

**30th**  
**ANNUAL**  
**REPORT**  
**2012-13**

**PRADEEP METALS LIMITED**

### **VISION STATEMENT**

**To become the preferred strategic supplier of globally competitive precision die forging components to the engineering industry.**

**To continue to focus on innovative methods to achieve better customer satisfaction with excellence and professionalism**

### **QUALITY POLICY**

**“To achieve Customer satisfaction, by involvement of all employees and by using a Quality Management System, which ensures continual improvement in product quality”**

# 30th ANNUAL REPORT 2013

## TABLE OF CONTENTS

<u>CONTENTS</u>	<u>PAGE NO.</u>
<b>/ NOTICE</b>	<b>3</b>
<b>/ PERFORMANCE AT A GLANCE</b>	<b>6</b>
<b>/ FINANCIAL HIGHLIGHTS</b>	<b>6</b>
<b>/ DIRECTORS' REPORT</b>	<b>7</b>
<b>/ REPORT ON CORPORATE GOVERNANCE</b>	<b>12</b>
<b>/ CEO/CFO CERTIFICATION</b>	<b>19</b>
<b>/ AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE</b>	<b>19</b>
<b>/ MANAGEMENT DISCUSSION AND ANALYSIS</b>	<b>20</b>
<b>/ AUDITORS' REPORT</b>	<b>22</b>
<b>/ BALANCE SHEET ACCOUNT</b>	<b>26</b>
<b>/ PROFIT &amp; LOSS ACCOUNT</b>	<b>27</b>
<b>/ SCHEDULES TO ACCOUNTS</b>	<b>28</b>
<b>/ CASH FLOW STATEMENT</b>	<b>42</b>

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**BOARD OF DIRECTORS**

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<b>Pradeep Goyal</b>	Chairman & Managing Director
<b>Omprakash Agarwal</b>	Director
<b>Suresh G. Vaidya</b>	Director
<b>Raj Kumar Mittal</b>	Director
<b>Kewal Krishan Nohria</b>	Director
<b>Neeru Pradeep Goyal</b>	Director
<b>Jaidev R. Shroff</b>	Director
<b>Rajeev D. Mehrotra</b>	Director

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**COMPANY SECRETARY**

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Abhinay Kapoor

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**BANKERS**

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Union Bank of India

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**AUDITORS**

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S.R. Rege & Co.  
Chartered Accountants

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**REGISTERED OFFICE & WORKS**

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R-205, MIDC, Rabale, Navi Mumbai - 400 701  
Maharashtra

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## 30th ANNUAL REPORT 2013

### NOTICE

**NOTICE IS HEREBY GIVEN THAT THE THIRTIETH ANNUAL GENERAL MEETING OF PRADEEP METALS LIMITED WILL BE HELD AT ITS REGISTERED OFFICE AT R-205, MIDC, RABALE, NAVI MUMBAI - 400701 ON THURSDAY, 8<sup>TH</sup> AUGUST, 2013, AT 12.30 PM 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 31<sup>st</sup> March, 2013 and the Balance Sheet as at that date.
2. To declare dividend on Equity Shares for the year 2012-2013.
3. To appoint Dr. Kewal K. Nohria, Director, who retires by rotation, but being eligible, offers himself for re-appointment.
4. To appoint Mr. Suresh G. Vaidya, Director, who retires by rotation, but being eligible, offers himself for re-appointment.
5. To appoint Mrs. Neeru Pradeep Goyal, Director, who retires by rotation, but being eligible, offers herself for re-appointment.
6. To re-appoint Auditors and fix their remuneration.

Navi Mumbai  
6<sup>th</sup> May, 2013

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

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

**ABHINAY KAPOOR  
COMPANY SECRETARY**

**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) The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is enclosed and forms part of the Notice.
- (f) All documents referred to in the accompanying Notice and Explanatory Statements, are open for inspection at the Registered Office of the Company on all working days between 11 am to 1 pm upto the date of the Annual General Meeting except on Sundays and other holidays.
- (g) Members/Proxies are requested to bring their copies of the Annual Report to the Meeting.
- (h) The Company's Equity Shares are the scripts which the Securities and Exchange Board of India (SEBI) has specified for settlement only in dematerialized form by all investors.
- (i) The Register of Members & Transfer Books of the Company in respect of Equity Shares will remain closed from 1<sup>st</sup> August, 2013 to 8<sup>th</sup> August, 2013 (both days inclusive).
- (j) Payment of dividend as recommended by the Directors, if declared at the Meeting, will be made on or before 6<sup>th</sup> September, 2013 to the Members whose names stand in the Company's Register of Members on 31<sup>st</sup> July, 2013 and to the Beneficiary Holders as per the Beneficiary List provided for the purpose by the National Securities Depository Limited and Central Depository Services (India) Ltd.

**(k) Green Initiative**

The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by issuing circulars allowing paperless compliances by Companies through electronic mode. The Shareholders can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Shareholders, who have not registered their e-mail address with Company, can now register the same by submitting duly filled-in 'E-Communication Registration Form' enclosed at the end of this report, with Link Intime India Pvt. Ltd., Registrar and Transfer Agent of the Company. The Members holding shares in electronic form are requested to register their e-mail addresses with their Depository Participants only.

Even after registering for E-communication, the Shareholders of the Company are entitled to receive such communication in physical form, upon request.



## 30th ANNUAL REPORT 2013

### Items 3, 4 & 5

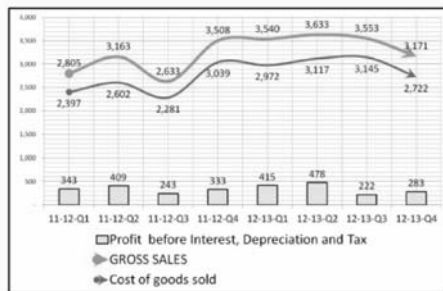
Profile of the Directors being re-appointed as required under Clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange Limited.

Name of the Director	Dr. Kewal K. Nohria	Mr. Suresh G. Vaidya	Mrs. Neeru Pradeep Goyal
Date of Birth	4 <sup>th</sup> October, 1932	1 <sup>st</sup> April, 1939	7 <sup>th</sup> September, 1958
Date of Appointment	14 <sup>th</sup> April, 2008	24 <sup>th</sup> June, 2005	29 <sup>th</sup> January, 2009
Expertise in Specific functional area	Technical And Management Expert	Technical And General Management	Business Entrepreneur
Qualification	B.E. (Elect.), D.Litt from BHU	L.T.M., B.Text	B.Sc (Chem.), M.A. (Eng. Lit.)
List of outside Directorships held	Accelya Kale Solutions Ltd. CG-PPI Adhesive Products Ltd. Igarashi Motors Ltd. Grow Talent Company Ltd. CTR Manufacturing Industries Ltd. Jollyboard Ltd. Fontus Water Pvt. Ltd. Maini Materials Movement Pvt. Ltd. Maini Precision Products Pvt. Ltd. CoreEL Technologies (I) Pvt. Ltd. EA Water Pvt. Ltd. Agile Electric Drives Technologies & Holdings Pvt. Ltd. Net Holding Pvt. Ltd. Igarashi Technologies Pvt. Ltd. Aventura Components Pvt. Ltd. Power Energy Conservation (India) Pvt. Ltd. Igarashi Motor Sales Pvt. Ltd. Cologicx Systems Pvt. Ltd. Polymermad (Asia) Pvt. Ltd. Healthpoint Services India Pvt. Ltd.	Victoria Mills Ltd. Vaidya and Associates Textile Consultants Pvt. Ltd.	Rabale Engineering (India) Pvt. Ltd. Dhanlabh Engineering Works Pvt. Ltd. S.V. Shah Construction Services Pvt. Ltd. Shubh Industrial Park Pvt. Ltd.
Chairman/Member of the Committee of the Board of Directors of the Company	Member, Audit Committee	Member, Audit Committee Member, Remuneration Committee	Nil
Chairman/Member of the Committee of Directors of other companies:-			
a) Audit Committee	Chairman – 1, Member – 2	Nil	Nil
b) Shareholders/ Investors' Grievance Committee	Member – 2	Nil	Nil
c) Remuneration Committee	Member – 1	Nil	Nil
d) Share Transfer Committee	Nil	Nil	Nil

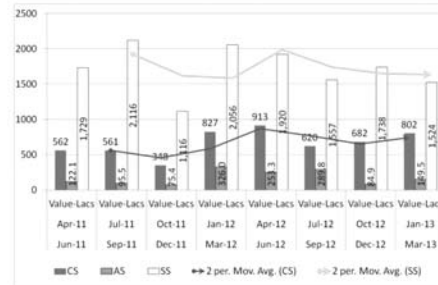


## PERFORMANCE AT A GLANCE

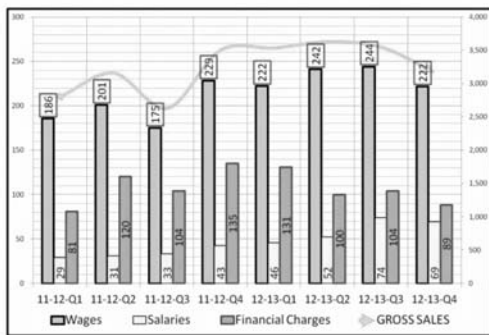
### GROSS SALES - Rs. in Lacs



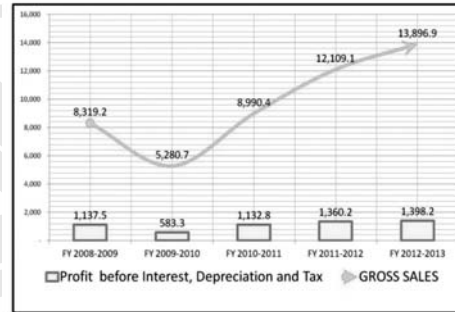
### PRODUCTION - Rs. in Lacs



### EXPENSES - Rs. in Lacs



### EBIDTA - Rs. in Lacs



## FINANCIAL HIGHLIGHTS

	Rs. In Lacs				
	2012-13	2011-12	2010-11	2009-10	2008 -09
Sales and Other Income	14,078	12,312	9,042	5,347	8,496
Profit before Interest, Depreciation and Tax	1,398	1,360	1,133	583	1,137
Less : Interest	423	440	342	309	403
Less: Depreciation	198	181	167	144	137
Less: Preliminary expenses written off	-	3	1	0	0
Add: Charge on account of transitional provision of Accounting Standard 15 (revised)	-	-	-	-	20
Profit before Tax	775	736	624	131	597
Less: Provision for Tax	259	228	124	24	74
(Add) / Less : Income tax Adjustment for Prior Years	81	-	0.01	-	-
(Add) / Less : Provision for Deferred Tax Assets/Liability	(6)	75	277	74	(334)
Profit for year before Dividend	441	583	222	33	878

# 30th ANNUAL REPORT 2013

## DIRECTORS' REPORT

To,  
The Shareholders

Your Directors are pleased to present the Thirtieth Annual Report together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2013.

### FINANCIAL HIGHLIGHTS:

	Rs. in Lacs	
	2012-13	2011-12
Revenue from Operations and Other Income	13629.75	11797.41
Less: Excise Duty	926.46	668.03
	<u>12703.29</u>	<u>11129.38</u>
Profit before Interest, Depreciation and Tax	1398.18	1360.23
Less : Finance Costs	423.20	440.30
Less: Depreciation and Amortization cost	199.76	181.44
Less: Preliminary expenses written off	-	2.80
Profit before Tax	775.22	735.69
Less: Provision for Income Tax	259.33	227.81
(Add)/Less: Income Tax Adjustment for prior years	80.31	0.00
(Add)/Less: Provision for Deferred Tax (Assets)/Liability and MAT credit entitlement	(5.67)	(75.21)
	<u>441.25</u>	<u>583.09</u>
Add: Balance of Profit and Loss Account from previous year	348.20	75.95
Less: Amount transferred to General Reserve	-	120.00
Less: Proposed Dividend on Equity Shares for the year (including dividend distribution tax Rs. 28.02 lacs (previous year Rs. 26.64 Lacs)	205.37	190.84
Balance Carried Forward	<u>584.08</u>	<u>348.20</u>

### DIVIDEND:

The Directors of the Company are pleased to recommend a dividend of 10%, i.e. Re 1.00 per equity share of Rs. 10 each, for the year ended 31<sup>st</sup> March, 2013. On approval by the Members at the ensuing Annual General Meeting, the said dividend would be paid to those Members, whose names appear on the Register of Members as on the date of Book Closure and whose names appear as beneficial owners as per the beneficiary list furnished for the purpose by National Securities Depository Limited and Central Depository Services (India) Limited.

### PERFORMANCE:

The Company has improved its turnover to Rs. 13629.75 Lacs during the year as compared to Rs. 11797.41 Lacs (inclusive of Excise Duty) in the previous year, registering an increase of 15.53%. The profit before interest, depreciation and tax has marginally improved from Rs. 1360.23 Lacs in the year 2011-12 to Rs. 1398.18 Lacs during the current year, i.e. a growth of 2.79%. The future outlook of the Company's business is dealt within the Management Discussion and Analysis.

### EXPORTS:

During the year, the Company has achieved exports earning of Rs. 7616.94 Lacs as compared to Rs. 6665.64 Lacs in the previous year, showing an increase of 14.27%. This has been achieved mainly due to export of higher value added products, addition of new customers and greater customer satisfaction.

Development of new customers played a significant role in the growth. Your company is confident to further increase its export performance in the coming years by exploring new markets, developing new products and targeting new customers. Mr Abhinav Goyal has joined the company in the capacity of Vice President (Business Development and IT) and we expect increased business from new market exploration.

**SHARE CAPITAL**

During the year under review, the Paid-up Share Capital of the Company increased, consequent to the allotment of 8,50,000 Equity Shares on conversion of 8,50,000 warrants to Rabale Engineering (India) Pvt. Ltd.

**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 conducts 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 Bombay Stock Exchange Limited, a separate report on Corporate Governance and Management Discussion and Analysis giving details of the Company's business and operating results are annexed as **Annexures B and C**.

**DIRECTORS:**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Dr. Kewal K. Nohria, Mr. Suresh G. Vaidya and Mrs. Neeru Pradeep Goyal, Directors of the Company, retire by rotation, and being eligible, have offered themselves for re-appointment.

As required by Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited, a brief resume of Dr. Kewal K. Nohria, Mr. Suresh G. Vaidya and Mrs. Neeru Pradeep Goyal are provided in the Notice convening the Annual General Meeting of the Company.

The Board recommends the re-appointment of the above named Directors.

**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 31<sup>st</sup> March, 2013, 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 31<sup>st</sup> March, 2013 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

## 30th ANNUAL REPORT 2013

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 30<sup>th</sup> Annual General Meeting and, being eligible, offer themselves for re-appointment.

### **COST AUDITORS:**

The Board of Directors has appointed M/s. Uttam Agarwal Corporate Advisory Pvt. Ltd. for conducting the audit of the cost accounting records for the production of the Company as mandated by the Central Government. The Company has filed the Cost Audit Report on 26<sup>th</sup> February, 2013 which is within the time limit prescribed by the Cost Audit Report Rules, 2001.

### **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.

Your 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.

Navi Mumbai  
6<sup>th</sup> May, 2013

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

By Order of the Board of Directors

**PRADEEP GOYAL**  
**CHAIRMAN & MANAGING DIRECTOR**

**Information pursuant to Section 217 (1) (e) of the Companies Act, 1956**
**1. CONSERVATION OF ENERGY :**

The Company continuously makes efforts to conserve energy. 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. The company has completely switched over to use of gas in place of liquid fuels resulting in lower costs and lower pollution.

The Company has installed a new recuperator on a furnace which has further reduced the fuel consumption by almost 20%.

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

	<b>31/03/2013</b>	<b>31/03/2012</b>
1. Electricity *		
a. Purchased (Unit Nos.)	5,473,590	5,190,240
Total amount (Rs.)	39,050,030	32,550,090
Average rate (Rs./unit)	7.13	6.27
b. Own generation	N.A.	N.A.
2. Furnace Oil		
Quantity (Ltrs.)	-	202,640
Total amount (Rs.)	-	8,670,719
Average rate (Rs./Ltr.)	-	42.79
3. Light Diesel Oil (LDO)		
Quantity (Ltrs.)	-	298,101
Total amount (Rs.)	-	17,388,996
Average rate (Rs./Ltr.)	-	58.33
4. Piped Natural Gas		
Quantity (Cubic Meter)	980,030	264,417
Total amount (Rs.)	33,336,943	8,541,503
Average rate (Rs./Cubic Meter)	34.02	32.30

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

Production (MT-forged weight)	4639	4337
Heat Treatment (MT-forged weight)	4585	3906
Electricity (Units/MT)	1180	1197
Cost/MT (Rs./MT)	8418	7505
Furnace Oil/LDO/ Methyl Ester/RE-100 Piped Natural Gas } Ltrs./MT	211	176
Fuel Energy Cost** (Rs./MT) (including heat treatment)	7186	7978

\* Electricity cost increased by about 20% compared to previous year. The cost of electricity increased by about 14% and the production increased by 7%. However, significantly higher quantity of parts were sold in machined condition and hence there is an overall reduction in power consumption.

\*\* Gas consumption includes heat treatment of forgings. Energy cost decreased by 10% despite cost increase of gas by 5%, production quantity increase by 7% and heat treatment quantity increase by 17%.

## 30th ANNUAL REPORT 2013

### C. Technology Absorption :

#### 1. Research & Development :

The Company is constantly improving the design of dies and trim tools in a focused manner to optimize raw material consumption and achieve better quality and yield.

#### 2. Benefits derived:

Improvement in productivity, quality, yield and energy saving.

#### 3. Future Plans:

The Company is using innovative methods for reducing use of consumables which will result in further savings. All furnaces in the Company will be converted to the new recuperator system in the financial year 2013-14. The 6.25 ton hammer will be converted to hydraulic operation to conserve electricity, based on earlier experience of conversion of 1 ton hammer. Negotiations are ongoing with wind energy manufacturers to buy power directly to save power costs.

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

Since Research & Development is carried out in-house, as a part of the 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. Currently the company has taken up the process of moving some machines as a part of layout improvement which will reduce material movement by almost 50%.

### D. Foreign Exchange Earnings and Outgo:

Total foreign exchange used and earned:

**Used** : Rs. 2,993,073/-

**Earned** : Rs. 761,693,885/-

**REPORT ON CORPORATE GOVERNANCE**
**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:**

The Board of Directors consists of 9 Directors of whom 1 is Executive and 8 are Non-Executive Directors. The Chairman is an Executive Director.

The composition of the Board, category, attendance of Directors, number of other Committee memberships are given below:

Name of Director	Category Promoters, Executive, Non-Executive, Independent	No. of Board Meetings attended	Attendance Last AGM held on 06/09/2012	Other Directorships held (excluding private & of other foreign companies as on 31/03/2013)	Other Committee positions	
					Member	Chairman
Pradeep Goyal*	Chairman & Managing Director	5	Yes	4	7	3
Kewal K. Nohria**	Non-Executive	3	Yes	7	6	1
Omprakash Agarwal	Non-Executive Independent	5	Yes	Nil	Nil	Nil
Rakesh Kumar Agarwal***	Non-Executive	3	No	3	Nil	Nil
Suresh G. Vaidya	Non-Executive Independent	3	No	1	Nil	Nil
Raj Kumar Mittal	Non Executive Independent	5	Yes	1	3	Nil
Mrs. Neeru Pradeep Goyal*	Non-Executive	5	Yes	Nil	Nil	Nil
Jaidev R. Shroff	Non-Executive Independent	1	No	8	Nil	Nil
Rajeev D. Mehrotra	Non-Executive Independent	2	No	Nil	Nil	Nil

\* Both are related to each other as husband and wife and belong to Promoters' Group.

\*\* Ceased to be Independent Director w.e.f. 25<sup>th</sup> May, 2012.

\*\*\* Resigned w.e.f. 8<sup>th</sup> April, 2013.

**Board Meetings**

During the financial year 2012 –13, FIVE meetings of the Board were held on 5<sup>th</sup> May, 2012, 30<sup>th</sup> July, 2012, 27<sup>th</sup> August, 2012, 22<sup>nd</sup> October, 2012 and 9<sup>th</sup> February, 2013. The gap between any two Meetings did not exceed four months.

**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.

The information as specified in Annexure 1A to Clause 49 of the Listing Agreement, entered into with the Bombay Stock Exchange Limited, is regularly made available to the Board, whenever applicable and materially significant, for discussion and consideration.



## 30th ANNUAL REPORT 2013

### 3. Committees of the Board:

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

#### i) Audit Committee

The Board 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 & E of the Listing Agreement and Section 292 A of the Companies Act, 1956.

The Committee met four times during the financial year on 5<sup>th</sup> May, 2012, 30<sup>th</sup> July, 2012, 22<sup>nd</sup> October, 2012 and 9<sup>th</sup> February, 2013.

The Audit Committee consists of the following Directors as on 31<sup>st</sup> March, 2013:

Sr.No	Name of Director	Executive, Non-Executive, Independent	No. of Meetings attended
1	Raj Kumar Mittal	Chairman, Non-Executive, Independent	4
2	Suresh G. Vaidya	Member, Non-Executive, Independent	2
3	Kewal K. Nohria*	Member, Non-Executive	3
4	Rakesh Kumar Agarwal **	Member, Non-Executive	2

\* Ceased to be an Independent Director w.e.f.25<sup>th</sup> May, 2012.

\*\* Resigned w.e.f. 8<sup>th</sup> April, 2013.

All the members of the Audit Committee possess adequate knowledge of Accounts, Audit, Finance, etc.

The Chairman & Managing Director, the Head of Accounts, Internal Auditor and the Statutory Auditors are permanent invitees to the Meetings. The Company Secretary acted as the Secretary to the Audit Committee.

The Chairman of the Audit Committee was present at the 29<sup>th</sup> Annual General Meeting held on 6<sup>th</sup> September, 2012.

The Company does not have any Subsidiary as on 31<sup>st</sup> March, 2013.

#### ii) Shareholders'/Investors' Grievances Committee

Pursuant to Clause 49 of the Listing Agreement, the Board has formed a Shareholders'/Investors' Grievances Committee. 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 Mr. Abhinay Kapoor, Company Secretary, as the Compliance Officer.

The Committee met four times during the financial year on 5<sup>th</sup> May, 2012, 30<sup>th</sup> July, 2012, 22<sup>nd</sup> October, 2012 and 9<sup>th</sup> February, 2013.

The Committee consists of the following Directors:

Sr. No	Name of Director	Position	No of Meetings attended
1	Omprakash Agarwal	Chairman	4
2	Suresh G. Vaidya	Member	2
3	Rakesh Kumar Agarwal*	Member	2

\* Resigned w.e.f. 8<sup>th</sup> April, 2013.

The details of complaints received, cleared/pending during the financial year 2012-13 are given below:

<b>Nature of Complaints</b>	<b>Received</b>	<b>Cleared</b>	<b>Pending</b>
Non receipt of Dividend/Interest/redemption of Warrant	3	3	0
Non receipt of share certificate	2	2	0
Non receipt of rejected DRF	1	1	0
<b>Total</b>	<b>6</b>	<b>6</b>	<b>0</b>

**iii) Remuneration Committee**

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

The Committee met twice during the financial year on 30th July, 2012 and 22<sup>nd</sup> October, 2012.

The Committee consists of the following Directors:

<b>Sr. No</b>	<b>Name of Director</b>	<b>Position</b>	<b>No of Meetings attended</b>
1	Omprakash Agarwal	Chairman	2
2	Rakesh Kumar Agarwal*	Member	2
3	Suresh G. Vaidya	Member	1

\* Resigned w.e.f. 8<sup>th</sup> April, 2013.

During the financial year ended 31<sup>st</sup> March, 2013, the Company paid remuneration to its Directors as per the details given below:

<b>Name of the Director</b>	<b>Remuneration (Rs)</b>	<b>Remarks</b>
Pradeep Goyal Chairman & Managing Director	71,12,455/-	Salary & Perquisites

During the financial year, the Committee has also approved appointment of Mr. Abhinav Goyal, son of Mr. Pradeep Goyal, Chairman & Managing Director and Mrs. Neeru Pradeep Goyal, Director, as Vice President (Business Development and Technology) and remuneration payable to him, subject to necessary approval of the Board, the Shareholders and the Government of India.

The sitting fees being paid to the Non-Executive Directors was revised from Rs. 2,000/- to Rs. 5,000/- and from Rs. 1,000/- to Rs. 2,500/- respectively, for each meeting of the Board and its Committees attended by them, w.e.f. 31<sup>st</sup> July, 2012.

The sitting fees have been paid to the Directors as follows:

<b>Name of the Director</b>	<b>Sitting Fees ( Rs.)</b>
Omprakash Agarwal	30,500
Rakesh Kumar Agarwal	15,000
Suresh G. Vaidya	27,500
Raj Kumar Mittal	28,500
Kewal K. Nohria	21,000
Mrs. Neeru Pradeep Goyal	19,000
Jaidev R. Shroff	2,000
Rajeev D. Mehrotra	9,500

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

## 30th ANNUAL REPORT 2013

#### 4. Annual General Meeting:

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

Year	Date	Time	Venue
2011-2012	6 <sup>th</sup> September, 2012	12:30 p.m.	Registered office of the Company
2010-2011	4 <sup>th</sup> July, 2011	12:30 p.m.	— As above—
2009-2010	27 <sup>th</sup> August, 2010	4:00 p.m.	— As above—

An Extra Ordinary General Meeting was held on 29<sup>th</sup> December, 2012, at 3.00 p.m., at the Registered Office of the Company for considering the following matters:

- Appointment of Mr. Abhinav Goyal, son of Mr. Pradeep Goyal, Chairman & Managing Director and Mrs. Neeru Pradeep Goyal, Director of the Company, as Vice President (Business Development and Technology) and the remuneration payable to him;
- To establish a Branch Office in the city of New York, USA and to appoint Branch Auditors of the Branch Office of the Company.

No Special Resolution was put through Postal Ballot last year.

#### 5. Disclosures:

The particulars of transactions between the Company and related parties, as per the Accounting Standards are mentioned separately in Notes to Accounts – Schedule 16 – forming part of the Annual Accounts.

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

- 1 S.V. Shah Construction Services Pvt. Ltd.
- 2 Rabale Engineering (India) Pvt. Ltd.
- 3 Flashnet Info Solutions (India) Ltd.
- 4 Dhanlabh Engineering Works Pvt. Ltd.
- 5 Anchor Engineering Corporation
- 6 Shubh Industrial Park Pvt. Ltd.
- 7 Shubh Buildtech LLP
- 8 Mr. Pradeep Goyal
- 9 Mrs. Neeru Pradeep Goyal
- 10 Mrs. 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 does not send half yearly report to the shareholders. No presentation was made to any 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:**
**a. Disclosures regarding Appointment/Re-appointment of Directors**

Dr. Kewal K. Nohria, Mr. Suresh G. Vaidya and Mrs. Neeru Pradeep Goyal, Directors, retire by rotation and being eligible, have offered themselves for re-appointment.

**b. Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification**

As required by Clause 49V of the Listing Agreement, the CEO and CFO certification of the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting has been obtained from Mr. Pradeep Goyal (Chairman & Managing Director/CEO) and Mr. Dilip Dalvi (Manager – Accounts/CFO).

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

**Date** 8<sup>th</sup> August, 2013

**Time** 12.30 p.m.

**Venue** Pradeep Metals Ltd., R-205, TTC Industrial Area, MIDC, Rabale, Navi Mumbai-400701

**d. Book Closure:**

1<sup>st</sup> August, 2013 to 8<sup>th</sup> August, 2013 (both days inclusive).

**e. Dividend Payment Date:** On or before 6<sup>th</sup> September, 2013.

**f. Financial Calendar:**

Financial reporting for	Tentative date
Unaudited Financial Results for the quarter ending 30 <sup>th</sup> June, 2013	On or before 15 <sup>th</sup> August, 2013
Unaudited Financial Results for the half year ending 30 <sup>th</sup> September, 2013	On or before 15 <sup>th</sup> November, 2013
Unaudited Financial Results for the quarter ending 31 <sup>st</sup> December, 2013	On or before 15 <sup>th</sup> February, 2014
Audited Financial Results for the Year ending 31 <sup>st</sup> March, 2014	On or before 30 <sup>th</sup> May, 2014

**g. Listing on Stock Exchanges:**

The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited.

The Company has paid the listing fees for the current year to the aforesaid Stock Exchange within the stipulated time.

**h. Stock Code / Symbol:**

Bombay Stock Exchange Ltd. 513532, PRADPME

International Securities Identification Number (ISIN) INE770A01010

Corporate Identity Number (CIN) – allotted by the Ministry of Corporate Affairs L99999MH1982PLC026191

**i. Custodial Fees to Depositories:**

The annual custodial fees for the financial year 2013-14 have been paid to National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

## 30th ANNUAL REPORT 2013

**j. 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 2012	16.35	14.75	17664.10	17010.16
May 2012	18.15	13.85	17432.33	15809.71
June 2012	18.75	17.00	17448.48	15748.98
July 2012	17.90	14.20	17631.19	16598.48
August 2012	18.60	15.15	17972.54	17026.97
September 2012	20.50	16.00	18869.94	17250.80
October 2012	20.95	19.25	19137.29	18393.42
November 2012	23.90	20.70	19372.70	18255.69
December 2012	26.50	24.00	19612.18	19149.03
January 2013	26.30	21.70	20203.66	19508.93
February 2013	22.00	20.00	19966.69	18793.97
March 2013	20.70	17.00	19754.66	18568.43

**k. 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: [investors@pradeepmetals.com](mailto:investors@pradeepmetals.com)

**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](mailto:rnt.helpdesk@linkintime.co.in)

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

- l. Compliance Officer** : Mr. 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: [investors@pradeepmetals.com](mailto:investors@pradeepmetals.com)

**m. Share Transfer System :**

Documents for transfer of shares in physical form can be lodged with Link Intime (India) Pvt. Ltd., RTA of the Company at the above mentioned address. The transfers are normally processed within 10 – 15 days from the date of receipt, if the documents are complete in all respects.

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

**n. 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, 2013, 1,56,84,270 Equity Shares (i.e. 90.812%) out of 1,72,70,000 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, 2013:**

DISTRIBUTION SCHEDULE			
Category	No. of Shares	No. of Shareholders	No. of Shares
1	- 500	5599	860821
501	- 1000	420	368735
1001	- 2000	193	287392
2001	- 3000	65	172575
3001	- 4000	32	116422
4001	- 5000	35	168338
5001	- 10000	51	397714
10001	and above	51	14898003
<b>TOTAL</b>		<b>6446</b>	<b>17270000</b>

SHAREHOLDING PATTERN		
Category of Shareholders	No. of Shares	%
Promoters	11629441	67.34
Mutual Funds and UTI	9000	0.05
Banks, Financial Institutions, Insurance Companies	-	-
Foreign Institutional Investors	4100	0.02
Bodies Corporate	186864	1.08
Indian Public	3426849	19.85
Non Resident Individuals / Overseas Corporate Bodies	1417716	8.21
Any Other – Clearing Member, Independent Director and Trust	596030	3.45
<b>TOTAL</b>	<b>17270000</b>	<b>100</b>

**Open Offer:**

M/s. Rabale Engineering (India) Pvt. Ltd. (Acquirer), belonging to the Promoters' Group, has made an Open Offer, pursuant to regulation 3(2) and other applicable provisions of the SEBI (Substantial Acquisition of Shares Takeovers) Regulations, 2011, for acquiring upto 44,99,200 fully paid-up Equity Shares of Rs. 10/- each at Rs. 22/- per Equity Share, representing 26% of the issued & subscribed capital and 26.02% of the voting capital of the Company.

The Acquirer has fulfilled the applicable obligations under the Takeover Regulations and acquired 44,61,981 fully paid-up Equity Shares of the Company on 19<sup>th</sup> March, 2013, which has resulted into increase in shareholding of the Promoters' Group from 38.14% on 31<sup>st</sup> March, 2012 to 67.34% on 31<sup>st</sup> March, 2013.

# 30th ANNUAL REPORT 2013

## 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 31<sup>st</sup> March 2013, 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 31<sup>st</sup> March, 2013, there were no investor grievance matters against the Company remaining unattended/pending for more than 15 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.

Mumbai  
6<sup>th</sup> May, 2013

**FOR S.R.REGE & CO.**  
Chartered Accountants

**S. M. PATKI**  
**PARTNER**  
Membership No. 037690

## CEO/CFO CERTIFICATION

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

- a) We have reviewed the financial statements and cash flow statement for the year ended 31<sup>st</sup> March, 2013 and to the best 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 in violation 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  
6<sup>th</sup> May, 2013

**Dilip Dalvi**  
Manager - Accounts/CFO

**Pradeep Goyal**  
Chairman & Managing Director/CEO

**Management Discussion and Analysis**

**Company Background:**

Pradeep Metals Limited (Company) is engaged in the manufacture of intricate closed die stainless, alloy and carbon steel forgings as finished and semi-finished machined components.

The Company uses state-of-the-art machinery with sophisticated tool-room equipment to manufacture its forgings. The Company also employs hi-tech design and analysis software to create dies and tooling that play a key role in the production of forgings. The manufacturing plant is integrated with complete facilities for testing, cutting, die making, forging, heat-treatment and finishing. Recently, the Company improved its machining capacity and capabilities by adding new computer numerical control (CNC) machines and vertical machining centers (VMC).

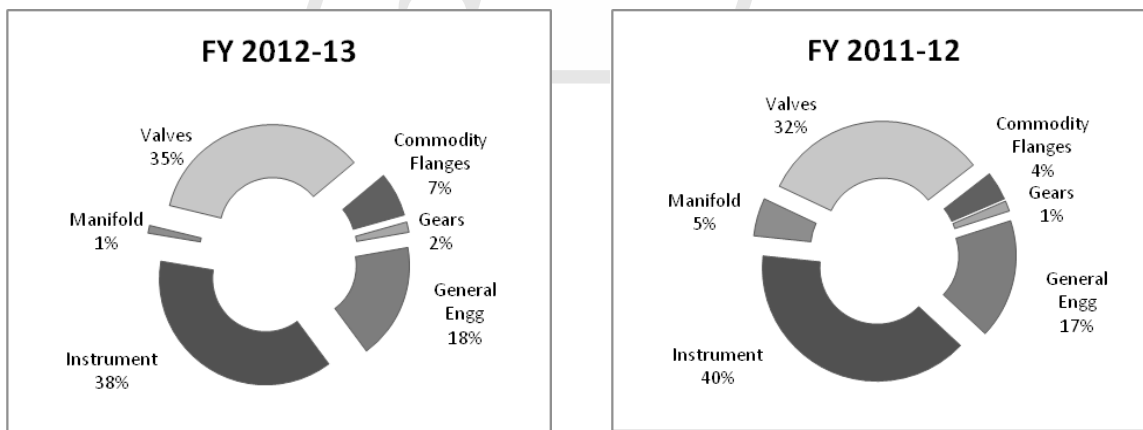
The Company uses an in-house laboratory, process control, continuous improvement principles, and an online integrated system to closely monitor the quality of its operations. These quality assurance systems have been approved by Global Original Equipment Manufacturers (OEMs) including nuclear grade and high-pressure equipment OEMs in Germany, USA and Canada. The Company is certified to ISO 9001:2008 for seventeen consecutive years and TÜV Pressure Equipment Directive 97/23/EC (PED) standards.

The Company currently serves 5 major industry verticals: instrumentation, oil & gas, petro-chemical, automotive and general engineering. Customers are located in India, USA, UK, Singapore, Sweden, Denmark, France, Germany, Mexico, Argentina and Turkey.

**Performance:**

The Company's 15.62% increase in turnover can be attributed to an increase in sales of higher value-added products to existing customers and the growth of new customers developed in the prior financial year.

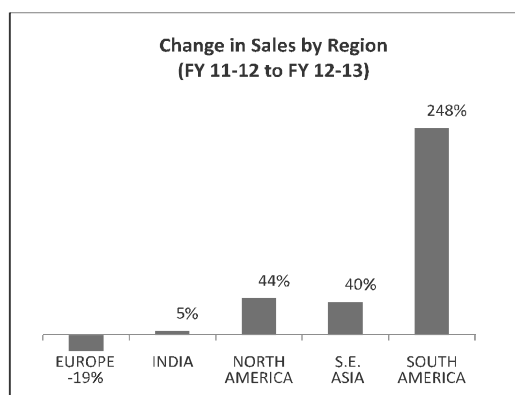
There was moderate growth in 3 product segments; Valves, Commodity Flanges, and General Engineering. This was accompanied by a decline in Manifold and Instrumentation Flange sales.



The Company also observed declining sales in the Euro zone, but realized moderate increase in sales in North America and SE Asia. South America had the highest growth rate, due to the creation of new customers and an increase in orders over the last year.



## 30th ANNUAL REPORT 2013



By adopting newer technologies in manufacturing as discussed in Annexure A, the Company managed to control its manufacturing costs despite increases in fuel, oil, labour, consumables and electricity prices. The Company has also taken a conscious effort to lower inventory levels to reduce interest costs. These steps have resulted in a 2.8% increase of EBITDA.

### Current Business Environment:

The domestic macroeconomic environment for the Company is weak due to infrastructure bottlenecks, supply constraints, low domestic demand, and subdued capital investment outlook. The Rupee depreciated by 5.8% against the US dollar during the financial year. The recent sharp decline in the Rupee has caused further concern for the economic stability in India.

The global economic growth is also uneven. Growth in the US is improved mildly while that in the Euro zone has further contracted. Other emerging markets around the world are also experiencing lackluster growth over the last year due to slow demand from advanced economies.

### Future Outlook:

The Company will continue to focus its efforts to increase revenues by developing new products for its existing customers and by expanding its customer base around the Globe. Based on the current business environment, the management predicts a relatively slow growth in the first half of the current financial year and a moderate increase in the second half due to the on-going development of new customers.

The Company began its changes to the existing plant layout to improve the productivity of workers, utilization of machinery, and flow of material. By creating a multitude of small improvement projects within each department, the Company expects to see better cost controls, improved product quality and higher margins on sales.

The Company is planning to replace older machines for newer equipment in order to improve its production capabilities. This will allow management to be more effective in building a future sales pipeline with existing and new customers.

Management expects a turnaround in the European market in the latter half of the financial year, and a steady growth in the South American market over the next year. Sales in North America are expected to remain flat.

### Cautionary Statement:

Details provided hereinabove relating to various activities and future plans may be “forward-looking statements” within the realm 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' REPORT**

To  
The Members of Pradeep Metals Ltd,

**Report on the Financial Statements**

We have audited the accompanying financial statements of the Pradeep Metals Limited, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2013 and the Statement of Profit and Loss and the Cash Flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with Sub-section (3C) of section 211 of the Companies Act, 1956 ("The Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon give the information required by the Act, in the manner so required for and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2013;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Matters**

1. As required by the Companies (Auditor's Report) Order, 2003 ("The Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the annexure a statement on the matters specified in clause 4 & 5 of the order.
2. As required by Section 227(3) of Companies Act, we report that:
  - (a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as

## 30th ANNUAL REPORT 2013

appears from our examination of those books.

- (c) the Balance Sheet and the Statement of Profit and Loss dealt with by this report, are in agreement with the books of account and the returns.
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- (e) on the basis of the written representation received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**FOR S. R. REGE & CO.  
CHARTERED ACCOUNTANTS  
(Reg. No. 108813W)**

Mumbai  
6<sup>th</sup> May, 2013



**S. M. PATKI  
PARTNER  
Membership No. 037690**

**Re: Pradeep Metals Limited**  
**Annexure referred to in paragraph 1 under the heading “ Report on Other Legal and Regulatory Matters” 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 period under the audit but there is a regular program 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 period under the audit 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. The Company has neither granted nor taken 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)(g) of the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report ) ( Amendment ) Order , 2004 are not applicable.

**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 section 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 section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the period under the audit 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. According to the information and explanations given to us, the Company is in the process of making arrangements for maintenance of Cost records under Companies (Cost Audit report) Rules, 2011 as prescribed under section 209(1) (d) of the Companies Act, 1956.

**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 March, 2013 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,

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## 30th ANNUAL REPORT 2013

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custom 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 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 is not applicable.
- b. The Company has not incurred any cash losses during the period 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 period 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 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 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 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 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 provision of clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to 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 period under audit. Therefore, provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 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 period 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, noticed or reported during the period under audit, nor have we been informed of any such case by the management.

FOR S. R. REGE & CO.  
CHARTERED ACCOUNTANTS  
(Reg. No. 108813W)

S. M. PATKI  
PARTNER  
Membership No. 037690

Mumbai  
6<sup>th</sup> May, 2013

# PRADEEP METALS LIMITED

## BALANCE SHEET AS AT 31st MARCH, 2013

		(Rs. in lacs)	
	Note No.	As at 31st March, 2013 (Audited)	As at 31st March, 2012 (Audited)
<b>EQUITY AND LIABILITIES</b>			
<b>1) Shareholders' Funds</b>			
Share Capital	2.1	1,726.26	1,641.26
Reserve and Surplus	2.2	1,288.66	962.78
Equity Warrants	2.1.3	-	43.75
		<u><b>3,014.92</b></u>	<u><b>2,647.79</b></u>
<b>2) Share Application Money Pending Allotment</b>			
		-	-
<b>3) Non-current liabilities</b>			
a) Long-Term Borrowings	2.3	137.61	419.17
b) Deferred Tax Liabilities (Net)	2.4	279.31	284.98
c) Other Long Term Liabilities	2.5	11.33	12.91
d) Long-Term Provisions	2.6	11.68	15.93
		<u><b>439.93</b></u>	<u><b>732.99</b></u>
<b>4) Current liabilities</b>			
a) Short-Term Borrowings	2.7	3,974.08	4,252.63
b) Trade Payables		1,216.38	1,883.01
c) Other Current Liabilities	2.8	471.40	278.14
d) Short-Term Provisions	2.9	421.47	322.59
		<u><b>6,083.33</b></u>	<u><b>6,736.37</b></u>
<b>TOTAL</b>		<u><b>9,538.18</b></u>	<u><b>10,117.15</b></u>
<b>ASSETS</b>			
<b>1) Non-Current Assets</b>			
a) Fixed Assets	2.10		
i) Tangible Assets		1,938.86	2,002.77
ii) Capital Work-in-Progress		<u>38.22</u>	<u>8.98</u>
		1977.08	2011.75
b) Non-Current Investments	2.11	1.00	1.00
c) Long-Term Loans and Advances	2.12	475.68	542.50
d) Other Non-Current Assets	2.13	15.51	61.77
		<u><b>2,469.27</b></u>	<u><b>2,617.02</b></u>
<b>2) Current Assets</b>			
a) Inventories	2.14	3,230.24	3,763.15
b) Trade Receivables	2.15	3,036.58	2,974.17
c) Cash and Bank Balances	2.16	23.10	22.49
d) Short-Term Loans and Advances	2.17	778.99	740.32
		<u><b>7,068.91</b></u>	<u><b>7,500.13</b></u>
<b>TOTAL</b>		<u><b>9,538.18</b></u>	<u><b>10,117.15</b></u>
Significant Accounting Policies and Notes		1 to 4	
Notes referred to above form an integral part of the Balance Sheet			

As per our report of even date

**S.R. REGE & CO.**  
CHARTERED ACCOUNTANTS  
(Regn.No 108813W)

**S.M. PATKI**  
PARTNER  
Membership No - 037690

Navi Mumbai  
6<sup>th</sup> May, 2013

**PRADEEP GOYAL**

**NEERU GOYAL**

**ABHINAY KAPOOR**

Chairman & Managing Director

Director

Company Secretary

## 30th ANNUAL REPORT 2013

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2013

	Note No	Year ended 31st March, 2013 (Audited)	(Rs. in lacs) Year ended 31st March, 2012 (Audited)
<b>I) REVENUE</b>			
a) Revenue from Operations (Gross)	3.1.1	<b>11,827.16</b>	<b>10,163.38</b>
i) Export		8,049.50	6,646.87
ii) Domestic		3,777.66	3,516.51
Less: Excise Duty		776.16	541.98
b) Other Operating Revenue (including sale of scrap generated)	3.1.2	1,444.17	1,444.19
<b>Revenue from Operations (Net)</b>		<b>12,495.17</b>	<b>11,065.59</b>
II) Other Income	3.2	208.12	63.79
III) <b>Total Revenue ( I + II )</b>		<b>12,703.29</b>	<b>11,129.38</b>
<b>IV) EXPENSES</b>			
Cost of Materials Consumed	3.3	6,500.58	6,530.36
Purchases Of Stock-In-Trade	3.4	4.86	0.06
Changes In Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	3.5	225.55	(544.45)
Employee Benefits Expense	3.6	1,282.93	1,018.20
Finance Costs	3.7	423.20	440.30
Depreciation And Amortization Expense	2.10.1	199.76	181.44
Other Expenses	3.8	3,291.19	2,767.78
<b>Total Expenses</b>		<b>11,928.07</b>	<b>10,393.69</b>
V) <b>Profit Before Exceptional And Extraordinary Items And Tax ( III - IV )</b>		775.22	735.69
VI) Exceptional Items		-	-
VII) <b>Profit Before Extraordinary Items And Tax ( V - VI )</b>		<b>775.22</b>	<b>735.69</b>
VIII) Extraordinary Items		-	-
IX) <b>Profit Before Tax ( VII - VIII )</b>		<b>775.22</b>	<b>735.69</b>
X) <b>Tax Expense</b>			
Current Tax Expense (includes Rs. 80.31 lacs of the previous year)		339.64	147.50
Deferred Tax Liabilities Increased / (Decreased)		(5.67)	5.10
		<b>333.97</b>	<b>152.60</b>
XI) <b>Profit (Loss) For The Period from continuing operation</b>		<b>441.25</b>	<b>583.09</b>
XII) <b>Earnings Per Equity Share</b>			
Basic	3.9	2.62	3.68
Diluted		2.56	3.51

Significant Accounting Policies and Notes

1

Notes referred to above from an integral part of the Statement of Profit and Loss Account

As per our report of even date

**S.R. REGE & CO.**

CHARTERED ACCOUNTANTS  
(Regn.No 108813W)

**PRADEEP GOYAL**

Chairman & Managing Director

**S.M. PATKI**

PARTNER

Membership No - 037690

**NEERU GOYAL**

Director

**ABHINAY KAPOOR**

Company Secretary

Navi Mumbai  
6<sup>th</sup> May, 2013

**NOTE NO - 1: NOTES FORMING PART OF THE ACCOUNTS****1.1) Significant Accounting Policies:****(1.1.1) 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.

**(1.1.2) 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.

**(1.1.3) 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.

**(1.1.4) Fixed Assets and Depreciation**

Fixed Assets are stated at cost less depreciation. Depreciation on assets has been provided for on straight line method at the rates specified in Schedule XIV of the Companies Act, 1956, on continuous process plant basis.

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

**(1.1.5) 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.

**(1.1.6) 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 15% 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.

**(1.1.7) Investment**

Investments are stated at Cost.

**(1.1.8) Sales**

Sales are inclusive of excise duty. Revenue from sale of goods is recognised on transfer of significant risks and rewards of ownership to the buyer.

**(1.1.9) Foreign Currency transactions**

Transactions in foreign currency are recorded at the rates of exchange in force at the time the transactions are effected. Monetary items denominated in foreign currency are restated using



## 30th ANNUAL REPORT 2013

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.

### (1.1.10) Provisions, Contingent Liabilities and Contingent Assets

Provisions, to the extent found necessary as per the Management, have been made based on best estimates which includes a provision for a present obligation as a result of past event. Contingent Assets have not been recognized and hence, not reported.

### (1.1.11) 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.

### (1.1.12) 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 period, no such loss was observed and hence, no provision for impairment loss has been made.

(1.1.13) 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.

(1.1.14) Preliminary expenses are being amortized in the year in which the same has been incurred.

## 1.2) Notes on Accounts

	31 <sup>st</sup> March 2013 (Rs.)	31 <sup>st</sup> March, 2012 (Rs.)
(1.2.1) Contingent Liabilities not provided for		
a. Letter of Guarantee issued by Union Bank of India		
(secured by 100 % margin)	89,712	101,208
(secured by 10 % margin)	956,862	866,862
b. Capital Commitment for purchase of Machinery	30,917,820	22,867,775
(1.2.2) Value of import calculated on CIF basis :		
Raw Material and Consumable goods	1,435,168	1,569,252
Capital goods	-	24,485,176
(1.2.3) Expenditure in foreign currency – Travelling	1,557,905	1,004,410
(1.2.4) Earning in foreign currency :		
FOB value of Exports	761,693,885	666,563,588
(1.2.5) Bank Borrowings for Working Capital and Sundry Debtors include export bills aggregating to Rs.1210.85 Lacs (Rs. 1070.59 Lacs as on 31 <sup>st</sup> March, 2012) purchased / discounted by the Bank but pending realization as on the date of the Balance Sheet.		

(1.2.6) The year end net monetary foreign currency exposures that have not been hedged, are given below.

**Receivables**

Sr. No	Particulars	Foreign Currency	Amount	Foreign Currency	Amount
		In Lacs 31 <sup>st</sup> March,2013	(Rs. in Lacs) 31 <sup>st</sup> March, 2013	In Lacs 31 <sup>st</sup> March,2012	(Rs. in Lacs) 31 <sup>st</sup> March,2012
1	USD	17.11	924.78	05.72	284.47
2	EURO	3.60	247.79	00.36	23.08
3	GBP	00.49	40.08	00.01	01.43

**Payables**

Sr. No	Particulars	Foreign Currency	Amount	Foreign Currency	Amount
		In Lacs 31 <sup>st</sup> March,2013	(Rs. in Lacs) 31 <sup>st</sup> March,2013	In Lacs 31 <sup>st</sup> March,2012	(Rs. in Lacs) 31 <sup>st</sup> March,2012
1	USD	-	-	03.08	156.87

(1.2.7) 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	31.03.2013 (Rs.)	31.03.2012 (Rs.)
1.	S.V.Shah Construction Services Pvt. Ltd.	Enterprise in which a Key Managerial Personnel and his relatives are Directors.	Inter Corporate Deposit taken during the period Balance at the year end. Interest @ 13.50% p.a. on Inter Corporate Deposit	- - -	14,400,000/- - 818,819/-
2.	Rabale Engineering (I) Pvt. Ltd.	Enterprise in which a relative of the Key Managerial Personnel is a Director	Interest @ 11% p.a. on Inter Corporate Deposit	-	161,323/-
3.	Dhanlabh Engineering Works Pvt. Ltd.	Enterprise in which a relative of the Key Managerial Personnel is a Director	Labour Charges Sales Rent Electric Bill	45,76,919/- 993,227/- 17,97,760/- 936,543/-	410,354/-
4	Abhinav Goyal	Son of Chairman and Managing Director	Salary	17,50,000/-	-

(1.2.8) The dues outstanding to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act 2006, are based on the Information available with the company and this has been relied upon by the auditors and hence the disclosures as required under the said Act have not been given.

## 30th ANNUAL REPORT 2013

- (1.2.9) The Company has duly complied with the Accounting Standards referred to in sub-section 3(c) of Section 211 of the Companies Act, 1956.
- (1.2.10) Additional Information pursuant to the provisions of part II of Schedule VI to the Companies Act, 1956 are Annexed separately.
- (1.2.11) The Revised Schedule VI has become effective from 1<sup>st</sup> April 2011 for the preparation of financial statements. This has significantly impacted the disclosures & presentations made in the financial statements. Previous year's figures have been regrouped/reclassified, wherever necessary, to correspond with the current year's classifications/disclosures.

As per our report of even date

for and on behalf of the Board

**S.R. REGE & CO.**  
CHARTERED ACCOUNTANTS  
(Regn.No 108813W)

**S.M. PATKI**  
PARTNER  
Membership No - 037690

Navi Mumbai  
6<sup>th</sup> May, 2013

**PRADEEP GOYAL**

Chairman & Managing Director

**NEERU GOYAL**

Director

**ABHINAY KAPOOR**

Company Secretary



**2. NOTES FORMING PART OF BALANCE SHEET**

		(Rs. in lacs)		
		As at 31st March, 2013	As at 31st March, 2012	
<b>2.1 SHARE CAPITAL</b>				
<b>2.1.1 Authorised</b>				
18,500,000 (18,500,000) Equity Shares of Rs.10 each		1,850.00	1,850.00	
550,000 (550,000) Preference Shares of Rs.100 each		550.00	550.00	
		<u>2,400.00</u>	<u>2,400.00</u>	
<b>2.1.2 Issued, Subscribed and Fully Paid</b>				
17,270,000 (16,420,000) Equity Shares of Rs.10 each fully paid up		1,727.00	1,642.00	
Less : Calls in Arrears		0.74	0.74	
	<b>TOTAL</b>	<u>1,726.26</u>	<u>1,641.26</u>	
<b>2.1.3 Equity Warrants -Rabale Engineering India P.Ltd.</b>				
Nil (4,00,000) Equity Warrants of Rs 10/- each at a premium of Rs.9/-each.		-	19.00	
Nil (4,50,000) Equity Warrants of Rs 10/- each at a premium of Rs.12/-each.		-	24.75	
		<u>-</u>	<u>43.75</u>	
<b>2.1.4 The list of Shareholders holding more than 5 % shares in the Company is given below :-</b>				
<b>Name of the Shareholders</b>	<b>2012-2013</b>	<b>2011-2012</b>		
	<b>Number of Shares</b>	<b>% of Holding</b>	<b>Number of Shares</b>	
			<b>% of Holding</b>	
S. V. Shah Construction Services P.Ltd.	2,778,561	16.09	2,778,561	
Flashnet Info Solutions (India) Ltd.	1,026,500	5.94	1,026,500	
Pradeep Goyal	1,521,400	8.81	875,900	
Rabale Engineering (I) Pvt. Ltd.	6,165,381	35.70	800,000	
			4.87	
<b>2.1.5 The Reconciliation of the number of equity shares outstanding:- Equity shares with voting rights</b>				
	<b>As at March, 2013</b>		<b>As at March, 2012</b>	
	<b>Number</b>	<b>(Rs. in lacs)</b>	<b>Number</b>	<b>(Rs. in lacs)</b>
Shares outstanding as at the beginning of the year	16,420,000	1,642.00	12,720,000	1,272.00
Add :Issued during the year	850,000	85.00	3,700,000	370.00
Shares outstanding as at the end of the year	<u>17,270,000</u>	<u>1,727.00</u>	<u>16,420,000</u>	<u>1,642.00</u>

## 30th ANNUAL REPORT 2013

### 2.2 RESERVES AND SURPLUS

#### Reserves and Surplus as at 31st March 2013

	Securities Premium Account	General Reserve	Surplus as per Statement of Profit and Loss Account	(Rs. in lacs) Total
Opening Balance As per last Balance Sheet	425.98	188.60	348.20	962.78
Net Profit/(Loss) for the period			441.25	441.25
Add Received during the Year	90.00		-	90.00
Less : Calls in Arrears	-	-	-	-
Conversion of Equity Warrants on 27th August, 2012, for the year 2011-12. (Including dividend Tax Rs.0.65 lacs)	-	-	4.65	4.65
Less : Proposed Dividend on Equity Shares for the year (including dividend distribution Tax Rs.28.02 lacs)	-	-	200.72	200.72
<b>Closing Balance</b>	<b>515.98</b>	<b>188.60</b>	<b>584.08</b>	<b>1,288.66</b>

### 2.2 RESERVES AND SURPLUS

#### Reserves and Surplus as at 31st March, 2012:

	Securities Premium Account	General Reserve	Surplus as per Statement of Profit and Loss Account	(Rs. in lacs) Total
Opening Balance As per last Balance Sheet	265.88	68.60	75.95	410.43
Net Profit/(Loss) for the period	-	-	583.09	583.09
Add : Received during the period	420.00	-	-	420.00
Add : Transferred from Profit and Loss Account	-	120.00	-	120.00
Less : Premium paid on Redemption of OCCRPS	259.90	-	-	259.90
Less : Surplus transferred to General Reserve	-	-	120.00	120.00
Less : Proposed Dividend on Equity Shares for the year (including dividend distribution Tax Rs.26.63 lacs)	-	-	190.84	190.84
<b>Closing Balance</b>	<b>425.98</b>	<b>188.60</b>	<b>348.20</b>	<b>962.78</b>

	(Rs. in lacs) As at 31st March, 2013	(Rs. in lacs) As at 31st March, 2012
<b>NON - CURRENT LIABILITIES</b>		
<b>2.3 (a) From Union Bank of India</b>		
<b>Term Loans (Secured by first pari passu Charge on the fixed assets of the Company, present and future and second charge on Current Assets.):</b>		
(i) Term Loan IV (Repayable in 15 Quarterly Installment of Rs.6.37 lacs each & 16th Installment or Rs.6.45 lacs starting from April 2010 at the interest Base rate + 4.25% p.a.) The total outstanding as on 31st March, 2013 - Rs.22.97 lacs. (Previous Year Rs.48.45 lacs.)	-	22.97
(ii) Term Loan V (Repayable in 45 monthly installments of Rs.10.00 lacs each starting from July 2011 at the interest Base rate + 2.25% p.a.)The total outstanding as on 31st March, 2013 - Rs. 210.55 lacs. (Previous Year Rs.245.40 lacs.)	90.55	125.40
(iii) Term Loan VI (Repayable in 15 Quarterly Installment of Rs. 15.00 lacs each starting from July 2012 at the interest Base rate + 2.25% p.a.). The total outstanding as on 31st March, 2013 - Rs. 106.50 lacs. (Previous Year Rs.113.75 lacs) All the above loans are also secured by personal guarantee of the Chairman and Managing Director of the Company.	46.50	68.75
<b>(b) Loan from Axis Bank Ltd</b> (Secured by hypothecation of the vehicle : Terms of Repayment : starting from October 2011 in 35 monthly installments for Rs.0.15 lacs. at the interest rate 11.24 % p.a.. The total outstanding as on 31st March,2013 - Rs.2.42 lacs (Previous Year Rs. 3.91 lacs).  <b>Installments due on above within one year Rs. 204.83 lacs ( Previous year Rs. 192.34 lacs)</b>	0.56	2.05
<b>(c) Unsecured</b> Inter Corporate Deposits	-	200.00
	<u>137.61</u>	<u>419.17</u>
<b>2.4 DEFERRED TAX ASSETS AND LIABILITIES</b>		
<b>Deferred Tax Assets:</b>		
Other Timing Difference	31.77	28.89
Unabsorbed Depreciation Carried Forward	-	-
	<u>31.77</u>	<u>28.89</u>
<b>Deferred Tax Liability:</b>		
Arising out of timing Difference On Account of Book & Tax Depreciation for the current year	(311.08)	(313.87)
<b>Net Deferred Tax Liability</b>	<u>(279.31)</u>	<u>(284.98)</u>

## 30th ANNUAL REPORT 2013

	(Rs. in lacs) As at 31st March, 2013	(Rs. in lacs) As at 31st March, 2012
<b>2.5 OTHER LONG TERM LIABILITIES</b>		
Trade payable	6.62	12.07
Other Liabilities (Advances from Debtors)	4.71	0.84
	<u>11.33</u>	<u>12.91</u>
<b>2.6 LONG-TERM PROVISIONS</b>		
Provision for Employee Benefits	11.68	15.93
	<u>11.68</u>	<u>15.93</u>
<b>CURRENT LIABILITIES</b>		
<b>2.7 SHORT-TERM BORROWINGS</b>		
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 (The above loans are also secured by personal guarantee of the Chairman and Managing Director of the Company)	3,974.08	4,252.63
	<u>3,974.08</u>	<u>4,252.63</u>
<b>2.8 OTHER CURRENT LIABILITIES</b>		
Unpaid dividends	6.89	7.01
Trade Payables - Capital Goods	1.28	0.55
Outstanding Liabilities for Expenses	58.40	53.24
<b>Current maturities of long term loans:-</b>		
<b>( a ) From Union Bank of India</b>		
<b>Term Loans (Secured by first pari passu Charge on the fixed assets of the Company, present and future and second charge on Current Assets.):</b>		
(i) Term Loan IV (Repayable in 15 Quarterly Installment of Rs.6.37 lacs each & 16th Installment or Rs.6.45 lacs starting from April 2010 at the interest Base rate + 4.25% p.a.) The total outstanding as on 31st March, 2013 - Rs.22.97 lacs. (Previous Year Rs.48.45 lacs.)	22.97	25.48
(ii) Term Loan V (Repayable in 45 monthly installments of Rs.10.00 lacs each starting from July 2011 at the interest Base rate + 2.25% p.a. ) The total outstanding as on 31st March, 2013 - Rs. 210..55 lacs. (Previous Year Rs.245.40 lacs.)	120.00	120.00
(iii)Term Loan VI (Repayable in 15 Quarterly Installment of Rs. 15.00 lacs each starting from July 2012 at the interest Base rate + 2.25% p.a.). The total outstanding as on 31st March, 2013 - Rs.106.50 lacs. (Previous Year Rs.113.75 lacs) All the above loans are also secured by personal guarantee of the Chairman and Managing Director of the Company.	60.00	45.00

	As at 31st March, 2013	(Rs. in lacs) As at 31st March, 2012
<b>(b) Loan from Axis Bank Ltd</b>	1.86	1.86
(Secured by hypothecation of the vehicle : Terms of Repayment : starting from October 2011 in 35 monthly installments for Rs.0.15 lacs. at the interest rate 11.24 % p.a. The total outstanding as on 31st March,2013 - Rs.2.42 lacs (Previous Year Rs. 3.91 lacs) <b>Installments due on above within one year Rs. 204.83 lacs,                      (Previous year Rs. 192.34 lacs )</b>		
<b>(c) Unsecured</b>		
Inter Corporate Deposits	200.00	25.00
	<b>471.40</b>	<b>278.14</b>
<b>2.9 SHORT-TERM PROVISIONS</b>		
Provisions for Income Tax (Net of Advance Tax and TDS of Rs. 147.26 lacs). (Previous Year Nil)	0.24	-
Proposed Dividend and Dividend distribution tax there on Provision for Employee Benefits	200.72 220.51	190.84 131.75
	<b>421.47</b>	<b>322.59</b>
<b>2.10 FIXED ASSETS (Refer Page 38)</b>		
210.1 Depreciation and amortisation for the year	199.76	181.45
Less: Capitalised as pre-operative expenses	-	-
Less: Additional depreciation on revalued assets withdrawn from capital reserve	-	-
Depreciation and amortisation for the year charged to Statement of Profit and Loss	<b>199.76</b>	<b>181.45</b>
	<b>199.76</b>	<b>181.45</b>
<b>2.11 NON-CURRENT INVESTMENTS</b>		
<b>Unquoted Investments</b>		
Janakalyan Sahakari Bank Ltd.	10	10
Dombivli Nagari Sahakari Bank Ltd.	50	1,000
The Thane Janata Sahakari Bank Ltd.	50	1,000
	<b>1.00</b>	<b>1.00</b>
211.1 Aggregate Cost of :		
Quoted Investments	-	-
Unquoted Investments	1.00	1.00
	<b>1.00</b>	<b>1.00</b>
<b>NON-CURRENT ASSETS</b>		
<b>2.12 LONG-TERM LOANS AND ADVANCES</b>		
<b>(Unsecured, Considered Good unless otherwise stated)</b>		
Capital Advances	347.16	324.97
Deposits and Balances with Government and other Authorities	39.34	30.32
Mat Credit Entitlement	183.14	263.45
Less : Utilised upto 31st March , 2013.	(104.23)	(80.31)
Mat Credit Available	78.91	183.14
Other Deposits	10.27	4.07
	<b>475.68</b>	<b>542.50</b>



## 30th ANNUAL REPORT 2013

	As at 31st March, 2013	(Rs. in lacs) As at 31st March, 2012
<b>2.13 OTHER NON-CURRENT ASSETS</b>		
Long term Trade Receivables	15.51	61.77
	<u>15.51</u>	<u>61.77</u>
<b>CURRENT ASSETS</b>		
<b>2.14 INVENTORIES</b>		
Raw Materials	532.32	876.29
Work-in-progress (Note 4.1)	1,300.70	1497.35
Consumable stores & spares & Fuel	258.92	251.59
Dies	1,111.10	1,081.82
Scrap	27.20	56.10
	<u>3,230.24</u>	<u>3,763.15</u>
2.14.1 Work in progress		
Forgings	1,300.70	1,497.35
Others	-	-
	<u>1,300.70</u>	<u>1,497.35</u>
<b>2.15 TRADE RECEIVABLES</b>		
(Unsecured, Considered Good unless otherwise stated)		
Outstanding for a period exceeding six months from the date they are due for payment.	12.53	67.27
Others	3,024.05	2,906.90
	<u>3,036.58</u>	<u>2,974.17</u>
<b>2.16 CASH AND BANK BALANCES</b>		
Cash and Cash Equivalents		
Balances with Scheduled banks :		
In Current Accounts	11.68	11.81
In Fixed Deposits (pledged with Government Authorities and Banks)	10.47	9.68
Cash in Hand	0.95	1.00
	<u>23.10</u>	<u>22.49</u>
2.16.1 Lodged as security with Government Department	-	-
2.16.2 Interest accrued	-	-
<b>2.17 SHORT-TERM LOANS AND ADVANCES</b>		
Unsecured (Considered Good unless otherwise stated)		
Loans and Advances	751.33	644.40
(Export benefits, Balance with excise & sales tax Dept)		
Advance Income Tax ( Net of Provision for Tax of Rs.301.70 lacs)	27.66	95.92
(Previous Year Rs.213.79 lacs)		
	<u>778.99</u>	<u>740.32</u>

# PRADEEP METALS LIMITED



## 2. NOTES FORMING PART OF BALANCE SHEET

### 2.10 FIXED ASSETS

FIXED ASSETS	GROSS BLOCK			DEPRECIATION/MORTISATION			NET BLOCK	
	As At 01.04.2012	Additions	Deductions	As at 01.04.2012	For the year	Adjustment on Sales	As at 31.03.2013	As at 31.03.2012
<b>TANGIBLE ASSETS</b>								
Leasehold Land	55.81	-	-	-	-	-	55.81	55.81
Factory Buildings	326.69	28.65	-	157.16	11.53	-	186.65	169.53
Plant and Machinery	3,451.06	104.06	4.57	1,730.79	180.41	3.94	1,643.29	1,720.27
Furniture and Fixtures	34.11	3.77	-	21.14	1.34	-	15.40	12.97
Vehicles	69.05	-	-	24.86	6.48	-	37.71	44.19
<b>Total Tangible Assets</b>	<b>3,936.72</b>	<b>136.48</b>	<b>4.57</b>	<b>4,068.63</b>	<b>199.76</b>	<b>3.94</b>	<b>1,938.86</b>	<b>2,002.77</b>
<b>Previous Year</b>	<b>3,636.83</b>	<b>366.27</b>	<b>66.38</b>	<b>1,798.42</b>	<b>181.45</b>	<b>45.92</b>	<b>2,002.77</b>	<b>1,838.41</b>
<b>INTANGIBLE ASSETS</b>								
<b>Total Intangible Assets</b>	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-
<b>Total Fixed Assets</b>	<b>3,936.72</b>	<b>136.48</b>	<b>4.57</b>	<b>4,068.63</b>	<b>199.76</b>	<b>3.94</b>	<b>1,938.86</b>	<b>2,002.77</b>
Capital work-in-progress (including Pre-operative Expenses)							<b>38.22</b>	<b>8.98</b>
Intangible Assets Under Development							-	-
							<b>1977.08</b>	<b>2,011.75</b>



## 30th ANNUAL REPORT 2013

3. NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS	(Rs. in lacs) Year ended 31st March, 2013	(Rs. in lacs) Year ended 31st March, 2012
<b>3.1 REVENUES</b>		
<b>3.1.1 OPERATING REVENUES</b>		
Sale of Products	11,747.31	10,034.62
Job work/ Tooling Charges	79.85	128.76
	<u><b>11,827.16</b></u>	<u><b>10,163.38</b></u>
<b>3.1.2 OTHER OPERATING REVENUES</b>		
Export Incentives	226.30	223.23
Scrap Sales	1,210.84	1,201.64
Miscellaneous Receipts - Operating	7.03	19.32
	<u><b>1,444.17</b></u>	<u><b>1,444.19</b></u>
<b>3.2 OTHER INCOME</b>		
Exchange Rate Difference (Net)	190.27	32.32
Interest on Bank and Other Accounts	2.45	1.10
Dividend (Gross) from Others	0.08	0.08
	<u><b>192.80</b></u>	<u><b>33.50</b></u>
Profit on Sale of Fixed Assets (Net)	-	2.36
Miscellaneous Receipts - Non Operating	15.32	27.93
	<u><b>208.12</b></u>	<u><b>63.79</b></u>
<b>3.3 COST OF MATERIALS CONSUMED</b>		
Opening Stock	876.29	549.01
Add : Purchases And Incidental Expenses	6,156.61	6,857.64
Less : Closing Stock	532.32	876.29
	<u><b>6,500.58</b></u>	<u><b>6,530.36</b></u>
<b>3.4 PURCHASES OF STOCK-IN-TRADE</b>		
Others /Steel	4.86	0.06
	<u><b>4.86</b></u>	<u><b>0.06</b></u>
<b>3.5 INCREASE / DECREASE IN STOCKS</b>		
Opening Stock As on 1st April, 2012		
a. Process Stock/Finish Goods	1,497.35	997.77
b. Scrap	56.10	11.23
	<u><b>1,553.45</b></u>	<u><b>1,009.00</b></u>
Less : Closing Stock As on 31st March, 2013		
a. Process Stock/Finish Goods	1,300.70	1,497.35
b. Scrap	27.20	56.10
	<u><b>1,327.90</b></u>	<u><b>1,553.45</b></u>
	<u><b>225.55</b></u>	<u><b>(544.45)</b></u>

	(Rs. in lacs) Year ended 31st March, 2013	(Rs. in lacs) Year ended 31st March, 2012
<b>3.6 EMPLOYEE BENEFITS EXPENSES</b>		
Salaries	241.16	136.01
Wages	930.28	790.86
Contribution To Provident And Other Funds	65.20	55.72
Staff Welfare Expenses	46.29	35.61
	<u><b>1,282.93</b></u>	<u><b>1,018.20</b></u>
<b>3.7 FINANCE COSTS</b>		
Interest on Term Loans and Working Capital Facilities.	399.04	416.44
Interest on Inter Corporate Deposit	19.28	23.45
Other Interest	4.88	0.41
	<u><b>423.20</b></u>	<u><b>440.30</b></u>
<b>3.8 OTHER EXPENSES</b>		
(A) Consumable stores and spares	578.53	431.96
(B) Power, fuel and water	728.62	676.36
(C) Rent	21.98	-
(D) Repairs To Factory Buildings	14.69	15.51
(E) Repairs To Machinery	62.24	28.29
(F) Insurance	17.09	11.86
(G) Die Consumed	271.59	263.84
<b>(H) Miscellaneous Expenses (Refer note 3.8.1)</b>	<u><b>1,596.45</b></u>	<u><b>1,339.96</b></u>
	<u><b>3,291.19</b></u>	<u><b>2,767.78</b></u>
<b>3.8.1 Miscellaneous Expenses</b>		
Payments to sub-contractors	473.69	492.35
Inward Freight, Octroi and Other expenses	306.01	232.79
Other administrative expenses	213.50	141.37
Selling expenses	408.94	242.84
Others	194.31	230.61
	<u><b>1,596.45</b></u>	<u><b>1,339.96</b></u>
<b>3.8.2 Auditors' Remuneration (Including service tax) charged to Statement of Profit and Loss account</b>		
Audit fees	2.81	2.76
Tax Audit fees	0.67	0.60
For Consultation on Tax Matters	0.68	0.50
Other Matters	1.23	0.74
Reimbursement of expenses	0.42	0.17
	<u><b>5.81</b></u>	<u><b>4.77</b></u>

## 30th ANNUAL REPORT 2013

	(Rs. in lacs) Year ended 31st March, 2013	(Rs. in lacs) Year ended 31st March, 2012
<b>3.9 Earnings Per Share:</b>		
Net profit for the year from ordinary activities attributable to equity shareholders	441.25	583.09
	441.25	583.09
Weighted-average-number of potential equity shares on exercise of options	16,856,500	15,853,880
Basic Earnings Per Share (Face Value of 10 each)	<b>2.62</b>	<b>3.68</b>
- From ordinary activities		
Diluted Earnings Per Shares (Face Value of 10 each)	<b>2.56</b>	<b>3.48</b>
- From ordinary activities		

**4.1 Additional information details** (Rs. in lacs)

**4.1 Turnover and Stocks**

Products	Turnover		Stock	
	31st March, 2013	31st March, 2012	31st March, 2013	31st March, 2012
01. Steel Forging work	11,741.69	10,034.55	1,300.70	1,497.35
02. Steel Trading	5.62	0.07	-	-
	<b>11,747.31</b>	<b>10,034.62</b>	<b>1,300.70</b>	<b>1,497.35</b>

As per our report of even date  
**S.R. REGE & CO.**  
CHARTERED ACCOUNTANTS  
(Regn.No 108813W)

**S.M. PATKI**  
PARTNER  
Membership No - 037690

Navi Mumbai  
6<sup>th</sup> May, 2013

for and on behalf of the Board

**PRADEEP GOYAL**

Chairman & Managing Director

**NEERU GOYAL**

Director

**ABHINAY KAPOOR**

Company Secretary

# PRADEEP METALS LIMITED

## Cash Flow Statement for the year ended 31st March, 2013

	<b>2012-2013</b>	<b>Rs in lacs</b>
	<b>Current year</b>	<b>2011-2012</b>
		<b>Previous Year</b>
<b>A) Cash Flow from Operating Activities</b>		
Net profit before tax and exceptional items Adjustment for :-	775.22	735.69
Income Tax Adjustment For Prior Years	(80.31)	-
Depreciation	199.76	181.44
Loss on sale of Assets	0.45	8.56
Dividend Received	(0.08)	(0.08)
Interest Expenses	423.20	440.30
Misc. Expenditure W/ Off	-	-
<b>Operating profit before Working Capital changes</b>	<b><u>1318.24</u></b>	<b><u>1365.91</u></b>
Adjustment for		
Trade and Other Receivables	(178.82)	(1344.92)
Inventories	532.91	(1059.95)
Transfer From Capital Working Progress	(51.43)	(316.02)
Trade Payable	(623.89)	1174.96
Profit On Sale Of Assets	-	(2.36)
<b>Cash generated From Operations</b>	<b><u>997.01</u></b>	<b><u>(182.38)</u></b>
Interest Paid	(423.20)	(440.30)
Cash flow Before Extraordinary Items	573.81	(622.68)
Extraordinary Items	-	-
<b>Net Cash used in Operating Activities</b>	<b><u>573.81</u></b>	<b><u>(622.68)</u></b>
<b>B) Cash Flow From Investing Activities</b>		
Purchase Of Fixed Assets	(136.48)	(366.27)
Sale Of Fixed Assets	0.17	14.27
Dividend Received	0.08	0.08
<b>Net Cash Flow From Investing Activities</b>	<b><u>(136.23)</u></b>	<b><u>(351.92)</u></b>
<b>C) Cash Flow from Financing Activities</b>		
Proceeds From ISSUE Of Share Capital	85.00	370.00
Premium Received On Issue Of Share Capital	90.00	420.00
Redemption of OCCRP shares with premium	-	(779.70)
Proceeds From Advance Received Against Warrants	(43.75)	(13.25)
Proceeds From Working Capital Borrowings	(347.62)	1287.45
Payment of Dividend - Equity Shares	(195.60)	(147.84)
Payment of Dividend - OCCRP	-	(149.88)
Proceeds From Other Borrowings (Net)	(25.00)	(1.00)
<b>Net Cash Flow From Investing Activities</b>	<b><u>(436.97)</u></b>	<b><u>985.78</u></b>
<b>Net Increase In Cash and Cash Equivalents Flow From Investing Activities</b>	<b>0.61</b>	<b>11.18</b>
Cash and Cash Equivalents As at 31/03/2012 (Opening Balance)	22.49	11.31
<b>Cash and Cash Equivalents As at 31/03/2013 (Closing Balance)</b>	<b><u>23.10</u></b>	<b><u>22.49</u></b>

**Notes :**

- 1) The Cash Flow statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statement" notified under the Company's (Accounting Standard) Rules, 2006
- 2) Figures in brackets indicate Cash Outflow
- 3) Previous year's figures have been regrouped, wherever necessary to conform to this year's classification.

**As per our report of even date**

**for and on behalf of the Board**

**S.R. REGE & CO.**

CHARTERED ACCOUNTANTS  
(Regn.No 108813W)

**PRADEEP GOYAL**

Chairman & Managing Director

**S.M. PATKI**

PARTNER  
Membership No - 037690

**NEERU GOYAL**

Director

**ABHINAY KAPOOR**

Company Secretary

Navi Mumbai  
6<sup>th</sup> May, 2013

**PRADEEP METALS LTD.**  
**Regd. Office: R-205, MIDC, Rabale, Navi Mumbai 400 701**

6<sup>th</sup> May, 2013

Dear Shareholder,

Ref: Green Initiative in the Corporate Governance: Go Paperless

The Ministry of Corporate Affairs ("MCA") has taken a 'Green initiative in the Corporate Governance' by allowing paperless compliances by companies vide its Circular Nos. 17/2011 dated 21/04/2011 and 18/2011 dated 29/04/2011 inter alia stating that the service of documents by the companies to its members can be made through electronic mode.

The initiative taken by the MCA is a welcome step for the society at large, as this will reduce paper consumption to a great extent, ensure prompt receipt of communication and avoid loss of document in postal transit. Supporting the said move of MCA, we propose to send all future shareholders communications/documents like Notices of General Meetings, Annual Reports, Financial Results, etc. to the shareholder in electronic mode.

We are sure, that you will whole-heartedly support this initiative and cooperate with the Company to make it a success. We, therefore, request you to fill up the information slip below for registering your e-mail ID and send it to our Registrar & Share Transfer Agent, Link Intime India Pvt. Ltd. You can also send us an e-mail from your e-mail ID to investors@pradeepmetals.com for receiving aforesaid documents in electronic form and mentioning there in your Folio No. /DP ID/Client ID.

Please note, as a valued shareholder, you are always entitled to request and receive, free of cost, a printed copy of the Annual Report of the Company and all other documents/communications entitled under the Companies Act, 1956.

Thanking you.

Yours faithfully,  
For Pradeep Metals Ltd.

Sd/-  
Abhinay Kapoor  
Company Secretary

TEAR HERE

Link Intime India Pvt. Ltd.  
Unit: Pradeep Metals Ltd.  
C-13, Pannalal Silk Mills Compound,  
LBS Marg, Bhandup West,  
Mumbai 400 078.

Folio No. / DP ID & Client ID : \_\_\_\_\_

Name of 1<sup>st</sup> Registered Holder : \_\_\_\_\_

Name of Joint Holder(s) : \_\_\_\_\_

E-mail ID (to be registered) : \_\_\_\_\_

Date: \_\_\_\_\_ Signature of First Holder: \_\_\_\_\_

Note: Shareholders are requested to keep the company informed as and when there is any change in the e-mail address. Unless the e-mail ID given above is changed by you by sending another communication in writing, the Company will continue to send the documents to you on the above mentioned E-mail ID.

**BLANK**



**PRADEEP METALS LIMITED**

**Regd. Office :** R-205, 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 30th ANNUAL GENERAL MEETING of the Company at R-205, MIDC, Rabale, Navi Mumbai 400 701 on 8<sup>th</sup> August, 2013 at 12.30 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 -

( TEAR HERE )

**PRADEEP METALS LIMITED**

**Regd. Office :** R-205, 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 30th Annual General Meeting of the Company to be held on 8<sup>th</sup> August, 2013 at 12.30 p.m. and at any adjournment thereof.

Signed this ..... day of .....2013.

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.

**BLANK**



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PED 97/23/EC



AD 2000 Merkblatt W0



Rabale Manufacturing Facility  
© Pradeep Metals Limited

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