

**S.R.REGE & COMPANY**  
**CHARTERED ACCOUNTANTS**  
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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 June 30<sup>th</sup>,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.

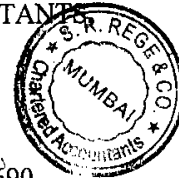


4. Further, we also report that we have traced the number of shares as well as percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as percentage of shares pledged/ encumbered and non-encumbered in respect of the aggregate amount of promoters 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 30<sup>th</sup> June, 2014 of the Statement, from the details furnished by the Registrars.

Place: Mumbai  
Date: 14<sup>th</sup> August, 2014

S. R. REGE & CO.,  
CHARTERED ACCOUNTANTS

*Sparki*  
SANJAY PATKI.  
(PARTNER)  
MEMBERSHIP NO. 037690





# Pradeep Metals Limited

## Manufacturers of Precision Closed Die Forgings

PRADEEP METALS LIMITED

PART - 1 STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR QUARTER ENDED JUNE, 2014

Sl. No.	Particulars	Rs. in Lacs			
		Quarter Ended	Quarter Ended	Quarter Ended	Year ended
		6/30/2014	3/31/2014	6/30/2013	3/31/2014
		Unaudited	Audited	Unaudited	Audited
		Ref. Note No. 4			
1	<b>Income from Operations</b>				
(a)	Net sales/income from operations (Net of excise duty)				
	Domestic	2560	2703	2093	10195
	Exports	658	655	728	2929
	Other operating income (including sale of scrap generated net of excise)	1902	2048	1365	7266
	<b>Total Income from Operations (net)</b>	<b>281</b>	<b>339</b>	<b>208</b>	<b>1176</b>
2	<b>Expenses</b>				
(a)	Cost of materials consumed	1425	1445	1157	5415
(b)	Purchases of stock-in-trade	0	0	0	5
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(152)	18	(138)	56
(d)	Employee benefits expense	392	419	316	1419
(e)	Depreciation and amortisation expense	64	52	51	206
(f)	Other expenses	897	919	694	3203
	<b>Total Expenses</b>	<b>2626</b>	<b>2853</b>	<b>2080</b>	<b>10304</b>
3	Profit/(Loss) from operations before other income, finance costs and exception items (1-2)	215	189	221	1067
4	Other Income (including foreign currency Exchange difference Gain/(Loss))	161	22	9	171
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+/-)4	376	211	230	1238
6	Finance Costs	54	83	84	332
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5+/-)6	322	128	146	906
8	Exceptional items	0	0	0	0
9	Profit/(Loss) from ordinary activities before tax (7+/-)8	322	128	146	906
10	Tax Expense	104	51	45	302
11	Net Profit/(Loss) from ordinary activities after tax (9+/-)10	218	77	101	604
12	Extraordinary items (net of tax expenses)	0	0	0	0
13	Net Profit/(Loss) for the period (11+/-)12	218	77	101	604
14	Paid-up equity share Capital (Face Value of Rs. 10/- per Share)	1726	1726	1726	1726
15	Reserve excluding Revaluation Reserves				1651
16	Earnings per share of Rs. 10/- (before extraordinary items) (Not annualised):				
	(a) Basic	1.27	0.45	0.58	3.50
	(b) Diluted	1.27	0.45	0.58	3.50
<b>PART II</b>					
<b>A PARTICULARS OF SHAREHOLDING</b>					
1	Public shareholding				
	- Number of Shares	5632759	5640559	5640559	5640559
	- Percentage of shareholding	32.62	32.66	32.66	32.66
2	Promoters and Promoter Group shareholding				
a)	Pledged /Encumbered				
	- Number of shares			1000000	
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)			8.60	
	- Percentage of shares (as a % of the total share capital of the Company)			5.79	
b)	Non - encumbered				
	- Number of shares	11637241	11629441	11629441	11629441
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	100.00	100.00	91.40	100.00
	- Percentage of shares (as a % of the total share capital of the Company)	67.38	67.34	61.55	67.34
<b>B INVESTOR COMPLAINTS</b>					
		6/30/2014			
	Pending at the beginning of the quarter	0			
	Received during the quarter	2			
	Disposed during the quarter	2			
	Remaining unresolved at the end of the quarter	0			

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NOTES:

1 The above results have been reviewed by the Audit Committee and approved by the Board at its meeting held on 14th August, 2014.

2 (a) Other Income / Expenses include Exchange Gain / (Loss) as under

Exchange Difference	Quarter ended			Year ended
	6/30/2014	3/31/2014	6/30/2013	3/31/2014
	Unaudited	Audited	Unaudited	Audited
Net Exchange Gain/ (Loss) on foreign currency Included in Other Income / Expenses	(14)	21	(50)	114
Total				

2 (b) Other Income for the quarter includes Profit on Sale of Machinery of Rs. 150.09 Lacs ( Previous quarter Rs. 4.67Lacs )

3 The activity of the Company falls under one segment i.e. closed die steel forgings and processing thereof.

4 The audited financial result, in respect of quarter ended 31st March, 2014, are the balancing figures between audited figures in respect of the entire financial year ended 2013-14 and the figures published year to date up to the third quarter ended on 31st December, 2013.

5 The figures of the previous period have been regrouped or rearranged wherever considered necessary.

6 Consequent to Schedule II of The Companies Act, 2013 becoming applicable w.e.f 1st April, 2014, depreciation for the quarter ended 30th June, 2014, is higher by Rs. 9.18 Lacs due to change in the useful life of certain assets. An amount of Rs. 222.65 Lacs ( net of Deferred Tax ) has been recognized in the opening balance of Retained Earnings .

7 Export Sales for the quarter ended 30th June, 2014, includes Rs. 189.62 lacs to the 100 % USA Subsidiary of the Company (Previous quarter Rs. Nil).



*Pradeep Goyal*

Pradeep Goyal  
Chairman And Managing Director

Mumbai  
14th August, 2014

This is the statement referred to our Limited Review Report dated 14th August, 2014.

For S.R. Rege & Co.  
Chartered Accountants



*S.M. Patki*

S.M. Patki  
Partner