

Pradeep Metals Limited Manufacturers of Precision Closed Die Forgings

10<sup>th</sup> August, 2019

**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 dated 2<sup>nd</sup> August, 2019 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 the Unaudited Financial Results on Standalone and Consolidated basis for the quarter ended 30<sup>th</sup> June, 2019. A copy of the said results, notes thereto and Limited Review Report of the Auditors is enclosed for your records.

The meetings of the Audit Committee / Board of Directors of the Company commenced at 11.00 a.m. and concluded at 1.45 p.m.

Please take the above information on record.

Thanking you,

Yours Truly,



Pradeep Metals Limited CN: 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 unaudited standalone and consolidated financial results for the quarter ended 30th June 2019

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| Induces         Contract ended<br>and and and and and and and and and and                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                          |                           |             | Conso                          | Consolidated                   |                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------|-------------|--------------------------------|--------------------------------|---------------------------|
| Insurfaced         Unsurfaced         Unsurfaced         Unsurfaced           Income from Operations         610         610         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600         600<                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 1ded<br>2019 30-Jun-2018 | Year ended<br>31-Mar-2019 | 30-Jun-2019 | Quarter ended<br>31-Mar-2019   | 30-Jun-2018                    | Year ended<br>31-Mar-2019 |
| Income from operations         4,010         4,010         66         6           Other income         (A) Total Income (1+2)         4,010         6         4,010         6           CExpenses         (A) Total Income (1+2)         6,010         4,010         6         4,010         6           Centerbases of materials consumed         (A) Total Income (1+2)         2,247         2         2         2         2         2         2         2         4         4,010         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6         6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                          | Audited                   | Unaudited   | Unaudited<br>(Refer note 6(b)) | Unaudited<br>(Refer note 6(b)) | Audited                   |
| (A) Total Incerne (1+2)         (A) Total Incerne (1+2)         4076         4           Cest of materials consumed         Cest of materials consumed         2.247         2           Eventorases of stock-in-indee         (14)         -         2         -         2           Eventorase of stock-in-indee         (14)         -         2         -         2         -         2         -         2         -         2         -         2         -         2         -         2         -         2         -         2         -         2         -         2         -         2         2         -         2         2         -         2         2         -         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2         2 <td< td=""><td>4,603 3,727<br/>50 18</td><td>17,480</td><td>4,360</td><td>5,227</td><td>3,953</td><td>19,145</td></td<>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 4,603 3,727<br>50 18     | 17,480                    | 4,360       | 5,227                          | 3,953                          | 19,145                    |
| Expenses         2.347         2           Expenses         of materials         2.347         2           Purchases of stock-in-Irade         (114)         2         2           Expenses         of materials         (114)         2         2           Explore benefits expense         540         148         148           Employee benefits expense         540         148         148           Employee benefits expense         540         123         148         123           Depreciation and amortisation expense         540         123         148         123           Depreciation and amortisation expense         533         143         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         123         124         123         124         123 </td <td></td> <td>17,610</td> <td>4,420</td> <td>5,2</td> <td>3,963</td> <td>19,251</td>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                          | 17,610                    | 4,420       | 5,2                            | 3,963                          | 19,251                    |
| Changes in inventions of finished goods, work-in-progress and stock-in-trade     (414)       Employee energies expense     540       Employee energies expense     540       Employee energies expense     540       Employee energies expense     540       Employee energies     3435       Manufacturing expenses     345       Depreciation and amonitation expense     913       Point Libertor exceptional items and tax (A-B)     228       Dest Expenses     3155       Point Libertor exceptional items     228       Current tax     (B) Total Expenses     3155       2     2     2       Point (Loss) from discontinuing operations (6-7)     2       1     2     2       1     3     2       1     3     2       1     3     2       2     3     2       3     1     2       3     1     2       4     1     2       3     1     2       4     3     2       4     3     2       4     3     2       5     2     2       5     2     2       5     2     2       4     3     2 <td>2.229 1.787</td> <td>8,233</td> <td>2,392</td> <td>2,211</td> <td>1,893</td> <td>8,393</td>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 2.229 1.787              | 8,233                     | 2,392       | 2,211                          | 1,893                          | 8,393                     |
| Employee benefits expense         540           Enance costs         148           Depreciation and amortisation expense         333           Differ exceptions         333           Differ exceptional items         333           Differ exceptional items         3380           Profit before exceptional items         236           Profit before exceptional items         236           Profit costs before tax (x-5)         236           Tax Expense         23           Profit (Loss) for the period (for tax) (9-10)           Profit (Loss) for the period (3+11)           Torrent tax         240           Tax Expense         23           Remeasurement gain/(loss) of red defined benefit liability           Torift (Loss) for the period (3+11)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | (30) (227)               | (161)                     | (435)       | 175                            | - (565)                        | (185)                     |
| Finance costs         [148]           Finance costs         [2]           Manufacturing expenses         [2]           Manufacturing expenses         [2]           Ananufacturing expenses         [2]           Profit before exceptional items         [2]           Profit before exceptional items         [2]           Profit Jossi before tax (4-5)         [2]           Tax Expense         [2]           Profit Jossi before tax (4-5)         [2]           Tax Expense         [2]           Tax Expense         [3]           1 corrent tax         [6]           2 for full (Loss) for m discontinuing operations (6-7)           Profit (Loss) for the period (9-1)           Chill neme tax and Whin rote for elsensified to profit or loss           Profit (Loss) for the period (9-1)           Chill neme tax and while reclassified to profit or loss           Remeasurement gain/(0ss) of red defined benefit liability           (10) fincome tax relating to inclus           Remeastrement gain/(1css) for the period (12+13) [Comprise </td <td></td> <td>1,980</td> <td>602</td> <td></td> <td>641</td> <td>2.67</td>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          | 1,980                     | 602         |                                | 641                            | 2.67                      |
| Description         Description <thdescription< th=""> <thdescription< th=""></thdescription<></thdescription<>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                          | 693                       | 180         |                                | 209                            | 821                       |
| Other expenses         (B) Total Expenses         233           Prift before exceptional items and tax (A-B)         (B) Total Expenses         3850         4           Tax Exponse         (B) Total Expenses         3850         4           Tax Exponse         (B) Total Expenses         3850         4           Tax Exponse         (A)         226         226           Tax Exponse         (B) Total Expenses         3850         4           Tax Exponse         (B) Total Expenses         3850         4           1 Current tax         (Loss) from discontinuing operations (6-7)         21         21           2 Income tax deferred tax and MAT credit of earlier years (net)         21         21         21           2 Income tax deferred tax and tax (1.0 ss) from discontinuing operations (6-7)         21         21         21           2 Income tax deferred tax and MAT credit of period (6-7)         21         21         21           2 Income tax deferred tax and tax often tax) (9-10)         31         21         21           2 Addition (Loss) from discontinuing operations (6-7)         21         21         21           2 Addition (Loss) from discontinuing operations (6-7)         21         21         21           2 Additax (Loss) from discontinuing operations (6-7)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 113 109<br>979 799       | 3.527                     | 186<br>990  | 1.060                          | 158                            | 626                       |
| Prift before exceptional items and tax (A-B)         (B) Total Expenses         3650         4           Text Exceptional items         226         226         226         226           Text Exceptional items         226         226         226         226           Text Expense         3         226         226         226         226           Text Expense         3         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226         226                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                          | 1,216                     | 351         |                                | 491                            | 1,493                     |
| Point resonance and tax (A-B)<br>Point / Loss) before tax (4-5)<br>1.4. Exceptional terms<br>1.4. Exceptional terms<br>1.4. Exceptional terms<br>1.4. Exceptional terms<br>1.4. Exceptional terms<br>1.4. Exceptional terms<br>2.8. Point (Loss) for the period for an environment of the form<br>2.1. Current tax<br>2.1. Current tax<br>3. Deferred tax<br>2.1. Current tax<br>3. Deferred tax<br>3. Deferred tax<br>3. Deferred tax<br>3. Point (Loss) form discontinuing operations<br>2. Tax expenses of discontinuing operations<br>2. Tax expenses of discontinuing operations<br>3. Point (Loss) form discontinuing operations<br>3. Current tax relating to the period (atter tax) (9-10)<br>3. Other Comprehensive hncome (ICCI)<br>3. Other Comprehensive hncome (ICCI)<br>3. Current tax relating to terms that will not be reclassified to profit or loss<br>4. (10) Income tax relating to terms that will be reclassified to profit or loss<br>4. (10) Income tax relating to terms that will be reclassified to profit or loss<br>4. (10) Income tax relating to terms that will be reclassified to profit or loss<br>4. (10) Income tax relating to terms that will be reclassified to profit or loss<br>4. (10) Income tax relating to terms that will be reclassified to profit or loss<br>4. (10) Income tax relating to terms that will be reclassified to profit or loss<br>4. (10) Income tax relating to terms that will be reclassified to profit or loss<br>4. (10) To Nomes of a period<br>5. (10) To Nomes of a period<br>5. (10) To Nomes of a period<br>5. (10) To Nomes of parent<br>5. (10)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 241 3,                   | 15,932                    | 4,373       | 4                              | 3,765                          | 17,834                    |
| Profit / (Loss) before tax (4-5)       226         Tax Expenses       Tax Expenses         Tax Expenses       (68)         To Chrent tax       1         2 Deferred tax       1         3 Income tax, dreferred tax and MAT credit of earlier years (net)       21         3 Income tax, deterred tax and MAT credit of earlier years (net)       21         3 Portif (Loss) from discontinuing operations       21         2 Profit (Loss) from discontinuing operations       180         2 Profit (Loss) from discontinuing operations       180         2 Other Comprehensive income (2C1)       190         2 Other Comprehensive income (2C1)       110         3 Other Comprehensive income (2C1)       3         4 (1) Income tax relating to terms that will be reclassified to profit or loss       173         3 (10) Income tax relating to terms that will be reclassified to profit or loss       173         4 (1) Income tax relating to terms that will be reclassified to profit or loss       173         5 (1) Income tax relating to terms that will be reclassified to profit or                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 412 183                  | 1,678                     | 47          | 379                            | 199                            | 1,418                     |
| 1 at x properse     1 at x properse     1 at x properse       2 Deferred tax     1 at x properse     1 at x properse       3 Income tax, denote tax, and MAT credit of earliery years (net)     2 in the period (nerr, continuing operations (6-7)     1 at x x x x x x x x x x x x x x x x x x                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 412 183                  | 1,678                     | 47          | 379                            | 199                            | 1,418                     |
| <ol> <li>Deferred tax</li> <li>Deferred tax</li> <li>Tin (Loss) for the period continuing operations (6-7)</li> <li>Porti (Loss) form discontinuing operations</li> <li>Form discontinuing operations</li> <li>Tax expense of discontinuing operations</li> <li>Porti (Loss) from discontinuing operations</li> <li>Porti (Loss) from discontinuing operations</li> <li>Porti (Loss) from the factorinuing operations</li> <li>Porti (Loss) for the period (1-1)</li> <li>Other Comprehensive hacme (JCCI)</li> <li>(10)</li> <li>(10) (income tax relating to terms that will not be reclassified to profit or loss</li> <li>(10) (income tax relating to terms that will not be reclassified to profit or loss</li> <li>(10) (income tax relating to terms that will be reclassified to profit or loss</li> <li>(10) (income tax relating to terms that will be reclassified to profit or loss</li> <li>(10) noome tax relating to terms that will be reclassified to profit or loss</li> <li>(10) noome tax relating to terms that will be reclassified to profit or loss</li> <li>(10) noome tax relating to terms that will be reclassified to profit or loss</li> <li>(10) noome tax relating to terms that will be reclassified to profit or loss</li> <li>(10) noome tax relating to terms that will be reclassified to profit or loss</li> <li>(10) noome tax relating to terms that will be reclassified to profit or loss</li> <li>(10) noome tax relating to terms that will be reclassified to profit or loss</li> <li>(10) noome tax relating to terms that will be reclassified to profit or loss</li> <li>(10) noome tax relating to terms that will be reclassified to profit or loss</li> <li>(10) noome tax relating to terms that will be reclassified to profit or loss</li></ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                          | NUG2/                     | 10.37       |                                |                                |                           |
| 3. Income tax, deferred tax and MAT credit of earlier years (net)       21         Point (Loss) for the period fran continuing operations (6-7)       180         Point (Loss) for the period fran continuing operations       -         Tax expense of discontinuing operations       -         Point (Loss) from discontinuing operations       -         Point (Loss) from discontinuing operations       -         Point (Loss) for the period (9-11)       -         Point (Loss) for the period (9-11)       -         A) them shat will not be reclassified to profit or loss       -         0 ther Comprehensive income (OCI)       -         (10) flocme tax relating to terms shat will not be reclassified to profit or loss       -         10) income tax relating to term statistion of profit or loss       -         11) income tax relating to term statistion of profit or loss       -         10) income tax relating to term statistion of profit or loss       -         11) income tax relating to term statistion of tor loses       -         10) income tax relating to term statistion of tor loss       -         11) income tax relating to term statistion of tor loses       -         11) income tax relating to term statistic disting tor lose       -         11) income tax relating to term statistic disting tor lose       -         11) income tax relating t                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                           | (oo)<br>1   | (q) (7)                        | (qc)                           | (2)                       |
| 180<br>180<br>180<br>173<br>173<br>173<br>173<br>173<br>173<br>173<br>173<br>173<br>173                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                          | 8                         | 21          |                                |                                |                           |
| and (10) (10) (10) (10) (10) (10) (10) (10)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          | ÷                         | ~           | 258                            | 145                            | 934                       |
| and (10) (10) (10) (10) (10) (10) (10) (10)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          | • 0                       |             |                                | . 7                            |                           |
| and (10) (10) (10) (10) (10) (10) (10) (10)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          |                           |             |                                | 1) 1                           |                           |
| and (10)<br>- 3<br>(10)<br>- 173<br>- | 291 130                  | 1,194                     |             | 258                            | 145                            | 934                       |
| (10)<br>3 (10)<br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                          |                           |             |                                |                                |                           |
| (ii) income tax relating to terms that will not be reclassified to profit or loss       3         (i) income tax relating to terms that will be reclassified to profit or loss       -         (ii) forome tax relating to terms that will be reclassified to profit or loss       -         (ii) forome tax relating to terms that will be reclassified to profit or loss       -         (iii) forome tax relating to terms that will be reclassified to profit or loss       -         (ii) forome tax relating to terms that will be reclassified to profit or loss       -         (ii) forome tax relating to terms that will be reclassified to profit or loss       -         (i) foromer tax relating to terms that will be reclassified to profit or loss       -         (i) for owners of parent       -         (i) TO when comprehensive income for the period attributable to:       -         (i) TO when comprehensive income above, Profit for the period attributable to:       -         (i) TO when controlling interest       -         (i) TO when so the meant       -         (ii) TO when so the meant       -         (i) TO when so the meant       -         (ii) TO when so the meant       -         (ii) TO when so the meant       -         (ii) TO when so the meant       -         (iii) TO when so the meant       -         (ii) TO when so the meant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | (28) (3)                 | (39)                      | (10)        | (28)                           | (3)                            | (39)                      |
| Total comprehensive income and foreign operations         Exchange differences on translation of foreign operations         (i) Income tax relating to terms that will be reclassified to profit or loss         (ii) Income tax relating to terms that will be reclassified to profit or loss         (ii) Income tax relating to terms that will be reclassified to profit or loss         (ii) Income tax relating to terms prior the period attributable to:         (iii) To Ammers of parent         (i) To Momer of preservation         (i) To Momers of parent         (i) To Nomers of parent         (i) To Nomers of parent         (i) To Nomers of parent         (ii) To Nomers of parent         (ii) To Nom controlling interest         (iii) To Nomers of parent         (iiiiiii) To Nomers of parent                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                          | 11                        | 3           |                                |                                | t.                        |
| and                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                          | ,                         | 31          | (15)                           |                                | (123)                     |
| nd 173<br>173<br>butable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                           |             |                                | t                              | •                         |
| and<br>butable<br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | (20) (2)                 | (28)                      | 24          | (35)                           |                                | (121)                     |
| butable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                          |                           | 25          |                                | 153                            | 783                       |
| butable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | r<br>X                   |                           | 25          | 223                            | 153                            | 783                       |
| butable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 9<br>()                  | 9<br>2                    |             |                                |                                | •                         |
| ive income attributable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                          |                           | 10          |                                |                                | 1                         |
| ive income attributable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                          | • =•                      |             | 862                            | 145                            | 934                       |
| 1,727                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | a<br>C                   | 0.                        |             | K.                             | C.                             |                           |
| 1,727                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 10<br>[]                 | 50                        | 2           | 36                             | •                              | 1.00                      |
| Paid-up equity share capital (Face value of Rs. 10/- per share)<br>Reserves excluding revaluation reserve<br>Earnings per equity share of Rs. 10/- each (Not annualised)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                           | 5,          | -<br>/ec)                      | ,                              | (ici)                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 1,727 1,727              | 1,727                     | 1,727       | 1.727                          | 1.727                          | 1,727                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                          | 4,6/1                     | č           | N.                             | •                              | 2,955                     |
| 1.04                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1.69 0.75                | 6.91                      | 0.01        | 1.49                           | 0.84                           | 5.41                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                          | 6.91                      | 0.01        |                                |                                | 5.4                       |





# Pradeep Metals Limited CIN: 199999/111982PLC025191 Registered Office : R-205, T.T.C. Int Area, MICS, 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 unaudited standalone & consolidated financial results for the quarter ended 30th June 2019 (Continued)

1

- The above results have been reviewed by the Audit Committee and approved by the Board at lis meeting held on 10th August 2019. The Statutory auditors have carried out a limited review of the above unaudited standatione financial results for the quarter ended 30th June, 2019. Notes to financial results: -
- The above results have been prepared in accordance with the guidelines issued by the Securities and Exchange Board of India (SEBI) and the Indian Accounting Standards [Ind AS] prescribed under section 133 of the Companies Act, 2013. During the quarter, the Company has adopted ind AS 116-Leases effective from 1st April, 2019 and this did not have any material impact on the financial results of the Company. 2
- In view of expected revival in the demand for the products in which WOS and Step Down Subsidiary (SDS) are dealing and considering that the investment made in WOS is of strategic nature, in the opinion of management, no provision for diminution in the view of expected revival in the unsulted standatome financial results. The statutory auditors have drawn reference of the above matter in their report on the unsulted standatome financial results. The statutory auditors have drawn reference of the above matter in their report on the unsulted standatome financial results. The statutory auditors have drawn reference or the above matter in their report on the unsulted standatome financial results. The statutory auditors have drawn reference was also drawn in their report for all quarters for the year ended 31st March 2018. It was also reported under Emphasis of Matter paragraph in the independent auditors report for the year ended 31st March 2018. It was also reported under Emphasis of Matter paragraph in the independent auditors report for the year ended 31st March 2018. It was also reported under Emphasis of Matter paragraph in the independent auditors report for the year ended 31st March 2018. 3

4 Export sales in standalone results include sales made to WOS of the Company in USA as given below :

| articulars                     |             | Quarter ended |             | Year ended  |
|--------------------------------|-------------|---------------|-------------|-------------|
|                                | 30-Jun-2019 | 31-Mar-2019   | 30-Jun-2018 | 31-Mar-2019 |
| adeep Metals Limited Inc., USA | 720         | 701           | 745         | 2.846       |

5 Foreign exchange (loss) / gain included in other Income, other expenses and finance cost is given below:

(Rs. in lakhs)

| Particulars                                                         |             | Standalone    | lone                    |             |             | Consolidated  | dated       |             |
|---------------------------------------------------------------------|-------------|---------------|-------------------------|-------------|-------------|---------------|-------------|-------------|
|                                                                     |             | Quarter ended |                         | Year ended  |             | Quarter ended |             | Year ended  |
|                                                                     | 30-Jun-2019 | 31-Mar-2019   | 31-Mar-2019 30-Jun-2018 | 31-Mar-2019 | 30-Jun-2019 | 31-Mar-2019   | 30-Jun-2018 | 31-Mar-2019 |
| Other Income                                                        | 34          | 22            |                         | 46          | 34          | 22            |             | 46          |
| Other Expenses                                                      |             |               | (11)                    |             | •           |               | (11)        |             |
| Finance cost - Foreign exchange loss (attributable to finance cost) |             | (2)           | (38)                    | (81)        |             | (2)           | (38)        | (81)        |

6 (a) Consolidated unaudited results are prepared in accordance with IND AS 110 "consolidated financial statements' and includes unaudited financial results in respect of :

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

The above unaudited financial results of WOS and SDS are prepared by the management in compliance with the requirement of Ind AS. Statutory auditors have carried out limited review of the unaudited standalone financial results of WOS and SDS for the quarter ended 30th June 2019.

The consolidated figures for the corresponding quarter ended 30th June 2018 and for the quarter ended 31st March, 2019 are approved by the Board of Directors and have not been subjected to Limited review by the auditors. The consolidated unaudited figures for the quarter ended 31st March, 2019 are between the auditors in respect of the full financial year upto 31st March, 2019 and the unaudited year to date figures upto 31st December, 2018. (q)

(c) In respect of Step Down Subsidiary (SDS).

(i) management is of the view that expected growth in the demand of the SDS's products will generate sufficient cash flows to cover the carrying value of the trangible assets and goodwill. In view of the above, in the opinion of the management, no provision for impairment loss of assets of SDS is considered necessary. (ii) (a) Ageing of slow/non-moving items of inventories is not available from the system. Management is of the view that there is demand for the SDS's products and inventories have realizable value greater than cost and hence no provision is considered necessary by the management. (b) Further there is a need to improve the systems and processes of maintaining the inventory records.

Statudoy auditors have drawn reference of the above matters in their limited review report on the unaudited consolidated financial results for the quarter ended 30th June 2019. Reference for matters covered in note 6(c) (i) and 6(c) (ii) and so are also given in their report on the consolidated financial statements for the year ended 31st March 2019.

The Board of directors has recommended a final dividend of Re. 1 per equity share of Rs. 10/- each for financial year 2018-19 in the board meeting held on 15th May 2019. The payment is subject to approval of shareholders at the Annual general meeting of the Company (in quarter ended 30th June 2018 Rs. Nil, quarter and year ended 31st March 2018 Rs. Nil) 2





# Pradeep Metals Limited CIN: 199999MH1982PL::0265191 Registered Office : R.206, T.T.C. In.A. Area, MIC, Kabale, Navi Mumbai 400701 Email id : investors@pradeepmetals.com, Website: pradeepmetals.com, Contact no : +91-022-2769 1026, Fax :+91-022-2769-1123

- \*

Notes to financial results (continued): Segment disclosure: The Company is primarily engaged in manufacturing of closed die forgings & steel processing and generating power from wind turbine generator. 80

|                                                                                                                                                                                           |                          | Standalone               | alone                    |                          |                        | Consolidated                   | lidated                        |                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------|--------------------------------|--------------------------------|------------------------|
|                                                                                                                                                                                           |                          | Quarter ended            |                          | Year ended               |                        | Quarter ended                  |                                | Year ended             |
| Particulars                                                                                                                                                                               | 30-Jun-2019              | 31-Mar-2019              | 30-Jun-2018              | 31-Mar-2019              | 30-Jun-2019            | 31-Mar-2019                    | 30-Jun-2018                    | 31-Mar-2019            |
|                                                                                                                                                                                           | Unaudited                | Unaudited                | Unaudited                | Audited                  | Unaudited              | Unaudited<br>(Refer note 6(b)) | Unaudited<br>(Refer note 6(b)) | Audited                |
| Segment revenue<br>(a) Closed die steel forging and processing<br>(b) Power generation                                                                                                    | 3,946<br>64              | 4,578<br>25              | 3,669<br>58              | 17,264                   | 4,296                  | 5,202<br>25                    | 3,895<br>58                    | 18,929                 |
| Total<br>Less Intersement revenue                                                                                                                                                         | 4,010                    | 4,603                    | 3,727                    | 17,480                   | 4,360                  | 5,227                          | 3,953                          | 19,145                 |
| Net sales / income from operations                                                                                                                                                        | 4,010                    | 4,603                    | 3,727                    | 17,480                   | 4,360                  | 5,227                          | 3,953                          | 19,145                 |
| Segment result<br>Profit (loss) before tax, finance cost from segment and other unallocable expenses /<br>(income)<br>(a) Closed die steel forging and processing<br>(b) Power generation | 300<br>43                | 556<br>5                 | 456<br>21                | 2.299                    | 161<br>44              | 548<br>5                       | 494<br>21                      | 2,167                  |
| Total                                                                                                                                                                                     | 343                      | 560                      | 477                      | 2,417                    | 205                    | 553                            | 514                            | 2,285                  |
| Less;<br>(i) Finance cost<br>(ii) Other un-allocable expenditure / (income)(net)                                                                                                          | 148<br>(31)              | 158<br>(10)              | 180                      | 693<br>46                | 180<br>(22)            | 191<br>(17)                    | 209<br>107                     | 821                    |
| Profit before tax                                                                                                                                                                         | 226                      | 412                      | 183                      | 1,678                    | 47                     | 379                            | 199                            | 1,418                  |
| Capital employed:<br>Segment assets<br>(a) Closed die steel forging and processing<br>(b) Power generation<br>(c) Unabloated                                                              | 15,549<br>1,224<br>1,140 | 15,232<br>1,197<br>1,150 | 13,573<br>1,296<br>1,205 | 15,232<br>1,197<br>1,150 | 16,688<br>1,224<br>430 | 16,206<br>1,197<br>599         | 14,980<br>1,296<br>798         | 16,206<br>1,197<br>599 |
| Total (A)                                                                                                                                                                                 | 17,913                   | 17,579                   | 16,074                   | 17,579                   | 18,342                 | 18,002                         | 17,074                         | 18,002                 |
| Segment liabilities<br>(a) Closed die steel forging and processing<br>(b) Power generation<br>(c) Unaitzetteet                                                                            | 2,660<br>-<br>8 683      | 2,562                    | 2.273<br>(33)<br>8.474   | 2,562<br>-<br>8.619      | 3,073                  | 2,876                          | 2,586<br>(33)                  | 2,876                  |
| Total (B)                                                                                                                                                                                 | 11,343                   | 11,181                   | 10,714                   | 11,181                   | 13,662                 | 13,321                         |                                | 13,321                 |
| Capital Employed (Segment Assets- Segment Liabilities) (A-B)<br>(a) Closed die steel forging and processing                                                                               | 12,889                   | ٣                        | 11,300                   | 12,670                   | 13,615                 | F                              |                                | -                      |
| (b) Power generation<br>(c) Unallocated                                                                                                                                                   | 1,224 (7,543)            | 1,197                    | 1,329                    | 1,197                    | (10.159)               | 1,197                          | 1,329                          | 1,197                  |
| Total                                                                                                                                                                                     | 6.570                    |                          |                          |                          | 4 680                  | A 681                          |                                |                        |

Note: it includes government grant received of Rs. 214.00 lakhs pending appropriation to Statement of Profit & Loss

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.







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

## To The Board of Directors of Pradeep Metals Limited

 We have reviewed the accompanying Statement of unaudited standalone financial results ("the Statement") of Pradeep Metals Limited ("the Company") for the quarter ended 30<sup>th</sup> June, 2019, 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) which has been initialed by us for identification purpose.

## Management responsibility for the Statement

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

## Auditor's responsibility

3. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

## Conclusion

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards i.e. 'Ind AS' prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.



# N. A. SHAH ASSOCIATES LLP Chartered Accountants

## Emphasis of matter

5. Reference is invited to note 3 of the notes to unaudited financial results. We are informed that in view of management's expectation of further revival in the demand for the products in which WOS and SDS are dealing, it would enable WOS and SDS to recoup the accumulated losses. 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 by us in the quarterly limited review reports for the earlier years and in the independent auditors report for earlier years.

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

## For N. A. Shah Associates LLP

Chartered Accountants Firm's Registration No. 116560W/W100149

12 MUMBAI Milan Mody Partner RED ACCOUN Membership number: 103286 UDIN: 19103286AAAADW3546

Place: Mumbai Date: 10 AUG 2019

## N. A. SHAH ASSOCIATES LLP Chartered Accountants



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

## To The Board of Directors of Pradeep Metals Limited

 We have reviewed the accompanying statement of unaudited consolidated financial results of Pradeep Metals Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), for the quarter ended 30<sup>th</sup> June, 2019, ('the Statement'), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ) read with SEBI Circular No. CIR/CFD/CMDI/44/2019 dated 29<sup>th</sup> March, 2019.

Attention is drawn to the fact that in terms of the requirement of the above referred Circular, consolidated unaudited figures for the corresponding quarter ended 30<sup>th</sup> June, 2018 and quarter ended 31<sup>st</sup> March, 2019 have been approved by the Holding Company's Board of Directors, but have not been subject to limited review. Also refer note 6(b) of the Statement for the quarter ended 30<sup>th</sup> June, 2019.

## Management's responsibility for the Statement

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

## Auditor's responsibility

3. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

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

## 5. Conclusion

Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,(as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.



N. A. Shah Associates LLP is registered with limited liability having LLP identification No. AAG-7909 B 41-45, Paragon Centre, Pandurang Budhkar Marg, Worli, Mumbai 400 013. Tel.: 91-22-40733000 • Fax : 91-22-40733090 • E-mail : info@nashah.com



## 6. Emphasis of Matter

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

- a) Management is of the view that expected growth in the demand of the SDSs products will generate sufficient cash flows to cover the carrying value of the tangible assets and goodwill. In view of the above, in the opinion of the management, no provision for impairment loss of assets of SDS is considered necessary;
- b) (i) Ageing of slow/non-moving items of inventories is not available from the system. Management is of the view that there is demand for the SDS's products and inventories have realizable value greater than cost and hence no provision is considered necessary by the management. (ii) Further, there is a need to improve the systems and processes of maintaining the inventory records.

Our conclusion is not modified in respect of above matters. In respect of matters covered in para 6(a) and 6(b) (i), attention was also drawn by us in the independent auditor's report for the year ended 31<sup>st</sup> March, 2019 dated 15<sup>th</sup> May 2019. Our opinion was not modified in previous year also.

For N. A. Shah Associates LLP Chartered Accountants Firms Registration No. 116560W/W100149

MUMBAI Milan Mody Partner RED ACCOUN Membership number: 103286 UDIN: 19103286 AAAA DX5304

Place: Mumbai Date: 10 AUG 2019