April 11, 2020

To,
BSE Limited,
P J Towers, Dalal Street,
Mumbai 400 001.

Dear Sir,

Sub: Imminent delay in dispatch of Dividend Warrants due to lockdown orders to control COVID-19 outbreak in the Country.

Scrip Code: 513532

We would like to mention that the Board of Directors of Company had declared an Interim Dividend of Re.1 per Equity Share having face value of Rs. 10/- (Rupees Ten only) each on 17,270,000 Equity Shares of the Company, on 29th February, 2020.

Pursuant to Section 123 (4) of the Companies Act 2013 (the ‘Act’), the Company had deposited the amount of Interim Dividend within 5 days from the date of declaration in a separate Bank Account, i.e. on 4th March, 2020.

The Record Date for determining eligibility of the Equity Shareholders for the Interim Dividend was fixed as 11th March, 2020 and the Company had scheduled payment of Interim Dividend amount and dispatch of Dividend Warrants on or before 29th March, 2020.

Accordingly, the Company has remitted the Interim Dividend through electronic mode/demand draft on 17th and 18th March, 2020 to all shareholders whose bank account details were available with the Company which consists of 2728 shareholders. The amount of such dividend so remitted is Rs. 16,960,188/- (Rupees one crore sixty-nine lacs sixty thousand one hundred and eighty-eight Only) representing 98.21 % of the total Interim Dividend amount.

In addition to the above, the Company is also required to dispatch 1523 Dividend Warrants to the Shareholders whose bank account details are not available with the Company. The Interim Dividend to be paid through such Dividend Warrants amounts to Rs. 3,09,812/- (Rupees Three lacs nine thousand Eight Hundred and Twelve only), which represents balance 1.79% of the total Interim Dividend amount.

However, in view of situation emerged due to outbreak of COVID-19 and the orders of the Central Government for nationwide lockdown for 21 days effective March 25, 2020 and earlier orders for lockdown issued by the State Government authorities, the Company has not been able to complete the dispatch of the Dividend Warrants as per above schedule.

Under Section 127 of the Act, the Company is required to make the payment of the Interim Dividend within 30 days of declaration, which ends on 29th March, 2020. As this date falls within the countrywide lockdown period, it is apparent that the Company was not be able to complete dispatch of Dividend Warrants within the statutory timeline.
The inability of the Company to dispatch Dividend Warrants is due to ongoing countrywide lockdown ordered by the National Disaster Management Authority in exercise of the powers under Section 6(2)(i) of the Disaster Management Act, 2005, to control the spread of COVID-19 pandemic in the country.

The Company would humbly like to submit that it shall make all possible efforts to complete the dispatch of the Dividend Warrants as soon as possible after movement restrictions pursuant to the lockdown order are lifted.

We request for your kind self to consider the inability of the Company to complete the dispatch of the Dividend Warrants under such unimaginable, extraordinary and grave circumstances.

Kindly take the same on record.

Thanking you in anticipation.

Yours faithfully,

For Pradeep Metals LIMITED

Nivedita Nayak
Company Secretary
FCS: 8479