hold office as an Additional Director (Non- Executive, Independent) of the Company and for providing confirmation to the Company that you meet the "Independence" criteria as envisaged in Section 149 (6) of the Companies Act, 2013.

This letter sets out the terms of your appointment as an Additional Director (Non- Executive, Independent). The terms of your appointment as set out in this letter, are subject to the extent provisions of the applicable laws, including Act and policy of the Company (as amended from time to time)

1. Appointment :

- In accordance with the provisions of the Companies Act, 2013 and other applicable laws, you will initially serve as an Additional Director (Non- Executive, Independent) on the Board of the company till the date of the next Annual General Meeting of the Company and further if your appointment is approved by the shareholders.



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2. Status of Appointment :

- Your relationship with the Company will be that of an office holder and not one of Contract for employment in the Company.
- You will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board.

3. Commitment :

- As an Independent Director you are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership. In relation to the Company's strategy, performance and risk management as well as ensuring high standards of financial probity and corporate governance.
- The Board generally meets at least four times in a year. The Audit Committee also meets at least four times in a year. Besides, the Board has recently constituted the Nomination and Remuneration Committee and Stakeholder Relationship Committee of the Company, the meetings of which will be ordinarily convened as per the requirements under the law for the time being in force. You are expected to attend the meetings of the Board and Board Committees to which you are appointed as a member in the capacity of Non- Executive Independent Director and also Shareholders' meetings and devote appropriate time to discharge your duties effectively.
- By accepting this appointment, you confirm that you will be able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

4. Roles and Duties :

- Your role and duties will be those normally required of an Independent Director under the Companies Act, 2013, the relevant Rules made there under. Apart from the above, there are certain duties prescribed for all Directors, which are fiduciary in nature, and which are as under:
- You shall act in accordance with the Company's Articles of Association, as may be amended from time to time.

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- You shall 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.
- You Shall discharge your duties with due and reasonable care, skill and diligence.
- You Shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- You shall not attempt to achieve any undue gain or advantage either for yourself or for your relatives or associates.
- You Shall not assign your office as Director and any assignments so made shall be void.
- You Should constructively challenge and develop proposals on strategy for growth of the Company.
- You should evaluate the performance of management in meeting agreed goals and objectives.
- You Should satisfy yourself on the integrity of financial information and that the financial controls and systems of risk management are effective and defensible.
- You shall play a role in Planning.
- You will take responsibility for the processes for accurately reporting on performance and the financial position of the Company.
- You should keep governance and compliance with the applicable legislation and regulation under review and the conformity of Company's practices to the accepted norms.
- You may have business interests other than those of the Company. As a condition to your appointment, you are required to declare/disclose any such directorships, appointments and interests to the Board in writing in the prescribed form.
- If you have any material interest in any transaction or arrangement that the Company has entered into, it should be disclosed not later than when the

Regd. Office : Harsha Avenue, 302, 3rd Floor, Opp. Silvassa Police Station, Silvassa Vapi Main Road, Silvassa - 396230 Dadra and Nagar Haveli (U.T.)

(All Correspondence has to be made at our Mira Road address only)

CIN-L27100DN1960PLC000371



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transaction or arrangement comes up at the Board Meeting, in order to comply with the various provisions of the Companies Act, 2013, the Rules made there under.

5. Evaluation:

- The Board of Directors will carry out and evaluate your performance on the Board as a whole, Board Committees and on an annual basis.
- Your appointment and re-appointment on the Board shall be subject to the outcome of the yearly evaluation process.

6. Code of Conduct :

During your tenure, you are required to comply with regulations as contained in Schedule IV under the Companies Act, 2013 and also with the Code of Conduct for the members of the Board of Directors and Senior Management of the Company.

7. Confidentiality

- All information acquired by you during your team as Director of the Company is to be treated as confidential and should not be released, either during your tenure or following termination (by whatever means) to third parties without prior clearance from the Chairman & Managing Director of the Company unless such disclosure be required by any governmental, statutory and regulatory authority established under the laws for the time being in force.
- On reasonable request, you are required to surrender any documents and other materials made available to you by the Company.

8. Membership of Committees:

- As advised by the Board, during the tenure of office, you may be required to serve on one or more of the Committees of the Board as a Member or as the Chairman. Upon such appointment, you will be provided copy of the terms of reference which set out the functions of the respective committee.
- With your appointment, at present you will be the member of the following committees of the Company:



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- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder Relationship Committee

9. Termination:

- You may resign from your position at any time and if you wish to do so, you are requested to serve a reasonable written notice on the Board. In terms of provisions of the Companies Act, 2013, you are required to file a copy of your resignation letter with the Registrar of Companies, Ahmedabad, Gujarat.
- The continuation of your appointment is contingent on your getting re-elected by the Shareholders in accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, from time to time in force.
- This letter and any non-contractual obligations arising out of or in connection with this Letter are governed by, and shall be constructed in accordance with the laws of India.

Please confirm your acceptance by signing and returning a copy of this letter to the Company.

Thanking You,

Yours Sincerely,

For Permanent Magnets Limited

Sharad Taparia
Managing Director



I have read, agree and accept the above terms and conditions regarding my appointment as an Additional Director (Non- Executive, Independent) of Permanent Magnets Limited with effect from 26th December, 2017.

Kamal Binani
DIN : 00340348

