

Statement of audited financial results for the year ended 31st March 2016

Sr. No.	Particulars	Standalone					(Rupees in Lacs)	
		Quarter ended			Year Ended		Consolidated	
		31-Mar-2016	31-Dec-2015	31-Mar-2015	31-Mar-2016	31-Mar-2015	Year Ended	
		Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
1	Income from Operations							
(a)	Net sales/income from operations (Net of excise duty)	2,926	2,520	2,928	10,637	11,756	12,979	12,804
	Domestic	649	858	837	3,284	3,192	5,628	4,240
	Exports	2,277	1,662	2,091	7,353	8,564	7,352	8,564
(b)	Other operating income	365	222	312	1,272	1,303	1,273	1,303
	Total Income from Operations (net)	3,291	2,741	3,240	11,910	13,059	14,252	14,107
2	Expenses							
(a)	Cost of materials consumed	1,288	1,188	1,737	5,407	6,717	6,203	7,047
(b)	Purchases of stock-in-trade	-	-	-	-	-	-	-
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	324	212	(64)	216	(253)	94	(590)
(d)	Employee benefits expense	430	357	352	1,584	1,449	2,762	1,896
(e)	Depreciation and amortisation expense	130	84	65	370	258	468	272
(f)	Manufacturing expenses	710	586	689	2,496	2,563	3,165	2,845
(g)	Other expenses	284	182	232	822	902	945	1,154
	Total Expenses	3,166	2,609	3,011	10,895	11,635	13,637	12,624
3	Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	124	132	229	1,015	1,424	615	1,483
4	Other income	99	48	37	175	202	195	180
5	Profit/(Loss) from ordinary activities before finance costs, exceptional items and taxes (3+4)	223	181	266	1,190	1,626	810	1,663
6	Finance costs	141	130	100	676	421	770	317
7	Profit/(Loss) from ordinary activities after finance cost but before exceptional items and taxes (5-6)	82	50	165	514	1,205	39	1,347
8	Exceptional items	-	-	-	-	-	-	-
9	Profit/(Loss) from ordinary activities before tax (7-8)	82	50	165	514	1,205	39	1,347
10	Tax Expense	11	14	61	138	423	108	453
11	Net Profit/(Loss) from ordinary activities after tax (9-10)	71	36	105	376	783	(70)	894
12	Extraordinary items (net of tax expenses)	-	-	-	-	-	-	-
13	Profit after tax before minority interest (11-12)	71	36	105	376	783	(70)	894
14	Less/(add): Allocation to minority interest	-	-	-	-	-	(145)	64
15	Net profit for the year (13-14)	-	-	-	-	-	75	830
16	Paid-up equity share Capital (Face Value of Rs. 10/- per Share)	1,726	1,726	1,726	1,726	1,726	1,726	1,726
17	Reserve excluding Revaluation Reserves	-	-	-	2,212	1,961	1,967	2,059
18	Earnings per share of Rs. 10/- (before and after extraordinary items)							
	(Not annualised):							
(a)	Basic	0.41	0.22	0.61	2.17	4.53	0.43	4.81
(b)	Diluted	0.41	0.22	0.61	2.17	4.53	0.43	4.81

H. N. Noddy

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Statement of audited financial results for the year ended 31st March 2016

Notes to financial results:

1 Standalone/ Consolidated Statement of Assets and Liabilities

(Rupees in Lacs)

Particulars	Standalone		Consolidated	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
Shareholder's funds				
Share capital	1,726	1,726	1,726	1,726
Reserves and surplus	2,212	1,961	1,967	2,059
Sub total - Shareholders' funds	3,938	3,687	3,693	3,785
Minority interest			418	401
Non-current liabilities				
Long term borrowings	1,179	1,031	2,393	1,031
Deferred tax liabilities (Net)	413	337	413	337
Long term provisions	168	70	176	70
Other long term liabilities			3	-
Sub total - Non-current liabilities	1,760	1,438	2,985	1,438
Current liabilities				
Short-term borrowings	5,754	6,034	5,856	6,034
Trade payable				
- Due to micro and small enterprises	-	-	-	-
- Due other than to micro and small enterprises	556	773	1,196	2,649
Other current liabilities	846	607	1,349	1,220
Short-term provisions	97	276	97	301
Sub total - Current liabilities	7,253	7,691	8,498	10,204
Total	12,952	12,816	15,594	15,828
ASSETS				
Non-current assets				
Fixed assets				
Tangible assets	3,624	2,867	4,201	3,130
Intangible assets	68	18	68	18
Goodwill arising on consolidation	-	-	1,629	1,568
Capital Work-in-Progress	253	626	253	626
Intangible assets under development	-	66	-	66
Non-current investments	544	268	0	-
Long term loans and advances	742	613	775	613
Other non-current assets	1	1	1	1
Sub total - Non-current assets	5,232	4,459	6,927	6,022
Current assets				
Inventories	3,006	3,621	3,789	4,293
Trade receivable	3,455	3,816	3,305	4,374
Cash and bank balances	49	31	386	234
Short-term loans and advances	198	241	219	257
Other current assets	1,011	648	967	648
Total	7,720	8,357	8,667	9,806
Total	12,952	12,816	15,594	15,828

SIGNED FOR IDENTIFICATION
H. V. Noddy
M. A. O. P.

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Statement of audited financial results for the year ended 31st March 2016

- 2 The above results have been reviewed by the Audit Committee and approved by the Board at its meeting held on 27th May 2016.
- 3 2.1 MW Wind Mill was originally set up as a captive unit. In view of the changed government's policy, it is economical to supply the power to Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL). The necessary steps are being taken to sign and execute Power Purchase Agreement (PPA) with MSEDCL. Pending execution of PPA, revenue of Rs. 39.09 lacs for the current quarter has been recognized from the power generated and fed into the Grid and is grouped under other operating revenue based on the provisional rate prescribed in the Order of Maharashtra State Regulatory Commission ("MERC") (for the quarter ended 31st December 2015 Rs. 40.39 lacs, for year ended 31st March 2016 Rs. 216.00 lacs. For the quarter & year ended 31st March 2015 Rs. Nil).
- 4 During the quarter ended 30th June 2015, the Company had received demand notices from Navi Mumbai Municipal Corporation towards additional cess liability for the period 1998 to 2013. The amount of demand excluding interest and penalty was Rs. 71.66 lacs. The Company is under process of contesting certain items in these demands through industry associations. As per management estimate, the Company made provision of Rs. 26.37 lacs (In quarter ended 30th September 2015) and paid Rs. 11.37 lacs out of this provision.
- 5 During the current quarter, Company has made additional investment in wholly owned subsidiary Pradeep Metals Limited Inc., USA aggregating to Rs. Nil (for the quarter ended 31st December 2015 Rs. 101.56 lacs, for year ended 31st March 2016 Rs. 275.75 and for the quarter & year ended 31st March 2015 Rs. 265.19 lacs).

- 6 Export sales in standalone results includes sale made to wholly owned subsidiary of the Company in USA as given below :

Particulars	Quarter ended			Year ended	
	31-Mar-2016	31-Dec-2015	31-Mar-2015	31-Mar-2016	31-Mar-2015
Pradeep Metals Limited Inc., USA	132	143	231	706	1,187

(Rupees in Lacs)

- 7 Other expenses include prior period adjustment and other income include foreign exchange gain as given below :

Particulars	Quarter ended			Year ended	
	31-Mar-2016	31-Dec-2015	31-Mar-2015	31-Mar-2016	31-Mar-2015
Prior period adjustment - (income)/expenses	65	(28)	-	20	-
Foreign exchange (gain)/loss	(65)	(29)	(13)	(131)	(22)

(Rupees in Lacs)

- 8 Company has recognized export incentive under Merchandise Exports from India Scheme (MEIS) for whole year aggregating to Rs. 130.01 lacs in quarter ended 31st March 2016 considering certainty over utilization of these duty scrips (for the quarter ended 31st December 2015 Rs. Nil, for year ended 31st March 2016 Rs. 130.01 lacs. For the quarter & year ended March 2015 Rs. Nil).
- 9 Consolidated Financial Statements are prepared in accordance with Accounting Standard 21 " Consolidated Financial Statements" and includes financial results in respect of :
- a) Unaudited financials of Pradeep Metals Limited, Inc. (wholly owned subsidiary in USA) for the year ended 31st March 2016
- b) Unaudited financials of Dimensional Machine Works LLC (step down subsidiary in USA) for the year ended 31st March 2016 and 31st March 2015

H. N. Noddy

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Statement of audited financial results for the year ended 31st March 2016

10 Segment disclosure:

The Group is primarily engaged in a manufacturing of closed die forgings & steel processing. During the year, the Holding Company has started generating power from wind turbine generator which is sold to Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL). However, pending execution of power purchase agreement with MSEDCL, wind mill operation is disclosed under other reconciling item in current year.

Particulars	Standalone					Consolidated	
	Quarter ended			Year ended		Year ended	
	31-Mar-2016	31-Dec-2015	31-Mar-2015	31-Mar-2016	31-Mar-2015	31-Mar-2016	31-Mar-2015
	Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
Segment revenue							
(a) Closed die forging and Steel processing	3,251	2,701	3,240	11,694	13,059	14,742	15,294
(b) Others	39	40	-	216	-	216	-
Total	3,291	2,741	3,240	11,910	13,059	14,958	15,294
Less: Intersegment revenue	-	-	-	-	-	706	1,187
Net sales / income from operations	3,291	2,741	3,240	11,910	13,059	14,252	14,107
Segment result							
Profit / (loss) before tax, finance cost from segment and other unallocable expenses / (income)							
(a) Closed die forging and Steel processing	219	159	255	1,148	1,698	1,344	2,637
(b) Others	25	26	-	160	-	160	-
Total	244	185	255	1,308	1,698	1,503	2,637
Less:							
(i) Finance cost	141	130	100	676	421	770	317
(ii) Other un-allocable expenditure / (income)(net)	20	4	(11)	118	72	693	973
Profit before tax	82	50	165	514	1,205	40	1,347
Capital employed							
(Segment assets - segment liabilities)							
(a) Closed die forging and Steel processing	10,016	10,185	9,660	10,016	9,660	11,583	10,451
(b) Others	1,369	1,302	1,207	1,369	1,207	1,369	1,207
(c) Unallocated	(7,447)	(7,495)	(7,180)	(7,447)	(7,180)	(8,842)	(7,472)
Total capital employed	3,938	3,992	3,687	3,938	3,687	4,111	4,186

(Rupees in Lacs)

H. V. Noddy

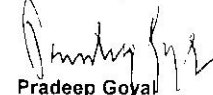
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Statement of audited financial results for the year ended 31st March 2016

- 11 The Company has terminated services of Chief Financial Officer in February 2016 and Company is in the process of appointing new Chief Financial Officer in accordance with second proviso to section 203 of the Companies Act, 2013.
- 12 The interim dividend of Rs.0.60 per share, aggregating to Rs. 103.62 lacs (excluding dividend distribution tax) declared by the board of directors at its meeting held on 15th March 2016 has been paid to the members and no further dividend is recommended.
- 13 Figures of the last quarter are the 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.
- 14 The figures of the previous periods / year have been regrouped or rearranged wherever considered necessary.

A. V. Kody

for Pradeep Metals Limited

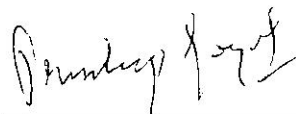
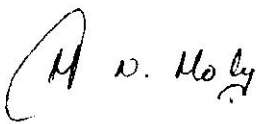
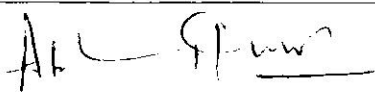


Pradeep Goyal
Chairman and Managing Director
DIN: 00008370

Mumbai
27th May 2016

Compliance under Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Form A (for audit report with unmodified opinion)

1	Name of the company	Pradeep Metals Limited
2	Annual financial statements for the year ended	Year ended 31 st March 2016
3	Type of Audit observation	<p>Auditors have issued Unmodified report.</p> <p>Under Emphasis of Matter, auditors have included observation which has not been considered by the auditors for the purpose of audit qualification. The same are reproduced as under:</p> <p>Reference is invited to note 2 of the notes to the results in respect of recognition of revenue of Rs. 216 lacs from sale of power generated from windmill to Maharashtra State Electricity Distribution Company Limited ('MSEDCL'). Pending execution of power purchase agreement ('PPA'), revenue has been recognised based on the provisional rate as prescribed in the Order of Maharashtra State Regulatory Commission ('MERC') and in view of management, no uncertainty exist for the amount recorded as receivable from sale of power.</p>
4	Frequency of observation	Reported for the first time.
5	Signed by	
	Mr. Pradeep Goyal Chairmen and Managing Director	
	N. A. Shah Associates (Auditor) Firm Reg. No.116560W Mr. Milan Mody Partner Membership No. 103286	
	Mr. Abhinay Kapoor Company Secretary	

Independent Auditor's Report

To
The Board of Directors of
Pradeep Metals Limited

Report on Standalone Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have audited the accompanying standalone financial results of **Pradeep Metals Limited ('the Company')** for the year ended 31st March, 2016 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Statement includes the results for the quarter ended 31st March, 2016 being the derived figures between the audited figures in respect of the current full financial year ended 31st March, 2016 and the published year-to-date figures upto 31st December, 2015, being the date of the end of the third quarter of the financial year, which were subjected to a limited review.

Management's Responsibility

This Statements are the responsibility of the Company's management and have been approved by Board of Directors. This Statement have been prepared on the basis of the annual financial statements and quarterly financial results upto the end of the third quarter and in accordance with Accounting Standards specified under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India.

Auditor's Responsibility

Our responsibility is to express an opinion on this Statement based on our audit of such annual financial statements.

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 standalone financial statement are free from 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.

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 in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the year ended 31st March, 2016.

N. A. SHAH ASSOCIATES

Chartered Accountants

Independent Auditor's Report (continued)

Emphasis of Matter

Reference is invited to note 2 of the notes to the results in respect of recognition of revenue of Rs. 216 lacs from sale of power generated from windmill to Maharashtra State Electricity Distribution Company Limited ('MSEDCL'). Pending execution of power purchase agreement ('PPA'), revenue has been recognised based on the provisional rate as prescribed in the Order of Maharashtra State Regulatory Commission ('MERC') and in view of management, no uncertainty exist for the amount recorded as receivable from sale of power.

Our opinion is not qualified in above matter.

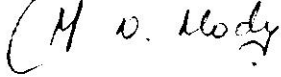
Other matter

The financial results and financial statements of the Company for the year ended 31st March 2015 were audited by another auditor whose report dated 8th May 2015 expressed an unmodified opinion.

For N. A. Shah Associates

Chartered Accountants

Firm's registration number: 116560W



Milan Mody

Partner

Membership number: 103286



Place: Mumbai

Date:

27 MAY 2016