

Pradeep Metals Limited
Manufacturers of Precision Closed Die Forgings

PML/SE/2018-19/08

9th May, 2018

The Secretary
BSE Limited
P J Towers, Dalal Street,
Mumbai 400 001

Dear Sir,
Sub: Outcome of Board Meeting.
Scrip Code: 513532

This is in continuation to our letter bearing ref. no. PML/SE/2018-19/06 dated 2nd May, 2018 and pursuant to Regulation 33, 30 and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

We wish to state that the Board of Directors of the Company in its meeting held today, has considered and approved;

1. The Audited Financial Results on Standalone and Consolidated basis for the quarter / year ended 31st March, 2018. A copy of the said results, notes thereto and Auditor's Report are enclosed for your records.
2. Approved resignation tendered by Mr. Rakesh Agarwal as the Chief Financial Officer of the Company w.e.f. the closing of the working hours on 12th May, 2018. Accordingly, Mr. Rakesh Agarwal ceases to be the Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. the closing of the working hours on 12th May, 2018.
3. Approved appointment of Mr. Harshad Babade (ACS 51159) as Company Secretary and Compliance Officer of the Company with immediate effect. A brief profile of Mr. Harshad Babade is enclosed.
4. Approved appointment of Mr. Dilip Dalvi, Accounts Head, as Deputy CFO of the Company with immediate effect. A brief profile of Mr. Dilip Dalvi is enclosed.

The meetings of the Audit Committee / Board of Directors of the Company commenced at 2.20 pm and concluded at 5.45 pm.

Please take the above information on record.

Thanking you,

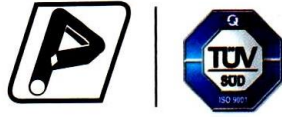
Yours Truly,

For **Pradeep Metals Limited**

Pradeep Goyal
Chairman and Managing Director

Encl : as above





Pradeep Metals Limited
Manufacturers of Precision Closed Die Forgings

Annexure

Details pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015.

Profile of Mr. Harshad Babade

1. Name: Mr. Harshad Babade
2. Reason for change: Resignation of Ms. Suchita Singh
3. Date of appointment: 9th May, 2018
4. Brief Profile:

Educational Qualification

- Completed B.Com in the year 2013 from University of Mumbai
- Completed Company Secretary Examination in the year 2016 from the Institute of Company Secretaries of India, New Delhi.

Professional Experience

1. Started his career as Management Trainee with Nilesh A Pradhan & Co., Company Secretarial Firm based in Mumbai from February 2015 to July 2016.
2. Worked as an Assistant Manager in Securities Law Department with Makarand M Joshi & Co., a leading Company Secretarial Firm based in Mumbai from October 2016 to April 2018. He is having experience of over 2 years and 10 months in the domain of Corporate Compliance.

Profile of Mr. Dilip Dalvi

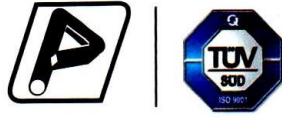
1. Name: Mr. Dilip Dalvi
2. Date of appointment: 9th May, 2018
3. Brief profile:

Educational Qualification

- Completed B.Com in the year 1989 from University of Mumbai

Professional Experience

Started his career in 1990 as an Accountant with Niraj Metals & Alloys, Bhandup West where he has worked for 4 years. He has worked as Junior Accountant with Pradeep Metals Limited in



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January 1994. He was promoted as Senior Accountant in November 1997. He was promoted as Assistant Manager (Accounts) in April 2004. Since January 2006 he is working as Manager (Accounts).

Auditor's Report on standalone financial results of Pradeep Metals Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors of
Pradeep Metals Limited

1. Report on quarterly and year to date standalone financial results

We have audited the accompanying Statement of Standalone Financial Results ("the Statement") of Pradeep Metals Limited ("the Company") for the quarter and year ended 31st March 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, which has been initialed by us for identification purpose.

The Statement includes the results for the quarter ended 31st March, 2018 being the derived figures between the audited figures in respect of the current full financial year ended 31st March, 2018 and the published unaudited year-to-date figures upto 31st December, 2017, being the date of the end of the third quarter of the financial year, which were subjected to a limited review.

2. Management's responsibility for the Statement

These quarterly and year to date standalone financial results have been prepared on the basis of annual standalone financial statements, which are the responsibility of the Company's management.

3. Auditor's responsibility

Our responsibility is to express an opinion on the Statement based on our audit of annual standalone financial statements which have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

We conducted our audit in accordance with the standard on auditing generally accepted in India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement.

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

We believe that our audit provides a reasonable basis for our opinion.



N. A. SHAH ASSOCIATES LLP

Chartered Accountants

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us this Statement:

- i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI circular dated 5th July 2016 in this regard; and
- ii. give a true and fair view of the standalone net profit (including other comprehensive income) and other financial information for the year ended 31st March, 2018.

5. Emphasis of matter

Reference is invited to note 5 of the notes to the financial results. We are informed that in view of settlement of legal dispute in step down subsidiary (SDS) of wholly owned subsidiary (WOS), improved operational performance of WOS and SDS during the current financial year and management's expectation of further revival in the demand for the products in which WOS and SDS are dealing, it would enable to recoup the accumulated losses of WOS and SDS. Considering the above and based on management opinion, no provision for loan granted and diminution in the value of investment in WOS is required.

In respect of above, attention was drawn in our limited review report for three quarters of financial year 2017-18 and our report for the quarter and year ended 31st March 2017. It was also reported under Emphasis of Matter paragraph in the Independent audit report issued by us under the Companies Act, 2013 for the year ended 31st March 2017.

Our opinion is not modified in respect of above matter. Our conclusion / opinion was also not modified in respect of above matter in earlier quarters & previous financial year.

For N. A. Shah Associates LLP

Chartered Accountants

Firm's Registration No. 116560W/W100149

M. Mody

Milan Mody

Partner

Membership number: 103286

Place: Mumbai

Date:

9 MAY 2018



Auditor's Report on consolidated financial results of Pradeep Metals Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors of
Pradeep Metals Limited

1. Report on consolidated financial results

We have audited the accompanying Statement of Consolidated Financial Results ("the Statement") of Pradeep Metals Limited ("the Company") and its wholly owned subsidiary (WOS) and stepdown subsidiary (SDS) (collectively referred to as 'the Group') for the year ended 31st March 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, which has been initialed by us for identification purpose.

2. Management's responsibility for the Statement

These consolidated financial results have been prepared on the basis of annual consolidated financial statements, which are the responsibility of the Company's management.

3. Auditor's responsibility

Our responsibility is to express an opinion on the Statement based on our audit of annual consolidated financial statements which have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

We conducted our audit in accordance with the standard on auditing generally accepted in India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement.

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

We believe that our audit provides a reasonable basis for our opinion.



N. A. SHAH ASSOCIATES LLP

Chartered Accountants

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us this Statement:

- i. include annual unaudited financial results of Pradeep Metals Limited, Inc. (wholly owned subsidiary) (WOS) and Dimensional Machine Works LLP (step down subsidiary) (SDS);
- ii. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI circular dated 5th July 2016 in this regard; and
- iii. give a true and fair view of the consolidated net profit (including other comprehensive income) and other financial information for the year ended 31st March, 2018.

5. Emphasis of matter

As stated in note 9(ii) of the Statement, to give effect of the settlement and other consequential impact consequent to settlement of legal dispute in SDS in September, 2017, management of WOS and SDS has revised their financial statements for earlier years which has been adjusted in the opening 'Other equity' as on 1st April 2017 in consolidated financial results for the year ended 31st March 2018.

Our opinion is not modified in respect of above matter.

6. Other Matters

We did not audit the financial statements of WOS and SDS for the year ended 31st March 2018 included in the consolidated statements, whose financial statements reflect total assets of Rs. 3,637.51 lakhs as at 31st March 2018, total revenues of Rs. 3,944.03 lakhs and net cash flows aggregating to Rs. 113.73 lakhs. The unaudited financial statements of WOS and SDS are certified by the Company's management and have been prepared by the Company in accordance with Ind AS. Our opinion on the consolidated statements of the Group for the year then ended to the extent they relate to the statement as stated in this paragraph, is based solely on such management certified financial statements. Our opinion on the consolidated statements is not modified in respect of the above matter.

For N. A. Shah Associates LLP

Chartered Accountants

Firm's Registration No. 116560W/W100149

M. V. Mody

Milan Mody

Partner

Membership number: 103286

Place: Mumbai

Date:

9 MAY 2018



Statement of standalone and consolidated financial results for the quarter and year ended 31st March 2018

(Rs. in lakhs)

Sr. No.	Particulars	Standalone					Consolidated	
		Quarter ended			Year ended		Year Ended	
		31-Mar-2018	31-Dec-2017	31-Mar-2017	31-Mar-2018	31-Mar-2017	31-Mar-2018	31-Mar-2017
		Unaudited (Refer note 10)	Unaudited	Unaudited (Refer note 10)	Audited	Audited	Audited	Audited
1	Income from operations	4,038	3,503	3,504	14,281	12,555	16,282	13,591
2	Other income	65	85	80	270	202	264	158
	(A) Total Income (1+2)	4,103	3,588	3,584	14,551	12,757	16,546	13,749
3	Expenses							
(a)	Cost of materials consumed	1,861	1,710	1,468	6,534	5,381	6,663	5,681
(b)	Purchases of stock-in-trade	-	-	-	-	-	-	-
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(97)	(194)	72	(149)	(88)	(206)	(278)
(d)	Excise duty	-	-	122	91	419	91	419
(e)	Employee benefits expense	429	472	375	1,770	1,590	2,555	2,335
(f)	Finance costs	191	103	31	621	550	721	639
(g)	Depreciation and amortisation expense	108	105	110	416	432	582	448
(h)	Manufacturing expenses	818	747	875	2,917	2,820	3,714	3,249
(i)	Other expenses	446	226	254	1,178	873	1,619	1,115
	(B) Total Expenses	3,756	3,169	3,307	13,378	11,977	15,739	13,608
4	Profit before exceptional items and tax (A-B)	347	419	277	1,173	780	807	141
5	Less: Exceptional items	-	-	-	-	-	-	155
6	Profit / (Loss) before tax (4-5)	347	419	277	1,173	780	807	(14)
7	Tax Expense							
1.	Current tax	(81)	(186)	(85)	(423)	(237)	(423)	(237)
2.	Deferred tax	(19)	78	(7)	79	(22)	79	(22)
3.	Income tax, deferred tax and MAT credit of earlier years (net)	(8)	(1)	(33)	(9)	(5)	(9)	(5)
8	Profit (Loss) for the period from continuing operations (6-7)	239	310	152	819	515	453	(278)
9	Profit (Loss) from discontinuing operations	-	-	-	-	-	-	-
10	Tax expense of discontinuing operations	-	-	-	-	-	-	-
11	Profit (Loss) from discontinuing operations (after tax) (9-10)	-	-	-	-	-	-	-
12	Profit (Loss) for the period (8+11)	239	310	152	819	515	453	(278)
13	Other Comprehensive Income (OCI)							
A (i)	Items that will not be reclassified to profit or loss	17	(10)	(9)	(12)	(36)	(12)	(36)
	Remeasurement gain/(loss) of net defined benefit liability	-	-	-	-	-	-	-
(ii)	Income tax relating to items that will not be reclassified to profit or loss	(6)	3	3	4	-	70	(11)
B (i)	Items that will be reclassified to profit or loss	-	-	-	-	-	-	-
	Exchange differences on translation of foreign operations	-	-	-	-	-	-	-
(ii)	Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-
	Total of Other Comprehensive Income	11	(7)	(6)	(8)	(24)	62	(35)
14	Total Comprehensive Income for the period (12+13) (Comprising Profit (Loss) and Other Comprehensive Income for the period) attributable to:	250	303	146	811	491	515	(313)
(a)	To Owners of parent	-	-	-	-	-	515	80
(b)	To Non controlling interest	-	-	-	-	-	-	(393)
15	Of the Total Comprehensive Income above, Profit for the year attributable to:						453	115
(a)	To Owners of parent	-	-	-	-	-	-	(393)
(b)	To Non controlling interest	-	-	-	-	-	-	-
16	Of the Total Comprehensive Income above, Other comprehensive income attributable to:						62	(35)
(a)	To Owners of parent	-	-	-	-	-	-	-
(b)	To Non controlling interest	-	-	-	-	-	-	-
17	Paid-up equity share capital (Face value of Rs. 10/- per share)	1,727	1,727	1,726	1,727	1,726	1,727	1,726
18	Reserves excluding revaluation reserve (refer note 3 below)	-	-	-	3,505	2,693	2,197	2,072
19	Earnings per equity share of Rs. 10/- each (Not annualised)							
(a)	Basic (in Rs.)	1.38	1.80	0.88	4.74	2.98	2.62	0.66
(b)	Diluted (in Rs.)	1.38	1.80	0.88	4.74	2.98	2.62	0.66

SIGNED FOR IDENTIFICATION BY

H. v. Mody
N. A. SHAH ASSOCIATES LLP
MUMBAI



Statement of standalone & consolidated financial results for the quarter and year ended 31st March 2018 (Continued)

Notes to financial results:

1 Standalone/ Consolidated Statement of Assets and Liabilities

(Rupees in lakhs)

Particulars	Standalone (Audited)			Consolidated (Audited)		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
ASSETS						
Non-current assets						
Property plant and equipment	4,725	4,342	3,661	5,552	4,655	4,238
Capital work-in-progress	26	587	253	26	587	253
Goodwill	-	-	-	460	1,278	-
Other Intangible assets	67	62	68	73	62	68
Intangible assets under development	286	107	-	286	107	-
Goodwill on consolidation	-	-	-	148	247	1,629
Investment in subsidiary	879	879	544	-	-	-
Financial assets:						
(i) Investments - Others*	0	0	0	0	0	0
(ii) Loans	231	3	5	-	-	-
iii) Other non-current financial assets	51	110	50	51	151	92
Income tax assets (net)	175	154	157	175	171	190
Other non-current assets	401	420	509	407	378	467
	6,841	6,664	5,247	7,181	7,636	6,937
Current assets						
Inventories	2,765	2,471	2,944	3,812	3,411	3,727
Financial assets						
(i) Trade receivable	4,821	4,463	3,659	4,224	4,369	3,509
(ii) Cash and cash equivalent	120	189	6	192	375	343
(iii) Bank balances other than cash and cash equivalent	38	38	43	38	38	43
(iv) Other current financial assets	508	508	653	542	504	628
Other current assets	430	434	335	430	437	424
	8,682	8,103	7,640	9,238	9,134	8,674
TOTAL ASSETS	15,523	14,767	12,887	16,419	16,770	15,611
EQUITY AND LIABILITIES						
Equity						
Equity share capital	1,727	1,726	1,726	1,727	1,726	1,726
Other equity	3,505	2,693	2,202	2,197	2,072	2,006
TOTAL EQUITY	5,232	4,419	3,928	3,924	3,798	3,732
Minority interest	-	-	-	-	91	418
LIABILITIES						
Non-current liabilities						
Financial liabilities:						
Borrowings	1,855	1,463	1,179	3,535	2,469	2,496
Provisions	39	82	168	39	82	176
Deferred tax liabilities (Net of deferred tax asset & MAT credit)	472	433	349	472	433	349
	2,366	1,978	1,696	4,046	2,984	3,021
Government grant pending apportionment to profit & loss	214	214	-	214	214	-
Current liabilities						
Financial liabilities:						
(i) Borrowings	4,823	5,973	5,754	4,823	5,973	5,754
(ii) Trade payable						
- Due to micro and small enterprises**	0	1	0	0	-	-
- Due other than to micro and small enterprises	1,398	855	556	1,575	1,745	1,230
(iii) Other current financial liabilities	1,248	1,102	829	1,594	1,741	1,335
Other current liabilities	42	46	27	42	46	24
Provisions	170	179	97	171	178	97
Current tax liabilities (net)	30	0	-	30	-	-
	7,711	8,156	7,263	8,235	9,683	8,440
TOTAL LIABILITIES	10,291	10,348	8,959	12,495	12,972	11,879
TOTAL EQUITY & LIABILITIES	15,523	14,767	12,887	16,419	16,770	15,611

SIGNED FOR IDENTIFICATION BY
M. V. Mody
 N. A. SHAH ASSOCIATES LLP
 MUMBAI



Pradeep Metals Limited
CIN: L99999MH1982PLC026191

Registered Office : R-205, T.T.C. Ind. Area, MIDC, Rabale, Navi Mumbai 400701

Email id : investors@pradeepmetals.com, Website : pradeepmetals.com, Contact no : +91-022-2769 1026, Fax :+91-022-2769-1123

Statement of standalone & consolidated financial results for the quarter and year ended 31st March 2018 (Continued)

Notes to financial results (continued):

- 2 The above results have been reviewed by the Audit Committee and approved by the Board at its meeting held on 9th May 2018.
- 3 The above results have been prepared in accordance with the recognition and measurement principles stated in Indian Accounting Standards [Ind AS] notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended). Beginning 1st April 2017, the Company has for the first time adopted Ind AS. The impact of transition has been provided in Other Equity [opening reserves as per Previous Generally Accepted Accounting Principles (Previous GAAP)] as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirements of Ind AS.

Reconciliation of net profit for the corresponding results and for the year ended March 2017 between Previous GAAP and Ind AS is as under:-

Particular	(Rs. in lakhs)		
	Standalone (Audited)		Consolidated (Audited)
	Quarter ended 31-March-2017	Year ended 31-March-2017	Year ended 31-March-2017
Net Profit / (Loss) as per Previous GAAP	158	517	65
Actuarial (gain)/ loss on employee defined liability reclassified to OCI	9	36	36
Depreciation on stand by equipment	(1)	(4)	(4)
Prior period items (net) as per Previous GAAP reclassified in respective year / opening reserves	(17)	(39)	(89)
Reversal of amortisation of goodwill	-	-	102
Taxes on above	3	5	5
Net Profit / (Loss) before OCI as per Ind AS (A)	152	515	115
Less: (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) of net defined benefit liability	(9)	(36)	(36)
Add: (ii) Income tax relating to items that will not be reclassified to profit or loss	3	12	12
Less: (i) Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations	-	-	(11)
Other comprehensive income (net of tax) (B)	(6)	(24)	(35)
Total Comprehensive Income / (loss) (A+B)	146	491	80

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N. A. Shah
N. A. SHAH ASSOCIATES LLP
MUMBAI



Reconciliation of Other Equity (Reserves) as per serial no.18 of the financial results above

Particulars	(Rs. in lakhs)			
	Standalone (Audited)		Consolidated (Audited)	
	As at 31st March 2017	As at 1st April 2016	As at 31st March 2017	As at 1st April 2016
Other Equity (Reserves) as per Previous GAAP	2,729	2,212	2,006	1,967
Adjustments:				
Impact of depreciation on capitalisation of standby equipment	(27)	(23)	(27)	(23)
Reversal of excess depreciation charged in F.Y.2015-16	-	38	-	38
Prior period items as per Previous GAAP reclassified in respective year / opening other equity	(21)	(8)	(21)	41
Reversal of Wind mill income excess booked	-	(12)	-	(12)
Reversal of amortisation of goodwill	-	-	102	-
Taxes on above	12	(5)	12	(5)
Other Equity (Reserves) as per Ind AS	2,693	2,202	2,072	2,006

Pradeep Metals Limited
CIN: L99999MH1982PLC026191

Registered Office : R-205, T.T.C. Ind. Area, MIDC, Rabale, Navi Mumbai 400701

Email id : investors@pradeepmetals.com, Website : pradeepmetals.com, Contact no : +91-022-2769 1026, Fax :+91-022-2769-1123

Statement of standalone & consolidated financial results for the quarter and year ended 31st March 2018 (Continued)

Notes to financial results (continued):

- 4 During the current quarter, investment of Rs. Nil is made in wholly owned subsidiary i.e. Pradeep Metals Limited Inc., USA ('WOS') (for the quarter ended 31st December 2017 Rs. Nil, for the quarter ended 31st March 2017 Rs. Nil, for the year ended 31st March 2018 Rs. Nil and 31st March 2017 Rs. 335.45 lakhs). During the current quarter, loan granted to WOS is Rs. Nil (for the quarter ended 31st December 2017 Rs. Nil, for the quarter ended 31st March 2017 Rs. Nil, for the year ended 31st March 2018 Rs. 225.19 lakhs and 31st March 2017 Rs. Nil). During the current quarter, corporate guarantee given for loan taken by WOS is Rs. Nil (for the quarter ended 31st December 2017 Rs. Nil, for the quarter ended 31st March 2017 Rs. Nil, for the year ended 31st March 2018 Rs. 783.36 lakhs and 31st March 2017 Rs. Nil).
- 5 In view of the settlement of dispute with the erstwhile JV Partner of the step-down subsidiary(SDS) of the Company during the quarter ended 30th September 2017, improved performance of the wholly owned subsidiary (WOS) and SDS during the year and revival of the demand for their products and considering that the investment made in WOS is of strategic nature, in the opinion of management, no provision for diminution in the value of investment in WOS and loan given is required as at 31st March 2018 in standalone financial results. The statutory auditors have drawn reference of the above matter in their report on the audited standalone financial results for the quarter and year ended 31st March 2018 and reference was also drawn in their limited review report for earlier quarters of current year and in the report of quarter & year ended 31st March 2017.
- 6 Revenue for period reported upto 30th June 2017 (including quarter and year ended 31st March 2017) are inclusive of excise duty. As per Ind AS 18 "Revenue", the revenue is reported net of GST after 30th June 2017. Accordingly, the revenue for the quarter and year ended 31st March 2018 are not comparable to the corresponding previous periods.
- 7 Export sales in standalone results include sales made to wholly owned subsidiary of the Company in USA as given below :

(Rs. in lakhs)

Particulars	Quarter ended			Year ended	
	31-Mar-2018	31-Dec-2017	31-Mar-2017	31-Mar-2018	31-Mar-2017
Pradeep Metals Limited Inc., USA	805	391	336	1,924	941

- 8 Other income includes foreign exchange gain as given below:

(Rs. in lakhs)

Particulars	Standalone					Consolidated	
	Quarter ended			Year ended		Year Ended	
	31-Mar-2018	31-Dec-2017	31-Mar-2017	31-Mar-2018	31-Mar-2017	31-Mar-2018	31-Mar-2017
Foreign exchange gain (net)	35	75	33	214	120	214	120

- 9 (i) Consolidated financial statements / results are prepared in accordance with IND AS 110 'consolidated financial statements' and includes financial results in respect of :
 - a) Unaudited financials of Pradeep Metals Limited, Inc. (wholly owned subsidiary) for the year ended 31st March 2018
 - b) Unaudited financials of Dimensional Machine Works LLC [Step down subsidiary (SDS)] for the year ended 31st March 2018
 The above unaudited financial statements of WOS and SDS are prepared by the management of the Company in compliance with the requirement of Ind AS.

(ii) The ongoing dispute between WOS (holding 51% in SDS) and erstwhile partner (holding 49% in SDS) has been settled out of court in current financial year. As per the settlement agreement, WOS has acquired the 49% share from the erstwhile partner and SDS has now become 100% subsidiary of WOS retrospectively w.e.f. 27th September 2016. Accordingly, management of WOS and SDS have revised the financial statements for the earlier years. Consequently, the net reduction in profit by Rs. 83.83 Lakhs (consisting of increase in profit on account of revision in statement of profit & loss of WOS & SDS and reduction in profit on account of recomputation of allocation of loss to non-controlling interest and losses post acquisition of 49% share) has been adjusted in opening 'Other equity' as on 1st April 2017 in consolidated financial results for the year ended 31st March 2018. Simultaneously, goodwill on acquisition has been recomputed by SDS and reduced by Rs. 818.00 lakhs. On account of these changes, current year figures are not comparable with previous year in consolidated financial results. The statutory auditors have drawn reference of the above matter in their report on the audited consolidated financial results for the year ended 31st March 2018.

- 10 Figures for the March quarters are balancing figures between audited figures in respect of the full financial year and published year to date figures upto the 3rd quarter of the relevant financial year.

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N. A. Shah
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MUMBAI



Statement of standalone & consolidated financial results for the quarter and year ended 31st March 2018 (Continued)
 Notes to financial results (continued):

11 Segment disclosure:

The Company is primarily engaged in manufacturing of closed die forgings & steel processing and generating power from wind turbine generator.

(Rs. in lakhs)

Particulars	Standalone					Consolidated	
	Quarter ended		Year ended			Year ended	
	31-Mar-2018 Unaudited (Refer note 10)	31-Dec-2017 Unaudited	31-Mar-2017 Unaudited (Refer note 10)	31-Mar-2018 Audited	31-Mar-2017 Audited	31-Mar-2018 Audited	31-Mar-2017 Audited
Segment revenue							
(a) Closed die steel forging and processing	4,011	3,473	3,404	14,099	12,432	18,024	14,409
(b) Power generation	27	30	100	182	123	182	123
Total	4,038	3,503	3,504	14,281	12,555	18,206	14,532
Less: Intersegment revenue	-	-	-	-	-	1,924	941
Net sales / income from operations	4,038	3,503	3,504	14,281	12,555	16,282	13,591
Segment result							
Profit / (loss) before tax, finance cost from segment and other unallocable expenses / (income)							
(a) Closed die steel forging and processing	655	438	382	1,803	1,297	1,270	545
(b) Power generation	7	10	86	102	166	102	166
Total	662	448	468	1,905	1,463	1,372	711
Less:							
(i) Finance cost	191	103	31	621	550	721	639
(ii) Other un-allocable expenditure / (income)(net)	124	(74)	160	111	133	(155)	86
Profit before tax	347	419	277	1,173	780	807	(14)
Capital employed:							
Segment assets							
(a) Closed die steel forging and processing	12,670	12,780	11,748	12,670	11,748	13,751	12,605
(b) Power generation	1,261	1,286	1,653	1,261	1,653	1,261	1,653
(c) Unallocated	1,562	1,699	1,365	1,562	1,365	1,377	2,512
Total (A)	15,493	15,765	14,766	15,493	14,766	16,389	16,770
Segment liabilities							
(a) Closed die steel forging and processing	2,359	2,547	1,692	2,359	1,692	2,547	2,531
(b) Power generation	-	-	128	-	128	-	128
(c) Unallocated*	7,902	8,236	8,526	7,902	8,526	9,918	10,313
Total (B)	10,261	10,783	10,346	10,261	10,346	12,465	12,972
Capital Employed (Segment Assets- Segment Liabilities) (A-B)							
(a) Closed die steel forging and processing	10,311	10,233	10,056	10,311	10,056	11,204	10,073
(b) Power generation	1,261	1,286	1,526	1,261	1,526	1,261	1,526
(c) Unallocated	(6,340)	(6,537)	(7,162)	(6,340)	(7,162)	(8,542)	(7,802)
Total	5,232	4,982	4,420	5,232	4,420	3,924	3,798

*Note: it includes government grant received of Rs. 214.00 lakhs pending allocation to Profit & Loss account.

Business segment:

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

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 N. A. SHAH ASSOCIATES LLP
 MUMBAI

for Pradeep Metals Limited


 Pradeep Goyal
 Chairman and Managing Director
 DIN: 00008370

