

S.R.REGE & COMPANY
CHARTERED ACCOUNTANTS
125, Hiramani Super Market, Mumbai 400 012

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S. M. DAMLE B. Com; F.C.A.
S. M. PATKI B.Com; L.L. B.(Gen) F.C.A, D.I.S.A.(ICAI)
A.G.GODBOLE B.Com; F.C.A, D.I.S.A.(ICAI)

INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
PRADEEP METALS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Pradeep Metals Limited** ("the Company") for the Quarter ended and Half year ended 30th September ,2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II – Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchange, including the manner in which it is to be disclosed, or that it contains any material misstatement.



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4. Further, we also report that we have traced the number of shares as well as percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as percentage of shares pledged/ encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to Investor complaints disclosed in Part II- Select Information for the Quarter ended and Half year ended 30th September, 2014 of the Statement, from the details furnished by the Registrars.

Place: Mumbai
Date: 12th November, 2014

S. R. REGE & CO.,
CHARTERED ACCOUNTANTS.

Sparki
SANJAY PATKI.
(PARTNER)
MEMBERSHIP NO. 037690



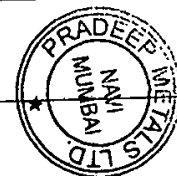


Pradeep Metals Limited

Manufacturers of Precision Closed Die Forgings

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER/HALF YEAR ENDED 30TH SEPTEMBER, 2014

PART I		Quarter ended					Rs. In Lacs
		30-Sep-2014		30-Sep-2013		Year ended	
Sl. No.	Particulars	30-Jun-2014	30-Sep-2014	30-Sep-2013	30-Sep-2014	30-Sep-2013	31-Mar-2014
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
(a)	Net sales/income from operations (Net of excise duty)	3315	2560	2741	5875	4834	10195
	Domestic	780	658	784	1438	1512	2929
	Exports	2535	1902	1957	4437	3322	7266
(b)	Other operating income (including sale of scrap generated net of excise)	391	281	336	672	544	1176
	Total Income from Operations (net)	3706	2841	3077	6547	5378	11371
2	Expenses						
(a)	Cost of materials consumed	1746	1425	1347	3171	2504	5415
(b)	Purchases of stock-in-trade	0	0	5	0	5	5
(c)	Changes in Inventories of finished goods, work-in-progress and stock-in-trade	5	(152)	180	(147)	42	56
(d)	Employee benefits expense	402	392	343	794	659	1419
(e)	Depreciation and amortisation expense	65	64	51	129	102	206
(f)	Other expenses	1052	897	758	1949	1452	3203
	Total Expenses	3270	2626	2684	5896	4764	10304
3	Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	436	215	393	651	614	1067
4	Other Income	25	161	50	186	59	171
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	461	376	443	837	673	1238
6	Finance Costs	42	54	86	96	170	332
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	419	322	357	741	503	906
8	Exceptional Items	0	0	0	0	0	0
9	Profit/(Loss) from ordinary activities before tax (7-8)	419	322	357	741	503	906
10	Tax Expense	157	104	117	261	162	302
11	Net Profit/(Loss) from ordinary activities after tax (9-10)	262	218	240	480	341	604
12	Extraordinary Items (net of tax expenses)	0	0	0	0	0	0
13	Net Profit/(Loss) for the period (11-12)	262	218	240	480	341	604
14	Paid-up equity share Capital (Face Value of Rs. 10/- per Share)	1726	1726	1726	1726	1726	1726
15	Reserve excluding Revaluation Reserves	-	-	-	-	-	1651
16	Earnings per share of Rs. 10/- (before and after extraordinary items) (Not annualised):						
	(a) Basic	1.51	1.27	1.39	2.78	1.97	3.50
	(b) Diluted	1.51	1.27	1.39	2.78	1.97	3.50
PART II							
A PARTICULARS OF SHAREHOLDING							
1	Public shareholding						
	- Number of Shares	5632759	5632759	5640559	5632759	5640559	5640559
	- Percentage of shareholding	32.62	32.62	32.66	32.62	32.66	32.66
2	Promoters and Promoter Group shareholding						
a)	Pledged /Encumbered			1000000		1000000	
	- Number of shares	-	-	8.60	-	8.60	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	5.79	-	5.79	-
	- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
b)	Non - encumbered			10629441	11637241	10629441	11629441
	- Number of shares	11637241	11637241	10629441	11637241	10629441	11629441
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	100.00	100.00	91.40	100.00	91.40	100.00
	- Percentage of shares (as a % of the total share capital of the Company)	67.38	67.38	61.55	67.38	61.55	67.34
B INVESTOR COMPLAINTS							
		Quarter ended 30/09/2014					
	Pending at the beginning of the quarter					0	
	Received during the quarter					0	
	Disposed during the quarter					0	
	Remaining unresolved at the end of the quarter					0	

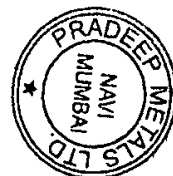


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2 Statement of Assets & Liabilities		Rs. in Lacs		
Particulars		As at 30/09/2014	As at 30/09/2013	As at 31/03/2014
		Unaudited	Unaudited	Audited
A	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	a) Share Capital	1726	1726	1726
	b) Reserves and Surplus	1908	1628	1651
	c) Equity Warrants			
	Sub-total - Shareholders' Funds	3634	3354	3377
2	Non-current Liabilities			
	a) Long-term Borrowings	204	136	123
	b) Deferred Tax Liabilities (Net)	178	264	268
	c) Other Long-term Liabilities	6	9	1
	d) Long-term Provisions	72	8	50
	Sub-total - Non-current Liabilities	460	417	442
3	Current Liabilities			
	a) Short-Term Borrowings	5229	4384	4232
	b) Trade Payables	724	966	924
	c) Other Current Liabilities	323	304	380
	d) Short-Term Provisions	348	278	436
	Sub-total - Current Liabilities	6624	5932	5972
	TOTAL - EQUITY AND LIABILITIES	10718	9703	9791
B	ASSETS			
1	Non-current Assets			
	a) Fixed Assets	2037	2053	2218
	b) Non-current Investments	4	1	4
	c) Long-term Loans and Advances	438	402	385
	d) Other Non-current Assets	16	14	14
	Sub-total - Non-current Assets	2495	2470	2621
2	Current Assets			
	a) Inventories	3443	3198	3134
	b) Trade Receivables	3825	3125	3163
	c) Cash and Cash Equivalents	42	33	31
	d) Short-term Loans and Advances	913	877	842
	e) Other Current Assets	-	-	-
	Sub-total - Current Assets	8223	7233	7170
	TOTAL - ASSETS	10718	9703	9791



NOTES:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board at its meeting held on 12th November, 2014.
- 2 Other Income / Other Expenses Include :-

Rs. In Lacs

	Quarter ended			Half Year ended		Year ended
	30-Sep-2014	30-Jun-2014	30-Sep-2013	30-Sep-2014	30-Sep-2013	31-Mar-2014
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(i) Net Exchange Gain/(Loss) on foreign currency transactions.	(44)	(14)	78	(58)	28	114
(ii) Profit/(Loss) on sale of Fixed Assets	-	150	-	150	5	5

- 3 The activity of the Company falls under one segment i.e. closed die steel forgings and processing thereof.
- 4 The figures of the previous period have been regrouped or rearranged where considered necessary.
- 5 The useful life of fixed assets have been revised, based on internal assessment, in accordance with the Schedule II to the Companies Act 2013, w.e.f. 1st April, 2014. Consequently, the depreciation expense for the quarter/half year is higher by Rs.11.14 lacs/Rs.20.32 lacs, and an amount of Rs. 222.65 lacs (net of Deferred tax) has been recognized in the opening balance of Retained Earnings.
- 6 It has been decided, in principle, to install 2.1 MW Wind Power Plant for captive use at project cost of about Rs. 1,400 Lacs and invest about Rs. 1,680 Lacs in a joint venture to be formed in USA for acquiring a CNC Machine Shop. These will be financed from permissible bank loans and internal accruals.

Place:- Mumbai

Date:- 12th November, 2014

This is the statement referred to in our Limited Review Report dated 12th November, 2014

For S.R. Rege & Co.
Chartered Accountants

S.M. Patil
S.M. Patil
Partner

For Pradeep Metals Ltd.

Pradeep Goyal
Pradeep Goyal
Chairman & Managing Director

