



# Pradeep Metals Limited

Manufacturers of Precision Closed Die Forgings

27<sup>th</sup> May, 2016

To,  
The General Manager – Operations,  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001

**Ref:- Scrip Code: 513532**

**Sub:- Outcome of the Meeting of Board of Directors of Pradeep Metals Limited held on 27<sup>th</sup> May, 2016**

Dear Sir,

We would like to inform you that the Board of Directors in its Meeting held on Friday, 27<sup>th</sup> May, 2016, have taken the following decisions:

- 1) Consideration and approval of Standalone and Consolidated Audited Financial Results of the Company for the fourth quarter and financial year ended March 31, 2016
- 2) Noting of payment of Interim Dividend of Rs. 0.60 per Equity Share declared on 15<sup>th</sup> March, 2016.
- 3) No further Dividend has been recommended.
- 4) Appointment of Mr. Dilip Dalvi, Accounts Head, as Deputy CFO of the Company with immediate effect.

Kindly take the same on record.

Thanking you,

Sincerely,  
**For Pradeep Metals Limited**

**Pradeep Goyal**  
**Chairman & Managing Director**  
**DIN: 00008370**

Pradeep Metals Limited  
 CIN: L99999MH1982PLC026191  
 Registered Office: R-205, T.T.C. Ind. Area, MIDC, Rabale, Navi Mumbai 400701  
 Statement of audited financial results for the year ended 31st March 2016

| Sr. No. | Particulars  | Quarter ended |         |             |         | Year Ended  |         | Consolidated |         |
|---------|--|---------------|---------|-------------|---------|-------------|---------|--------------|---------|
|         |  | 31-Mar-2016   |         | 31-Dec-2015 |         | 31-Mar-2016 |         | 31-Mar-2015  |         |
|         |  | Unaudited     | Audited | Unaudited   | Audited | Unaudited   | Audited | Unaudited    | Audited |
| 1       | Income from Operations   |               |         |             |         |             |         |              |         |
| (a)     | Net sales/income from operations (Net of excise duty)  |               |         |             |         |             |         |              |         |
|         | Domestic   | 2,926         | 2,928   | 2,520       | 2,928   | 10,637      | 11,756  | 12,979       | 12,804  |
|         | Exports  | 649           | 837     | 858         | 837     | 3,284       | 3,192   | 5,828        | 4,240   |
|         | Other operating income   | 2,277         | 2,091   | 1,662       | 2,091   | 7,353       | 8,564   | 7,352        | 8,564   |
| 2       | Total Income from Operations (net)   | 3,291         | 3,240   | 2,741       | 3,240   | 11,272      | 1,303   | 1,273        | 1,303   |
| (a)     | Cost of materials consumed   | 1,288         | 1,188   | 1,188       | 1,737   | 5,407       | 6,717   | 6,203        | 7,047   |
| (b)     | Purchases of stock-in-trade  | 324           | 212     | 212         | (64)    | 216         | (253)   | 94           | (590)   |
| (c)     | Changes in inventories of finished goods, work-in-progress and stock-in-trade                          | 430           | 357     | 357         | 352     | 1,584       | 1,449   | 2,762        | 1,896   |
| (d)     | Employee benefits expense  | 130           | 84      | 84          | 65      | 370         | 258     | 488          | 272     |
| (e)     | Depreciation and amortisation expense  | 710           | 586     | 586         | 689     | 2,496       | 2,563   | 3,163        | 2,845   |
| (f)     | Manufacturing expenses   | 284           | 182     | 182         | 232     | 822         | 902     | 945          | 1,154   |
| (g)     | Other expenses   | 3,166         | 2,609   | 2,609       | 3,011   | 10,895      | 11,635  | 13,637       | 12,624  |
| 3       | Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)           | 124           | 132     | 132         | 229     | 1,015       | 1,424   | 615          | 1,483   |
| 4       | Other income   | 99            | 48      | 48          | 37      | 175         | 202     | 195          | 180     |
| 5       | Profit/(Loss) from ordinary activities before finance costs, exceptional items and taxes (3+4)         | 223           | 181     | 181         | 266     | 1,190       | 1,626   | 810          | 1,663   |
| 6       | Finance costs  | 141           | 130     | 130         | 100     | 676         | 421     | 770          | 317     |
| 7       | Profit/(Loss) from ordinary activities after finance cost but before exceptional items and taxes (5-6) | 82            | 50      | 50          | 165     | 514         | 1,205   | 39           | 1,347   |
| 8       | Exceptional items  |               |         |             |         |             |         |              |         |
| 9       | Profit/(Loss) from ordinary activities before tax (7-8)  | 82            | 50      | 50          | 165     | 514         | 1,205   | 39           | 1,347   |
| 10      | Tax Expense  | 11            | 14      | 14          | 61      | 138         | 423     | 108          | 453     |
| 11      | Net Profit/(Loss) from ordinary activities after tax (9-10)  | 71            | 36      | 36          | 105     | 376         | 783     | (70)         | 894     |
| 12      | Extraordinary items (net of tax expenses)  |               |         |             |         |             |         |              |         |
| 13      | Profit after tax before minority interest (11-12)  | 71            | 36      | 36          | 105     | 376         | 783     | (70)         | 894     |
| 14      | Less/(add): Allocation to minority interest  |               |         |             |         |             |         |              |         |
| 15      | Net Profit for the year (13-14)  | 71            | 36      | 36          | 105     | 376         | 783     | (70)         | 894     |
| 16      | Paid-up equity share Capital (Face Value of Rs. 10/- per Share)  | 1,726         | 1,726   | 1,726       | 1,726   | 2,212       | 1,726   | 1,726        | 1,726   |
| 17      | Reserve excluding Revaluation Reserves   |               |         |             |         |             |         |              |         |
| 18      | Earnings per share of Rs. 10/- (before and after extraordinary items)                                  | 0.41          | 0.22    | 0.22        | 0.61    | 2.17        | 4.53    | 0.43         | 4.81    |
|         | (a) Basic  | 0.41          | 0.22    | 0.22        | 0.61    | 2.17        | 4.53    | 0.43         | 4.81    |
|         | (b) Diluted  | 0.41          | 0.22    | 0.22        | 0.61    | 2.17        | 4.53    | 0.43         | 4.81    |

SIGNED FOR IDENTIFICATION BY  
 N.A. SHAH/ASST. MGR. (FIN)  
 Pradeep Metals Limited

Pradeep Metals Limited  
 CIN: L99999MH392PLC026191  
 Registered Office: R-205, T.T.C. Ind. Area, MIDC, Rabale, Navi Mumbai 400701  
 Statement of audited financial results for the year ended 31st March 2016

Notes to financial results:  
 1 Standardized Consolidated Statement of Assets and Liabilities

| Particulars                          | Standardized          |                       | Consolidated          |                       | (Rupees in Lacs)      |                       |
|--------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                      | As at 31st March 2016 | As at 31st March 2015 | As at 31st March 2016 | As at 31st March 2015 | As at 31st March 2016 | As at 31st March 2015 |
| Shareholder's funds                  |                       |                       |                       |                       |                       |                       |
| Share capital                        | 1,726                 | 1,726                 | 1,726                 | 1,726                 | 1,726                 | 1,726                 |
| Reserves and surplus                 | 2,212                 | 1,961                 | 1,967                 | 1,967                 | 2,059                 | 2,059                 |
| Sub total - Shareholders' funds      | 3,938                 | 3,687                 | 3,693                 | 3,693                 | 3,785                 | 3,785                 |
| Minority interest                    |                       |                       | 418                   |                       | 401                   |                       |
| Non-current liabilities              |                       |                       |                       |                       |                       |                       |
| Long term borrowings                 | 1,179                 | 1,031                 | 1,031                 | 2,393                 | 1,031                 | 1,031                 |
| Deferred tax liabilities (Net)       | 413                   | 337                   | 413                   | 413                   | 337                   | 337                   |
| Long term provisions                 | 168                   | 70                    | 176                   | 176                   | 70                    | 70                    |
| Other long term liabilities          |                       |                       |                       |                       |                       |                       |
| Sub total - Non-current liabilities  | 1,760                 | 1,438                 | 2,985                 | 3                     | 1,438                 |                       |
| Current liabilities                  |                       |                       |                       |                       |                       |                       |
| Short-term borrowings                | 5,754                 | 6,034                 | 5,856                 |                       | 6,034                 |                       |
| Trade payable                        |                       |                       |                       |                       |                       |                       |
| - Due to micro and small enterprises |                       |                       |                       |                       |                       |                       |
| Other current liabilities            | 556                   | 773                   | 1,196                 |                       | 2,649                 |                       |
| Short-term provisions                | 846                   | 607                   | 1,349                 |                       | 1,220                 |                       |
|                                      | 97                    | 276                   | 97                    |                       | 301                   |                       |
| Sub total - Current liabilities      | 7,253                 | 7,691                 | 8,498                 |                       | 10,204                |                       |
| Total                                | 12,952                | 12,816                | 15,594                |                       | 15,828                |                       |
| ASSETS                               |                       |                       |                       |                       |                       |                       |
| Non-current assets                   |                       |                       |                       |                       |                       |                       |
| Fixed assets                         |                       |                       |                       |                       |                       |                       |
| Tangible assets                      | 3,624                 | 2,867                 | 4,201                 |                       | 3,130                 |                       |
| Intangible assets                    | 68                    | 18                    | 68                    |                       | 18                    |                       |
| Goodwill arising on consolidation    |                       |                       |                       |                       |                       |                       |
| Capital Work-in-Progress             | 253                   | 626                   | 1,629                 |                       | 1,568                 |                       |
| Intangible assets under development  |                       |                       |                       |                       |                       |                       |
| Non-current investments              | 544                   | 66                    |                       |                       | 66                    |                       |
| Long term loans and advances         | 742                   | 613                   | 0                     |                       | 66                    |                       |
| Other non-current assets             | 1                     | 1                     | 775                   |                       | 613                   |                       |
| Sub total - Current liabilities      | 5,232                 | 4,459                 | 6,927                 |                       | 6,022                 |                       |
| Current assets                       |                       |                       |                       |                       |                       |                       |
| Inventories                          | 3,006                 | 3,621                 | 3,789                 |                       | 4,293                 |                       |
| Trade receivable                     | 3,455                 | 3,816                 | 3,305                 |                       | 4,374                 |                       |
| Cash and bank balances               | 49                    | 31                    | 386                   |                       | 234                   |                       |
| Short-term loans and advances        | 198                   | 241                   | 219                   |                       | 257                   |                       |
| Other current assets                 | 1,011                 | 648                   | 967                   |                       | 648                   |                       |
|                                      | 7,720                 | 8,357                 | 8,667                 |                       | 9,806                 |                       |
|                                      | 12,952                | 12,816                | 15,594                |                       | 15,828                |                       |

SIGNED FOR IDENTIFICATION BY  
 N. A. SHAH ASSOC  
 CHARTERED ACCOUNTANTS  
 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

Pradeep Metals Limited  
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 Statement of audited financial results for the year ended 31st March 2016

- 2 The above results have been reviewed by the Audit Committee and approved by the Board at its meeting held on 27th May 2016.
- 3 2.1 MW Wind Mill was originally set up as a captive unit. In view of the changed government's policy, it is economical to supply the power to Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL). The necessary steps are being taken to sign and execute Power Purchase Agreement (PPA) with MSEDCL. Pending execution of PPA, revenue of Rs. 39.09 lacs for the current quarter has been recognized from the power generated and fed into the Grid and is grouped under other operating revenue based on the provisional rate prescribed in the Order of Maharashtra State Regulatory Commission (MERC) for the quarter ended 31st December 2015 Rs. 40.39 lacs. For year ended 31st March 2016 Rs. 219.00 lacs. For the quarter & year ended 31st March 2015 Rs. Nil).
- 4 During the quarter ended 30th June 2015, the Company had received demand and notices from Navi Mumbai Municipal Corporation towards additional cess liability for the period 1998 to 2013. The amount of demand excluding interest and penalty was Rs. 71.65 lacs. The Company is under process of contesting certain items in these demands through industry associations. As per management estimate, the Company made provision of Rs. 26.37 lacs (in quarter ended 30th September 2015) and paid Rs. 11.37 lacs out of this provision.
- 5 During the current quarter, Company has made additional investment in wholly owned subsidiary Pradeep Metals Limited Inc., USA aggregating to Rs. Nil (for the quarter ended 31st December 2015 Rs. 101.56 lacs, for year ended 31st March 2016 Rs. 275.75 and for the quarter & year ended 31st March 2015 Rs. 265.19 lacs).
- 6 Export sales in standalone results includes sale made to wholly owned subsidiary of the Company in USA as given below :
 

| Particulars                     | Quarter ended |             |             | Year ended  |             |
|---------------------------------|---------------|-------------|-------------|-------------|-------------|
|                                 | 31-Mar-2016   | 31-Dec-2015 | 31-Mar-2015 | 31-Mar-2016 | 31-Mar-2015 |
| Pradeep Metals Limited Inc. USA | 132           | 143         | 231         | 706         | 1,187       |

 (Rupees in Lacs)
- 7 Other expenses include prior period adjustment and other income include foreign exchange gain as given below :
 

| Particulars                                 | Quarter ended |             |             | Year ended  |             |
|---|---------------|-------------|-------------|-------------|-------------|
|   | 31-Mar-2016   | 31-Dec-2015 | 31-Mar-2015 | 31-Mar-2016 | 31-Mar-2015 |
| Prior period adjustment - (Income)/expenses | 65            | (28)        | -           | 20          | -           |
| Foreign exchange (gain)/loss                | (65)          | (29)        | (13)        | (131)       | (22)        |

 (Rupees in Lacs)
- 8 Company has recognized export incentive under Merchandise Exports from India Scheme (MEIS) for whole year aggregating to Rs. 130.01 lacs in quarter ended 31st March 2016 considering certainty over utilization of these duty scrips (for the quarter ended 31st December 2015 Rs. Nil, for year ended 31st March 2016 Rs. 130.01 lacs. For the quarter & year ended March 2015 Rs. Nil).
- 9 Consolidated Financial Statements are prepared in accordance with Accounting Standard 21 " Consolidated Financial Statements" and includes financial results in respect of :
  - a) Unaudited financials of Pradeep Metals Limited, Inc. (wholly owned subsidiary in USA) for the year ended 31st March 2016
  - b) Unaudited financials of Dimensional Machine Works LLC (step down subsidiary in USA) for the year ended 31st March 2016 and 31st March 2015

SIGNED FOR IDENTIFICATION BY  
*H. V. Lody*  
 N. A. CHAVHAN & CO. CHARTERED ACCOUNTANTS  
 101, MIDC, RABALE, NAVI MUMBAI - 400701

*[Signature]*

Pradeep Metals Limited  
 CIN: L99999MH1982PLC026191  
 Registered Office: R-205, T.T.C. Ind. Area, MIDC, Rabale, Navi Mumbai 400701

Statement of audited financial results for the year ended 31st March 2016

10 Segment disclosure:

The Group is primarily engaged in a manufacturing of closed die forgings & steel processing. During the year, the Holding Company has started generating power from wind turbine generator which is sold to Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL). However, pending execution of power purchase agreement with MSEDCL, wind mill operation is disclosed under other reconciling item in current year.

| Particulars   | Standalone    |              |              |               |               |               | (Rupees in Lacs) |             |             |             |  |  |  |  |
|---|---------------|--------------|--------------|---------------|---------------|---------------|------------------|-------------|-------------|-------------|--|--|--|--|
|   | Quarter ended |              | Year ended   |               | Year ended    |               | Year ended       |             |             |             |  |  |  |  |
|   | 31-Mar-2016   | 31-Dec-2015  | 31-Mar-2016  | 31-Mar-2015   | 31-Mar-2016   | 31-Mar-2015   | 31-Mar-2016      | 31-Mar-2015 | 31-Mar-2016 | 31-Mar-2015 |  |  |  |  |
| <b>Segment revenue</b>  |               |              |              |               |               |               |                  |             |             |             |  |  |  |  |
| (a) Closed die forging and Steel processing   | 3,251         | 2,701        | 3,240        | 11,694        | 13,059        | 14,742        | 15,294           |             |             |             |  |  |  |  |
| (b) Others  | 39            | 40           | -            | 216           | -             | 216           | 15,294           |             |             |             |  |  |  |  |
| <b>Total</b>  | <b>3,291</b>  | <b>2,741</b> | <b>3,240</b> | <b>11,910</b> | <b>13,059</b> | <b>14,958</b> | <b>15,294</b>    |             |             |             |  |  |  |  |
| Less: Intersegment revenue  |               |              |              |               |               |               |                  |             |             |             |  |  |  |  |
| Net sales / Income from operations  | 3,291         | 2,741        | 3,240        | 11,910        | 13,059        | 14,252        | 14,107           |             |             |             |  |  |  |  |
| <b>Segment result</b>   |               |              |              |               |               |               |                  |             |             |             |  |  |  |  |
| Profit / (loss) before tax, finance cost from segment and other unallocable expenses / (income) |               |              |              |               |               |               |                  |             |             |             |  |  |  |  |
| (a) Closed die forging and Steel processing   | 219           | 159          | 255          | 1,148         | 1,698         | 1,344         | 2,637            |             |             |             |  |  |  |  |
| (b) Others  | 25            | 26           | -            | 160           | -             | 160           | 2,637            |             |             |             |  |  |  |  |
| <b>Total</b>  | <b>244</b>    | <b>185</b>   | <b>255</b>   | <b>1,308</b>  | <b>1,698</b>  | <b>1,503</b>  | <b>2,637</b>     |             |             |             |  |  |  |  |
| Less:   |               |              |              |               |               |               |                  |             |             |             |  |  |  |  |
| (i) Finance cost  | 141           | 130          | 100          | 676           | 421           | 770           | 317              |             |             |             |  |  |  |  |
| (ii) Other un-allocable expenditure / (income)(net)   | 20            | 4            | (11)         | 118           | 72            | 693           | 973              |             |             |             |  |  |  |  |
| <b>Profit before tax</b>  | <b>82</b>     | <b>50</b>    | <b>165</b>   | <b>514</b>    | <b>1,205</b>  | <b>40</b>     | <b>1,347</b>     |             |             |             |  |  |  |  |
| <b>Capital employed</b>   |               |              |              |               |               |               |                  |             |             |             |  |  |  |  |
| (Segment assets - segment liabilities)  |               |              |              |               |               |               |                  |             |             |             |  |  |  |  |
| (a) Closed die forging and Steel processing   | 10,016        | 10,185       | 9,660        | 10,016        | 9,660         | 11,583        | 10,451           |             |             |             |  |  |  |  |
| (b) Others  | 1,369         | 1,302        | 1,207        | 1,369         | 1,207         | 1,369         | 1,207            |             |             |             |  |  |  |  |
| (c) Unallocated   | (7,447)       | (7,495)      | (7,180)      | (7,447)       | (7,180)       | (8,842)       | (7,472)          |             |             |             |  |  |  |  |
| <b>Total capital employed</b>   | <b>3,938</b>  | <b>3,992</b> | <b>3,687</b> | <b>3,938</b>  | <b>3,687</b>  | <b>4,111</b>  | <b>4,186</b>     |             |             |             |  |  |  |  |

SIGNED FOR CERTIFICATION BY

N. A. SHINDE

*N. A. Shinde*

*N. A. Shinde*

Pradeep Metals Limited  
CIN: L39999MH1982PLC026191  
Registered Office : R-205, T.T.C. Ind. Area, MIDC, Rabale, Navi Mumbai 400701

Statement of audited financial results for the year ended 31st March 2016

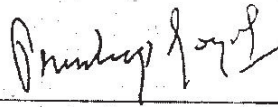
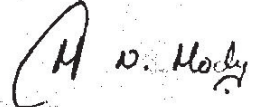

- 11 The Company has terminated services of Chief Financial Officer in February 2016 and Company is in the process of appointing new Chief Financial Officer in accordance with second proviso to section 203 of the Companies Act, 2013.
- 12 The interim dividend of Rs. 0.80 per share, aggregating to Rs. 103.62 lacs (excluding dividend distribution tax) declared by the board of directors at its meeting held on 15th March 2016 has been paid to the members and no further dividend is recommended.
- 13 Figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and published year to date figures upto the 3rd quarter of the relevant financial year.
- 14 The figures of the previous periods / year have been regrouped or rearranged wherever considered necessary.

SIGNED FOR IDENTIFICATION BY  
*N. A. Shah*  
N. A. SHAH ASSOCIATES  
MUMBAI

for Pradeep Metals Limited  
*Pradeep Goyal*  
Pradeep Goyal  
Chairman and Managing Director  
DIN: 00008370  
Mumbai  
27th May 2016

Compliance under Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Form A (for audit report with unmodified opinion)

|   |   |  |
|---|---|--|
| 1 | Name of the company   | Pradeep Metals Limited   |
| 2 | Annual financial statements for the year ended  | Year ended 31 <sup>st</sup> March 2016   |
| 3 | Type of Audit observation   | <p>Auditors have issued Unmodified report.</p> <p>Under Emphasis of Matter, auditors have included observation which has not been considered by the auditors for the purpose of audit qualification. The same are reproduced as under:</p> <p>Reference is invited to note 2 of the notes to the results in respect of recognition of revenue of Rs. 216 lacs from sale of power generated from windmill to Maharashtra State Electricity Distribution Company Limited ('MSEDCL'). Pending execution of power purchase agreement ('PPA'), revenue has been recognised based on the provisional rate as prescribed in the Order of Maharashtra State Regulatory Commission ('MERC') and in view of management, no uncertainty exist for the amount recorded as receivable from sale of power.</p> |
| 4 | Frequency of observation  | Reported for the first time.   |
| 5 | Signed by   |  |
|   | Mr. Pradeep Goyal<br>Chairmen and Managing Director   |    |
|   | N. A. Shah Associates (Auditor)<br>Firm Reg. No.116560W<br>Mr. Milan Mody<br>Partner<br>Membership No. 103286 |    |
|   | Mr. Abhinay Kapoor<br>Company Secretary   |    |

**N. A. SHAH ASSOCIATES**  
Chartered Accountants

Independent Auditor's Report

To  
The Board of Directors of  
Pradeep Metals Limited

Report on Standalone Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have audited the accompanying standalone financial results of Pradeep Metals Limited ('the Company') for the year ended 31<sup>st</sup> March, 2016 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Statement includes the results for the quarter ended 31<sup>st</sup> March, 2016 being the derived figures between the audited figures in respect of the current full financial year ended 31<sup>st</sup> March, 2016 and the published year-to-date figures upto 31<sup>st</sup> December, 2015, being the date of the end of the third quarter of the financial year, which were subjected to a limited review.

**Management's Responsibility**

This Statements are the responsibility of the Company's management and have been approved by Board of Directors. This Statement have been prepared on the basis of the annual financial statements and quarterly financial results upto the end of the third quarter and in accordance with Accounting Standards specified under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India.

**Auditor's Responsibility**

Our responsibility is to express an opinion on this Statement based on our audit of such annual financial statements.

We conducted our audit in accordance with the standard on auditing generally accepted in India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statement are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, 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 Statement 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 statement.

We believe that our audit provides a reasonable basis for our opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us this Statement:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the year ended 31<sup>st</sup> March, 2016.



B 41-45, Paragon Centre, Pandurang Budhkar Marg, Worli, Mumbai 400 013.  
Tel.: 91-22-40733000 • Fax : 91-22-40733090 • E-mail : info@nashah.com



**N. A. SHAH ASSOCIATES**  
Chartered Accountants

Independent Auditor's Report (continued)

**Emphasis of Matter**

Reference is invited to note 2 of the notes to the results in respect of recognition of revenue of Rs. 216 lacs from sale of power generated from windmill to Maharashtra State Electricity Distribution Company Limited ('MSEDCL'). Pending execution of power purchase agreement ('PPA'), revenue has been recognised based on the provisional rate as prescribed in the Order of Maharashtra State Regulatory Commission ('MERC') and in view of management, no uncertainty exist for the amount recorded as receivable from sale of power.

Our opinion is not qualified in above matter.

**Other matter**

The financial results and financial statements of the Company for the year ended 31<sup>st</sup> March 2015 were audited by another auditor whose report dated 8<sup>th</sup> May 2015 expressed an unmodified opinion.

For N. A. Shah Associates  
Chartered Accountants  
Firm's registration number: 116560W

*M. V. Mody*

Milan Mody  
Partner  
Membership number: 103286

Place: Mumbai  
Date:

27 MAY 2016

