



27th
ANNUAL
REPORT
2009-10

PRADEEP METALS LIMITED

BOARD OF DIRECTORS

Pradeep Goyal
Chairman & Managing Director

Rajnikant D. Shroff

Kewal Krishan Nohria

Omprakash Agarwal

Rakesh Kumar Agarwal

Dinesh T. Parekh

Suresh G. Vaidya

Raj Kumar Mittal

Neeru Goyal

COMPANY SECRETARY

Abhinay Kapoor

BANKERS

Union Bank of India

AUDITORS

S. R. Rege & Co.
Chartered Accountants

REGISTERED OFFICE & WORKS

R-205, TTC Indl. Area, MIDC
Rabale, Navi Mumbai 400 701
Maharashtra



NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY SEVENTH ANNUAL GENERAL MEETING OF PRADEEP METALS LIMITED will be held at its Registered Office at R-205, TTC Industrial Area, MIDC, Rabale, Navi Mumbai 400 701 on Friday, 27th August, 2010, at 4.00 p.m. to transact the following business:

Ordinary Business

1. To receive and adopt the Directors' Report, Auditors' Report and Audited Profit and Loss Account for the year ended 31st March, 2010 and the Balance Sheet as at that date.
2. To appoint Shri Pradeep Goyal, Director who retires by rotation, but being eligible, offers himself for re-appointment.
3. To appoint Shri Omprakash Agarwal, Director who retires by rotation, but being eligible, offers himself for re-appointment.
4. To appoint Shri Raj Kumar Mittal, Director who retires by rotation, but being eligible, offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration.

**By Order of the Board of Directors
For PRADEEP METALS LTD.**

Navi Mumbai,
26th May, 2010

**ABHINAY KAPOOR
COMPANY SECRETARY**

REGISTERED OFFICE:
Pradeep Metals Ltd.,
R -205, MIDC, Rabale,
Navi Mumbai - 400 701.

Notes:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- (b) Members are requested to intimate any change in their address to the Registrar and Transfer Agents of the Company, Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai 400 078 immediately.
- (c) Members who hold shares in identical order of names in more than one Folio are requested to write to the Company to enable consolidation of their holdings in one Folio.
- (d) Members are requested to intimate to the Company, details, if any, required in relation to this Annual Report at least 7 (seven) days before the meeting to enable the Management to keep the information ready at the meeting.
- (e) All documents referred to in the accompanying Notice and Explanatory Statement, are open for inspection at the Registered Office of the Company on all working days between 11 am to 1 pm up to the date of the Annual General Meeting except on Sundays and other holidays.
- (f) Members/Proxies are requested to bring their copies of the Annual Report to the meeting.
- (g) The Company's Equity Shares are the scripts which the Securities and Exchange Board of India (SEBI) has specified for settlement only in dematerialised form by all investors.
- (h) The Register of Members & Transfer Books of the Company in respect of Equity Shares will remain closed from 20th August, 2010 to 27th August, 2010 (both days inclusive).

Item Nos. 2, 3 & 4

Information required to be furnished under Clause 49 of the Listing Agreement in respect of Directors being appointed/re-appointed

Name of the Director	Shri Pradeep Goyal	Shri Omprakash Agarwal	Shri Raj Kumar Mittal
Date of Birth	20 th November, 1955	25 th March, 1940	5 th May, 1944
Date of Appointment	12 th August, 1983	10 th May, 2001	29 th January, 2008
Expertise in Specific functional area	Technical & Management Expert	Engineer	Financial Consultant
Qualification	B.Tech (Metallurgy), IIT, Kanpur S.M (Materials Science & Engineering), MIT, Cambridge, USA	B.E.(Mech), Birla College of Engineering, Pilani	B.Com (Hons), F.C.A.
List of outside Directorships held	United Phosphorus Ltd. Uniphos Enterprises Ltd. Hind Rectifiers Ltd. Entegra Ltd. Janakalyan Sahakari Bank Ltd. S.V.Shah Construction Pvt. Ltd. Esvee Pharma Pvt. Ltd. B.S. Metal Pvt. Ltd.	Economic Forge (P) Ltd. Supreme Heat Treaters (P) Ltd.	CS Enterprises Pvt. Ltd. Vithal Finvest and Consultants Pvt. Ltd. Elegant Marbles & Grani Industries Ltd. Theseus Global Research Pvt. Ltd. Market Entry Solutions Pvt. Ltd. Mumbai Vaish Seva Sansthan Indo Green Projects Ltd. Industrial Investment Trust Ltd. IIT Investtrust Ltd.
Chairman/Member of the Committee of the Board of Directors of the Company	Nil	Member, Shareholders' / Investors' Grievance Committee, Remuneration Committee	Chairman, Audit Committee
Chairman/Member of the Committee of Directors of other companies:-			
a) Audit Committee	2	Nil	4
b) Shareholders' / Investors' Grievance Committee	2	Nil	3
c) Remuneration Committee	2	Nil	3
d) Share Transfer Committee			

PRADEEP METALS LIMITED



DIRECTORS' REPORT

To,
The Shareholders

Your Directors are pleased to present the Twenty Seventh Annual Report together with the audited accounts for the year ended 31st March, 2010.

FINANCIAL HIGHLIGHTS :

	Rs. in lacs	
	2009-10	2008-09
Sales and Other Income	5346.63	8423.45
Profit from sale of assets of Dombivli Unit	-	72.80
	<u>5346.63</u>	<u>8496.25</u>
Profit before Interest, Depreciation and Tax	583.30	1137.49
Less : Interest	308.51	403.28
Less: Depreciation	144.01	137.24
Less: Preliminary expenses written off	0.21	0.21
Profit before Tax	<u>130.57</u>	<u>596.76</u>
Less: Provision for Income Tax	22.20	70.00
Less: Provision for Fringe Benefit Tax	-	3.55
Less: Income Tax adjustment for previous years	1.94	-
Profit after Tax	<u>106.43</u>	<u>523.21</u>
Add/(Less): Deferred Tax Asset	<u>(73.51)</u>	<u>334.44</u>
	<u>32.92</u>	<u>857.65</u>

DIVIDEND:

In view of need to conserve resources for strengthening working capital fund as well as future growth, your Directors do not recommend payment of any dividend.

PERFORMANCE :

Due to global recessionary conditions and reduced demand from overseas customers, the operations of the Company have been adversely impacted during the year. The Company has achieved turnover of Rs. 5280.69 lacs during the year as compared to Rs. 8319.22 lacs in the previous year. The profit before interest, depreciation and tax has come down mainly due to rising cost of raw materials, power, consumables and logistics. The Company has been able to keep the other cost components under control.

The Company has developed customers mainly in the area of gas & oil field equipments and mechanical instruments. This segment of business has suffered reduced demand this year resulting in decreased sales for the Company. The future outlook of the Company's business is dealt within the Management Discussion and Analysis.

EXPORTS :

During the year, exports of the Company were Rs. 2287.17 lacs as compared to Rs. 5074.80 lacs in the previous year. This has resulted in the substantial loss of sales and revenues for the current year. Your Company has made plans to increase its export performance in the coming years.

VARIATION OF TERMS OF REDEMPTION OF PREFERENCE SHARES

The Company has obtained consent from the shareholders of 5,19,800 10% Optionally Convertible Cumulative Redeemable Preference Shares of Rs. 100/- each, aggregating to Rs. 5,19,80,000/-, pursuant to Section 106 and other applicable provision of the Companies Act, 1956 and Article 8A of Articles of Association of the Company for variation of the rights of the Preference Shareholders by extending the time for redemption of the said preference shares, which are due for redemption in two yearly instalments of Rs.2,59,90,000/- each on 31st March, 2010 and 31st March, 2011, by further period of 3 years and that these



shares would now be redeemable in two equal yearly instalments of Rs.2,59,90,000/- each on 31st March, 2013 and 31st March, 2014.

QUALITY :

Your Company's focus on maintaining high level of quality consciousness is evident from its continued certification as an ISO 9001-2000 and Pressure Equipment Directive 97/23/EC (PED) approved manufacturing unit. Your Company makes concerted efforts for constant improvement in quality of its products. The Company has also been approved to supply Nuclear Quality forgings to Germany and USA.

Your Company has added several machines for precision machining of forged products and also enhanced its die making capability by installing modern CNC / VMC machines and Analyses software for die design. These measures will further improve the quality of finished components.

DEPOSITS:

The Company has not accepted any loans or deposits from the public in terms of Section 58A of the Companies Act, 1956 and rules framed under the Companies (Acceptance of Deposits) Rules, 1975.

PARTICULARS OF EMPLOYEES :

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of employees are required to be set out in the annexure to the Directors' Report. However as per the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary.

HUMAN RESOURCE DEVELOPMENT :

The Company believes that human resources are a valuable asset. The Company continuously carries out Training and Development programs for the benefit of the employees. The process for updating technical skills of employees and developing good work culture on the shop floor is ongoing regularly.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

The particulars prescribed under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988, are set out in the Annexure A and form part of this Report.

CORPORATE GOVERNANCE:

In compliance with the recommendations of the Securities Exchange Board of India on Corporate Governance Report and the listing agreement of the Stock Exchange, a separate report on Corporate Governance and Management Discussion and Analysis giving details of the Company's business and operating results are annexed as **Annexure B & Annexure C**.

DIRECTORS :

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri Pradeep Goyal, Shri Omprakash Agarwal and Shri Raj Kumar Mittal, Directors of the Company, retire by rotation and being eligible, have offered themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, the Board of Directors confirm:

- a. that in the preparation of the Annual Accounts for the financial year ended 31st March, 2010, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;

- b. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2010 and of the profit or loss of the Company for the year ended on that date;
- c. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d. that the Directors have prepared the Annual Accounts on a going concern basis.

AUDITORS :

The observations made in the Auditors' Report are to be read with the Notes to Accounts, which are self-explanatory and no further comments are necessary under Section 217(3) of the Companies Act, 1956.

M/s. S. R. Rege & Co., Chartered Accountants, retire at the conclusion of the 27th Annual General Meeting and, being eligible, offer themselves for re-appointment.

ACKNOWLEDGEMENT :

Your Directors wish to express their gratitude for the assistance and co-operation received from Union Bank of India, Maharashtra State Electricity Board, Maharashtra Industrial Development Corporation, Navi Mumbai Municipal Corporation and other government and semi-government authorities, corporations and institutions.

The Directors also thank all the shareholders and investors for reposing continued confidence in the Company.

Your Directors also wish to place on record their deep sense of appreciation for the devoted services of all the employees of the Company and their unstinted efforts for the progress of the Company.

By Order of the Board of Directors

Navi Mumbai,
26th May, 2010

PRADEEP GOYAL
CHAIRMAN & MANAGING DIRECTOR

REGISTERED OFFICE :

Pradeep Metals Ltd.,
R - 205, MIDC, Rabale,
Navi Mumbai - 400 701.

ANNEXURE A

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956

1. **CONSERVATION OF ENERGY :**

The Company continuously makes efforts to conserve energy. Conservair system to optimize compressed air consumption was installed and is working satisfactorily. All sodium vapour high-bay lights were replaced by low energy tube-lights, including all domestic lighting. Constant monitoring of compressed air leakage is introduced on weekly basis. Electrical system is upgraded to achieve unity power factor, resulting in significant discount from MSEB. High energy consuming machines are preferably operated in night shifts, when power tariff is low.

2. **TOTAL ENERGY CONSUMPTION & ENERGY CONSUMPTION PER UNIT OF PRODUCTION :**A. **Power & Fuel Consumption :**

	31/03/2010	31/03/2009
1. Electricity		
a. Purchased (Unit Nos.)	3,733,260	4,402,650
Total amount (Rs.)	20,895,760	22,298,130
Average rate (Rs./unit)	5.60	5.06
b. Own generation	N.A.	N.A.
2. Furnace Oil		
Quantity (Ltrs.)	396,400	554,400
Total amount (Rs.)	10,669,632	15,900,033
Average rate (Rs./Ltr.)	26.92	28.68
3. Light Diesel Oil (LDO)		
Quantity (Ltrs.)	22,080	72,080
Total amount (Rs.)	843,942	2,977,956
Average rate (Rs./Ltr.)	38.22	41.31
4. Methyl Ester		
Quantity (Ltrs.)	69,448	-
Total amount (Rs.)	2,573,953	-
Average rate (Rs./Ltr.)	37.06	-

B. **Consumption per unit of Production :**

Quantity	Mt. (forged wt)	2860	3429
Electricity	Unit/Mt	1305*	1284
Furnace Oil/LDO/Methyl Ester	Ltrs./Mt	171	183

* The Company has started manufacturing forgings using induction heaters by replacing furnace oil furnaces.

C. **Technology Absorption :**1. **Research & Development :**

The Company is constantly improving the design of dies and trim tools to reduce raw material consumption and achieve better quality and yield.

2. **Benefits derived:**

Improvement in productivity, quality and yield.

3. **Future Plans:**

The Company plans to install high speed large VMC for manufacturing 6.25T hammer dies to obtain greater accuracy and repeatability. Further addition of CNC lathes is planned since larger number of products are being sold in machined condition. It is planned to install 750T forging press and ancillary equipment for the manufacture of tiny components, of which larger orders are being received. Increased cutting capacity with high speed circular saws and potential of conversion of air hammer to hydraulic is also under consideration to reduce power consumption.

4. **Expenditure on Research & Development :**

Since Research & Development is carried out in-house, as a part of ongoing manufacturing operations, the expenditure is not separately accounted for and the same is debited to the respective accounts.

5. **Technology Absorption, Adoption and Innovation :**

Continuous improvements in the manufacturing process and focus on development of intricate precision forgings for export, form part of the ongoing operations of the Company. The Company continues to adopt Lean manufacturing methods to further improve manufacturing practices.

D. **Foreign Exchange Earnings and Outgo:**

Total foreign exchange used and earned:

Used : Rs. 49,64,954

Earned : Rs. 22,87,17,277

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2010 as required under Clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd.

1. Company's philosophy on corporate governance.

Pradeep Metals Limited (PML) is committed to the highest standards of corporate governance in all its endeavors by inculcating in all its operations and processes, the principles of transparency, integrity, professionalism and accountability. PML believes in corporate governance as a necessary culture for achieving superior performance and its core being transparency, accountability, equity and openness in the working of the management and the Board. Sound corporate governance in line with Clause 49 of the Listing Agreement and SEBI guidelines has been put in place.

2. Board of Directors

In terms of the Company's corporate governance policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibilities of supervision, control and direction of the Company.

(A) Composition of Board

The Board of Directors consists of Executive and Non-Executive Directors. The total number of Directors of the Company is NINE, including the Chairman & Managing Director.

Name of Director	Category Promoters, Executive, Non-Executive, Independent	No. of Board Meetings attended	Last AGM attended	No. of Other Directorships held (excluding private & foreign companies as on 31/03/2010)	Committee Membership(s) of other companies	
					Member	Chairman
Pradeep Goyal	Promoters' Group, Chairman & Managing Director	6	Yes	4	3	3
Rajnikant D. Shroff	Non-Executive, Independent	Nil	No	11	Nil	Nil
Kewal Krishan Nohria	Non- Executive Independent	5	No	9	5	2
Omprakash Agarwal	Non-Executive, Independent	6	Yes	Nil	Nil	Nil
Rakesh Kumar Agarwal	Non-Executive, Independent	5	Yes	3	1	Nil
Dinesh T. Parekh	Non-Executive, Independent	3	No	Nil	Nil	Nil
Suresh G. Vaidya	Non-Executive, Independent	3	Yes	1	Nil	Nil
Raj Kumar Mittal	Non-Executive Independent	6	Yes	4	6	4
Neeru Pradeep Goyal	Promoters' Group, Non- Executive	6	Yes	Nil	Nil	Nil

B) Meetings

During the financial year 2009-10, six meetings of the Board were held on 25th April, 2009, 21st May, 2009, 31st July, 2009, 22nd October, 2009, 22nd January, 2010 and 26th February, 2010.

(C) Code of Conduct

The Board has laid down a code of conduct which is applicable to all the Board members and senior management of the Company.

3. Committees of the Board

The Board has constituted three committees namely, Audit Committee, Shareholders'/Investors' Grievances Committee and Remuneration Committee.

i) Audit Committee

The Company has set up an Audit Committee in accordance with the requirements of Section 292A of the Companies Act, 1956 and the terms of reference are in conformity with the revised Clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange Limited.

The broad terms of reference of the Audit Committee include reviewing of financial statements before submission to the Board, reviewing the report of internal audit, reviewing accounting and financial policies and internal control procedures, financial reporting systems and risk management policies.

In addition, the powers and role of the Audit Committee are as laid down under Clause 49 II C & D of the Listing Agreement and Section 292 A of the Companies Act, 1956.

The Committee met five times during the financial year on 25th April, 2009, 21st May, 2009, 31st July, 2009, 22nd October, 2009 and 22nd January, 2010.

The Audit Committee consists of the following Directors as on 31st March, 2010:

Sr.No	Name of Director	Executive, Non-Executive, Independent	No. of Meetings attended
1	Raj Kumar Mittal	Chairman, Non-Executive, Independent	5
2	Dinesh T. Parekh	Member, Non Executive, Independent	3
3	Rajnikant D. Shroff	Member, Non Executive, Independent	Nil
4	Rakesh Kumar Agarwal	Member, Non Executive, Independent	5
5	Suresh G. Vaidya	Member, Non Executive, Independent	2

All the members of the audit committee are Independent and Non-Executive Directors. They possess adequate knowledge of Accounts, Audit, Finance, etc.

There is no subsidiary company.

ii) Shareholders'/Investors' Grievances Committee

Pursuant to Clause 49 of the Listing Agreement, the Company has formed a Shareholders'/Investors' Grievances Committee of the Board of Directors.

The Committee oversees redressal of shareholders' and investors' grievances like transfer of shares, non-receipt of Annual Report or dividends and approves the sub-division, transmission or issue of duplicate shares, etc. The Committee overviews the steps to be taken for further value addition in the quality of service to the investors.

The Board has designated Shri Abhinay Kapoor, Company Secretary, as the Compliance Officer.

The Committee met four times during the financial year on 25th April, 2009, 31st July, 2009, 22nd October, 2009 and 22nd January, 2010.

The Committee consists of the following Directors:

Sr. No	Name of Director	Position	No of Meetings attended
1	Rakesh Kumar Agarwal	Chairman	4
2	Dinesh T Parekh	Member	2
3	Omprakash Agarwal	Member	4

During the year, the Company received 3 complaints, which were resolved within 30 days to the satisfaction of the Shareholders/ Investors. As on 31st March, 2010, no complaints were pending at the beginning and at the end of the year.

iii) Remuneration Committee

The Remuneration Committee has been constituted to review and recommend the remuneration package to be paid to the Directors.

The Committee met one time during the financial year on 21st May, 2009.

The Committee consists of the following Directors:

Sr. No	Name of Director	Position
1	Omprakash Agarwal	Chairman
2	Rakesh Kumar Agarwal	Member
3	Suresh G. Vaidya	Member

During the financial year ended 31st March, 2010, the Company paid remuneration to its Directors as per the details given below:

Name of the Director	Remuneration (Rs)	Remarks
Pradeep Goyal Chairman & Managing Director	37,60,876/-	Salary & Perquisites

The Non-Executive Directors are paid sitting fees of Rs. 2,000/- and Rs. 1,000/- for each meeting of the Board and its Committees attended by them respectively.

The following Directors have been paid sitting fees:

Name of the Director	Sitting Fees(In Rs.)
Omprakash Agarwal	14,000
Rakesh Kumar Agarwal	19,000
Dinesh T. Parekh	11,000
Suresh G. Vaidya	6,000
Raj Kumar Mittal	15,000
Kewal K. Nohria	10,000
Neeru Goyal	10,000

Apart from the above, none of the Non-executive Directors had any pecuniary relationship or transactions with the Company.

4. Annual General Meeting

The particulars of the last three Annual General Meetings (AGM) of the Company are as under:

Year	Date	Time	Venue
2008-09	31 st July, 2009	4.00 p.m.	Registered office of the Company
2007-08	5 th September, 2008	4.00 p.m.	Registered office of the Company
2006-07	11 th September, 2007	4.00 p.m.	Registered office of the Company

No Special Resolution was put through Postal Ballot last year.

5. Disclosures

There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the management or relatives, etc. (other than remuneration paid to Shri Pradeep Goyal, Chairman & Managing Director) that may have potential conflict with the interests of the Company at large.

During the period under review, no penalties have been imposed nor strictures have been passed on the Company by Stock Exchanges or SEBI or any other Statutory Authority on any matters related to the capital market.

6. Constituents of Promoters' Group within the meaning of group under SEBI (Substantial Acquisition of Shares and Take over) Regulation, 1997 include

- | | |
|--|---|
| i. Flashnet Info Solutions (India) Ltd. | ii. S.V. Shah Construction Services Pvt. Ltd. |
| iii. Rabale Engineering (I) Pvt. Ltd. | iv. B.S. Metal Pvt. Ltd. |
| v. Shri V. P. Goyal (expired on 17 th December, 2008) | vi. Smt. Chandrakanta Goyal |
| vii. Shri Pradeep Goyal | viii. Smt. Neeru Goyal |
| ix. Shri Abhinav Goyal | x. Shri Piyush Goyal |
| xi. Smt. Seema Goyal | |

7. Means of Communication

The Company publishes its quarterly and yearly unaudited financial results in Asian Age (in English) and Dainik Sagar (in Marathi). The Company also sends the financial results to the Bombay Stock Exchange Limited immediately after its approval by the Board. The Company has not sent half yearly report to the shareholders. No presentation was made to the institutional investors or analysts during the year under review.

8. Internal Control System and Adequacy:

The Company has adequate internal control procedures commensurate with its size and nature of the business. The Internal Control System provides for well-documented policies, guidelines, authorization and procedures. The prime objective is to test the adequacy and effectiveness of all internal controls and to suggest improvements therein.

9. Human Resources:

The Company focuses its efforts on continuous training and development of its personnel and regularly reviews policies and processes to provide a healthy work environment.

The industrial relations were cordial during the year. The Company continues to maintain its thrust on human resources development.

10. General Shareholders Information

1. Disclosures regarding Appointment/Re-appointment of Directors

Shri Pradeep Goyal, Shri Omprakash Agarwal and Shri Raj Kumar Mittal, Directors retire by rotation and, being eligible, have offered themselves for re-appointment.

2. CEO/CFO Certification

The Board of Directors has appointed Shri Pradeep Goyal, Chairman & Managing Director of the Company as the CEO.

Shri Dilip Dalvi is Manager (Accounts) and CFO of the Company.

The Annual General Meeting is scheduled to be held as under:

Date : Friday, 27th August, 2010

Time : 4.00 p.m.

Venue : Pradeep Metals Ltd., R-205, T.T.C. Industrial Area, MIDC, Rabale, Navi Mumbai 400701.

i) Book Closure :

20th August, 2010 to 27th August, 2010 (Both days inclusive)

ii) Financial Calendar :

Financial reporting for	Tentative date
Unaudited Financial Results for the quarter ending 30 th June, 2010	On or before last week of July 2010
Unaudited Financial Results for the half year ending 30 th September, 2010	On or before last week of October, 2010
Unaudited Financial Results for the quarter ending 31 st December, 2010	On or before last week of January, 2011
Audited Financial Results for the Year ending 31 st March, 2011	On or before last week of May, 2011

PRADEEP METALS LIMITED



Equity Shares of Pradeep Metals Limited are listed on the Bombay Stock Exchange Limited. Listing fees for the current year have been paid to the Stock Exchange within the stipulated time.

iii) Stock Code:

Name of the Exchange	Code
Bombay Stock Exchange Ltd.	513532

iv) ISIN No. for Dematerialisation of shares

Demat ISIN Number in NSDL & CDSL for equity shares: INE – 770A01010

v) Market Price Data :

The high and low prices of the Company's Shares at Bombay Stock Exchange Limited and performance in relation to BSE SENSEX are as under:

Month	Bombay Stock Exchange Ltd.		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
April 2009	8.78	6.27	11403.25	9901.99
May 2009	10.74	7.19	14625.25	11682.99
June 2009	11.92	9.00	15466.81	14625.53
July 2009	9.90	7.35	15670.31	13400.32
August 2009	11.68	9.67	15924.23	14784.92
September 2009	12.44	10.80	17126.84	15398.33
October 2009	12.39	10.33	17326.01	15896.28
November 2009	11.88	9.91	17198.95	15404.94
December 2009	12.49	10.43	17464.81	16601.20
January 2010	19.52	12.00	17701.13	16289.82
February 2010	16.80	13.45	16496.05	15790.93
March 2010	14.75	12.60	17711.35	16772.56

vi) Address for correspondence :

Shareholders can correspond to Secretarial Department
Pradeep Metals Ltd.,
R-205, MIDC, Rabale, Navi Mumbai 400 701.
Tel: 91-22-27691026 Fax: 91-22-27691123
e-mail: pramet.investors@vsnl.net

OR

Link Intime India Pvt. Ltd. (R&T Agent)
C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078.
Tel: 91-22-25946970 Fax: 91-22-25946969
e-mail: rnt.helpdesk@linkintime.co.in

Shareholders holding shares in electronic mode should address their correspondence to their respective Depository Participants.

vii) Compliance Officer

: Shri. Abhinay Kapoor
Company Secretary
Pradeep Metals Ltd.,
R-205, MIDC, Rabale,
Navi Mumbai 400 701.
Tel: 91-22-27691026
Fax: 91-22-27691123
E-mail: pramet.investors@vsnl.net

viii) Share Transfer System :

All the transfers received are processed and approved by the Share Transfer Committee, which normally meets twice in a month.

ix) Dematerialisation of Shares :

Trading in Equity Shares of the Company is permitted only in dematerialized form with effect from 29th January, 2001 as per notification issued by the Securities & Exchange Board of India. As on 31st March, 2010, 91,99,980 Equity Shares out of 1,27,20,000 Equity Shares are held in dematerialized form with NSDL and CDSL.

Transfer-cum-demat facility is available to all Shareholders of the Company, who request for such facility.

Distribution Schedule and Shareholding Pattern as on 31st March, 2010.

DISTRIBUTION SCHEDULE		
No. of Shares held	No. of Shareholders	No. of Shares
1 to 5000	5965	978792
5001 to 10000	550	495051
10001 to 20000	284	438315
20001 to 30000	109	283596
30001 to 40000	40	144440
40001 to 50000	45	217557
50001 to 100000	61	441071
100001 and above	74	9731178
	7128	12720000

SHAREHOLDING PATTERN		
Category of Shareholder	No. of Shares	%
Promoters	5456761	42.90
Mutual Fund and UTI	9600	0.08
Banks, Financial Institutions, Insurance Companies	-	-
Foreign Institutional Investors	4500	0.03
Bodies Corporate	929346	7.31
Indian Public	4060037	31.92
Non Resident Individuals / Overseas Corporate Bodies	1709887	13.44
Any Other - Clearing Member and trust	549869	4.32
TOTAL	12720000	100

Management Discussion and Analysis**Company Background:**

Pradeep Metals Limited is engaged in the manufacture of intricate closed die steel forgings and semi-finished machined components mainly for petrochemical and engineering industries.

The Company employs modern technology for manufacturing press forgings and has sophisticated tool-room equipment. The dies and tools play a key role in the production of forgings. The Company employs modern CAD/CAM and Analysis software aids for die design and to manufacture tooling. It has an integrated plant with complete facilities for testing, cutting, die making, forging, heat treatment and finishing. The Company has further expanded its machining capacity by addition of CNC/VMC equipment. The Company has experienced manpower and highly trained work force.

The Company has a well equipped laboratory in the factory and employs Process Control & Online computer system to integrate the operations. The quality assurance systems have been approved by global Original Equipment Manufacturers. The Company is certified to ISO 9001-2008 and Pressure Equipment Directive 97/23/EC (PED) standards. The Company has been approved for manufacture of Nuclear grade forgings for Germany and USA.

The customers include world leaders from India, USA, UK, Singapore, Sweden, Denmark, France and Germany. The Company has capability and capacity to meet discerning quality standards, which make its products readily acceptable in the OE market.

Performance:

Due to global recessionary conditions and significantly reduced demand from overseas customers, the Company has not been able to maintain the rising trend of turnover and profitability during the year. The EBIDTA level has reduced to 11.04%. The demand from Domestic customers improved during the year; however the overseas demand reduced to almost 40%. The increase in costs of manpower, power, steel and downwards fluctuating exchange rates have contributed to the poor performance during the year. The Company made significant efforts to increase the customer base and was successful in the effort. This should help in improving the performance of the Company in the next financial year, despite the still sluggish economy in Europe and USA which are the major exporting countries for the Company. Several initiatives were implemented to control the manufacturing costs in order to minimize the impact on lower production.

The Company is constantly upgrading its manufacturing facilities in order to achieve high quality products and to balance the capacity based on the changing product mix.

Quality And Management Information Systems :

The Company adopts high standards of technology and modern manufacturing practices, which is amply reflected in continuation of ISO 9001-2008 certification by TUV, Germany for the fourteenth year.

The Company's products have also been certified by TUV, Germany for Pressure Equipment Directive (PED), which is an essential pre-requisite for exports to Germany.

The Company has strengthened the Management Information System, inventory planning and cost control measures by introducing ERP software in order to improve its planning, productivity and profitability.

Current Business Environment :

The overall business environment presently is not stable, particularly in the western nations which comprise a large part of the Company's business. However, the demand in India is improving and the Company intends to exploit the local market extensively. The increased capacities in the forging industry may put competitive pressure on pricing and volumes, resulting in reduction of margins.

The steel prices have been unstable, although the world oil prices have gradually decreased. The impact of increased cost of fuel, power, consumable stores etc may be unfavorable. The exchange rate fluctuations

continue to have an impact on the performance. The management is conscious of the changing scenario and is taking adequate steps to ensure that the current year is not affected by the world business environment.

Future Outlook :

The Company will continue to focus its efforts to increase exports and domestic revenues and expand the existing market with new product developments for the existing customers and to develop new customers.

The Company has planned a capital expenditure of Rs. 720 lacs (including Rs. 73 lacs already incurred upto 31st March, 2010) for further improving the productivity, energy conservation and optimum utilization of raw materials. It has also decided to strengthen Research & Development Department for developing energy efficient systems, improved die designs, improved yield and better machining techniques.

Union Bank of India has sanctioned a term loan of Rs. 540 lacs for financing the capital expenditure.

The depressed markets in the western world will continue to have an impact but due to new customer developments the Company expects improved performance. The Company has made significant inroads in the domestic market and expects to improve significantly its performance in the current financial year.

Cautionary Statement :

Details given hereinabove relating to various activities and future plans may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual performance may differ substantially or materially from those expressed or implied. The Company may need to change plans or other projections due to changes in Government policies, tax laws and other incidental factors.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To The Shareholders of Pradeep Metals Limited

We have examined the compliance of conditions of Corporate Governance by Pradeep Metals Limited, for the year ended 31st March 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that based on the report given by the Registrars of the Company to the Investors' Grievance Committee, as on 31st March, 2010, there were no investor grievance matters against the Company remaining unattended/pending for more than 30 days.

We further state that such compliance is neither an assurance as to the further viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR S.R.REGE & CO.
CHARTERED ACCOUNTANTS

Mumbai,
26th May, 2010

S. M. PATKI
PARTNER
Membership No. 37690

CEO / CFO CERTIFICATION

We, Pradeep Goyal, Chairman & Managing Director and Dilip Dalvi, Manager (Accounts), responsible for the finance function, certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2010 and to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee
 - i) significant changes in internal control during the year
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Navi Mumbai,
26th May, 2010

Dilip Dalvi
Manager – Accounts

Pradeep Goyal
Chairman & Managing Director



AUDITORS' REPORT

TO

THE SHAREHOLDERS OF PRADEEP METALS LTD.

- 1 We have audited the attached balance sheet of Pradeep Metals Ltd., as at 31st March, 2010 and also the Profit and Loss account for the year ended on that date annexed thereto and the cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in term of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
- 4 Further to our comments in the Annexure referred to above, we report that :
 - i We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of the books.
 - iii The Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- iv In our opinion, the Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;
- v On the basis of written representations received from the Directors, as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- vi In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2010;
 - ii) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - iii) and in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

FOR S.R.REGE & CO.
CHARTERED ACCOUNTANTS

S. M. PATKI
PARTNER

Membership No. 037690
 FRN No. 108813W

Mumbai,
 26th May, 2010

Annexure referred to in paragraph 3 of our report of even date,

Fixed Assets

- 1 a The Company has maintained proper records showing full particulars including quantitative

details and situation of fixed assets.

- b All assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

Inventories

- 2 a The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the company.

Loans granted or taken

- 3 a The Company has not granted any loans, secured or unsecured to companies, firms, or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, clauses (iii)(a) to (iii)(d) of the of the Companies (Auditor's Report) Order, 2003 are not applicable.
- b i) The Company has taken an unsecured loan from party covered in the register maintained under 301 of the Companies Act, 1956.
No. of Parties : 1
Amount outstanding as on 31st March, 2010 : Rs. 101 lakhs.
- ii) In our opinion, the rate of interest and other terms and conditions of the loan taken by the Company are not prima facie prejudicial to the interest of the Company.

During the year the Company has paid interest to the party and is regular in returning of the loan as per terms of loan.

Internal Control

- 4 In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to purchases of inventory, fixed assets

and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.

Contracts and Agreements

- 5 a To the best of our knowledge and belief and according to the information and explanations given to us, the transactions that needed to be entered into the register maintained under Sec. 301 of the Companies Act, 1956, have been so entered.
- b In our opinion and according to the information and explanations given to us, the transactions made in pursuance of the contracts or agreements entered in the register maintained under Sec. 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard of the prevailing market prices at the relevant time, except that reasonableness could not be ascertained where comparable quotations are not available having regard to the specialized nature of some of the transactions of the Company.

Public deposits

- 6 The Company has not accepted any deposits from the public.

Internal Audit

- 7 In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.

Cost records

- 8 To the best of our knowledge and according to the information given to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, in respect of to any product of the Company.

Statutory dues

- 9 a The Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- b According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales

tax, customs duty, excise duty and cess were in arrears, as at 31st March, 2010 for a period of more than six months from the date they became payable.

- c According to the information and explanations given to us, there are no dues of sale tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.

Accumulated losses

- 10 a Since the Company has no accumulated losses, the clause 4 (x) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- b The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.

Default in repayments of dues

- 11 According to the records of the Company examined by us and the information and explanations given to us, during the year covered by our audit, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

Loans and dealing in shares etc.

- 12 To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a *nidhi* or mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 14 To the best of our knowledge and belief and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures or any other securities. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 15 To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

Borrowings, funds raised and their utilization

- 16 In our opinion and to the best of our knowledge and belief and according to the information and explanations given to us, the term loans availed by the Company have, *prima facie*, been applied for the purpose for which they were raised.
- 17 According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- 18 According to the books and records of the Company examined by us and the information and explanations given to us, during the period covered by our audit report, the Company has not made any preferential allotment to any party or company covered in the register maintained under Section 301 of the Act. Hence, the provisions of clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 19 To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not made any debenture issue during the year under audit. Therefore, provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 20 To the best of our knowledge and belief and according to the information and explanations given to us, during the year under audit the Company has not raised any money by way of public issue.

Frauds

- 21 During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instances of fraud by the Company, notice or reported during the year, nor have we been informed of any such case by the management.

For S. R. REGE & CO.
CHARTERED ACCOUNTANTS

S. M. PATKI
PARTNER

Membership No. 037690
FRN No. 108813W

Mumbai,
26th May, 2010

PRADEEP METALS LIMITED



Balance Sheet As At 31st March, 2010

	Schedule No	Rs. In lacs 31st March, 2010		Rs. In lacs 31st March, 2009	
SOURCES OF FUNDS					
1. SHAREHOLDERS' FUNDS					
a) Capital	1	1,831.20		1,844.20	
b) Reserves and Surplus	2	<u>486.89</u>	2,318.09	<u>453.97</u>	2,298.17
2. LOAN FUNDS					
a) Secured Loans	3	2,842.23		2,625.53	
b) Unsecured Loans	4	<u>276.00</u>	3,118.23	<u>353.00</u>	2,978.53
TOTAL			<u><u>5,436.32</u></u>		<u><u>5,276.70</u></u>
APPLICATION OF FUNDS					
1. FIXED ASSETS					
a) Gross Block	5	3,202.81		3,096.84	
b) Less: Depreciation		<u>1,633.35</u>		<u>1,498.35</u>	
c) Net Block		1,569.46		1,598.49	
d) Capital work in progress		<u>6.75</u>	1,576.21	<u>63.60</u>	1,662.09
2. INVESTMENTS		6	1.00		1.00
3. CURRENT ASSETS, LOANS & ADVANCES					
a) Inventories	7	2,556.13		2,016.25	
b) Sundry Debtors	8	1,601.76		1,881.79	
c) Cash and Bank Balances	9	4.32		7.67	
d) Loans and Advances	10	<u>486.51</u>		<u>538.63</u>	
		4,648.72		4,444.34	
Less:					
4. CURRENT LIABILITIES & PROVISIONS					
a) Current Liabilities	11	908.42		1,045.48	
b) Provisions		<u>142.85</u>	3,597.45	<u>120.65</u>	3,278.21
5. DEFERRED TAX ASSETS			260.92		334.44
6. MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF		12	0.74		0.96
TOTAL			<u><u>5,436.32</u></u>		<u><u>5,276.70</u></u>

Notes forming part of the Accounts 16

As per our report of even date	for and on behalf of the Board	
For S.R. REGE & CO. CHARTERED ACCOUNTANTS	PRADEEP GOYAL	Chairman & Managing Director
	NEERU GOYAL	Director
S.M. PATKI PARTNER Membership No - 037690	ABHINAY KAPOOR	Company Secretary

Navi Mumbai,
26th May, 2010

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PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 2010

	Schedule	Rs. in lacs	Rs. in lacs
	No.	31st March, 2010	31st March, 2009
INCOME			
Sales and Other Operating Income	13	5,346.63	8,423.45
Profit on sale of Dombivli Unit		0.00	72.80
		<u>5,346.63</u>	<u>8,496.25</u>
EXPENDITURE			
Manufacturing Expenses	14	4,437.06	6,855.18
Other Expenses	15	634.99	907.07
Depreciation		144.01	137.24
		<u>5,216.06</u>	<u>7,899.49</u>
Net Profit before Taxation		130.57	596.76
Less : Provision for Income Tax		22.20	70.00
Less : Income Tax Adjustment for Prior years		1.94	0.00
Add/(Less) : Provision for Deferred Tax Asset		(73.51)	334.44
Less : Provision for Fringe Benefit Tax		0.00	3.55
Net Profit carried to Balance Sheet		<u>32.92</u>	<u>857.65</u>

Notes forming part of the Accounts 16

As per our report of even date

For S.R.REGE & CO.
CHARTERED ACCOUNTANTS

S.M.PATKI
PARTNER
Membership No - 037690

for and on behalf of the Board

PRADEEP GOYAL Chairman & Managing Director

NEERU GOYAL Director

ABHINAY KAPOOR Company Secretary

Navi Mumbai,
26th May, 2010

PRADEEP METALS LIMITED



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2010

Rs. in lacs
31st March, 2010

Rs. in lacs
31st March, 2009

SCHEDULE-1: SHARE CAPITAL

Authorised :

13,000,000 (13,000,000) Equity Shares
of Rs.10 each
700,000 (700,000) Preference Shares
of Rs.100 each

1,300.00

1,300.00

700.00

700.00

2,000.00

2,000.00

TOTAL

Issued and Subscribed :

12,720,000 (12,720,000) Equity Shares of
Rs.10 each fully paid up

1,272.00

1,272.00

Less : Calls in Arrears

0.74

1,271.26

0.74

1,271.26

(of the above 27,600 (27,600) Equity Shares
are allotted as fully paid up pursuant
to contracts without payment being
received in cash and 462,500 (462,500)
Equity Shares are allotted as fully paid up Bonus
Shares by capitalising General Reserve)

519,800 (519,800) 10% Optionally Convertible Cumulative
Redeemable Preference Shares of Rs.100 each

519.80

519.80

Share Application Money

40.14

53.14

TOTAL

1,831.20

1,844.20

SCHEDULE-2: RESERVES & SURPLUS

Share Premium Account:

As per last Balance Sheet

266.25

266.25

Less : Calls in Arrears

0.37

265.88

0.37

265.88

General Reserve

As per last Balance Sheet

68.60

68.60

Profit and Loss Account

As per last Balance Sheet

119.49

(758.32)

Add : Net Profit for the year

32.92

857.65

Add / (Less) : Charge on Account of the
transitional provision of Accounting Standard
15 (Revised) on Employee Benefits.

0.00

20.16

152.41

119.49

TOTAL

486.89

453.97

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Rs. in lacs
31st March, 2010

Rs. in lacs
31st March, 2009

SCHEDULE-3: SECURED LOANS

LOANS

Term Loan from Union Bank of India (Secured by first charge on the fixed assets of the Company, present and future)	113.62	189.47
Term Loan from Union Bank of India (Secured by first Charge on the fixed assets of the Company, present and future)	73.33	37.66
Working Capital Loans from Union Bank of India (Secured by hypothecation of inventories, book debts, including bills discounted/purchased, and other current assets and second charge on the fixed assets)	2,634.85	2,365.45
(All the above loans are secured by personal guarantee of the Chairman & Managing Director of the Company)		
Loan from Union Bank of India (Secured by hypothecation of the vehicle)	20.18	30.29
Loan from Citicorp Maruti Finance Ltd (Secured by hypothecation of the vehicle)	0.25	2.43
Loan from ICICI Bank Ltd (Secured by hypothecation of the vehicle)	0.00	0.23
TOTAL	2,842.23	2,625.53

SCHEDULE-4: UNSECURED LOANS

Inter Corporate Deposits	276.00	353.00
TOTAL	276.00	353.00

PRADEEP METALS LIMITED

SCHEDULE - 5 : FIXED ASSETS

(Rs. in lacs)

	Gross Block				Depreciation				Net Block	
	As At 01.04.2009	Additions during the year	Sales during the year	As at 31.03.2010	As at 01.04.2009	For the year	On Sales	As at 31.03.2010	As at 31.03.2010	As at 31.03.2009
FIXED ASSETS										
Leasehold Land	55.81	-	-	55.81	-	-	-	-	55.81	55.81
Factory Buildings	297.62	13.32	-	310.94	125.63	10.00	-	135.63	175.31	171.99
Plant & Machinery	2,644.33	101.50	11.01	2,734.82	1,343.03	125.63	9.01	1,459.65	1,275.17	1,301.30
Furniture & Fixtures	26.20	2.16	-	28.36	17.29	1.53	-	18.82	9.54	8.91
Vehicles	72.88	-	-	72.88	12.40	6.85	-	19.25	53.63	60.48
Total	3,096.84	116.98	11.01	3,202.81	1,498.35	144.01	9.01	1,633.35	1,569.46	1,598.49
Capital Work-in-progress including advances on Capital Account										
									6.75	63.60
Previous Year	3,015.38	128.91	47.45	3,096.84	1,391.36	137.24	30.25	1,498.35		1,598.49

Rs. in lacs
31st March, 2010

Rs. in lacs
31st March, 2009

SCHEDULE-6: INVESTMENTS (AT COST)

Long Term, Unquoted (Non-trade)		
10 Shares of Rs.10 each of Janakalyan Sahakari Bank Ltd. (Previous year 10 shares of Rs.10 each)	0.00	0.00
1,000 Shares of Rs.50 each of Dombivli Nagari Sahakari Bank Ltd. (Previous year 1,000 Shares of Rs.50 each)	0.50	0.50
1,000 Shares of Rs. 50 each of The Thane Janata Sahakari Bank Ltd. (Previous year 1,000 Shares of Rs.50 each)	0.50	0.50
TOTAL	1.00	1.00

SCHEDULE-7: INVENTORIES

At cost or market value, whichever is lower and
as certified for the value and quantity by
the Chairman and Managing Director of the Company

Raw materials	519.04	311.73
Work-in-process & Semi-finished goods	1,008.73	800.92
Fuel	2.58	3.72
Dies	914.25	824.82
Consumable stores & spares	104.14	68.01
Scrap	7.39	7.05
TOTAL	2,556.13	2,016.25

SCHEDULE-8: SUNDRY DEBTORS

Unsecured

a) Debts outstanding for more than six months : Considered good	163.87	212.69
b) Other Debts : Considered good	1,437.89	1,669.10
TOTAL	1,601.76	1,881.79

SCHEDULE-9: CASH & BANK BALANCES

Cash on hand	1.99	0.75
Balances with Scheduled banks :		
(a) In Current Accounts	0.67	0.83
(b) In Fixed Deposits	1.66	6.09
TOTAL	4.32	7.67

Rs. in lacs
31st March, 2010

Rs. in lacs
31st March, 2009

SCHEDULE-10: LOANS & ADVANCES

(Unsecured, considered good)

Deposits	32.89	34.85
Advances recoverable in cash & or in kind or for value to be received including export benefits, balances with excise and sales tax authorities Advance Income Tax and TDS	298.13	376.56
	155.49	127.22
TOTAL	486.51	538.63

SCHEDULE-11: CURRENT LIABILITIES

Sundry creditors	787.31	864.48
Sundry creditors for capital goods	0.77	0.00
Advances from Customers	5.86	9.31
Outstanding liabilities for expenses	105.93	163.14
Provision for Fringe Benefit Tax	8.55	8.55
Provision for Income Tax	142.85	120.65
TOTAL	1,051.27	1,166.13

SCHEDULE-12:

MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF

Preliminary Expenses	0.74	0.96
TOTAL	0.74	0.96

Rs. in lacs
31st March, 2010

Rs. in lacs
31st March, 2009

SCHEDULE-13:

SALES AND OTHER OPERATING INCOME

Sales	5,202.63		8,183.54	
Job Work Receipts	78.06		135.68	
		5,280.69		8,319.22
Interest from bank		0.34		0.14
Sales Tax refund		38.33		95.83
Other income		27.27		8.26
TOTAL		5,346.63		8,423.45

SCHEDULE-14: MANUFACTURING EXPENSES

Raw Material consumed		2,916.80		4,431.56
Dies consumed		146.62		299.65
Purchases for resale		69.04		57.10
(Increase)/Decrease in Stocks:				
Stock on 1st April, 2009				
Work-in-process and finished goods	800.92		1,090.23	
Scrap	7.05		19.51	
Less:	807.97		1,109.74	
Stock on 31st March, 2010				
Work-in-process and finished goods	1,008.73		800.92	
Scrap	7.39	(208.15)	7.05	301.77
Consumable stores and spares		224.03		374.33
Power, fuel and water		357.67		372.83
Payments to sub-contractors		163.73		314.03
Wages		528.56		437.78
Contribution to Provident and other funds		40.07		37.49
Employee's welfare expenses		26.35		25.55
Repairs and Maintenance:				
Machinery	24.80		10.64	
Factory Buildings	19.96		6.11	
Others	5.89	50.65	11.31	28.06
Insurance		5.42		8.56
Inward Freight, Octroi and Other expenses		116.27		166.47
TOTAL		4,437.06		6,855.18

Rs. in lacs 31st March, 2010	Rs. in lacs 31st March, 2009
---------------------------------	---------------------------------

SCHEDULE-15: OTHER EXPENSES

Salaries	81.89	56.17
Conveyance and travelling expenses	41.39	49.89
Other administrative expenses	86.42	112.83
Selling expenses	60.12	122.22
Payments to Auditors	3.44	3.61
Financial Charges	308.51	403.28
Bank charges and other expenses	34.48	49.02
Duties and taxes	6.22	28.09
Preliminary expenses written off	0.21	0.21
Loss on sale of Assets	0.00	0.00
Bad-Debts written off	10.78	16.12
Loss on foreign exchange fluctuations	1.53	65.63
TOTAL	634.99	907.07

SCHEDULE – 16: NOTES FORMING PART OF THE ACCOUNTS

A) Significant Accounting Policies:

(1) Basis for preparation of Accounts.

- a The accounts have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.
- b Accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

(2) System of Accounting

The Company generally follows the mercantile system of accounting and recognizes income and expenditure on accrual basis, except income from investments, which is accounted for on receipt basis.

(3) Use of Estimates

The preparation of Financial Statements are in accordance with generally accepted accounting principles. As per the Management, the best estimates and assumptions are made wherever necessary and reported in the amount of assets and liabilities as on the date of financial statement as well as in the amount of revenue and expenses during the reporting period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any variance is recognized prospectively in current or future period in which the results are known/materialized.

(4) Fixed Assets and Depreciation

Fixed Assets are stated at cost less depreciation. Depreciation on assets acquired on or after 1st January 1988 has been provided for on straight line method at the rates specified in Schedule XIV of the Companies Act, 1956.

Depreciation on the assets acquired prior to 1st January 1988 is provided for at the rates prevailing at the time of their acquisition.

Depreciation on additions to assets is calculated on pro-rata basis from the day of asset put to use.

(5) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.

(6) Inventories

- a. Raw material is valued at cost. The cost is arrived at on First-in-First-out basis.
- b. Components, stores and spares are valued at cost.
- c. Dies and tools are valued at cost, including the cost of design, development and proportionate cost of factory overheads taken at 10% of raw material cost of dies.
- d. Work-in-process and semi-finished goods are valued at lower of cost or estimated net realizable value.

(7) Investment

Investments are stated at Cost.

(8) Sales

Sales are inclusive of income from job work, excise duty, export incentives, exchange fluctuations on export receivables and income from Microwave Operations. The revenue from sale of goods are recognised when title to goods is transferred on delivery of goods.

(9) Foreign Currency transactions

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rates prevailing at the date of the Balance Sheet. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement is recognized as income or expense, as the case may be.

(10) Provisions, Contingent Liabilities and Contingent Assets

Provisions, to the extent found necessary as per the Management, have been made based on best estimates and are also recognized in respect of present liability in respect of prior activity. Contingent Assets have not been recognized and hence, not reported.

(11) Employee Benefits

Contributions payable to the Government Provident Fund, ESIC and premium paid to Life Insurance Corporation of India under Employees Group Gratuity Scheme, are charged to revenue.

The liabilities in respect of leave encashment at the year end is charged to revenue based on actuarial value.

(12) Impairment

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard (AS-28) which deals with "Impairment of Assets", notified under the Company's (Accounting Standards) Rules, 2006. During the year, no such loss was observed and hence, no provision for impairment loss has been made.

(13) The Company manufactures forgings of various types at one location only. Hence, Accounting Standard 17 regarding Segment Reporting notified under the Company's (Accounting Standards) Rules, 2006, is not applicable to the Company.

(14) Preliminary expenses are being amortized over a period of 10 years.

PRADEEP METALS LIMITED



B) Notes on Accounts

	31 st March, 2010 (Rs.)	31 st March, 2009 (Rs.)
(1) Contingent Liabilities not provided for		
a) Letter of Guarantee issued by Union Bank of India (secured by 100 % margin)	111,844	554,252
(2) Value of import calculated on CIF basis :		
Raw material and consumable goods	4,545,329	2,834,304
Capital goods	-	9,162,045
(3) Expenditure in foreign currency – Travelling	419,625	1,411,062
(4) Earning in foreign currency : FOB value of Exports	228,717,277	507,479,971
(5) Managerial Remuneration under Section 198 of the Companies Act, 1956		
(a) Shri Pradeep Goyal, Chairman & Managing Director		
Salaries	3,600,000	1,500,000
Perquisites	151,516	105,223
Provident Fund Contribution	9,360	9,360
(b) Directors Sitting Fees	85,000	70,000
(6) Earnings Per Equity Share	Rs. in lacs	Rs. in lacs
(a) Net Profit after Tax	32.92	857.65
Less : 10% Dividend on Optionally Convertible Cumulative Redeemable Preference Shares (Including Dividend Tax and Surcharge thereon for the year)	60.81	59.27
Profit after Tax for EPS	(27.89)	798.38
(b) The weighted average number of Equity Shares for EPS	12,720,000	12,720,000
Earnings Per Share (Rs.)	(0.22)	6.74
(7) Payment to Auditors	Amount (Rs.)	Amount. (Rs.)
(i) Audit Fees	220,600	220,600
(ii) Tax Audit Fees	44,120	44,120
(iii) For Consultation on tax matters	33,090	33,090
(iv) Other Matters	38,058	45,792
(v) Reimbursement of expenses	8,097	17,482
Total	343,965	361,084

- (8) (a) The Company has extended the terms of redemption of 519800, 10% Optionally Convertible Cumulative Redeemable Preference Shares of Rs. 100 each, which were due for redemption in 2 yearly installments of Rs. 25,990,000 each as on 31st March, 2010 and 31st March, 2011, by further period of 3 years and the same would now be redeemable in 2 equal yearly installment of Rs. 25,990,000 each on 31st March, 2013 and 31st March, 2014.
- (b) Arrears of dividend on 519800, 10% Optionally Convertible Cumulative Redeemable Preference Shares of Rs. 100 each – Rs. 54,480,000 (Previous year Rs.49,282,000).

(9) Related Party Disclosures { as identified and certified by the Management}

As per Accounting Standard 18 notified under the Company's (Accounting Standards) Rules, 2006, the disclosures of transactions with the related parties are given below:

- (i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationship	Nature of Transaction	2009-2010 (Rs.)	2008-2009 (Rs.)
1.	B.S.Metal Pvt. Ltd.	Enterprise in which a promoter and Key Managerial Personnel is a Director	Sale of scrap	4,095,539	3,489,700
2.	Rabale Engineering (I) Pvt. Ltd.	Enterprise in which a promoter and Relative of the Key Managerial Personnel is a Director	Interest on Inter Corporate Deposit	1,705,008	1,792,000

(10)The Company is covered under the provisions of Minimum Alternative Tax (MAT) and has provided Income Tax in the books as per the provisions of Section 115JB of the Income Tax Act, 1961.

- (11)(a)The tax effect of significant timing differences during the year that have resulted in deferred tax assets as given below :

Sr No	Particulars	2009-10 (Rs.)	2008-09 (Rs.)
1	Arising out of Timing Difference on account of Book and Tax Depreciation for the current year	878,799	1,321,809
2	Other timing differences	727,387	706,625
3	Unabsorbed Depreciation carried forward	24,485,863	31,416,215
	Total deferred tax asset	26,092,049	33,444,649

- (b) Deferred Tax assets are recognized subject to the consideration of prudence and carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(12)The Company has duly complied with the Accounting Standards referred to in sub-section 3(c) of Section 211 of the Companies Act, 1956.

- (14)Previous year's figures have been regrouped / recasted, wherever necessary, to conform to this year's classification.

As per our report of even date

For **S.R.REGE & CO.**
CHARTERED ACCOUNTANTS

S.M.PATKI
PARTNER
Membership No - 037690

for and on behalf of the Board

PRADEEP GOYAL Chairman & Managing Director

NEERU GOYAL Director

ABHINAY KAPOOR Company Secretary

Navi Mumbai,
26th May, 2010

PRADEEP METALS LIMITED



(13) Additional information pursuant to the provisions of part II of Schedule VI to the Companies Act, 1956.

A) CAPACITY

Product	Unit	Licensed Capacity		Installed Capacity	
		31st March, 2010	31st March, 2009	31st March, 2010	31st March, 2009
Forgings & other steel products					
Based on Forged weight	Mt.	N.A	N.A	8000 *	12000
* Installed Capacity has been reassessed on the basis of the current product mix.					

B) PRODUCTION, SALES, PURCHASES, CONSUMPTION AND INVENTORY :

PRODUCT	31st March, 2010		31st March, 2009	
	Quantity Mt.	Amount Rs. in lacs	Quantity Mt.	Amount Rs. in lacs
1 PRODUCTION *				
Own Production	2860		3429	
Job Work	30		87	
2 SALES				
Forgings and other steel products	2317	4635.86	3235	7428.17
Traded goods	300	76.41	251	64.23
Scrap	1078	490.36	1201	691.14
Job work	30	78.06	87	135.68
Total		5280.69		8319.22
3 PURCHASE OF TRADED GOODS				
Forgings and other steel products	300	69.04	251	57.10
		69.04		57.10
4 RAW MATERIAL AND COMPONENTS CONSUMED				
Steel Bars and Billets	3511	2916.80	4443	4431.56
Other Components		370.65		675.12
Total		3287.45		5106.68
5 OPENING STOCK				
Work in process and semi finished goods	483	800.92	583	1090.23
Scrap	41	7.05	21	19.51
Total		807.97		1109.74
6 CLOSING STOCK				
Work in process and semi finished goods	441	1008.73	483	800.92
Scrap	22	7.39	41	7.05
Total		1016.12		807.97

As per our report of even date

For S.R.REGE & CO.
CHARTERED ACCOUNTANTS

S.M.PATKI
PARTNER
Membership No - 037690

Navi Mumbai,
26th May, 2010

for and on behalf of the Board

PRADEEP GOYAL Chairman & Managing Director

NEERU GOYAL Director

ABHINAY KAPOOR Company Secretary

27th ANNUAL REPORT 2010



CASH FLOW STATEMENT PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT FOR THE YEAR ENDED 31st MARCH, 2010

	(Rs. In lacs) 31st March, 2010	(Rs. In lacs) 31st March, 2009
A. CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT/LOSS BEFORE TAX AND EXTRAORDINARY ITEMS	130.57	596.76
ADJUSTMENTS FOR:		
INCOME TAX ADJUSTMENT FOR PRIOR YEARS	(1.94)	-
DEPRECIATION	144.01	137.24
LOSS ON SALE OF ASSETS	-	-
DIVIDEND RECEIVED	(0.15)	(0.23)
INTEREST EXPENSES	308.51	403.28
MISC EXPENDITURE WRITTEN OFF	0.21	0.21
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	581.21	1,137.26
ADJUSTMENTS FOR:		
TRADE AND OTHER RECEIVABLES	309.97	(289.41)
INVENTORIES	(539.88)	518.33
TRANSFER FROM CAPITAL WORK IN PROGRESS	56.85	(56.17)
TRADE PAYABLE	(114.86)	(63.37)
PROFIT ON SALE OF ASSETS	-	(72.82)
CASH GENERATED FROM OPERATIONS	293.29	1,173.82
INTEREST PAID	(308.51)	(403.28)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	(15.22)	770.54
EXTRAORDINARY ITEMS	-	-
NET CASH USED IN OPERATING ACTIVITIES	(15.22)	770.54
B. CASH FLOW FROM INVESTING ACTIVITIES:		
PURCHASE OF FIXED ASSETS	(116.98)	(128.91)
SALE OF FIXED ASSETS	2.00	90.02
DIVIDEND RECEIVED	0.15	0.23
NET CASH FLOW FROM INVESTING ACTIVITIES	(114.83)	(38.66)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
PROCEEDS FROM ISSUE OF SHARE CAPITAL (SHARE APPLICATION MONEY)	(13.00)	-
PROCEEDS FROM WORKING CAPITAL BORROWINGS	216.70	(775.21)
PROVISION FOR GRATUITY AND LEAVE ENCASHMENT AS PER AS 15	-	20.16
PROCEEDS FROM OTHER BORROWINGS (NET)	(77.00)	25.91
NET CASH FROM FINANCING ACTIVITIES	126.70	(729.14)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(3.35)	2.74
CASH AND CASH EQUIVALENTS AS AT 31/03/2009 (OPENING BALANCE)	7.67	4.93
CASH AND CASH EQUIVALENTS AS AT 31/03/2010 (CLOSING BALANCE)	4.32	7.67
	(3.35)	2.74

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010

- (1) The cash flow statement has been prepared in accordance with the requirements of Accounting Standard 3 "Cash Flow Statement" notified under the Company's (Accounting Standards) Rules, 2006.
- (2) Figures in brackets indicate cash outgo.
- (3) Previous year's figures have been regrouped, wherever necessary, to conform to this year's classification.

We have examined the attached cash flow statement of Pradeep Metals Limited for the year ended 31st March, 2010. The statement has been prepared by the Company in accordance with the requirement of clause 32 of the Listing Agreement with the Bombay Stock Exchange Limited and based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report dated 26th May, 2010 to the members of the Company.

As per our report of even date

for and on behalf of the Board

For S.R.REGE & CO.
CHARTERED ACCOUNTANTS
S.M.PATKI
PARTNER
Membership No - 037690

PRADEEP GOYAL	Chairman & Managing Director
NEERU GOYAL	Director
ABHINAY KAPOOR	Company Secretary

Navi Mumbai,
26th May, 2010

PRADEEP METALS LIMITED



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

REGISTRATION

1 1 - 2 6 1 9 1

STATE CODE

1 1

(REFER CODE LIST)

BALANCE SHEET DATE

3 1

DATE

0 3

MONTH

2 0 1 0

YEAR

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)

PUBLIC ISSUE

N I L

BONUS ISSUE

N I L

RIGHTS ISSUE

N I L

PRIVATE PLACEMENT

N I L

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUND (AMOUNT IN RS. THOUSANDS)

TOTAL LIABILITIES

5 4 3 6 3 2

TOTAL ASSETS

5 4 3 6 3 2

SOURCES OF FUNDS

PAID-UP CAPITAL

1 8 3 1 2 0

SECURED LOANS

2 8 4 2 2 3

RESERVES & SURPLUS

4 8 6 8 9

UNSECURED LOANS

2 7 6 0 0

APPLICATION OF FUNDS

NET FIXED ASSETS

1 5 7 6 2 1

NET CURRENT ASSETS

3 8 5 8 3 7

ACCUMULATED LOSSES

-

INVESTMENTS

1 0 0

MISC. EXPENDITURE

7 4

IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS)

TURNOVER

5 3 4 6 6 3

PROFIT/LOSS BEFORE TAX

+ 1 3 0 5 7

(PLEASE TICK APPROPRIATE BOX + FOR PROFIT, - FOR LOSS)

EARNING PER SHARE IN RS.

- 0 . 2 2

TOTAL EXPENDITURE

5 2 1 6 0 6

PROFIT/LOSS AFTER TAX

+ 1 0 6 4 3

DIVIDEND

N I L

27th ANNUAL REPORT 2010



V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS)

ITEM
CODE NO.
(ITC CODE)

7	3	2	6	1	9	0	0
---	---	---	---	---	---	---	---

PRODUCT
DESCRIPTION

O	T	H	E	R	A	R	T	I	C	L	E	S	O	F	I	R	O	N	
O	R	S	T	E	E	L	F	O	R	G	E	D	S	T	A	M	P	E	D
B	U	T	N	O	T	F	U	R	T	H	E	R	W	O	R	K	E	D	-
O	T	H	E	R															

ITEM
CODE NO.
(ITC CODE)

7	3	2	6	9	0	1	5
---	---	---	---	---	---	---	---

PRODUCT
DESCRIPTION

F	I	N	I	S	H	E	D	A	N	D	S	E	M	I	-	F	I	N	I	-
S	H	E	D	S	T	E	E	L	F	O	R	G	I	N	G	S	N	E	S	.
E	G	F	L	A	N	G	E	S	F	O	R	S	T	E	E	L	P	I		
P	E	S	A	N	D	T	U	B	E	S	A	U	T	O	S	P	A	R		
E	S	E	A	R	T	H	M	O	V	I	N	G	E	T	C					

ITEM
CODE NO.
(ITC CODE)

7	3	2	6	9	0	1	7
---	---	---	---	---	---	---	---

PRODUCT
DESCRIPTION

F	I	N	I	S	H	E	D	A	N	D	S	E	M	I	-	F	I	N	I	-
S	H	E	D	S	T	E	E	L	F	O	R	G	I	N	G	S	N	E	S	.
F	O	R	A	U	T	O	S	P	A	R	E	S	A	N	D	E	A	R		
T	H	M	O	V	I	N	G	I	M	P	L	E	M	E	N	T	S			
E	T	C																		

PRADEEP METALS LIMITED

Regd. Office : R-205, TTC Indl. Area, MIDC, Rabale, Navi Mumbai 400 701.
(Maharashtra)

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP ID *	
Client ID *	

Folio No.	
No. of Share(s) held	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the 27th ANNUAL GENERAL MEETING of the Company at R-205, MIDC, Rabale, Navi Mumbai 400 701 on Friday, 27th August, 2010, at 4.00 p.m.

Signature of the Shareholder/Proxy
(To be signed at the time of handing over this slip)

* Applicable for investors holding shares in electronic form.

-Tear here -

PRADEEP METALS LIMITED

Regd. Office : R-205, TTC Indl. Area, MIDC, Rabale, Navi Mumbai 400 701.
(Maharashtra)

PROXY FORM

I/We of being a Member/Members of
PRADEEP METALS LIMITED hereby appoint of
..... or failing him/her of
..... as/my / our Proxy to attend and vote for me/us and on my/our behalf
at the 27th Annual General Meeting of the Company to be held on Friday, 27th August, 2010, at 4.00 p.m.
and at any adjournment thereof.

Signed this day of 2010

Folio No. DP ID* Client ID*

No. of Shares held

Affix
Revenue
Stamp

(Signature of the Shareholder)

* Applicable for investors holding shares in electronic form.

Notes :

1. The proxy need not be a member.
2. The proxy form duly signed across Revenue Stamp should reach Company's Registered Office atleast 48 hours before the time of the meeting.

BOOK-POST



If undelivered, please return to :

PRADEEP METALS LIMITED

R-205, TTC Industrial Area, MIDC,
Rabale, Navi Mumbai - 400 701.
Maharashtra.