



**Pradeep Metals Limited**  
Manufacturers of Precision Closed Die Forgings

04<sup>th</sup> August, 2023

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001.

Scrip Code: **513532**

**Sub: Outcome of Board Meeting dated 04<sup>th</sup> August, 2023**

This is in continuation to our letter dated 27<sup>th</sup> July, 2023 and pursuant to Regulation 30, 33 and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

We wish to state that the Board of Directors of the Company in its Meeting held today has inter alia:

Considered and approved the Un-Audited Financial Results of the Company on Standalone and Consolidated basis for the quarter ended 30<sup>th</sup> June, 2023 along with Limited Review Reports thereon.

A copy of the said results, notes thereto and Auditors' Limited Review Report thereon is enclosed for your records.

The Meeting of the Audit Committee/Board of Directors of the Company commenced at 2:00 p.m. and concluded at 4:15 p.m.

This is for your information and records.

For **Pradeep Metals Limited**


**Abhishek Joshi**  
**Company Secretary & Compliance Officer**  
**ACS: 64446**

Statement of standalone and consolidated financial results for the quarter ended 30th June 2023

(Rs. in lakhs)

Sr. No.	Particulars	Standalone				Consolidated			
		Quarter ended		Year ended		Quarter ended		Year ended	
		30-Jun-2023	31-Mar-2023	30-Jun-2022	31-Mar-2023	30-Jun-2023	31-Mar-2023	30-Jun-2022	31-Mar-2023
		Unaudited	Unaudited (Refer note 8)	Unaudited	Audited	Unaudited	Unaudited (Refer note 8)	Unaudited	Audited
1	Income from operations	5,229	5,854	5,979	24,588	5,943	6,305	6,483	26,779
2	Other income	153	108	66	424	111	64	30	259
	<b>(A) Total Income (1+2)</b>	<b>5,382</b>	<b>5,962</b>	<b>6,045</b>	<b>25,012</b>	<b>6,054</b>	<b>6,369</b>	<b>6,513</b>	<b>27,038</b>
3	<b>Expenses</b>								
(a)	Cost of materials consumed	2,518	2,509	3,285	11,843	2,738	2,807	3,405	12,288
(b)	Changes in inventories of work-in-progress, finished goods and scrap	(102)	173	(373)	(303)	123	(47)	(485)	(335)
(c)	Manufacturing expenses	1,204	1,339	1,252	5,306	1,236	1,400	1,301	5,552
(d)	Employee benefits expense	780	771	677	2,773	983	969	811	3,442
(e)	Finance costs	145	139	129	543	176	170	149	656
(f)	Depreciation and amortisation expense	178	169	149	619	239	228	203	848
(g)	Other expenses	338	339	422	1,581	274	271	326	1,245
	<b>(B) Total Expenses</b>	<b>5,061</b>	<b>5,439</b>	<b>5,541</b>	<b>22,362</b>	<b>5,769</b>	<b>5,799</b>	<b>5,710</b>	<b>23,696</b>
4	Profit before exceptional items and tax (A-B)	321	523	504	2,650	285	570	803	3,342
5	Less: Exceptional items- expenses [Refer note 7]	-	41	27	135	-	41	(1)	107
6	Profit before tax (4-5)	321	482	477	2,515	285	529	804	3,235
7	Tax Expense								
	1. Current tax	(82)	(139)	(142)	(698)	(82)	(139)	(142)	(698)
	2. Deferred tax	(8)	6	5	20	(1)	15	6	57
	3. Income tax of earlier years (net)	-	-	-	29	-	-	-	29
	Total Tax Expenses	(90)	(133)	(137)	(649)	(83)	(124)	(136)	(612)
8	Profit for the period (6-7)	231	349	340	1,866	202	405	668	2,623
9	Other Comprehensive Income (OCI)								
	A (i) Items that will not be reclassified to profit or loss								
	Remeasurement loss of net defined benefit liability	(24)	(13)	(17)	(62)	(24)	(13)	(17)	(62)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	6	3	4	16	6	3	4	16
	B (i) Items that will be reclassified to profit or loss								
	Exchange differences on translation of foreign operations	-	-	-	-	(11)	(19)	(137)	(218)
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
	Total of Other Comprehensive Income	(18)	(9)	(13)	(46)	(29)	(29)	(150)	(264)
10	Total Comprehensive Income for the period (8+9) [Comprising Profit (Loss) and Other Comprehensive Income for the year] attributable to:	213	340	327	1,819	173	376	518	2,359
	To Owners of parent	-	-	-	-	173	376	518	2,359
11	Of the Total Comprehensive Income above, Profit for the period attributable to:								
	To Owners of parent	-	-	-	-	202	405	668	2,623
12	Of the Total Comprehensive Income above, Other comprehensive income attributable to:								
	To Owners of parent	-	-	-	-	(29)	(29)	(150)	(264)
13	Paid-up equity share capital (Face value of Rs. 10/- per share)	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727
14	Reserves excluding revaluation reserve				8,901				7,717
15	Earnings per equity share of Rs. 10/- each (Not annualised)								
	(a) Basic (in Rs.)	1.34	2.02	1.97	10.80	1.17	2.35	3.86	15.19
	(b) Diluted (in Rs.)	1.34	2.02	1.97	10.80	1.17	2.35	3.86	15.19

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N. A. SHAH ASSOCIATES LLP  
MUMBAI







**Statement of standalone & consolidated financial results for the quarter ended 30th June 2023 (Continued)**

**Notes to financial results (continued):**

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 4th August 2023, the statutory auditors of the Company have carried out the limited review of the standalone & consolidated financial results for the quarter ended 30th June, 2023.
- The above unaudited results have been prepared in accordance with the guidelines issued by the Securities and Exchange Board of India ('SEBI') and the Indian Accounting Standards [Ind AS] prescribed under section 133 of the Companies Act, 2013.
- Based on the Company assessment and read with note 6(b)(i) below, aggregate impairment provision made upto 31st March 2023 of Rs. 810 lakhs is considered as adequate in regard to investment in wholly owned subsidiary (WOS) and no additional provision is required. In view of the management, considering the long term and strategic nature of investment, the balance carrying value of investment would yield the required benefits and the loan given to the WOS is considered as fully recoverable. The impairment provision made was disclosed as exceptional item in standalone financial results in earlier quarters / years as given in note 7 below.
- Export sales in standalone results include sales (net of returns) made to the WOS and the SDS of the Company in USA as given below :

Particulars	(Rs. in lakhs)			
	Quarter ended			Year ended
	30-Jun-2023	31-Mar-2023	30-Jun-2022	31-Mar-2023
Pradeep Metals Limited Inc., USA (WOS) and Dimensional Machine Works, LLC (SDS)	345	446	580	1,803

- Foreign exchange (loss) / gain included in other income and finance cost is given below:

Particulars	(Rs. in lakhs)							
	Standalone				Consolidated			
	Quarter ended			Year ended	Quarter ended			Year ended
	30-Jun-2023	31-Mar-2023	30-Jun-2022	31-Mar-2023	30-Jun-2023	31-Mar-2023	30-Jun-2022	31-Mar-2023
Other Income	106	59	23	236	106	59	23	236
Finance cost - Foreign exchange loss (attributable to finance cost)	-	-	(27)	(54)	-	-	(27)	(54)

- Unaudited consolidated financial statements / results are prepared in accordance with IND AS 110 'consolidated financial statements' and includes Unaudited financial results in respect of :

- Pradeep Metals Limited, Inc. (WOS)
- Dimensional Machine Works LLC (SDS), wholly owned subsidiary of WOS

The above unaudited financial results of the WOS and the SDS are prepared by the management in compliance with the requirement of Ind AS. Statutory auditors have carried out limited review of the unaudited standalone financial results of the WOS and the SDS for the quarter ended 30th June 2023.

- In respect of Step Down Subsidiary (SDS),

(i) Based on the management assessment, aggregate impairment provision made upto 31st March 2023 of Rs. 810 lakhs in regard to goodwill and tangible assets, is considered as adequate and no additional provision is required. Management is of the view that the expected growth in the demand of the SDS's products and other steps taken, will generate sufficient cash flows to cover balance carrying value of goodwill and tangible assets. The impairment provision made was disclosed as exceptional item in consolidated financial results in earlier quarters / years as given in note 7 below.

(ii) a) Ageing of slow/non-moving items of inventories is not available from the system. Management is of the view that there is demand for the SDSs products and these inventories have realizable value greater than cost. Based on the management estimate provision is made wherever considered necessary. (b) Further, the improvement in the systems and processes of maintaining the inventory records is in process. Statutory auditors had drawn reference of this matter in their report on the audited / unaudited consolidated financial results of the previous years and earlier quarters.

(iii) During the quarter ended 30th June 2022, SDS had received refund of employee related taxes for the earlier period of Rs.28 lakhs (equivalent USD 35,000) from the US Government in respect of the 'Employees Retention Credit' (ERC) under 'Taxpayer Certainty and Disaster Tax Relief Act of 2020'. This is considered as exceptional item for the quarter ended 30th June 2022 and year ended 31st March 2023.

- Exceptional items- expenses:

Particulars	(Rs. in lakhs)							
	Standalone				Consolidated			
	Quarter ended			Year ended	Quarter ended			Year ended
	30-Jun-2023	31-Mar-2023	30-Jun-2022	31-Mar-2023	30-Jun-2023	31-Mar-2023	30-Jun-2022	31-Mar-2023
Provision for impairment of investment in the WOS [Refer para 3]	-	41	27	135	-	-	-	-
Provision for impairment of Goodwill and tangible assets in the SDS [Refer para 6(b)(i)]	-	-	-	-	-	41	27	135
Refund of employee related taxes for the earlier period in the SDS [Refer para 6(b)(iii)]	-	-	-	-	-	-	(28)	(28)
<b>Total</b>	-	<b>41</b>	<b>27</b>	<b>135</b>	-	<b>41</b>	<b>(1)</b>	<b>107</b>

- Figures for the quarter ended 31st March 2023 are balancing figures between audited figures in respect of the full financial year ended 31st March 2023 and published year to date figures upto 31st December 2022 of relevant standalone and consolidated financial results.

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Notes to financial results (continued):

9 Segment disclosure:

The Group is primarily engaged in manufacturing of closed die steel forging & processing and generating power from wind turbine generator and solar power generating system.

(Rs. in lakhs)

Particulars	Standalone				Consolidated			
	Quarter ended		Year ended		Quarter ended		Year ended	
	30-Jun-2023	31-Mar-2023	30-Jun-2022	31-Mar-2023	30-Jun-2023	31-Mar-2023	30-Jun-2022	31-Mar-2023
	Unaudited	Unaudited (Refer note 8)	Unaudited	Audited	Unaudited	Unaudited (Refer note 8)	Unaudited	Audited
<b>Segment revenue</b>								
(a) Closed die steel forging and processing	5,166	5,821	5,922	24,390	5,880	6,272	6,425	26,581
(b) Power generation	63	33	57	198	63	33	57	198
<b>Total</b>	<b>5,229</b>	<b>5,854</b>	<b>5,979</b>	<b>24,588</b>	<b>5,943</b>	<b>6,305</b>	<b>6,483</b>	<b>26,779</b>
Less: Intersegment revenue	-	-	-	-	-	-	-	-
<b>Net sales / income from operations</b>	<b>5,229</b>	<b>5,854</b>	<b>5,979</b>	<b>24,588</b>	<b>5,943</b>	<b>6,305</b>	<b>6,483</b>	<b>26,779</b>
<b>Segment result</b>								
Profit before tax, finance cost from segment and other un-allocable expenses / (income) and after exceptional item as per para 6(b)(iii)								
(a) Closed die steel forging and processing	332	617	661	3,038	332	678	1,013	3,912
(b) Power generation	38	13	37	116	38	13	37	116
<b>Total</b>	<b>370</b>	<b>630</b>	<b>698</b>	<b>3,154</b>	<b>370</b>	<b>691</b>	<b>1,050</b>	<b>4,028</b>
Less:								
(i) Finance cost (un-allocated)	140	139	129	543	176	170	149	656
(ii) Other un-allocable expenditure / (income) (net) [net of exceptional item- para 6(b)(i)]	(90)	8	92	96	(91)	(8)	97	137
<b>Profit before tax</b>	<b>321</b>	<b>482</b>	<b>477</b>	<b>2,515</b>	<b>285</b>	<b>529</b>	<b>804</b>	<b>3,235</b>
<b>Capital employed:</b>								
Segment assets								
(a) Closed die steel forging and processing	17,282	18,285	18,740	18,285	17,784	19,002	19,307	19,002
(b) Power generation	2,119	1,498	1,127	1,498	2,119	1,498	1,127	1,498
(c) Unallocated	760	759	795	759	452	376	493	376
<b>Total (A)</b>	<b>20,161</b>	<b>20,542</b>	<b>20,662</b>	<b>20,542</b>	<b>20,355</b>	<b>20,876</b>	<b>20,926</b>	<b>20,877</b>
Segment liabilities								
(a) Closed die steel forging and processing	3,107	3,445	4,226	3,445	3,452	3,810	4,434	3,810
(b) Power generation	571	36	-	36	571	36	-	36
(c) Unallocated	5,641	6,433	6,869	6,433	6,715	7,587	8,459	7,587
<b>Total (B)</b>	<b>9,319</b>	<b>9,914</b>	<b>11,095</b>	<b>9,914</b>	<b>10,738</b>	<b>11,433</b>	<b>12,893</b>	<b>11,433</b>
<b>Capital Employed (Segment Assets- Segment Liabilities) (A-B)</b>								
(a) Closed die steel forging and processing	14,175	14,840	14,514	14,840	14,332	15,193	14,873	15,193
(b) Power generation	1,548	1,462	1,127	1,462	1,548	1,462	1,127	1,462
(c) Unallocated	(4,881)	(5,674)	(6,074)	(5,674)	(6,263)	(7,211)	(7,966)	(7,211)
<b>Total</b>	<b>10,842</b>	<b>10,628</b>	<b>9,567</b>	<b>10,628</b>	<b>9,617</b>	<b>9,444</b>	<b>8,034</b>	<b>9,444</b>

Business segment:

Based on the "management approach" as defined in IND AS 108 - Operating Segments, the Chief Operating decision makers evaluate the performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

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MUMBAI

For Pradeep Metals Limited  
  
Pradeep Goyal  
Chairman and Managing Director  
DIN: 00008370

Navi Mumbai  
Date: 4th August 2023

**Limited review report on quarterly unaudited standalone financial results of Pradeep Metals Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

To  
**The Board of Directors of  
Pradeep Metals Limited**

We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of Pradeep Metals Limited ("the Company") for the quarter ended 30<sup>th</sup> June, 2023, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

**Management responsibility**

The Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

This Statement includes unaudited results for the quarter ended 31<sup>st</sup> March, 2023 being the derived figures between the audited annual figures in respect of the financial year ended 31<sup>st</sup> March, 2023 and the published unaudited figures for the nine-months ended 31<sup>st</sup> December, 2022 which were subjected to a limited review.

**Auditor's responsibility**

Our responsibility is to issue report on this Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the 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 Statements are free of material misstatement. 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.

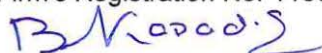
**Conclusion**

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results, prepared in accordance with recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For N. A. Shah Associates LLP**

Chartered Accountants

Firm's Registration No. 116560W/W100149



**Bhavin Kapadia**

Partner

Membership number: 118991

UDIN: 23118991BGYZYM2469



Place: Mumbai

Date: 4<sup>th</sup> August, 2023

N. A. Shah Associates LLP is registered with limited liability having LLP identification No. AAG-7909  
Regd. Off.: B 21-25, Paragon Centre, Pandurang Budhkar Marg, Worli, Mumbai 400 013.  
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**Limited Review Report on quarterly unaudited consolidated financial results of Pradeep Metals Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

To  
**The Board of Directors of  
Pradeep Metals Limited**

We have reviewed the accompanying statement of unaudited consolidated financial results of Pradeep Metals Limited ('the Holding Company') and its Wholly Owned Subsidiary (WOS) and Step Down Subsidiary (SDS) (collectively referred to as 'the Group'), for the quarter ended 30<sup>th</sup> June 2023, ('the Statement'), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

**Management's responsibility**

The Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India.

The Statement includes unaudited results for the quarter ended 31<sup>st</sup> March, 2023 being the derived figures between the audited annual figures in respect of the financial year ended 31<sup>st</sup> March, 2023 and the published unaudited figures for the nine months ended 31<sup>st</sup> December, 2022 which were subjected to a limited review.

**Auditor's responsibility**

Our responsibility is to issue report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

These unaudited consolidated financial results include results of the following entities:

Name of the Entity	Relationship
Pradeep Metals Limited Inc., USA	Wholly Owned Subsidiary (WOS)
Dimensional Machine Works LLC, USA	Step Down Subsidiary (SDS)

**Conclusion**

Based on our review conducted and procedures performed as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

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**Emphasis of Matters**

Reference is invited to note 6(b)(ii) of the Statement. In respect of SDS;

(i) Ageing of slow/non-moving items of inventories is not available from the system. Management is of the view that there is demand for the SDS's products and these inventories have realizable value greater than cost. Based on the management estimate, provision is made wherever considered necessary. We have relied on the management for the demand estimate and expected price realization. (ii) Further, the improvement in the systems and processes of maintaining the inventory records is in process. This matter was reported under 'Emphasis of matter' paragraph in our report for previous years and earlier quarters.

Our conclusion is not modified in respect of above matter. Our opinion / conclusion was not modified in previous years and earlier quarters also.

**For N. A. Shah Associates LLP**  
Chartered Accountants  
Firm's Registration No. 116560W/W100149

*B. Kapadia*

**Bhavin Kapadia**  
Partner  
Membership number: 118991  
UDIN: 23118991BGYZYN3230



Place: Mumbai  
Date: 4<sup>th</sup> August, 2023