PRADEEP METALS LIMITED.

42nd ANNUAL REPORT 2024-25

Publicly listed on BSE
42 years in the forging business
Consistent Quality
Quick tool development
Low-volume High mix customized parts
All facilities under one roof
Highly qualified technical support

factory

our product range

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Pradeep Goyal	Chairman & Managing Director
Dr. Kewal Krishan Nohria	Non-Executive Non-Independent Director
Mrs. Neeru P. Goyal	Non-Executive Non-Independent Director
Mr. Abhinav Goyal	Non-Executive Non-Independent Director
Mr. Jayavardhan Dhar Diwan	Independent Director
Mr. Kartick Maheshwari	Independent Director
Ms. Nandita Nagpal Vohra	Independent Director
Mr. Advait Kurlekar	Independent Director

CHIEF FINANCIAL OFFICER

Ms. Kavita Choubisa Ojha

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Abhishek Joshi

STATUTORY AUDITORS

N. A. Shah Associates LLP
Chartered Accountants

SECRETARIAL AUDITORS

Shweta Gokarn & Co.
Company Secretaries

INTERNAL AUDITORS

M/s. Kirtane & Pandit LLP
Chartered Accountants

COST AUDITOR

Mr. Vishesh Naresh Patani
Cost and Management Accountant

BANK

Union Bank of India

REGISTERED OFFICE

R-205, MIDC, Rabale, Navi Mumbai 400 701.
Tel: +91-22-27691026
E-mail: info@pradeepmetals.com; investors@pradeepmetals.com
Website: www.pradeepmetals.com
CIN: L99999MH1982PLC026191

REGISTRAR AND TRANSFER AGENT

MUFG Intime India Private Limited
(Formerly known as Link Intime India Private Limited)
C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai 400 083.
Tel: +91-22-49186270; Fax: +91-22-49186060
Email: rnt.helpdesk@in.mpms.mufg.com

PERFORMANCE AT A GLANCE (STANDALONE)

(Rupees in Lakhs)

PARTICULARS	2024-25	2023-24	2022-23	2021-22	2020-21
Sales and Other Income (Net of GST)	29,953	25,628	25,012	21,283	14,364
Profit befor Interest, Depreciation, Exceptional Items and Tax	4,547	3,809	3,812	3,097	2,188
Less: Finance Cost	678	601	543	443	382
Less: Depreciation	802	767	619	583	540
Less: Exceptional items	-	-	135	135	308
Profit Before Tax	**3067**	**2,442**	**2,514**	**1,936**	**958**
Less: Taxation (including MAT and Deferred Tax)	752	629	649	512	339
Profit for the year before Dividend	**2,315**	**1,813**	**1,865**	**1,424**	**618**
Earnings per Equity Share of Rs.10/- each (in Rupees)					
a. Basic	13.40	10.50	10.80	8.25	3.58
b. Diluted	13.40	10.50	10.80	8.25	3.58
c. Net Worth (Rs. In lakh)	14,143	12,216	10,628	9,241	7,987

NOTICE

NOTICE IS HEREBY GIVEN THAT THE FORTY SECOND ANNUAL GENERAL MEETING OF PRADEEP METALS LIMITED WILL BE HELD ON SATURDAY, 9th AUGUST, 2025 AT 3:00 P.M. THROUGH VIDEO CONFERENCING/OTHER AUDIO VISUAL MEANS ('VC' / 'OAVM') FACILITY TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To consider and adopt:
   a. the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2025, together with the Reports of the Board of Directors and Auditors thereon; and
   b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2025, together with the Reports of the Auditors thereon.
2. To declare Dividend on Equity Shares for the Financial Year ended 31st March, 2025.
3. To appoint a Director in place of Mr. Abhinav Goyal (DIN: 08786430), who retires by rotation and being eligible, offers himself for re-appointment.
4. **To consider appointment of M/s. KKC & Associates LLP, Chartered Accountants (Firm Registration Number: 105146W/W100621) for a term of five years as the Statutory Auditors of Company.**

   To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby appoints M/s. KKC & Associates LLP, Chartered Accountants (Firm Registration Number: 105146W/W100621), as the Statutory Auditors of the Company for a term of five (5) consecutive years, to hold the office from the conclusion of this Annual General Meeting until the conclusion of Forty Seventh Annual General Meeting of the Company on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

   RESOLVED FURTHER THAT Board of Directors of the Company, including the Audit Committee and/or any other person(s) authorised by the Board or Audit Committee in this regard, be and is/are hereby authorised on behalf of the Company to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient including filing of the requisite forms or submission of documents with any Authority for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereof."

SPECIAL BUSINESS:

5. **To approve the remuneration of the Cost Auditors for the Financial Year ending 31st March, 2026.**

   To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Vishesh Naresh Patani, Cost & Management Accountants, Mumbai (Firm Registration Number: 101108), appointed by the Board of Directors of the Company on the recommendation of the Audit Committee, to conduct the audit of the Cost Records of the Company for the Financial Year ending 31st March, 2026, be paid a remuneration of Rs. 1,35,000/- (Rupees One Lakh and Thirty-Five Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses incurred by them in connection of the aforesaid audit."

6. To consider appointment of M/s. Shweta Gokarn & Co., Practicing Company Secretaries as Secretarial Auditors for a term of five years.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 204, and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 as amended, Regulation 24A and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of the Audit Committee and approval of the Board of Directors of the Company, consent of the Members be and is hereby accorded to appoint M/s. Shweta Gokarn & Co., Practicing Company Secretaries (Firm Registration Number: S2012MH186500), as Secretarial Auditors of the Company for a term of five (5) consecutive years, to hold office from the conclusion of 42nd Annual General Meeting ("AGM") till the conclusion of 47th AGM of the Company, to conduct secretarial audit of the Company from FY2025-26 to FY2029-30 at such remuneration as may be determined by the Board of Directors of the Company, based on the recommendation of the Audit Committee.

RESOLVED FURTHER THAT Board of Directors of the Company, including the Audit Committee and/or any other person(s) authorised by the Board or Audit Committee in this regard, be and is/are hereby authorised on behalf of the Company to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient including filing of the requisite forms or submission of documents with any Authority for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereof."

7. To approve the remuneration payable to Mr. Abhinav Goyal holding office or place of profit.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Sections 188, 177 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Shareholders be and is hereby accorded for holding office or place of profit by Mr. Abhinav Goyal (DIN: 08786430), Director of the Company, in Dimensional Machine Works LLC, Houston, USA (DMW), Wholly-Owned Step Down Subsidiary of the Company and payment of remuneration to him by DMW in Foreign Currency exceeding Indian Rs. 2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) per month during the Financial Years from 2025-26 to 2027-28, subject to limits as more particularly specified below and in the relevant Explanatory Statement annexed to the Notice of this Meeting:

(i)	**Basic Salary and Allowances**	USD 23,100 per Month (Equivalent to Rs. 19.74 Lakhs*)
(ii)	**Employer's Contribution towards Social Security Tax and Medicare Tax**	Employer's Contribution towards Social Security Tax and Medicare Tax on the Salary shall be at the prevailing rates from time to time. (Currently the Employer is required to contribute 6.2% and 1.45% of the Salary, towards Social Security Tax and Medicare Tax, respectively.)
(iii)	**Car and its expenses**	For use of the Company's business

***Exchange rate as on 31st March, 2025 – Rs. 85.475**

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as in its absolute discretion it may think necessary, expedite or desirable to settle any question that may arise in relation thereto in order to give effect to the foregoing resolution.''

8. **To approve the remuneration payable to Mrs. Neha Goyal holding office or place of profit.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Sections 188, 177 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Shareholders be and is hereby accorded for holding office or place of profit by Mrs. Neha Goyal, wife of Mr. Abhinav Goyal, Director of the Company, in Dimensional Machine Works LLC, Houston, USA (DMW), Wholly-Owned Step Down Subsidiary of the Company and payment of remuneration to her by DMW in Foreign Currency exceeding Indian Rs. 2,50,000/- (Rupees Two Lakhs Fifty Thousand only) per month during the Financial Years from 2025-26 to 2027-28, subject to limits as more particularly specified below and in the relevant Explanatory Statement annexed to the Notice of this Meeting:

(i)	**Basic Salary and Allowances**	USD 16,500 per Month (Equivalent to Rs. 14.10 Lakhs*)
(ii)	**Employer's Contribution towards Social Security Tax**	Employer's Contribution towards Social Security Tax on the Salary shall be at the prevailing rates from time to time. (Currently the Employer is required to contribute 6.2% of the Salary towards Social Security Tax.)
(iii)	**Car and its expenses**	For use of the Company's business

***Exchange rate as on 31st March, 2025 – Rs. 85.475**

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as in its absolute discretion it may think necessary, expedite or desirable to settle any question that may arise in relation thereto in order to give effect to the foregoing resolution.''

By order of the Board of Directors
For PRADEEP METALS LIMITED

Sd/-

Abhishek Joshi
Company Secretary & Compliance Officer
ACS: 64446

Place: Navi Mumbai
Date: 22nd May, 2025

REGISTERED OFFICE:
R-205, MIDC, Rabale,
Navi Mumbai - 400 701
Tel. no. +91-22-27691026
Email: investors@pradeepmetals.com Website: www.pradeepmetals.com
CIN: L99999MH1982PLC026191

NOTES:

1. The Ministry of Corporate Affairs ('MCA'), vide its circular dated 5th May, 2020, read with the subsequent circulars issued from time to time, the latest one being General Circular No. 09/2024 dated 19th September, 2024 (MCA Circulars) (collectively referred to as 'MCA Circulars') has permitted convening the Annual General Meeting ('AGM'/'Meeting') through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM'), without the physical presence of the Shareholders at a common venue.

   In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations'), the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

2. An explanatory statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto.

3. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the Shareholders is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

4. The Company has appointed Ms. Shweta Gokarn, Practicing Company Secretary (Certificate of Practice Number – 11001/Peer Review Registration: 1693/2022) to act as a Scrutinizer, for conducting the remote E-Voting process and to conduct voting/poll at the AGM, in a fair and transparent manner.

5. The relevant details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015"), and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this AGM, forms part of the Corporate Governance Report. The Directors have furnished the requisite consents and declarations for their re-appointment.

6. The Notice of the AGM, along with the Annual Report for the Financial Year 2024–2025, is being sent electronically to those Members whose email IDs are registered with the Company or with National Securities Depository Limited and Central Depository Services (India) Limited, collectively referred to as the 'Depositories'. [SEBI Circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023 and October 3, 2024, collectively referred as "SEBI Circulars"].

   Additionally, pursuant to Regulation 36(1)(b) of the SEBI Listing Regulations, 2015, a letter providing the weblink to the Annual Report for the Financial Year 2024–2025 will be sent to those Shareholder(s) who have not registered their email addresses with the Company, Depositories, Depository Participants, or the Registrar and Transfer Agent ('RTA').

7. The Shareholders can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 Shareholders on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restrictions on account of first come first served basis.

8. The attendance of the Shareholders attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 MCA Circulars, the Company is providing facility of remote e-Voting to its Shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Shareholder using remote e-Voting system as well as voting on the date of the AGM will be provided by NSDL.

10. In accordance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD /CMD1/CIR/P/2020/79 dated 12th May 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 2nd May, 2022 and subsequent circulars dated 5th January, 2023, 7th October, 2023 and 3rd October, 2024 issued by Securities Exchange Board of India (collectively referred to as 'SEBI Circulars'), the Notice of the AGM along with the Integrated Annual Report for FY 2024-25 is being sent by electronic mode to those Shareholders whose e-mail addresses are registered with the Company/Depositories.

11. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13th April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.pradeepmetals.com. The Notice can also be accessed from the Website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

12. Shareholders may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a Company on or after 1st April, 2020 shall be taxable in the hands of Shareholders. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. To enable us to determine the appropriate TDS rate as applicable, Shareholders are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number (PAN)	10%* or as notified by the Government of India
Shareholders not having PAN/Valid PAN	20% or as notified by the Government of India

* As per the Finance Act, 2021, Section 206AB has been inserted effective 1st July, 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid Section.

However, no tax shall be deducted on the dividend payable to resident individual Shareholders if the total dividend to be received by them during financial year 2025-26 does not exceed ₹5,000, and also in cases where Shareholders provide Form 15G / Form 15H (Form 15H is applicable to resident individual shareholders aged 60 years or more) subject to conditions specified in the IT Act. Resident Shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding of tax. PAN is mandatory for Shareholders providing Form 15G / 15H or any other document as mentioned above.

For non-resident Shareholders, taxes are required to be withheld in accordance with the provisions of

Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20%** (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident Shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA), read with Multilateral Instrument (MLI) between India and the country of tax residence of the Shareholders, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident Shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the shareholders or details as prescribed under rule 37BC of the Income-tax Rules, 1962.
- Copy of the Tax Residency Certificate for financial year 2024-25 obtained from the revenue or tax authorities of the country of tax residence, duly attested by Shareholders.
- Self-declaration in Form 10F.
- Self-declaration by the Shareholders of having no permanent establishment in India in accordance with the applicable tax treaty.
- Self-declaration of beneficial ownership by the non-resident Shareholder.
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the Shareholders.

** As per the Finance Act, 2021, Section 206AB has been inserted effective 1st July , 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a Shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid section. However, in case a non-resident Shareholder or a non-resident Foreign Portfolio Investor (FPI) / Foreign Institutional Investor (FII), higher rate of tax as mentioned in Section 206AB shall not apply if such non-resident does not have a permanent establishment in India.

For all Shareholders:

The aforementioned forms for tax exemption can be downloaded from the website of MUFG Intime India Private Limited. The URL for the same is as under:

https://web.in.mpms.mufg.com/client-downloads.html- On this page select the General tab. All the forms are available in under the head "Form 15G/15H/10F"

The aforementioned documents (duly completed and signed) are required to be uploaded on the URL mentioned below

https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html.

On this page the user shall be prompted to select / share the following information to register their request.

1. Select the company (Dropdown)
2. Folio / DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection
6. Document attachment – 1 (PAN)
7. Document attachment – 2 (Forms)
8. Document attachment – 3 (Any other supporting document)

Please note that the upload of documents (duly completed and signed) on the website of MUFG Intime India Private Limited should be done on or before **Record date for the dividend, i.e. 1st August, 2025,** in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction shall be considered after **August 1, 2025, 6:00 PM**. The Company will arrange to email a soft copy of TDS certificate to you at your registered email ID post completion of activities.

Shareholders may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, option is available to you to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible.

All communications/ queries in this respect should be addressed to our RTA, MUFG Intime India Private Limited to its email address rnt.helpdesk@in.mpms.mufg.com

13. Shareholders wishing to claim dividends that remain unclaimed are requested to correspond with the Registrar and Share Transfer Agents or to the Company Secretary, at the Company's registered office. Shareholders are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act, and the applicable rules.

14. Shareholders holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective DP, and Shareholders holding shares in physical mode are requested to update their email addresses with the Company's RTA, MUFG Intime India Private Limited at rnt.helpdesk@in.mpms.mufg.com, to receive copies of the Annual Report 2024-25 in electronic mode. Shareholders may follow the process detailed below for registration of email ID to obtain the report and update of bank account details for the receipt of dividend.

Type of Shares held	Procedure	
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, MUFG Intime India Private Limited either by email to rnt.helpdesk@in.mpms.mufg.com or by post to C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in the Rules 19 (1) of Companies (Share Capital and Debenture) Rules, 2014	Form SH-13
	Declaration to opt out	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures / bonds, etc., held in physical form	Form ISR-4
	The forms for updating the above details are available at - https://www.pradeepmetals.com/furnishing-of-pan-kyc-details-and-nomination-by-holders-of-physical-securities/	
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.	

15. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.

16. REGISTRATION OF BANK EMAIL ID AND BANK ACCOUNT DETAILS:

a) In case the Shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.

b) In case the Shareholder has not registered his/her/their email address with the Company/its RTA/ Depositories and/or not updated the Bank Account mandate for receipt of dividend, the following instructions are to be followed:

i. Kindly log in to the website of our RTA, MUFG Intime India Private Ltd., https://in.mpms.mufg.com/ under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit. OR

ii. In the case of Shares held in Demat mode:

The Shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

17. Securities of listed Companies would be transferred in dematerialized form only w.e.f. 1st April, 2019. In view of the same, Shareholders holding shares in physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Shareholders can contact the Company's RTA for assistance in this regard.

18. SEBI has issued a circular dated 19th March, 2025, titled "Harnessing DigiLocker as a Digital Public Infrastructure for Reducing Unclaimed Assets in the Indian Securities Market" to address the issue of unclaimed financial assets. This initiative enables investors to store and access information of their demat and mutual fund holdings through DigiLocker, a key Digital Public Infrastructure, benefiting investors and their families.

Shareholders can also appoint Data Access Nominees within the DigiLocker application. In case of an unfortunate event of demise of Shareholder, the nominees will be provided read only access to the DigiLocker account, ensuring that essential financial information is accessible to legal heirs. For details, you may refer the above mentioned circular at https://www.sebi.gov.in/legal/circulars/mar-2025/harnessingdigilocker-as-a-digitalpublic-infrastructure-forreducing-unclaimedassets-in-the-indian-securitiesmarket_92769.html.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Wednesday, 6th August, 2025 at 09:00 A.M. and ends on Friday, 8th August, 2025 at 05:00 P.M. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Shareholders whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 2nd August, 2025, may cast their vote electronically. The voting right of Shareholders shall be in proportion to their share in the paid-up Equity Share Capital of the Company as on the cut-off date, being 2nd August, 2025.

<u>How do I vote electronically using NSDL e-Voting system?</u>

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) <u>Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode</u>

In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will be opened. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. 
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.

Type of shareholders	Login Method
	2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also link provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
	3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual Meeting for Shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Shareholders who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Shareholders who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Shareholders holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for Shareholders other than Individual Shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for Shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those Shareholders whose email ids are not registered.**

5. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **"Physical User Reset Password?"** (If you are holding Shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Shareholders can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Shareholders can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to shweta@shwetagokarn.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr. Suketh Shetty at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@pradeepmetals.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@pradeepmetals.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, Shareholder/Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR SHAREHOLDERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Shareholders may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under **Join Meeting** menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Shareholders who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Shareholders are encouraged to join the Meeting through Laptops for better experience.
3. Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@pradeepmetals.com. The same will be replied by the company suitably.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@pradeepmetals.com. The same will be replied by the company suitably.

   The Scrutinizer shall, immediately after the conclusion of voting at the 42nd AGM, first count the votes cast during the 42nd AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the 42nd AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company (www.pradeepmetals.com) and on the website of NSDL (www.evoting.nsdl.com.) immediately. The result will also be displayed on the Notice Board of the Company at its Registered Office. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed. The resolutions, if passed by requisite majority, shall be deemed to have been passed on the date of the 42nd AGM i.e. 9th August , 2025.

ANNEXURE TO THE NOTICE

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

Item No. 4

To consider appointment of M/s. KKC & Associates LLP, Chartered Accountants (Firm Registration Number: 105146W/W100621) for a term of five years as the Statutory Auditors of Company

In accordance with the provisions of Section 139(2) of the Companies Act, 2013, and other applicable regulations, the Statutory Auditors of the Company, M/s N.A. Shah Associates LLP (Firm Registration No. 116560W/W100149), Chartered Accountants, will complete their second term as Statutory Auditors at the conclusion of the ensuing Annual General Meeting (AGM) in 2025.

It is proposed to appoint M/s. KKC & Associates LLP (Firm Registration Number: 105146W/W100621) as the Statutory Auditors of the Company for a term of five (5) consecutive years from conclusion of the 42nd AGM of the Company until the conclusion of the 47th AGM with the approval of the Shareholders. The remuneration would be mutually agreed, subject to the approval of Audit Committee.

At its Meeting held on 22nd May, 2025, the Board of Directors, considering their expertise and experience and based on the recommendation of the Audit Committee, has proposed to appoint M/s. KKC & Associates LLP as the Statutory Auditors of the Company.

Brief Profile of the Statutory Auditors

M/s. KKC & Associates LLP (formerly known as Khimji Kunverji & Co. LLP) is an 85-year-old Mumbai based firm having branch offices at Bengaluru, Pune and Ahmedabad. Their team comprises over 350+ dedicated professionals guided by 17 partners and serve a wide spectrum of clients, including multinational companies (MNCs), large corporations, small and medium-sized enterprises (SMEs), and owner managed businesses.

Proposed Remuneration

The remuneration to be paid would be mutually agreed, subject to the approval of the Audit Committee and Board. The term of the appointment of the Statutory Auditors is for a period of five (5) years.

Pursuant to Section 139 of the Companies Act, 2013 (the Act) and the Rules framed thereunder, the Company has received written confirmation from M/s. KKC & Associates LLP and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and Rules framed thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. KKC & Associates LLP, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

None of the Directors, Promoters and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board recommends passing of the Resolution set out at Item No. 4 of the accompanying Notice as **Ordinary Resolution.**

Item No. 5

To approve the remuneration of the Cost Auditors for the Financial Year ending 31st March, 2026:

The Board of Directors, on the recommendation of the Audit Committee, at its Meeting held on 22nd May, 2025 approved the re-appointment of Mr. Vishesh Naresh Patani, Cost and Management Accountants (Firm Registration No. 101108), to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2026 at a remuneration of Rs. 1,35,000/- (Rupees One Lakh and Thirty-Five Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses at actual. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, consent of the Shareholders is sought by passing an Ordinary Resolution, as set out at Item No. 5 of the Notice, for the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2026.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends passing of the Resolution set out at Item No. 5 of the accompanying Notice as **Ordinary Resolution.**

Item No. 6

To consider appointment of M/s. Shweta Gokarn & Co., Practicing Company Secretaries as Secretarial Auditors for a term of five years:

The Board of Directors of the Company at their Meeting held on 22nd May, 2025, based on the recommendation of the Audit Committee, approved appointment of M/s. Shweta Gokarn & Co., Practicing Company Secretaries, a peer reviewed firm (Firm Registration No. S2012MH186500) as Secretarial Auditors of the Company, in accordance with the provisions of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of the SEBI Listing Regulations and other applicable provisions, if any, for a term of Five (5) consecutive years, to hold office from the conclusion of 42nd AGM till the conclusion of 47th AGM of the Company, to conduct secretarial audit from FY 2025-26 to FY 2029-30, subject to approval of the Members of the Company at the AGM.

Established in 2012, M/s. Shweta Gokarn & Co., is a multi-dimensional Practicing Company Secretaries firm based in Vashi, Navi Mumbai, specializing in the areas of Company Law, Securities Laws, Foreign Exchange Management Act, Foreign Contribution Regulation Act (FCRA), Anti-Money Laundering laws (AML) and IPR.

The proposed remuneration for carrying out secretarial audit for FY 2025-26 is ₹2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) plus reimbursement of out of pocket expenses, if any, and applicable taxes thereon, and for subsequent year(s) of their term, such remuneration as determined by the Board, based on the recommendation of the Audit Committee.

Further, the Board of Directors of the Company has authorized the Managing Director of the Company to determine fees for statutory certifications and other professional services in consultation with M/s. Shweta Gokarn & Co., Secretarial Auditor of the Company.

M/s. Shweta Gokarn & Co., Practicing Company Secretaries, has given their consent to act as Secretarial

Auditors of the Company and holds a valid Peer Review certificate issued by the Peer Review Board of the Institute of Company Secretaries of India ("ICSI") as required under Regulation 24A of the SEBI Listing Regulations.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends passing of the Resolution set out at Item No. 6 of the accompanying Notice as **Ordinary Resolution**.

Item No. 7

To approve the remuneration payable to Mr. Abhinav Goyal holding office or place of profit:

Mr. Abhinav Goyal (DIN: 08786430), Non-Executive Director of the Company, is employed with Dimensional Machine Works LLC, Wholly Owned Step Down Subsidiary of Company (SDS).

He is son of Mr. Pradeep Goyal, Chairman & Managing Director and Mrs. Neeru Goyal, Non-Executive Non-Independent Director of Company, who are also the Promoters.

Mr. Abhinav Goyal is acting as President of the SDS and looking after production and marketing activities. and warehousing, administration and marketing activities of Pradeep Metals Limited Inc., USA, a Wholly Owned Subsidiary (WOS).

He is highly qualified and has been looking after the activities of the SDS and WOS since April, 2015.

The remuneration paid to him since the FY 2022-23 by the SDS is as follows:

YEAR	Amount (Rs. in lakhs)	AMOUNT (in USD)
2022-23	161.13	2,00,000.00
2023-24	182.78	2,20,673.18
2024-25	192.65	2,25,000.10

The summarized financial performance of DMW for last 3 years is appended below:

(USD in Thousands)

	2022-23	2023-24	2024-25
Total Revenue	4,283.28	5,189.31	3,982.99
EBIDTA	324.42	449.16	129.46
Profit/(Loss) before Tax	93.66	349.16	29.46

The operations of the SDS are expected to improve substantially during the coming years.

It is now proposed to revise the limits of remuneration payable to Mr. Abhinav Goyal by SDS, for a period of 3 years from 1st April, 2025 to 31st March, 2028, in the following manner, which shall be based on the performance and commensurate with the increase in remuneration payable to Senior Management and Key Managerial Personnel of the Company:

Basic Salary and Allowances	USD 23,100 per Month (Equivalent to Rs. 19.74 Lakhs*)
Social Security Tax and Medicare Tax	Employer's Contribution towards Social Security Tax and Medicare Tax on the Salary shall be at the prevailing rates from time to time. (Currently the Employer is required to contribute 6.2% and 1.45% of the Salary, towards Social Security Tax and Medicare Tax, respectively.)
Car and its expenses	For use of the Company's business

Exchange rate as on 31st March, 2025 – Rs. 85.475

The remuneration payable to him exceeds the threshold of Rs. 2.50 Lakhs per month, prescribed under the Companies Act, 2013 w.r.t. holding of place of profit by the related party in the Company or its Subsidiaries.

It is to be noted that the approval is sought for the aforementioned upper limit of remuneration payable and the Nomination and Remuneration Committee, Audit Committee and Board of Directors shall be entitled to recommend and finalize the actual annual remuneration payable to Mr. Goyal for the respective financial year, basis the financial performance of the Company and its Subsidiaries.

The revised limits of remuneration have been approved and recommended by the Nomination and Remuneration Committee as well as the Audit Committee.

Please find below information pursuant to the SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021 pertaining to the Disclosure obligations of listed entities in relation to Related Party Transactions:

1.	Type, material terms and particulars of the proposed transaction	Remuneration paid to Mr. Abinav Goyal by Dimensional Machine Works LLC, Wholly Owned Step down Subsidiary Company (SDS).
2.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Mr. Abhinav Goyal is a Non-Executive Non-Independent Director of the Company and related to Mr. Pradeep Goyal Chairman & Managing Director and Mrs. Neeru Goyal Non-Executive Non-Independent Director, who are also Promoters of the Company
3.	Tenure of the proposed transaction;	1st April, 2025 to 31st March, 2028
4.	Value of the proposed transaction	Basic Salary and Allowances - USD 23,100 per Month (Equivalent to Rs. 19.74 Lakhs*) Employer's Contribution towards Social Security Tax and Medicare Tax - Employer's Contribution towards Social Security Tax and Medicare Tax on the Salary shall be at the prevailing rates from time to time. (Currently the Employer is to contribute 6.2% and 1.45% of the Salary, towards Social Security Tax and Medicare Tax, respectively.)

		Car and its expenses - For use of the Company's business ***Exchange rate as on 31st March, 2025 – Rs. 85.475**
5.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction:	0.76% of Consolidated Turnover of Rs. 31,186.13 Lakhs for FY 2024-25 of the Company. 7.03% of Standalone Turnover of Rs. 3,370.45 Lakhs for FY 2024-25 of the SDS.
6.	Justification as to why the RPT is in the interest of the listed entity;	Mr. Abhinav Goyal is employed as President with the SDS since May 1, 2015. Mr. Goyal is a Bachelor of Science (Computer Engineering) from California Polytechnic State University, San Luis Obispo, CA and MBA from Corneil University. Mr. Goyal has worked with CISCO Systems, CSC Consulting as consultant for 4 years. Mr. Goyal has been working on strategic planning, production and marketing operations of SDS. SDS has now planned to diversify its activities towards other engineering products and has been able to develop new customers for engineering products, in which Mr. Abhinav Goyal has played a significant role.

Except Mr. Abhinav Goyal, Mr. Pradeep Goyal and Mrs. Neeru Goyal, none of the Directors/ Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in passing of the Resolutions.

The Board recommends passing of the Resolution set out at Item No. 7 of the accompanying Notice for approval of the Members as a **Special Resolution.**

Item No. 8

To approve the remuneration payable to Mrs. Neha Goyal holding office or place of profit:

Mrs. Neha Goyal is employed with Dimensional Machine Works LLC, Wholly Owned Step down Subsidiary of Company (SDS).

She is wife of Mr. Abhinav Goyal, Non-Executive Non-Independent Director and relative of Mr. Pradeep Goyal, Chairman & Managing Director and Mrs. Neeru Goyal, Non-Executive Non-Independent Director of Company, who are also the Promoters.

Mrs. Neha Goyal is acting as Accounting, HR, Purchase Officer and looking after accounting, HR and Recruitment activities of the SDS.

She also looks after accounting, HR and Recruitment activities of Pradeep Metals Limited Inc., USA, a Wholly Owned Subsidiary (WOS).

She is highly qualified and has been looking after the activities of the SDS since April, 2015.

The remuneration paid to her since the FY 2022-23 by the SDS is as follows:

YEAR	Amount (Rs. in lakhs)	AMOUNT (in USD)
2022-23	100.71	1,25,000.00
2023-24	125.91	1,52,019.27
2024-25	132.71	1,55,000.04

The summarized financial performance of DMW for last 3 years is appended below: (USD in Thousands)

	2022-23	2023-24	2024-25
Total Revenue	4,283.28	5,189.31	3,982.99
EBIDTA	324.42	449.16	129.46
Profit/(Loss) before Tax	93.66	349.16	29.46

The operations of the SDS are expected to improve substantially during the coming years.

It is now proposed to revise the limits of remuneration payable to Mrs. Neha Goyal by SDS, for a period of 3 years from 1st April, 2025 to 31st March, 2028, in the following manner, which shall be based on the performance and commensurate with the increase in remuneration payable to Senior Management and Key Managerial Personnel of the Company:

Basic Salary and Allowances	USD 16,500 per Month (Equivalent to Rs. 14.10 Lakhs*)
Employer's Contribution towards Social Security Tax	Employer's Contribution towards Social Security Tax on the Salary shall be at the prevailing rates from time to time. (Currently the Employer is to contribute 6.2% of the Salary towards Social Security Tax)
Car and its expenses	For use of the Company's business

Exchange rate as on 31st March, 2025 – Rs. 85.475

The remuneration payable to her exceeds the threshold of Rs. 2.50 Lakhs per month, prescribed under the Companies Act, 2013 w.r.t holding of place of profit by the related party in the Company or its Subsidiaries.

It is to be noted that the approval is sought for the aforementioned upper limit of remuneration payable and the Nomination and Remuneration Committee, Audit Committee and Board of Directors shall be entitled to recommend and finalize the actual annual remuneration payable to Mrs. Goyal for the respective financial year, basis the financial performance of the Company and its Subsidiaries.

The revised limits of remuneration have been approved and recommended by the Nomination and Remuneration Committee as well as the Audit Committee.

Please find below information pursuant to the SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021 pertaining to the Disclosure obligations of listed entities in relation to Related Party Transactions:

1.	Type, material terms and particulars of the proposed transaction	Remuneration paid to Mrs. Neha Goyal by Dimensional Machine Works, LLC, 100% Step down Subsidiary Company (SDS).
2.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Mrs. Neha Goyal is wife of Mr. Abhinav Goyal, Non-Executive Non-Independent Director and relative of Mr. Pradeep Goyal, Chairman & Managing Director and Mrs. Neeru Goyal, Non-Executive Non-Independent Director of Company, who are also the Promoters

3.	Tenure of the proposed transaction;	1st April, 2025 – 31st March, 2028
4.	Value of the proposed transaction	Basic Salary and Allowances - USD 16,500 per Month (Equivalent to Rs. 14.10 Lakhs*) Employer's Contribution towards Social Security Tax at the prevailing rates from time to time. (Currently the Employer is required to contribute 6.2% of the Salary, towards Social Security Tax) Car and its expenses - For use of the Company's business ***Exchange rate as on 31st March, 2025 – Rs. 85.475**
5.	The percentage of the listed entity's annualconsolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction:	0.54% of Consolidated Turnover of Rs. 31,186.13 Lakhs for FY 2024-25 of the Company. 5.02% of Standalone Turnover of Rs. 3,370.45 Lakhs for FY 2024-25 of the SDS.
6.	Justification as to why the RPT is in the interest of the listed entity;	Mrs. Neha Goyal is employed with SDS as Accounting, HR, and Purchase Officer. Mrs. Goyal is BSc. Business Administration (Finance Concentration) from Carnegie Mellon University, Tepper School of Business, Pittsburgh, USA and MSc. Risk Management and Financial Engineering from Imperial College Business School, London, UK. She looks after warehousing activities of SDS as well as WOS.

Except Mr. Pradeep Goyal, Mrs. Neeru P. Goyal, and Mr. Abhinav Goyal, being relatives of Mrs. Neha Goyal, none of the Directors/ Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in passing of the Resolutions.

By order of the Board of Directors
For Pradeep Metals Limited
Sd/-

Abhishek Joshi
Company Secretary & Compliance Officer
Membership No: A64446

Place: Navi Mumbai
Date: 22nd May, 2025

DIRECTORS' REPORT

Your Directors are pleased to present the Forty Second Annual Report together with the Audited Financial Statements for the year ended 31st March, 2025.

1. FINANCIAL RESULTS:

The Company's standalone financial performance for the year ended 31st March, 2025, is summarized below:

(Rs. in Lakhs)

Year Ended	**31.03.2025**	**31.03.2024**
Total Income	**29,953.39**	**25,627.85**
Profit before Depreciation, Exceptional items and Taxes	3,869.23	3,208.36
Less: Depreciation & amortization expenses	802.40	766.78
Less: Exceptional Item	0.00	0.00
Profit before taxes	**3,066.83**	**2,441.58**
Less: Provision for taxes	752.26	628.57
Profit after tax for the year	**2,314.57**	**1,813.01**
Other Comprehensive Income (Net of Taxes)	(42.49)	(52.77)
Total Comprehensive Income	**2,272.08**	**1,760.24**

2. REVIEW OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS:

The Company has achieved Revenues from Operations and Other Income of Rs. 29,953.38 Lakhs during the Financial Year ended 31st March, 2025, an increase of 16.88% over the previous year. Profit before Taxes for the year has increased by 25.61% and Profit after Taxes increased by 27.67% during the year.

The consolidated Income of the Company is Rs. 31,706.60 Lakhs in the current year as compared to Rs. 28,039.46 Lakhs in the previous year, i.e. an increase of 13.26%. The consolidated Profit after Taxes for the current year is Rs. 2,717.37 Lakhs as compared to Rs. 2,228.42 Lakhs in the previous year, i.e. an increase of 22.36%.

The performance of the Company has improved compared to the previous year, driven by the addition of new customers, a diversified product mix, cost optimization measures, and effective management control.

A comprehensive analysis of the Company's performance, along with the future business outlook, is provided in the Management Discussion and Analysis Report, which forms part of this Report.

3. DIVIDEND:

The Directors have recommended a Final Dividend of 25% i.e., Rs. 2.50/- per Equity Share of Rs. 10/- each for the Financial Year ended 31st March , 2025 at the Board Meeting held on 22nd May, 2025.

4. TRANSFER TO RESERVES:

No amount has been transferred to the General Reserve.

5. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of the Company during the year under review.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the

"Listing Regulations") and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (the "Amended Listing Regulations"), forms part of this report.

7. SCHEME OF ARRANGEMENT

The Board of Directors at their Meeting held on 3rd March, 2025, based on the recommendations of the Independent Directors' Committee and Audit Committee, has considered and approved a Scheme of Amalgamation of Nami Capital Private Limited ("NCPL" or "Transferor Company") with Pradeep Metals Limited ("PML" of "Transferee Company" or "the Company") and their respective Shareholders ("the Scheme") presented under Sections 230 to 232 read with Section 66 and other relevant provisions of the Companies Act, 2013 ("the Act") and the Rules framed thereunder.

The Transferor Company is engaged mainly in the business of (i) trading in steel metals and (ii) trading and investing in quoted and unquoted securities.

The Scheme is subject to receipt of approvals of Shareholders and Creditors of the Companies involved and approval of other regulatory authorities as may be required, including those of the BSE Limited, Securities and Exchange Board of India, the National Company Law Tribunal, Mumbai Bench ("NCLT") and other regulatory authorities, as applicable.

The Amalgamation of the Transferor Company with the Transferee Company is sought to achieve simplification of the group structure and better utilization of resources of both the Companies.

There is no cash consideration involved in the scheme. Based upon the Share Exchange Ratio Report, the Fairness Opinion and the recommendations received from the Independent Directors' Committee and the Audit Committee, the Board has approved the Scheme for the transfer and vesting of NCPL into the Company, in consideration for which the Company will issue and allot to the Shareholders of NCPL its Equity Shares of the face value of Rs. 10 (Rupees Ten only) each, credited as fully paid up in the Company, without any further act or deed, due to operation of law and upon this Scheme becoming effective.

The Scheme of Amalgamation along with relevant documents have been uploaded on the Company's website at https://www.pradeepmetals.com/scheme-of-amalgamations/

8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company has one Wholly Owned Subsidiary, namely Pradeep Metals Limited, Inc., Houston, USA (WOS) and one Wholly Owned Step-Down Subsidiary, namely Dimensional Machine Works LLC, Houston, USA (SDS). The financials of both the Subsidiaries are included in the Consolidated Financial Statements which are prepared in accordance with the relevant Accounting Standards issued by the Institute of Chartered Accountants of India and forms part of this Report.

The WOS is engaged in trading of the products manufactured by the Company. The WOS is also engaged in the agency business for marketing of the products of the Company in the international market. Apart from adding new business, this has helped the Company to serve the customers falling in different time zones with faster response and service.

The SDS has been engaged in manufacturing, trading and warehousing of components for Engineering industry in USA market.

The total income of the WOS and the SDS was Rs. 2,896.59 Lakhs (USD 3.423 Million) and Rs. 3,371.84 Lakhs (USD 3.985 Million) for the current year as compared to Rs. 3,024.37 Lakhs (USD 3.651 Million) and Rs. 4,307.26 Lakhs (USD 5.200 Million) for the previous year, respectively. The combined profit before Exceptional items and Taxes of both the Subsidiaries amounted of Rs. 461.88 Lakhs (USD 0.524 Million) for the year as compared to Rs. 384.87 Lakhs (USD 0.465 Million) in the previous year.

The total income of WOS and SDS decreased in the current year due to reduction in Customer's demand and reduction in sales price.

During the year, the WOS has also earned the Agency Commission income of Rs. 593.61 Lakhs (USD 0.705 Million) as compared to Rs. 500.96 Lakhs (USD 0.608 Million) during the previous year.

The Company doesn't have any Joint Venture or Associate Company.

As required by the Companies (Accounts) Rules, 2014, a report on performance and financial position of each of the subsidiaries, included in the Consolidated Financial Statements, is annexed to this Report as **Annexure A** (Form No. AOC-1).

Material Subsidiaries:

Pursuant to amended Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, "Material Subsidiary" means a Subsidiary whose income or net worth exceeds ten percent of the consolidated income or net worth, respectively, of the Company and its Subsidiaries in the immediately preceding accounting year.

The Board of Directors of the Company has approved a Policy for determining material subsidiaries which is in line with the Listing Regulations as amended from time to time. The Policy has been uploaded on the Company's website https://www.pradeepmetals.com/policies/.

Pradeep Metals Limited, Inc., Houston, USA, a Wholly Owned Subsidiary and Dimension Machine Works LLC, Wholly Owned Step-Down Subsidiary fall under the definition of Material Subsidiaries as mentioned above.

9. DEPOSITS:

The Company has neither invited nor accepted any fixed deposits from the public and hence, no amount of principal or interest was outstanding in respect thereof on the date of the Balance Sheet.

10. CREDIT RATING:

The Company's financial discipline and prudence is reflected in the credit ratings ascribed by the rating agency as given below:

Rating Agency	**CRISIL Limited**
Date of Rating	17th April, 2025
Total Bank Loan facilities rated	Rs.10,200 Lakhs
Long-term Rating	CRISIL BBB /Stable (Rating reaffirmed)
Short-term Rating	CRISIL A3+ (Reaffirmed)

11. SHARE CAPITAL:

The Company's shares are listed on BSE Limited, and the Company ensures timely payment of the requisite listing fees to the Stock Exchange.

The Company's Equity Shares are admitted to the depository systems of the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and have been allotted ISIN No. INE770A01010. Shareholders are encouraged to utilize this facility by lodging their holdings with Depository Participants (DPs) where they maintain their Demat accounts to convert their physical shareholdings into electronic form.

The Company has not issued any Equity Shares under Sweat Equity Share Capital or Employee Stock Option Scheme.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As on 31st March, 2025, the Company has Eight (8) Directors consisting of Four (4) Independent Directors (of which one is Woman Director), One (1) Executive Director and Three (3) Non-Executive Non-Independent Directors (of which one is Woman Director).

Re-appointment:

1. In accordance with the provisions of Section 152(6) of the Companies Act, 2013 ('the Act'), Mr. Abhinav Goyal (DIN: 08786430), Non-Executive Non-Independent Director, retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible, has offered himself for re-appointment. Details of his background are given in the Corporate Governance Report, which forms part of this Annual Report.

Key Managerial Personnel:

Pursuant to the provisions of Section 203 of the Act, Mr. Pradeep Goyal, Chairman & Managing Director, Ms. Kavita Choubisa Ojha, Chief Financial Officer and Mr. Abhishek Joshi, Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company as on the date of this Report.

13. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure B**.

14. DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 ('the Act'), the Board of Directors, in respect of the year ended 31st March, 2025, hereby confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period;

c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. they have prepared the annual accounts on a going concern basis;

e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. a) DECLARATION BY INDEPENDENT DIRECTORS:

- The Company has received declarations from all Independent Directors of the Company, confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and the Listing Regulations.
- In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties as Independent Director.
- On the basis of declarations received from all Independent Directors and after undertaking a due assessment of the veracity of the same, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the Management.

16. **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION ETC:**

The Company has put in place appropriate policy on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided in Section 178(3) of the Companies Act, 2013.

The salient features of Company's policy on Directors' remuneration have been disclosed in the Corporate Governance Report, which forms part of this Report.

17. **ANNUAL EVALUATION OF BOARD'S PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, evaluation of the Board as a whole, individual Directors, Committees and Chairman was undertaken by circulating structured questionnaire to all the Directors, taking into consideration the guidelines issued by SEBI.

The Nomination & Remuneration Committee reviewed the performance of Individual Directors, the Board as a whole, Committees of the Board and Chairman & Managing Director after taking into consideration feedback received from the Directors. The evaluation was done on various parameters such as vision and strategy, participation, disclosures of interests, review of risk management policies and evaluating plans with reference to risk and return, good governance, leadership skills, operations, business development, human resources development, corporate communication, etc. as per the structured questionnaire circulated the feedback received from the Directors were then consolidated and discussed at the Board Meeting held on 22nd May, 2025. The Directors expressed their satisfaction with the evaluation process and the performance.

18. **CORPORATE GOVERNANCE AND VIGIL MECHANISM:**

A detailed Report on Corporate Governance, pursuant to the requirements of Regulation 34(3) of the Listing Regulations, forms an integral part of this Report. A Certificate from the Auditors of the Company, M/s. N.A. Shah Associates LLP, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under Schedule V (E) of the Listing Regulations, is annexed to this Report as **Annexure C**.

The Business Responsibility Report, as required by Regulation 34(2) of the Listing Regulations, is not applicable to the Company for the Financial Year ending 31st March, 2025.

The Vigil Mechanism of the Company also incorporates a Whistle Blower Policy in terms of the Listing Regulations thereby establishing a vigil mechanism for the Directors and permanent employees for reporting genuine concerns, if any. Protected disclosures can be made by a whistle blower through an e-mail or dedicated telephone line or a letter to the Chairman of the Audit Committee. The policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: https://www.pradeepmetals.com/policies/.

19. **RISK MANAGEMENT:**

The Directors had constituted a Risk Management Committee which was entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's risk management framework; and (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, Legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. However, since the constitution of Risk Management Committee is not applicable to the Company as per the Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Audit Committee currently looks into the Risk Management functions.

20. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company has formulated a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company. It has been approved by the Board and the same has been hosted on the Company's website: https://www.pradeepmetals.com/policies.

The key philosophy of all CSR initiatives undertaken by the Company is guided by three core commitments of Scale, Impact and Sustainability. During the year, the Company has spent Rs. 46.60 Lakhs against the annual requirement of Rs. 46.45 Lakhs on CSR activities.

Pursuant to the amendments in the CSR Rules dated 22nd January, 2021, the constitution of CSR Committee is not applicable where the CSR amount to be spent by a Company doesn't exceed Rs. 50 Lakhs and the functions of such Committee are to be discharged by the internal Committee formed by the Board of Directors.

Given the above, the constitution of the CSR Committee was not applicable for the Financial Year 2024-25. The Company had formed an Internal Committee of Chief Financial Officer, Chief Operating Officer and the Company Secretary, which is responsible for implementation of the CSR projects/activities.

The Company has identified focus areas of engagement which have been enumerated in **Annexure D** to this Report.

21. AUDIT COMMITTEE:

The details in respect of the Audit Committee are included in the Corporate Governance Report, which forms part of this Report.

22. AUDITORS AND AUDITORS' REPORT:

a. Statutory Auditors

The tenure of appointment of M/s. N.A. Shah Associates, Chartered Accountants, Mumbai Statutory Auditors of the Company, will end upon conclusion of the ensuing Annual General Meeting (AGM).

Board of Directors, on the recommendation of Audit Committee, has proposed to appoint M/s. KKC & Associates LLP, Chartered Accountants, Mumbai (Firm Registration Number: 105146W/W100621) as Statutory Auditors of the Company in place of the retiring auditors M/s. N.A. Shah Associates, to hold office for a period of five years from conclusion of ensuing AGM till the conclusion of Forty Seventh AGM of the Company to be held in the year 2030.

M/s. KKC & Associates LLP have confirmed their willingness to be appointed as Statutory Auditors of the Company and eligibility to the effect that their appointment, if made, would be within the prescribed limits under the act and that they are not disqualified for appointment.

Auditors' Report

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

No fraud was reported by the Auditors under Sub-section (12) of Section 143 of Companies Act, 2013.

b. Cost Auditors

As per the requirement of Central Government and pursuant to the provisions of Section 148 of the Companies Act, 2013 (the Act) read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company has been carrying out audit of its cost records every year.

The Board of Directors, on the recommendation of the Audit Committee, has re-appointed M/s. Vishesh Naresh Patani, Cost & Management Accountants, (Firm Registration No. 101108), as Cost Auditors to audit the cost accounts of the Company for the Financial Year 2025-26 at a remuneration of Rs.1,35,000/- (plus applicable taxes and reimbursement of out-of-pocket expenses at actuals).

Pursuant to Section 148 of the Act, a resolution seeking Members' approval for the remuneration payable to the Cost Auditors forms part of the Notice convening the ensuing AGM.

The relevant Cost Audit Report for the Financial Year 2023-24 was filed with the Ministry of Corporate Affairs on August 31, 2024. No adverse comments have been made in the said Report.

c. **Secretarial Auditors and Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, M/s. Shweta Gokarn & Co., Practicing Company Secretaries, Navi Mumbai (Certificate of Practice Number: 11001; Peer Review No. 1693/2022) were appointed as the Secretarial Auditors to conduct Secretarial Audit for the Financial Year 2024-25.

The Secretarial Auditors' Report for the Financial Year is annexed to this Report as **Annexure E**.

Pursuant to Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), the Board has recommended to the Shareholders, appointment of M/s. Shweta Gokarn & Co. as Secretarial Auditor for five years, to conduct the Secretarial Audit of the Company from Financial Year 2025-26 to 2029-30.

23. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

As on the date of this report, Company's investment in WOS in the form of Equity Shares, before impairment of Rs. 810.00 Lakhs, stands at Rs. 3,579.32 Lakhs (USD 4.67 Million).

No loan was provided to the WOS/SDS during the Financial Year 2024-25 nor is there any outstanding loan as on 31st March, 2025.

Further, no advance was made or Corporate Guarantee provided to WOD/SDS during the Financial Year 2024-25.

24. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

All contracts / arrangements / transactions entered by the Company during the Financial Year with related parties were in the ordinary course of business and on an arm's length basis. The Company has entered into an agency agreement with WOS for International marketing and support to the customers.

During the year, the Company did not enter into any contract / arrangement / transaction with related parties, other than the Wholly Owned Subsidiary and Wholly Owned Step-Down Subsidiary, which could be considered material, in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions, as approved by the Board, may be accessed on the Company's website https:// www.pradeepmetals.com/policies/.

The particulars as required under the Act along with the statement containing transactions with any person or entity belonging to the Promoter / Promoter Groups which hold(s) 10% or more shareholding, if any, are furnished in **Annexure F** (Form No. AOC-2) to this Report.

25. MATERIAL CHANGES AND COMMITMENTS:

No material changes have occurred, and no commitments were given by the Company, thereby affecting its financial position between the end of the Financial Year to which these financial statements relate and the date of this Report.

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure G** to this Report.

27. INTERNAL FINANCIAL CONTROL SYSTEM:

The Company has in place adequate internal financial controls, commensurate with the activities and the size of the Company. During the year, such controls were tested and no reportable material weaknesses in the design or operations were observed.

28. SECRETARIAL STANDARDS:

The Company has in place proper system to ensure compliance with the provisions of the applicable Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India.

29. HUMAN RESOURCES:

The Company recognizes its human resources as one of its prime and critical resources for its growth and hence it strives to align human resource policy and initiatives to meet business plans. The relations between the Management and the workers and Staff Members remained very cordial throughout the year under review. As on 31st March, 2025, the Company had 572 employees on its payroll at its manufacturing plant and administrative office at Rabale, Navi Mumbai.

30. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder.

During the year under review, no case was filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the Financial Year 2024-25, five Meetings of the Internal Complaints Committee were held on 4th June, 2024, 26th September, 2024, 2nd December, 2024 and 19th February, 2025.

31. EXTRACT OF ANNUAL RETURN AS ON 31st MARCH, 2025:

The Annual Return for the Financial Year 2024-25 may be accessed on the Company's website https://www.pradeepmetals.com.

32. BOARD MEETINGS HELD DURING THE FINANCIAL YEAR 2024-25:

During the Financial Year 2024-25, 5 (five) Board Meetings were held on 17th May, 2024, 2nd August, 2024, 29th October, 2024, 30th January, 2025 and 3rd March 2025 the details of which are furnished in the Corporate Governance Report forming part of this Report. The gap between any two Meetings did not exceed 120 days.

33. PROMOTER GROUP:

Change in Promoter and Promoter Group Shareholding:

Shares held by Mr. Pradeep Goyal, Mrs. Neeru Goyal and M/s. Nami Capital Private Limited form part of the Promoter Group Shareholding.

During the year under review, there was no change in the Shareholding of Promoter / Promoter Group.

As on date, the total shareholding of Nami Capital Private Limited stands at 59.03%, while the overall shareholding of Promoter group stands at 73.48 %. The total shareholding of the Promoters is within the maximum permissible limit of 75% as stated under the SEBI SAST Regulations.

34. PARTICULARS OF EMPLOYEES:

In terms of the provisions of Sub-Rule 2 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, none of the employees, except Mr. Pradeep Goyal, Chairman & Managing Director of Company, drew remuneration in excess of the limits prescribed under the Act. Relevant particulars are given in **Annexure B** to this Report. The Report and the Accounts are being sent to the Members excluding the statement containing the names of top ten Employees in terms of remuneration drawn. In terms of Section 136 of the Act, the details of top ten Employees are open for Inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

35. SPECIAL BUSINESS:

As regards the items in the Notice of the Annual General Meeting relating to Special Business, the resolutions incorporated in the Notice and the Explanatory Statement relating thereto fully indicate the reasons for seeking the approval of Members to those resolutions.

The following resolutions are proposed to be passed as Special Business:

1. To approve the remuneration of the Cost Auditors for the Financial Year ending 31th March, 2026.
2. To consider appointment of M/s. Shweta Gokarn & Co., Practicing Company Secretaries as Secretarial Auditors for a term of five years.
3. To approve the remuneration payable to Mr. Abhinav Goyal holding office or place of profit.
4. To approve the remuneration payable to Mrs. Neha Goyal holding office or place of profit.

36. GENERAL:

The Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year:

- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- There was no fraud reported by the Auditors under Sub section (12) of Section 143 of the Companies (Amendment) Act, 2015, to the Audit Committee, Board of Directors or Central Government.
- There were no applications made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year and at the end of the Financial Year.
- The details of the difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof- Not applicable.

37. ACKNOWLEDGEMENT:

The Directors wish to place on record their appreciation and acknowledge with gratitude the support and co-operation extended by the Government authorities, Union Bank of India (bankers), customers, vendors, employees and Members during the year under review and look forward to their continued support.

Place: Navi Mumbai
Date: 22nd May, 2025

For and on behalf of Board of Directors of
Pradeep Metals Limited

Sd/-	Sd/-	Sd/-	Sd/-
Pradeep Goyal	**Neeru P. Goyal**	**Kavita Choubisa Ojha**	**Abhishek Joshi**
Chairman & Managing Director	Director	Chief Financial Officer	Company Secretary & Compliance Officer
DIN: 00008370	DIN: 05017190	PAN: ATTPC7818E	ACS: 64446

ANNEXURE A TO DIRECTORS' REPORT

FORM No. AOC-1

(Pursuant to first proviso to Sub-Section (3) of Section 129 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statements of Subsidiaries/Associate Companies/Joint Ventures.

Part 'A': Subsidiaries

(Rs. in Lakhs)

Sr. No.	Name of Subsidiary	Pradeep Metals Ltd Inc., Houston, USA	Dimensional Machine Works, LLC, Houston, USA
1.	Date since when subsidiary was acquired	04.03.2015 #	25.04.2015
2.	Reporting period	01.04.2024 to 31.03.2025	01.04.2024 to 31.03.2025
3.	Reporting Currency	USD	USD
4.	Share capital	3,989.97	3,094.29
5.	Reserves and Surplus	521.09	-2,792.24
6.	Total Liabilities excluding share capital and reserves	2,075.98	2,547.76
7.	Total Assets	6,427.52	2,780.80
8.	Investments	2,180.48	-
9.	Turnover/Total Income	2,896.59	3,371.84
10.	Profit before Exceptional Items and Taxes	352.33	109.55
11.	Exceptional Items	-	84.62
12.	Provisions for Taxation	15.23	-
13.	Profit after Exceptional Items and Taxes	337.10	24.93
14.	Proposed Dividend	-	-
15.	% of Shareholding	100%	100%

*Exchange Rate of USD 1= Rs. 85.475 for Balance Sheet items and Rs. 84.621 for Profit & Loss items.

Pradeep Metals Limited, New York, incorporated on 12th June, 2012, was merged into Pradeep Metals Limited, Inc., Houston, USA since 4th March, 2015.

1. Names of the Subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been liquidated and sold during the year: None

Part 'B': Associate and Joint Ventures

1. Names of the Associates/Joint Ventures which are yet to commence operations: None
2. Names of Associates/Joint Ventures which have been liquidated or sold during the year: None

Place: Navi Mumbai
Date: 22nd May, 2025

For and on behalf of Board of Directors of
Pradeep Metals Limited

Sd/-	Sd/-	Sd/-	Sd/-
Pradeep Goyal	**Neeru P. Goyal**	**Kavita Choubisa Ojha**	**Abhishek Joshi**
Chairman & Managing Director	Director	Chief Financial Officer	Company Secretary & Compliance Officer
DIN: 00008370	DIN: 05017190	PAN: ATTPC7818E	ACS: 64446

ANNEXURE B TO DIRECTORS' REPORT

Information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

I. The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Chairman & Managing Director	Ratio to median remuneration
Mr. Pradeep Goyal	51.87

Non-executive Directors received no remuneration, except sitting fees / commission for attending Board / Committees meetings. The details of sitting fees / commission paid to Non-Executive Directors are provided in Corporate Governance Report.

II. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

a) Change in remuneration of Chairman & Managing Director

Sr. No.	Name	Remuneration p.a. (Rs. in Lakhs)		% Increase in Remuneration
		2023-24	2024-25	
1.	Mr. Pradeep Goyal	212.93	261.55	22.83

Other Non- Executive Directors are paid only sitting fees/commission for attending Board/Committee Meetings.

b) Increase/Decrease in remuneration of Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in financial year:

i. Chief Financial Officer

Sr. No.	Name	Remuneration p.a. (Rs. in Lakhs)		% Increase in Remuneration
		2023-24	2024-25	
1.	Ms. Kavita Choubisa Ojha	26.84	31.04	15.65%

ii. Company Secretary

Sr. No.	Name	Remuneration p.a. (Rs. in Lakhs)		% Increase in Remuneration
		2023-24	2024-25	
2.	Mr. Abhishek Joshi	5.67	7.32	29.10%

III. The percentage increase in the median remuneration of employees in the financial year: 8.08%

IV. The number of permanent employees on the payroll of Company: 572

V. Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentile increases in the salaries of the employees other than the managerial personnel is around 8.08%. However, the percentile increases in the managerial remuneration have been mentioned in point II above.

VI. Affirmation that the remuneration is as per the remuneration policy of the Company:

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid is as per the remuneration policy.

VII. The particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

i. Details of employees employed throughout the year and in receipt of remuneration for that year which, in the aggregate, were not less than Rupees One Crores and two lakhs per annum.

Sr. No.	Name	Age in Year (Approx.)	Designation	Remuneration Paid (Rs. in Lakhs)			Nature of Employment	Qualification	Date of Commencement of Employment	Experience in Year (Approx.)	Last employment held and designation	% of Equity Shares held by the employee in the Company	Relation with any Director of the Company
				Gross Salary	Incentive Pay and Benefits	Total Remuneration							
1	Mr. Pradeep Goyal	69 years	Chairman & Managing Director	174.97	86.58	261.55	Contractual	Metallurgist from IIT, Kanpur with a Master's degree in Materials Science & Engineering from M.I.T., Cambridge, USA	17.12.2023	More than 40 years	Pradeep Metals Limited – Managing Director	9.12%	Spouse of Mrs. Neeru P. Goyal and Father of Mr. Abhinav P. Goyal

NOTE: Gross salary comprises of salary and allowances.

ii. Details of employees employed for a part of the financial year and in receipt of remuneration for any part of the year, at a rate which, in aggregate, was not less than Rupees Eight lakhs and Fifty thousand rupees per month: None

iii. Details of employees employed throughout the financial year or part thereof and were in receipt of remuneration in the year and are in excess of the remuneration of the Managing Director or Whole Time Director: None

VIII. The Report and the Accounts are being sent to the Members excluding the statement containing the names of top ten Employees in terms of Remuneration drawn. In terms of Section 136 of the Act, the details of top ten Employees are open for its Inspection at the Registered Office of the Company. Any Shareholder interested in obtaining a copy of the same may write to the Company Secretary.

For and on behalf of Board of Directors of
Pradeep Metals Limited

Place: Navi Mumbai
Date: 22nd May, 2025

Sd/-
Pradeep Goyal
Chairman & Managing Director
DIN: 00008370

ANNEXURE C TO DIRECTORS' REPORT
AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members
Pradeep Metals Limited

Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

1. Based on the engagement by the Management of **Pradeep Metals Limited** ('the Company'), we have examined details of compliance of conditions of Corporate Governance by the Company for the year ended 31st March, 2025 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations') pursuant to the Listing Agreement of the Company with the Stock Exchange.

Management's Responsibility for compliance with the conditions of Listing Regulations

2. The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

3. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations as applicable mentioned in para 1 above for the year ended 31th March , 2025.

4. Our examination was limited to a review of procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause / Regulation as applicable. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination and according to explanations given to us and representations made by the Directors and management, we certify that during the year ended 31th March, 2025, the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations as applicable mentioned in para 1 above.

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

Restrictions on use

9. The certificate is addressed and provided to the members of the Company solely for the purpose of compliance with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For N. A. Shah Associates LLP
Chartered Accountants
Firm's Registration No.: 116560W/W100149

Bhavin Kapadia
Partner
Membership No.: 118991
UDIN: 24118991BKFQUW5570

Place: Navi Mumbai
Date: 22nd May, 2025

ANNEXURE D TO DIRECTORS' REPORT
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FINANCIAL YEAR 2024-25

1. **Brief outline on CSR Policy of the Company -** The policy on Corporate Social Responsibility (CSR) may be accessed on the Company's website at the link: https://www.pradeepmetals.com/policies/.

2. **Composition of CSR Committee:**

   Pursuant to the amendments in CSR Rules dated 22nd January, 2021 the constitution of CSR Committee is not applicable, where the CSR amount to be spent by a Company doesn't exceed Rs. 50 Lakhs and the functions of such Committee shall be discharged by the Board of Directors.

   Further, the Company has formed an Internal Committee under Chief Financial Officer, where the Chief Operating Officer and the Company Secretary shall be responsible for implementation of the CSR projects/activities.

3.	Provide the web link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company	https://www.pradeepmetals.com/policies/
4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)	NA
5.	Details of the amount available for set off in Pursuance of sub rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: -	NA

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any
--- Not Applicable ---			

6.	Average net profit of the company as per section 135(5)	Rs. 2,322.55 Lakhs
7.	(a) Two percent of average net profit of the company as per section 135(5)	Rs. 46.45 Lakhs
	(b) Surplus arising out of the CSR projects or programmes or activities of previous the financial years	Nil
	(c) Amount required to be set off for the financial year, if any	Nil
	(d) Total CSR obligation for the financial year (7a+7b-7c)	Rs. 46.45 Lakhs

8. **(a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 46.45 Lakhs	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes /No)	Location of the project.		Project Duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation -Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
NIL												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent in the project (in Rs.)	Mode of Implementation -Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State.	District.			Name	CSR Registration number.
1.	Construction of School Building	Education & Skill Development	Yes	Maharashtra	Mumbai	1,00,000	No	Vivek Education Foundation	CSR00082600
2.	Gau Gram Yojana	Animal welfare	Yes	Maharashtra	Thane	1,10,000	No	Ekal Shrihari Vanvasi Vikas Traust - Gau-Gram yojna	CSR00003396
3.	Cancer Treatment Fund	Health Clause	Yes	Maharashtra	Mumbai	1,00,000	No	Indian Cancer Society	CSR00000792
4.	Stay Home For Needy And Poor People	Livelihood enhancement projects.	No	Madhya Pradesh	Ujjain	1,00,000	No	Madhav Sewa Nyas	CSR00007264
5.	To provide for infrastructure facilities for operating Hospital	Health Clause	No	Maharashtra	Chhatrapati Sambhajinagar	1,00,000	No	Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan	CSR00000181
6.	Contribution to Research & Development	Education & Skill Development	No	Uttar Pradesh	Kanpur	10,00,000	No	IIT Kanpur	CSR00004774
7.	Conducting of Health Camps in tribal area	Health Clause	Yes	Orissa	Kendujhar	16,50,000	No	Arogya Foundation of India	CSR00005059
8.	Adoption of 50 'One Teacher Schools'	Education & Skill Development	Yes	Maharashtra	Thane	15,00,000	No	Friends of Tribals Society	CSR00001898
	TOTAL					**46,60,000**			

(d) Amount spent in Administrative Overheads — Nil

(e) Amount spent on Impact Assessment, if applicable — Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) — Rs. 46.60 Lakhs

(g) Excess amount for set off, if any — Rs. 0.15 Lakhs

Sr. No.	Particular	Amount (Rs. In Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	Rs. 46.45 Lakhs
(ii)	Total amount spent for the Financial Year	Rs. 46.60 Lakhs
(iii)	Excess amount spent for the Financial Year [(ii)-(I)]	Rs. 0.15 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Rs. 0.15 Lakhs

9. (a) Details of Unspent CSR amount for the preceding three financial years:

(1)	(2)	(3)	(4)	(5)		(6)	(7)
Sr. No.	**Preceding Financial Year**	**Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)**	**Amount spent in the reporting Financial Year (in Rs.)**	**Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.**			**Amount remaining to be spent in succeeding financial years. (in Rs.)**
				Name of the Fund	**Amount (in Rs)**	**Date of transfer**	
1.	2023-24	-	Rs. 40,25,000	-	-	-	-
2.	2022-23	-	Rs. 35,30,000	-	-	-	-
3.	2021-22	-	Rs. 32,99,000	-	-	-	-
	TOTAL	**-**	**Rs.1,08,54,000**				**-**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	**Project ID**	**Name of the Project**	**Financial Year in which the project was commenced**	**Project duration**	**Total amount allocated for the Project**	**Amount spent on the project in the reporting Financial Year**	**Cumulative amount spent at the end of reporting Financial Year**	**Status of the project - Completed /Ongoing.**
---- Not Applicable ----								

10.	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details)**	**- Not Applicable**
	(a) Date of creation or acquisition of the capital asset(s)	N.A.
	(b) Amount of CSR spent for creation or acquisition of capital asset	N.A.
	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	N.A.
	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset	N.A.
11.	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)	N.A.

	Sd/-	Sd/-
	Pradeep Goyal	**Neeru P. Goyal**
Place: Navi Mumbai	Chairman & Managing Director	Director
Date: 22nd May, 2025	DIN: 00008370	DIN: 05017190

ANNEXURE E TO DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,
Pradeep Metals Limited,
R-205, MIDC Rabale,
Navi Mumbai – 400 701

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Pradeep Metals Limited (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 ('Audit Period'), complied with the Statutory provisions listed hereunder and also that the Company has proper Board Processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, Minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

a. The Companies Act, 2013 (the Act) and the rules made thereunder;

b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

d. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment;

e. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): --

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not Applicable to the Company during the Audit Period);

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Audit Period);

   d) The Securities and Exchange Board of India (Share-Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the Audit Period);

   e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during the Audit Period)

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients (Not Applicable to the Company as the Company is not registered as Registrar & Transfer Agent);

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the Audit Period);

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit Period);

I have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by the Institute of Company Secretaries of India.
- The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

  During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Women Directors and Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board and Committee Meetings, agenda and detailed notes on the agenda were sent at least seven days in advance except for the Meetings where consents of the Directors/ Committee Members were taken to issue the Agenda at a short notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.
- All decisions at the Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be.
- Based on review of Compliance mechanism and Compliance Certificate(s) issued by the Functional Heads and taken on record by the Board of Directors at their Meeting(s), I am of the opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable Laws, Rules, Regulations and Guidelines.

I further report that during the audit period there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., except:

- During the year under review, on 30th May, 2024, Pradeep Metals Limited Inc., USA, Wholly Owned Subsidiary ('the WOS') has allotted 2,24,167 Equity Shares to the Company, pursuant to the conversion of outstanding unsecured loans given to the WOS aggregating to Rs. 2,236.80 Lakhs (Equivalent to USD 26.90 Lakhs).
- On 3rd March, 2025, the Board of the Directors of the Company has approved the draft of the proposed Scheme of Amalgamation of Nami Capital Private Limited ('Transferor Company') with Pradeep Metals Limited ('Transferee Company'). Pursuant to Regulation 37 of SEBI (LODR) Regulation 2015, the Company has filed the Draft Scheme of Amalgamation with the Stock Exchange for obtaining the No-objection letter.

Place: Navi Mumbai
Date: 22nd May, 2025

For Shweta Gokarn & Co.
Company Secretaries
Peer Review Regn.: 1693/2022

Sd/-

Ms. Shweta Gokarn
ACS: 30393
CP No: 11001
UDIN: A030393F000387541

Note: This report is to be read with our letter of even date, which is annexed herewith and forms an integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT

The Members,
Pradeep Metals Limited,
R-205, MIDC Rabale,
Navi Mumbai – 400 701

My report of even date is to be read along with this letter. This is to state that:

a. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

b. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. I believe that the processes and practices I followed provided a reasonable basis for my opinion.

c. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

d. The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

e. Whenever necessary I have obtained and relied on the Management representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

f. The Secretarial Audit Report for financial year ended on 31st March, 2025 is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Shweta Gokarn & Co.
Company Secretaries
Peer Review Regn.: 1693/2022

Sd/-

Place: Navi Mumbai
Date: 22nd May, 2025

Ms. Shweta Gokarn
ACS: 30393
CP No: 11001
UDIN: A030393F000387541

ANNEXURE F TO DIRECTORS' REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, including arm's length transactions under third proviso thereto:

1. **Details of contracts or arrangements or transactions not at arm's length basis: NIL**

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

During the year, the Company did not enter into any contract/arrangement/transaction with related parties, other than its Wholly Owned Subsidiary and Wholly Owned Step Down Subsidiary, which could be considered material, in accordance with the policy of the Company on materiality of related party transactions. Details are mentioned in table below:

(Rs. in Lakhs)

Sr. No.	Name of the Related Party	Relationship	Nature of Transaction	Year Ended 31st March, 2025
1	Pradeep Metals Limited, Inc., Houston, USA	**100% Subsidiary Company**	Sales with Fright Charges Receivables Investment made Guarantee Commission Recovered Agency commission expenses Interest on Loan Received Loan given to holding company	1.16 1.16 3,579.32 6.41 593.61 Nil Nil
2	Dimensional Machine Works LLC	**100% Stepdown Subsidiary Company**	Purchase Sales with Freight Charges Reimbursement of freight charges Payables Receivables	1.17 1,327.29 3.70 2.74 1,130.34

3. **Transactions with any person or entity belonging to the promoter/promoter groups which hold(s) 10% or more shareholding in the format prescribed in the AS for annual results: NIL**

For and on behalf of Board of Directors of
Pradeep Metals Limited

Sd/-
Pradeep Goyal
Chairman & Managing Director
DIN: 00008370

Place: Navi Mumbai
Date: 22nd May, 2025

ANNEXURE G TO DIRECTORS' REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and outgo required under the Companies (Accounts) Rules, 2014.

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and outgo required under the Companies (Accounts) Rules, 2014.

Sustainability consists of fulfilling the needs of current generations without compromising the needs of future generations, while ensuring a balance between economic growth, environmental care and social well-being.

The Company has decided to emphasize the 5 key areas forming part of the 17 Goals of Sustainability Development adapted by the United Nations, i.e. (a) Affordable and Clean Energy; (b) Industry, Innovation & Infrastructure; (c) Good health & Well-Being; (d) Quality Education; and (e) Climate Action.

A. Affordable and Clean Energy / Climate Action:

The Company believes that with our immense managerial and innovative capacity, we can contribute significantly towards making a transformational change in society. It focuses on innovative strategies that would enable us to make a growing contribution along the triple bottom lines of building economic, environmental, and social capital.

Carbon footprint is becoming a widely used measure of an organization's contribution to climate change. Calculating a carbon footprint helps organization to understand the link between how we operate and what we consume in terms of energy and fuels and the impact on the environment through carbon emissions. The Company calculates on quarterly/yearly basis, the GHG emission and take action to reduce it. The action plan is as follows:

Scope 1	100% Green energy in 2024 (Achieved)
Scope 2	20% reduction of intensity by 2030
Scope 3	- Net Zero emission By 2045. - To meet the 1.5 Degree Celsius global warming target

1. Steps taken by the Company for utilizing alternate sources of energy:

- The Company has a 2.1 MW Windmill operational since 2015, generating 4 Million KWh electricity per year.
- Further, during the financial year 2023-24, a 3 MW Solar Plant became operational, generating 4.5 Million KWh electricity per year.
- Current electricity consumption of the Company is approximately 7.2 Million KWh. Resultant of the above two projects, the Company is generating a surplus electricity of 1.3 Million KWh
- 100% of Company's operations are based on the use of renewable resources.
- The Company is also in an advanced stage of completing a project to improve power quality with Energy saving (Reactive Power Management).
- The Company has completely switched over to use of natural gas in place of liquid fuels resulting in lower pollution.
- The Company is moving over to Induction Furnaces from Gas fired Furnaces for higher energy efficiency.
- In addition to above, the Company continues to explore areas to further reduce the net consumption of energy. One identified area is to replace existing equipment with that of better fuel efficiency.
- Design modification is an ongoing process for optimization of yield in the forging process and this results in increased productivity with attendant reduction in the use of energy.

2. **Capital investment on energy conservation equipments:**

During the year under review, Capital Investment of around Rs. 17.50 Crores was done for installation of new 16 KJ CNC Hammer as a replacement of old pneumatic Hammer.

B. Industry, Innovation & Infrastructure

i. New Energy Saving Initiatives

With an aim to reduce the energy consumption, the Company has taken following new initiatives at its production plant:

- New 7 ton,0.75-ton Hammers have already been installed in operation to minimize the energy consumption .
- To reduce consumption of CNG, 4 additional Electric Induction Heaters have been installed in last 2 years.
- Recycling Material: 100% Scrap material from manufacturing process is recycled through steel mill.

C. Good health & Well-Being

- Training center for conducting regular workplace and technical training for all employees
- The Company conducts Annual Health Check-Up of the Employees.
- Annual blood donation camps are organized for local hospitals.
- Scholarships for provided for Employees' children
- Subsidized canteen for on-site food.

PML have received a Bronze Medal on the ECOVADIS platform for 2025, placing us in the 61st percentile among evaluated companies. This recognition reflects our ongoing commitment and performance across ECOVADIS' four key pillars:

1. Environment
2. Labour and Human Rights
3. Ethics
4. Sustainable Procurement

D. TECHNOLOGY ABSORPTION:

1. The efforts made towards technology absorption/development

i. The Company's In-House R&D Centre, 'Industrial Microwave Research Center (IMRC)' is recognized by the Department of Scientific and Industrial Research (DSIR), Ministry of Science & Technology, Government of India, New Delhi. The recognition is now valid up to March, 2026.

ii. The Company has absorbed the DRDO Bio-Digestor technology towards setting up a STP plant in the factory premises. This is a clean technology providing the desired results with low power consumption.

Highlights of the R&D projects:

a. Efforts are continued for transferring technology of microwave assisted 'Rapid Curing of Resin Bonded Grinding Wheels' to the manufacturers. Though the readiness is there, still responses are not very fast as the technology is totally new and not used by their competitors. Confidence building is necessary, and efforts in this direction are underway.

b. The process of converting PML forging scales (which are not accepted by metal melters) to low alloy steel (Abrasion Resistant Steel) containing Ni, Cr, and Mo is being perused in pilot plant. After each trial, the alloy formed is being collected for converting it into a sample holder which is being used for heat-treatment in PML for their products. Apart from this, the alloy will be characterized by analysing all metallurgical properties.

This technology will improve the 'Circular Economy' of PML by converting waste material to value added product.

c. A joint project proposal for scaling the microwave assisted "Disinfestation of Foodgrains" process to 2T / h was submitted to the Ministry of Consumer Affairs, Govt. of India with ICAR-Central Institute of Post-Harvest Engineering and Technology (CIPHET), Ludhiana. The reviewers of this project appreciated the proposal with suggestion to increase the scale of operations from 2T/h to 10T/h. Towards increasing the scale of operations, efforts are being made to use 915 MHz microwave frequency, in place of 2450 MHz. The main advantage of 915 MHz would be higher working efficiency, higher depth of penetration and cheaper high-power systems that will result in higher throughput and almost 50% reduction in capital cost. Initial clearance from the Ministry of Telecommunication is being obtained for importing microwave systems working at this frequency. Few international system suppliers are being contacted for the same.

2. A patent entitled "Continuous process for baking of cured friction material using electromagnetic energy" applied in February, 2014 was granted in India on 31st May, 2023 with Patent No. 433437. This patent pertains to the rapid curing of composite brake-liners used in automobiles. Another patent entitled "Microwave Composite Heating Furnace" (jointly with Chubu University, Japan) for converting iron ore to pig iron using microwave was also granted in India (Applied July 2015) on 21st November, 2023 with patent no. 471191.

3. PML-IMRC bagged 1st runners-up CII Industrial IP Award 2023 in SME–Manufacturing - (Patent) category for our IP portfolio.

4. The benefits derived are product improvement, cost reduction, product development or import substitution:

   The processes being developed in the field of Microwave are new and novel in concept. Monetary benefits from these technologies will be derived through sale of technology after obtaining patents and then scaling the process to a scale required by the industry. Efforts are being done by approaching user industries. Apart from this, a proposal is also under consideration for scaling the microwave assisted iron making process with the Ministry of Steel. Conversion of waste like forging scales which are not accepted by scrap dealers, causing problem of storage are being converted to special type 'abrasion resistant steel' which will improve the circular economy of PML. Apart from this, the food grain disinfestation process will prove to be a game changing technology soon as the same technology can be adopted for other agricultural commodities. These technologies are being viewed as the flag-ship projects of Pradeep Metals Limited for the society. The process is being extended for other important commodities like turmeric.

5. All the details pertaining to the R&D Projects undertaken by the Company can be accessed at https://www.pradeepmetals.com/imrc/imrc-introduction/

6. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

   a. Details of technology imported: No new R&D technology was imported in 2024-25.

   b. Whether the technology has been fully absorbed: Not applicable during FY 2024-25

   c. If not fully absorbed, areas where absorption has not taken place and the reasons thereof: Not Applicable

7. The expenditure incurred on Research and Development:

   a. Capital Expenditure: NIL

   b. Recurring Expenditure: Rs. 21.81 lakhs

   c. Foreign exchange Earnings and Outgo 2024-25:

	Amount
Foreign Exchange earned in terms of Actual Inflows (Export Sales)	Rs. 13,922.26 lakhs
Subsidiary Loan Recovery	Nil
Foreign Exchange outgo in terms of Actual outflows: a) Professional Fees - Rs. 4.91 lakhs b) Consumables - Rs. 11.73 lakhs c) Capital Purchase - Rs. 857.59 lakhs d) Currency - Rs. 8.95 lakhs e) Insurance - Rs. 20.91 lakhs f) Agency Commission - Rs. 622.16 lakhs g) Other - Rs. 55.66 lakhs	Rs. 1,581.91 lakhs

For and on behalf of Board of Directors of
Pradeep Metals Limited

Sd/-
Pradeep Goyal
Chairman & Managing Director
DIN: 00008370

Place: Navi Mumbai
Date: 22nd May, 2025

MANAGEMENT DISCUSSION & ANALYSIS

1. GLOBAL OUTLOOK

The global economic outlook for 2025–26 presents a mixed picture, characterized by moderate growth, persistent inflationary pressures and heightened policy uncertainty. Here's a comprehensive overview of the economic outlook based on the reports published by OECD, IMF, and World Bank:

OECD has projected that Global GDP will slow down to 3.1% in 2025 and 3.0% in 2026, down from 3.2% in 2024. This deceleration is attributed to increased trade barriers and policy uncertainty, which are dampening investment and household spending.

The IMF forecasts global growth at 3.3% for both 2025 and 2026, which is below the pre-pandemic average of 3.7%. The outlook remains subject to significant downside risks, including policy-induced disruptions and geopolitical tensions.

World Bank has predicted a growth in low-income countries is expected to average 5.8% in 2025–26, driven by improvements in some fragile and conflict-affected nations. However, risks such as intensified insecurity, lower global growth, and increased debt-service costs pose challenges.

2. INDIAN ECONOMY

India is poised to remain one of the world’s fastest-growing major economies in FY 2025–26, despite facing global uncertainties and some structural domestic challenges. Economic momentum is expected to be driven primarily by domestic consumption, increased capital expenditure and a stable inflation environment.

Indian economy is projected to grow at the rate ranging between 6.2% and 6.7%. This growth outlook reflects resilience in domestic demand, continued recovery in services and higher public and private investment. However, it also takes into account external headwinds such as global trade tensions and elevated interest rates in advanced economies.

India’s economy is well-positioned to navigate FY 2025–26 with solid fundamentals. The combination of moderate inflation, government-led investment, and resilient consumption provides a stable foundation for growth. However, delivering on structural reforms and managing global risks will be essential to unlocking long-term economic potential.

3. BUSINESS ENVIRONMENT

The Indian forging market was valued at USD 5.21 billion in 2024. The market is projected to reach USD 10.17 billion by 2033, with a CAGR of 7.71% from 2025 to 2033.

The major raw material for Forgings Industry is steel. Production of crude steel in India is anticipated to increase by 4–7%, reaching between 123–127 million tonnes in Financial Year 2025-26.

The industry also faced some challenges. Finished steel imports surged by 24.5% in 2024, impacting domestic prices.

However, the steel and forging industries in India are poised for growth in 2025, supported by government initiatives, technological advancements and rising domestic demand. However, challenges such as import pressures and global competition necessitate strategic measures to sustain this upward trajectory.

4. BUSINESS SNAPSHOT

Pradeep Metals Limited (PML) showed an impressive growth and generated Rs. 29,439 Lakhs in annual sales through its products ranging from intricate closed die stainless, alloy, carbon and Nickel Alloy steel forgings as finished and semi-finished machined components. The strategy of specialization and catering to custom-made and small quantity orders continues to pay dividends and has made the Company the preferred supplier to its customers. The Company's expertise in making deliveries in short lead times, sometimes even 2 days, helps the customers to keep low level of inventories at their end.

Major customers of the Company are in India, USA, UK, Singapore, Sweden, Denmark, France, Germany, Italy, Mexico, New Zealand and Argentina. The Company uses state-of-the-art machinery with sophisticated tool-room equipment to manufacture its forgings and machined parts. It also employs hi-tech design, Deform Simulation and analysis software to create dies and tooling that play a key role in the production of forgings. The manufacturing plant is fully integrated with complete facilities for inspection, testing, cutting, dies and tool making, forging, heat-treatment, finishing, machining, cleaning, surface treatment and assembly.

The Company continues to enhance its machining capacity and capabilities by adding CNC Turning Centers, Vertical Machining Centers (VMC), Turn Mills / Mill Turns and other equipment to address the rising demand of finished machined components and sub-assemblies. In addition to in-house facilities, the Company has also made a significant effort and developed dedicated vendors for machining, in order to supplement its machining capacity and capabilities.

The Company continues to upgrade its plant, equipment and infrastructure on a continuous basis.

The Company uses its in-house upgraded metallurgical laboratory, process control, continuous improvement principles to manufacture quality products. The quality assurance systems have been approved by Global Original Equipment Manufacturers including nuclear grade and high-pressure equipments in Europe, USA and Southeast Asia. The Company is certified by ISO 9001:2015 & Pressure Equipment Directive 2014 / 68 / EU (PED). The Company continues to improve its capabilities to serve highly quality conscious markets to maintain its niche position in the industry. The Company has been concentrating on exports for long-term growth and exports about 50% - 55% of its finished goods. It has received ISO 14001:2015, ISO 45001-2018, Marine, Norsok, ISMS & AS 9100D certifications, etc. which are available on the website of the Company. Recently, the Company has also embarked on a journey to improve its productivity and profitability by employing TOC techniques in the process.

5. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Standalone financial performance of the Company is summarized below: -

(Rs. in Lakhs)

Particulars	**FY 2024-25**	**FY 2023-24**	**Change in %**
Exports	14,795.00	12,479.52	18.11%
Domestic Sales	13,784.06	12,141.01	13.53%
Export Incentives	558.49	271.34	105.83%
Income from Windmill*	197.38	182.26	8.30%
Other Income	514.31	506.49	1.54%
Total Income	**29,953.39**	**25,627.85**	**16.88%**
EBITDA	4,546.96	3,809.36	19.36%
Profit before Exceptional Items and Taxes*	3,066.83	2,441.58	25.61%
Profit after Exceptional Items but before Taxes*	3,066.83	2,441.58	25.61%
Profit after Exceptional Items and Taxes			
(before Other Comprehensive income)	2,314.56	1,813.01	18.11%
Total Comprehensive Income	**2,272.08**	**1,760.24**	**29.08%**

** Excluding Solar Power income which is used for Captive consumption*

6. SEGMENT WISE AND PRODUCT WISE PERFORMANCE

Business verticals such as Valves, General Engineering, Instrumentation & Flanges and Defense contributed 32%, 31%, 33% and 4% respectively, to the total sales of the Company.

7. KEY FINANCIAL RATIOS (Standalone)

Particular	2024-25 (Audited)	2023-24 (Audited)	Variance
Debtors' turnover ratio	3.73	3.67	1.62
Inventory turnover ratio	6.25	6.08	2.87
Interest coverage ratio*	5.53	4.74	9.29
Current Ratio	1.36:1	1.34:1	1.49
Debt Equity Ratio	0.45:1	0.52:1	13.46
Operating Profit Margin	15.08%	14.88%	1.34
Net Profit Margin	7.86%	7.23%	8.71
Return on Net worth	17.56%	16.02%	9.61

* Interest includes finance cost and bank charges.

8. FUTURE OUTLOOK

The Management is planning to expand the Machining capacity further and also replace some of the old forging equipments. This will be one of the focus areas this year. Considering the Government's policy of encouraging green energy, benefits being derived from the operation of a 2.1 MW Windmill plant, the Company has acquired and installed a 3 MW Land Based Solar Plant, on turnkey basis, at the cost of about Rs. 1,200 Lakhs. The power generated through Solar Plant is substantially lower compared with the MSEB's tariff. The pay-back period for Plant is expected to be 5 years whereas the Plant is guaranteed to generate power for 25 years with small degeneration of 5 % per year.

9. OPPORTUNITIES AND THREATS

Opportunities:

Following new opportunities have emerged to develop new overseas Customers.

- Developing trend among Countries of decreasing the dependence on China in the Post-Covid Scenario.
- Signing of Free Trade Agreements (FTA) between India and various Countries.
- New products and customers development is a focus area, which helps us to mitigate the risk of obsolete product range.
- The Company's ability to support customer demand within the shortest possible lead time helps us to meet the ever-shrinking expected lead time due to the uncertain market conditions.

Threats:

- Labour intensive process, which can get hit during pandemics like Covid-19 and availability of skilled labour.
- Tariff's war impacting the international trade.
- Hike in the prices of Steel, Consumables, Freight, etc.

10. RISKS AND AREAS OF CONCERN

The Company has a diverse portfolio of products, spread over a large number of customers and across geographies. This insulates it against industry risks. As steel is the major input with volatility risk, the pass-through contracts provide protection against volatility in steel prices. People risks are mitigated with motivation initiatives and engagement with employees.

11. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a sound internal control system which ensures that (a) its financial reports are reliable; (b) its operations are effective and efficient; (c) its activities comply with applicable laws and regulations; and (d) accountability of assets and protection against loss through unauthorized use. The internal control systems are further supplemented by an internal audit carried out by an independent firm of Chartered Accountants and periodical review by the Management. The Internal Audit process is designed to review the adequacy of internal control checks in the system and covers all the significant areas of the Company's operations. Implementation of ERP is under process and its completion will further strengthen the financial controls.

The Audit Committee of the Board of Directors regularly reviews the adequacy and effectiveness of the internal control systems and tracks the implementation of corrective actions. Significant audit observations and corrective actions taken by the Management are presented to the Audit Committee. To maintain its objectivity and independence, the Internal Audit reports are submitted to the Chairman of the Audit Committee. The Audit Committee plays a key role in providing assurance to the Board of Directors.

12. HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT

The Company's philosophy is to engage with its employees at all levels. Dedication and commitment are encouraged and rewarded. The Company provides in-house training to its employees and sends them to obtain training from various organizations. The Company had a total of 572 employees on its payroll as on 31st March 2025

Cautionary Statement:

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

CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance for the Financial Year ended 31^{st} March, 2025 pursuant to Regulation 34(3) and Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') and amendments thereof in the prescribed format, is given as under:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Pradeep Metals Limited ('PML the Company') is committed to the highest standards of Corporate Governance in all its endeavors by including in all its operations and processes, the principles of transparency, integrity, professionalism and accountability. The Company believes in Corporate Governance as a necessary culture for achieving superior performance and its core being transparency, accountability, equity and openness in the working of the Management and the Board.

GOVERNANCE STRUCTURE

- The Company's governance structure comprises of the Board of Directors and the Committees of Board of Directors which function on the Principles of Prompt Decision Making, Statutory Compliance, Accurate and Timely Disclosures, Transparency and Monitoring in order to create a value addition for its Stakeholders. In line with these principles, the Company has formed two tiers of Corporate Governance Structure, viz.
  - a) The Board of Directors
  - b) The Committees of Board of Directors
- The Company has adopted a Code of Conduct for its Board of Directors including Independent Directors and Senior Management personnel, which is on the website of the Company. https://www.pradeepmetals.com/policies/
- The Company has complied with the requirements stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations) and amendments thereto. The Code is applicable to Promoters, Members of Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations. This Code is displayed on the Company's website viz.
https://www.pradeepmetals.com/policies/
- The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations. This Code is displayed on the Company's website viz. https://www.pradeepmetals.com/policies/

2. BOARD OF DIRECTORS

The Board of Directors of the Company comprises of a fair combination of Executive, Non-Executive and Independent Directors with diverse professional background complying with the provisions of the Companies Act, 2013 and the Listing Regulations.

a. As on 31^{st} March, 2025, the Company had 8 (Eight) Directors; of the Eight Directors, 1 (One) is an Executive Director and 7 (Seven) are Non-Executive Directors, of which 4 (Four) are Independent

Directors, including a Women Independent Director. The Chairman of the Company is also the Managing Director. Except the Chairman & Managing Director and Independent Directors, all other Non-Executive Directors are liable to retire by rotation.

b. The Non-Executive Directors, including Independent Directors on the Board, are experienced, competent and highly renowned persons from the fields of industry, Business Management, finance & taxation, etc. They take active part in the Board and Committee Meetings by providing valuable guidance and expertise to the Management on various aspects of business, policy direction, governance, compliance etc. and play a critical role on strategic issues, which enhances the transparency and adds value in the decision-making process of the Board of Directors which ultimately leads to the success of the Company.

c. None of the Directors on the Board of Company holds Directorship in more than 7 Public Companies.

d. The Company has appointed one of its Independent Director, Mr. Jayavardhan Dhar Diwan in its Material Subsidiaries - Pradeep Metals Inc. Houston, USA as a Director and in Step-Down Subsidiary - Dimensional Machine Works LLC, Houston, USA, as a Manager being an LLC, pursuant to the requirements of SEBI (LODR) (Amendment) Regulations, 2018.

e. Necessary disclosures regarding the Committee positions in other Public Companies as on 31st March, 2025 have been received from all the Directors.

Name of Director	DIN	Category	
Mr. Pradeep Goyal	00008370	Promoter	Chairman & Managing Director
Mrs. Neeru P. Goyal	05017190	Promoter	Non-Executive & Non-Independent Director
Mr. Abhinav Goyal	08786430	Promoter	Non-Executive & Non-Independent Director
Dr. Kewal Krishan Nohria	00060015	Non-Promoter	Non-Executive & Non-Independent Director
Mr. Advait Kurlekar	00808669	Non-Promoter	Non-Executive & Independent Director
Mr. Jayavardhan Dhar Diwan	01565319	Non-Promoter	Non-Executive & Independent Director
Mr. Kartick Maheshwari	07969734	Non-Promoter	Non-Executive & Independent Director
Ms. Nandita Nagpal Vohra	06962408	Non-Promoter	Non-Executive & Independent Director

g. Details of the Equity Shares held by the Directors of Company as on 31st March, 2025 are as follows:

Name of Director	Category	Number of Equity Shares Held
Mr. Pradeep Goyal	Executive Director, Chairman & Managing Director	15,76,400
Mrs. Neeru P. Goyal	Non-Executive & Non-Independent Director	9,19,927
Dr. Kewal Krishan Nohria	Non-Executive & Non-Independent Director	7,00,211

h. Independent Directors:

- On the basis of declarations received from all Independent Directors and checking the veracity of the same, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013 and that they are independent of the Management.

- In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties as Independent Directors.
- As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. Further, the Chairman and Managing Director of the Company serves as an Independent Director in two listed entities.
- The maximum tenure of Independent Directors is in compliance with the Act.
- A formal letter of appointment to Independent Directors, as provided in Companies Act, 2013, has been issued and disclosed on the website of the Company viz. https://www.pradeepmetals.com/our-team/

i. Board Meetings:

- The Company holds regular Board Meetings. The detailed agenda, along with the explanatory notes, is circulated to the Directors well in advance. The Directors are free to suggest inclusion of any item(s) in the agenda at the Board Meeting.
- The Company held 5 (Five) Board Meetings during the Financial Year ended 31st March, 2025.
- The gap between two Board Meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the Meetings.
- During the Financial Year 2024-25, information as mentioned in Schedule II Part A of the SEBI Listing Regulations has been placed before the Board for its consideration.
- The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company https://www.pradeepmetals.com/policies/.
- In terms of Regulation 25 of the Listing Regulations and Schedule IV to the Companies Act, 2013, the Independent Directors met on 30th January, 2025, without the presence of Non-Independent Directors or Members of Management. The Independent Directors inter alia, reviewed the performance of individual Directors, Chairman and Managing Director of the Company and Board/Committees.
- The Board periodically reviews the compliance of all laws applicable to the Company.

j. Details of Board Meetings (BM) held during the year:

Dates of Board Meeting	17.05.2024	02.08.2024	29.10.2024	30.01.2025	03.03.2025
Boards Strength	8	8	8	8	8
No. of Directors Present	8	8	8	8	8

The Company Secretary acted as a Secretary to all Board Meetings.

k. Attendance of each Director at the Meeting of the Board of Directors and the last Annual General Meeting, Number of other Board Directorship or Committees in which a Director is a Member or Chairperson:

Name of Director	Attendance in Board Meeting	Attendance in Last AGM	Other Directorship and Committee Membership/ Chairmanship				Name of Listed Entities where person is Director and Category of Directorship
	Meetings held during the tenure /Meetings Attended		Board Director-ship* (including Chairman-ship)	Board Chairman-ship*	Committee Member-ship (incl. Chairman-ship) **	Committee Chairman-ship) **	
Mr. Pradeep Goyal	5/5	Present	1	NIL	NIL	NIL	NIL
Mrs. Neeru P. Goyal	5/5	Present	NIL	NIL	NIL	NIL	NIL
Mr. Abhinav Goyal	5/5	Present	NIL	NIL	NIL	NIL	NIL
Dr. Kewal Krishan Nohria	5/5	Present	1	NIL	2	NIL	NIL
Mr. Jayavardhan Dhar Diwan	5/5	Present	2	NIL	3	1	NRB Bearing Limited - Independent Director
Mr. Kartick Maheshwari	5/5	Present	2	NIL	3	1	Orient Cement Limited - Independent Director
Ms. Nandita Nagpal Vohra	5/5	Present	1	NIL	2	1	NIL
Mr. Advait Kurlekar	5/5	Present	2	NIL	1	NIL	Sakthi Finance Limited – Independent Director

Includes Directorship and Committee Positions held in Pradeep Metals Limited

*Excludes Directorships / Chairmanships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act.

**Only Audit and Stakeholders' Relationship Committee of Indian Public Limited Companies have been considered for the Committee positions.

None of the Directors is related to each other except Mr. Pradeep Goyal and Mrs. Neeru P. Goyal, who are related as husband-wife and Mr. Abhinav Goyal who is their son.

l. A) The Board has identified the following skills / expertise / competencies as required in the context of its business(es) and sector(s) for it to function effectively and those currently available with the Board:

- Knowledge about the Company: Understanding Company's business, policies and culture, including its mission, vision, values, goals, current strategic plan and knowledge about of the industry in which Company operates.
- Management and Leadership: General know-how of manufacturing, supply chain, talent Management and succession planning.

- Risk, Compliance and Governance: Governance structure, major risks and threats and potential opportunities.
- Behavioral Skills: Attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders.
- Strategy and Planning: Strategic thinking and decision making, envisaging long-term trends, strategy experience in guiding and leading the Management of Company to make decisions in dynamic business environment.
- Finance: Proficiency in financial Management and financial reporting process.
- Technical/Professional Skills and specialized knowledge to assist the ongoing aspects of the business.

B) Directors who have such skills/expertise/competencies as identified by the Board:

Areas/ Directors	About Company	Management & Leadership	Risk, Compliance & Governance	Behavioural Skills	Strategy & Planning	Financial reporting	Technical/ Professional Skills
Mr. Pradeep Goyal	✔	✔	✔	✔	✔	✔	✔
Dr. Kewal Krishan Nohria	✔	✔	✔	✔	✔	✔	✔
Mrs. Neeru Goyal	✔	✔	✔	✔	✔	✔	✔
Mr. Advait Kurlekar	✔	✔	✔	✔	✔	✔	✔
Mr. Jayavardhan Dhar Diwan	✔	✔	✔	✔	✔	✔	✔
Mr. Kartick Maheshwari	✔	✔	✔	✔	-	✔	✔
Ms. Nandita Nagpal Vohra	✔	✔	✔	✔	✔	✔	✔
Mr. Abhinav Goyal	✔	✔	-	✔	✔	✔	✔

*The Skills / Expertise / Competencies as identified by Board in it's Meeting held on 22nd May, 2025.

m. Details of familiarization program of the Independent Directors:

During the Financial Year 2024-25, the Company had organized two in-house familiarization program for the Independent Directors, details of which are as mentioned in the table. The details of the program are also displayed on the Company's website viz. https://www.pradeepmetals.com/corporate-governance/

Date of Program	Area Covered	Duration
2nd August , 2024	Factory visit and detailed briefing about the upgrades in plant and machinery	1 Hour
30th January, 2025	Orientation on amendments in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	1 Hour

n **Information on Directors recommended for re-appointment at the Annual General Meeting:**

Name of the Director	Mr. Abhinav Goyal
Director Identification Number	08786430
Date of Birth	17th August 1984
Date of Appointment	30th July 2022 (Date of re-appointment)
Nationality	United States of America
Qualification	Bachelor of Science (Computer Engineering) from California Polytechnic State University and MBA from Cornell University, USA.
Expertise in specific functional areas	Business Development and Technology
No. of shares held in the Company	Nil
Directorships held in other Companies (excluding Foreign Companies)	Nil
Chairperson / Members of the Committee of the Board of Directors of the Company	Nil
Chairman / Member of the Committee of the Board of Directors of other Public Listed Companies	Nil
Relationship with other Directors	Son of Mr. Pradeep Goyal and Mrs. Neeru P. Goyal, Directors and belongs to the Promoter Group
No. of Board Meetings attended / Number of Meetings held	5/5

3. COMMITTEES OF THE BOARD

The Board has Three Committees as on 31st March, 2025: Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

Pursuant to the amendment in CSR Rules dated 22nd January, 2021, the constitution of CSR Committee was not applicable to the Company during the FY 2024-25. Since the CSR amount to be spent by a Company did not exceed Rs. 50 Lakhs the functions of such Committee were discharged by Internal Committee formed by the Board of Directors

Composition of Committees of Board:

Name of Director	Committees of the Board		
	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee
Mr. Pradeep Goyal	-	-	-
Mrs. Neeru P. Goyal	-	-	-
Mr. Abhinav Goyal	-	-	-
Dr. Kewal Krishan Nohria	Y	Y	Y
Mr. Advait Kurlekar	Y	Y	-
Mr. Jayavardhan Dhar Diwan	Y	Y (C)	Y
Mr. Kartick Maheshwari	Y(C)	Y	-
Ms. Nandita Vohra	Y	-	Y(C)

(C)= Chairman

i AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 and Schedule II Part C of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 read with Section 177 of the Companies Act, 2013. The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's Financial Reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

Extracts of the terms of reference:

(i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(ii) Recommendation for appointment, remuneration and terms of appointment of Auditors of the Listed Entity;

(iii) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors

(iv) Reviewing with the Management the annual financial statements and Auditors' report thereon before submission to the Board for approval, w.r.t.:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by Management
- Significant adjustments made in the financial statements arising out of audit findings
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions;
- Modified opinion(s) in the draft Audit Report

(v) Approval or any subsequent modification of transactions of the Company with related parties;

(vi) Scrutiny of inter-corporate loans and investments;

(vii) Evaluation of Internal Financial Controls and Risk Management Systems;

(viii) Reviewing with the Management, performance of Statutory and Internal Auditors and adequacy of the Internal Control Systems;

(ix) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(x) Reviewing the financial statements, in particular, the investments made by the unlisted Subsidiaries of the Company; and

(xi) Reviewing the utilization of loans and/or advances from/investment by the Holding Company in the Subsidiary exceeding Rupees 100 crores or 10% of the asset size of the Subsidiary, whichever is lower, including existing loans/advances/investments.

(xii) Reviewing the functioning of the whistle blower mechanism;

The Audit Committee mandatorily reviews the following:

a. Management Discussion and Analysis of financial condition and results of operations;

b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;

c. Management letters/letters of internal control weaknesses issued by the Statutory Auditors;

d. Internal Audit Reports relating to Internal Control Weaknesses;

e. The appointment, removal and terms of remuneration of the Chief Internal Auditor, if any.

Powers of the Audit Committee:

The Audit Committee has following powers:

(i) To investigate any activity within its term of reference.

(ii) To seek information from any employee.

(iii) To obtain outside legal or other professional advice.

(iv) To secure attendance of the outsiders with relevant expertise, if it's considered necessary.

Composition of Audit Committee (AC) and Attendance of Members:

Name of Director	Audit Committee Meetings (2024-25)				
	17.05.2024	02.08.2024	29.10.2024	30.01.2025	03.03.2025
Mr. Kartick Maheshwari – Chairman	Present	Present	Present	Present	Present
Dr. Kewal Krishan Nohria	Present	Present	Present	Present	Present
Ms. Nandita Vohra	Present	Present	Present	Present	Present
Mr. Jayavardhan Dhar Diwan	Present	Present	Present	Present	Present
Mr. Advait Kurlekar	Present	Present	Present	Present	Present

- Five Committee Meetings were held during the financial year and the gap between two Meetings did not exceed one hundred and twenty days.
- The Committee invites such of the Executives as it considers appropriate, representatives of the Statutory Auditors and Internal Auditors, to be present at its Meetings.
- The Company Secretary acted as the Secretary to all Audit Committee Meetings.
- All the Members of the Audit Committee, except Dr. Kewal Krishan Nohria, are Independent Directors.
- The Chairman of the Audit Committee had attended the previous Annual General Meeting of the Company.
- Mr. Abhishek Joshi, Company Secretary & Compliance Officer, ensures compliance and effective implementation of the Insider Trading Code.

ii. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted in line with the provisions of Regulation 19 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, read with Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) (Amendment) Regulations, 2018. The Company considers its human resources as its invaluable assets. The policy on remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013.

Extracts of the terms of reference:

(i) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors, a policy relating to the remuneration of the Directors, KMPs and other employees.

(ii) Devise a policy on diversity of Board of Directors.

(iii) Recommend to the Board the appointment or re-appointment of Directors and whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation.

(iv) Periodical review of the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.

(v) Carryout evaluation of every Director's performance and support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and Individual Directors. This shall include

"Formulation of criteria for evaluation of Independent Directors and the Board". Additionally, the Committee may also oversee the performance review process of the KMP and Executive team of the Company.

(vi) On an annual basis, recommend to the Board the remuneration payable to the Directors and oversee the remuneration to the Executive Team or KMP of the Company and all remuneration in whatever form payable to Senior Management.

(vii) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.

Composition of Nomination & Remuneration Committee (NRC) and Attendance of Members:

Name of Director	Nomination & Remuneration Committee Meetings (2024-25)
	17.05.2024
Mr. Jayavardhan Dhar Diwan (Chairman)	Yes
Dr. Kewal Krishan Nohria	Yes
Mr. Kartick Maheshwari	Yes
Mr. Advait Kurlekar	Yes

- The Company Secretary acted as the Secretary to all Nomination & Remuneration Committee Meetings.
- All the Members of the NRC, except Dr. Kewal Krishan Nohria, are Independent Directors.
- The Company does not have any Employee Stock Option Scheme.

Performance evaluation criteria for Independent Directors:

Performance evaluation of all Directors (including Independent Directors) was done on the basis of a structured questionnaire prepared in line with the Guidance Note issued by the SEBI vide its circular dated 5th January, 2017.

Remuneration of Directors

- **Remuneration to Chairman and Managing Director/Executive Director:**

  The remuneration to be paid to the Chairman & Managing Director/Whole-time Directors etc. are governed as per the provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

  The Nomination and Remuneration Committee makes such recommendations to the Board of Directors, as it may consider appropriate with regard to the remuneration to the Chairman & Managing Director, based on the performance of the Company. In view of the improved profitability of the Company during the year, the Committee recommended the Board in accordance with the approval of Shareholders at the ensuing 40th Annual General Meeting, approved payment of Incentives of Rs. 70.00 Lakhs as Incentive pay to the Chairman & Managing Director for the Financial Year 2024-25 as per the terms mentioned in the Agreement executed between Pradeep Metals Limited and Mr. Pradeep Goyal, Chairman & Managing Director.

- **Remuneration to Non- Executive/Independent Directors:**

  The Non-Executive/Independent Directors receive sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013. The amount of sitting fees is such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors from time to time.

The Members of the Company at the 41st Annual General Meeting of Company held on 2nd August, 2024 had accorded their consent for payment of commission to the Directors of the Company (other than the Directors who are either in whole time employment of the Company or belong to the Promoters' Group).

Accordingly, in view of the improved performance of the Company the total Commission of Rs. 10.00 Lakhs were paid to the Directors for the Financial Year 2024-25, except to the Promoter Directors of the Company. (Break up is mentioned in the below table)

Independent Directors are not eligible to get stock options and also shall not be eligible to participate in any share-based payment schemes of the Company.

Pecuniary relationship or transactions of Non-Executive Directors:

During the year under review, there was no pecuniary relationship and transactions of any Non-Executive Directors with the Company.

Details of remuneration to the Non-executive/Non-Independent/Independent Directors during the Financial Year 2024-25, are given below:

(Amount in Rs.)

Name	Sitting Fees	Commission	Total
Mrs. Neeru P. Goyal	1,25,000	-	1,25,000
Dr. Kewal Krishan Nohria	3,00,000	2,00,000	5,00,000
Mr. Advait Kurlekar	2,75,000	2,00,000	4,75,000
Mr. Jayavardhan Dhar Diwan	3,25,000	2,00,000	5,25,000
Mr. Kartick Maheshwari	2,75,000	2,00,000	4,47,000
Ms. Nandita Nagpal Vohra	3,00,000	2,00,000	5,00,000
Mr. Abhinav Goyal	1,25,000	-	1,25,000
TOTAL	**17,25,000**	**10,00,000**	**27,25,000**

In Financial Year 2024-25, the Company did not advance any loans to any of the Directors.

Details of remuneration to the Chairman and Managing Director (CMD) during the Financial Year 2024-25, are given below:

(Amount in Rs.)

Name of the Director	Salary	Benefits	Incentive Pay	Total	Service Contract/Notice Period / Severance fees / Pension
Mr. Pradeep Goyal	174,96,775	16,58,481.73	70,00,000	2,61,55,256.73	Appointed for a period of 3 years from 17.12.2023 to 16.12.2026.

iii. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee (SRC) is constituted in line with the provisions of Regulation 20 of the Listing Regulations, read with Section 178 of the Companies Act, 2013. The Board has constituted the Stakeholders Relationship Committee consisting of 3 Directors, of which 2 are Independent Directors and 1 is a Non-Executive Non-Independent Director, to look into the redressal of grievances of shareholders, including complaints for transfer, transmission, non-receipt of declared dividends/Annual Report etc. The Committee also looks into matters which can facilitate better investor's service and relations.

Extracts of the terms of reference:

a. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, General Meetings etc.

b. Review of measures taken for effective exercise of voting rights by Shareholders.

c. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

d. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company.

Composition of Stakeholders Relationship Committee (SRC) and Attendance of Members:

Name of Director	Stakeholders Relationship Committee Meeting (2024-25)	
	13.05.2024	**30.01.2025**
Ms. Nandita Nagpal Vohra- Chairperson	Present	Present
Dr. Kewal Krishan Nohria	Absent	Present
Mr. Jayavardhan Dhar Diwan	Present	Present

The Company Secretary acted as the Secretary to all SRC Meetings.

Particulars of Senior Management:

Mr. Pradeep Goyal, Chairman & Managing Director; Mrs. Kavita Choubisa Ojha, Chief Finance Officer and Mr. Abhishek Joshi, Company Secretary & Compliance Officer, form part of Senior Management.

There was no change in the Senior Management during the Financial Year 2024-25.

Compliance Officer:

Name of the Compliance Officer	Mr. Abhishek Joshi, Company Secretary
Contact Details	Pradeep Metals Limited R-205, MIDC, Rabale, Navi Mumbai- 400701. Tel No(Off): +91-022-27691026 Extn: 116
E-mail ID	investors@pradeepmetals.com

Details of Complaints:

Number of Shareholders' Complaints received and resolved so far	Number not solved to the satisfaction of shareholders	Number of pending complaints
3	0	NIL

iv) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to the amendments in the CSR Rules dated 22nd January, 2021, the constitution of CSR Committee is not applicable where the CSR amount to be spent by a Company doesn't exceed Rs. 50 Lakhs and the functions of such Committee shall be discharged by the Board of Directors.

Given the above, the constitution of CSR Committee was not applicable for the Financial Year 2024-25, and the Company formed an Internal Committee under Chief Financial Officer, where the Chief Operating Officer and the Company Secretary were responsible for implementation of the CSR projects / activities.

The key philosophy of all CSR initiatives of the Company is guided by three core commitments of Scale, Impact and Sustainability. During the year, the Company has spent Rs. 46.60 Lakhs against the annual requirement of Rs. 46.45 Lakhs for the year 2024-25 on CSR activities.

4. SUBSIDIARY COMPANIES

The Board of Directors of the Company has approved a Policy for determining Material Subsidiaries which is in line with the Listing Regulations as amended. The said policy has been uploaded on the website of the Company viz. https://www.pradeepmetals.com/policies/

5. GENERAL BODY MEETINGS

Details of Annual General Meetings held in the three previous years and Special Resolutions passed thereat:

<table>
<tr><td>Financial Year</td><td>2021-2022</td><td rowspan="3">1. To re-appoint Mr. Kartick Maheshwari (DIN: 07969734) as an Independent Director for a Second Term of five years.
2. To ratify/approve the remuneration payable to Mr. Abhinav Goyal holding office or place of profit.
3. To ratify/approve the remuneration payable to Mrs. Neha Goyal holding office or place of profit.
4. To approve revision in remuneration of Mr. Pradeep Goyal, Chairman & Managing Director of the Company (DIN: 00008370).</td></tr>
<tr><td>Date and Time</td><td>30th July, 2022 at 2.00 p.m.</td></tr>
<tr><td>Venue</td><td>Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)</td></tr>
<tr><td>Financial Year</td><td>2022-2023</td><td rowspan="3">1. To appoint a Director in place of Dr. Kewal Krishan Nohria (DIN: 00060015), who retires by rotation, has attained the age of Seventy-Five years and being eligible, offers himself for re-appointment.
2. To appoint Mr. Advait Kurlekar (DIN: 00808669) as an Independent Director.
3. To re-appoint Ms. Nandita Nagpal Vohra (DIN: 06962408) as an Independent Director for a Second Term of five years.
4. To approve the remuneration of the Cost Auditors for the Financial Year ending March 31, 2024
5. To re-appoint Mr. Pradeep Goyal as a Chairman and Managing Director of the Company (DIN: 00008370) for a further period of 3 (Three) years and confirm continuation of Directorship upon attaining age of Seventy Years.
6. To approve revision in remuneration of Mr. Abhinav Goyal, Director of the Company (DIN: 08786430) Holding office or place of profit in Dimensional Machine Works, Wholly Owned Step-Down Subsidiary.
7. To approve revision in remuneration of Ms. Neha Goyal, Holding office or place of profit in Dimensional Machine Works, Wholly Owned Step-Down Subsidiary.</td></tr>
<tr><td>Date and Time</td><td>4th August, 2023 at 11.30 a.m.</td></tr>
<tr><td>Venue</td><td>Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)</td></tr>
<tr><td>Financial Year</td><td>2023-24</td><td rowspan="3">1. To approve the remuneration of the Cost Auditors for the Financial Year ending 31st March, 2025
2. To approve Payment of Commission to Directors other than Managing Director and Directors from Promoter Group.</td></tr>
<tr><td>Date and Time</td><td>2nd August, 2024 at 03.00 p.m.</td></tr>
<tr><td>Venue</td><td>Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)</td></tr>
</table>

Details of Special Resolutions put through Postal Ballot during last year along with voting pattern:

During the year under review, no resolution was passed through Postal Ballot.

Details of the Special Resolution proposed to be conducted through postal ballot:

The Company does not propose to pass any Resolution through postal ballot at the time of ensuing Annual General Meeting.

The Procedure for postal Ballot:

Not Applicable.

6. MEANS OF COMMUNICATION

Quarterly/half yearly Results:

The quarterly, half yearly and yearly financial results of the Company are submitted to BSE Limited where the shares of the Company are listed, immediately after they are approved by the Board.

Publication of quarterly/half yearly results:

The quarterly, half yearly and annual results are published by the Company in the Marathi and English edition of Mumbai Lakshdeep and Financial Express respectively.

Website Disclosures:

The Company's website www.pradeepmetals.com contains all important public domain information and also the financial results of the Company.

Official News Releases on Website:

All financial and other vital official news releases are also communicated to the concerned stock exchange, besides being placed on the Company's website. The Company also publishes the Annual Report and shareholding pattern on its website https://www.pradeepmetals.com/reports.html

Presentation made to institutional investors or to the analysts:

The Company has not made any presentation to institutional investors or to the analysts during the year under review.

7. GENERAL SHAREHOLDER INFORMATION

1. **Day, Date, Time & Venue of Annual General Meeting:**

   The 42nd General Meeting of the Shareholders of Pradeep Metals Limited will be held through Video Conferencing / Other Audio-Visual Means on Saturday, 9th August, 2025, at 3:00 P.M.

2. **a. Financial Year of the Company: 1st April to 31st March every year.**

   b. Financial Calendar for FY 2025-26

Results for the quarter ending:	To be published:
Q 1 – 30th June, 2025	On or before 14th August, 2025
Q 2 – 30th September, 2025	On or before 14th November, 2025
Q 3 – 31st December, 2025	On or before 14th February, 2026
Q 4 – 31st March, 2026	On or before 30th May, 2026

3. **Dividend Payment Date:**

   The Board had recommended 25% Final Dividend i.e. Rs. 2.50 per share for each Equity share of Rs. 10 each for the Financial Year 2024-25 on 22nd May 2025 which, subject to approval of the Shareholders, will be paid, within the timeline as per applicable provisions of the Companies Act, 2013.

4. **Listing on Stock Exchange:** The Equity Shares of the Company are listed on BSE Limited. The Company has paid Annual Listing Fee for the Financial Year 2024-25.

5. **Stock Exchange Code (Equity):**

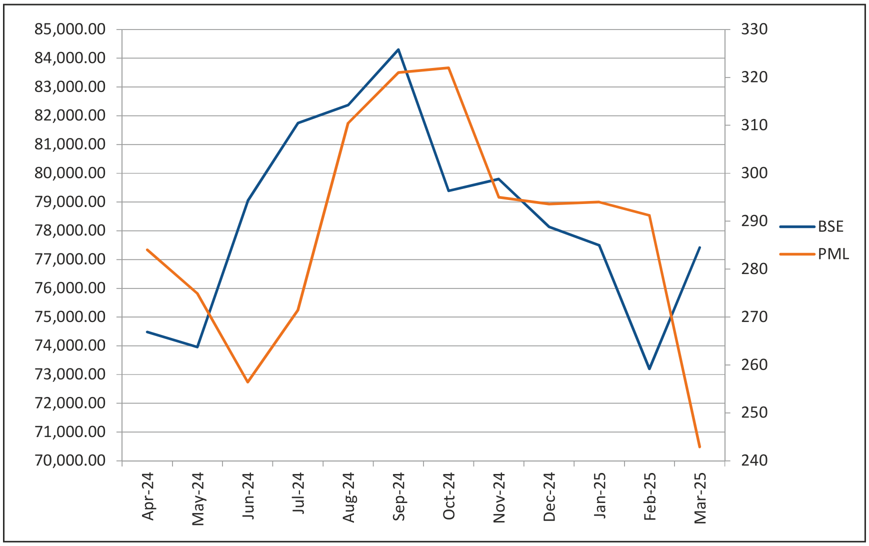
Stock Exchange	Scrip Code
BSE Limited (BSE)	513532

6. **Stock Market Price Data:**

Table below gives the monthly high and low prices and volumes of trading of Equity shares of the Company at BSE Limited (BSE) for the year 2024-25:

Month	High Rs.	Low Rs.	Volume
April 2024	284.00	212.95	3,99,604
May 2024	274.90	222.20	1,59,759
June 2024	256.40	220.00	2,46,326
July 2024	271.45	232.00	3,49,499
August 2024	310.45	221.35	3,82,385
September 2024	321.00	282.00	1,88,668
October 2024	322.00	266.40	1,73,084
November 2024	295.00	242.20	1,94,152
December 2024	293.60	255.65	1,60,039
January 2025	294.00	246.10	1,57,265
February 2025	291.20	206.00	1,77,048
March 2025	242.90	212.05	1,24,236

7. **Company's Performance in comparison to broad-based indices (BSE Sensex):**



8. **Registrar and Share Transfer Agent:**

MUFG Intime India Private Limited

(Formerly Known as Link Intime India Private Limited)

C-101, 247 Park, L. B.S. Marg, Vikhroli (W), Mumbai-400 083.

Contact No.: +91 - 022 -49186000; (Fax) +91 – 022-4918 6060

9. **Share Transfer System:**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, requests for effecting transfer / transmission / transposition of Securities are not processed unless the Securities are held in the dematerialised form with a Depository. Transfers of Equity Shares in dematerialised form are effected through the Depositories with no participation of the Company.

10 DISCLOSURE RELATING TO UNCLAIMED SUSPENSE ACCOUNT

In accordance with the requirements of Regulation 34(3) and Part F of Schedule V of the SEBI Listing Regulations, 2015, the Company hereby reports the following details pertaining to equity shares lying in the suspense account.

Particulars	Number of Shareholders	Number of Equity Shares
The aggregate Number of Shareholders and outstanding shares in the suspense account at the beginning of the financial year 2024-2025	Nil	Nil
Add: Number of shareholders and Shares transferred to suspense account during the financial year 2024-2025	2	200
Less: Number of Shareholders who approached the Company for transfer of Shares and Shares transferred from suspense account during the financial year 2024-2025	Nil	Nil
Less: Number of Shares transferred to Investor Education and Protection Fund (IEPF) during the financial year 2024-2025	Nil	Nil
The aggregate number of Shareholders and outstanding Shares in the suspense account at the end of the financial year 2024-2025	2	200

11. Distribution of Shareholding as on March 31, 2025:

A. Distribution of shares according to size of Holding

No. of Equity Shares held	No of Shareholders	Share Amount(Rs)	% of Total Share Amount
1 to 500	5,178	50,98,310.00	2.9521
501 to 1000	273	22,44,880.00	1.2999
1001 to 2000	182	26,96,100.00	1.5611
2001 to 3000	46	11,70,480.00	0.6778
3001 to 4000	37	13,22,060.00	0.7655
4001 to 5000	31	14,29,910.00	0.8280
5001 to 10000	45	32,17,340.00	1.8630
10000 and above	55	15,55,20,920.00	90.0526
Total	**5,847**	**17,27,00,000.00**	**100.00**

B. Pattern of Share Holding by categories of Shareholders

Category	No. of Shares	% of Total Shares
Promoters	1,26,90,783	73.4846
Indian Public	27,69,896	16.0387
Non-Resident Indian (Non-Repat)	21,683	0.1256
Non-Resident Indian (Repat)	86,041	0.4982
Overseas Bodies Corporate	2,30,000	1.3318
Directors and Relatives	6,74,211	3.9039
Clearing Members	218	0.0013
Hindu Undivided Family	1,73,425	1.0042
Bodies Corporate	2,22,884	1.2906
IEPF	4,00,859	2.3211
Total	**1,72,70,000**	**100.00**

12. Dematerialization of shares and liquidity:

Trading in Equity shares of the Company on the Stock Exchange is permitted only in dematerialized form as per notification issued by SEBI.

Following are the details of shares held in Demat and Physical form as on March 31, 2025:

Demat: 1,68,90,300 Equity Shares –97.80% of Share Capital.
Physical: 3,79,700 Equity Shares –2.20% of Share Capital.
The Company's shares are among the regularly traded shares on BSE Limited.

13. Outstanding GDR, ADR or warrants or any convertible instruments:

There are no outstanding instruments which are convertible into Equity Shares and resultantly, there is no impact on Equity Share Capital.

14. Plant Location:

Pradeep Metals Limited,
R-205, MIDC, Rabale,
Navi Mumbai - 400701.

15. Address for Correspondence:

i. **MUFG Intime India Private Limited**
(formerly Link Intime India Private Limited)
C-101, 247 Park, L.B.S. Marg, Vikhroli (W),
Mumbai-400 083.
Contact No.: +91 – 022- 4918 6000.
Email: rnt.helpdesk@in.mpms.mufg.com

ii. **Mr. Abhishek Joshi**
Company Secretary & Compliance Officer
Pradeep Metals Limited,
R-205, MIDC, Rabale, Navi Mumbai- 400701.
Tel No.: +91-22-27691026
Fax: +91-22-27691123
Email: investors@pradeepmetals.com
Website: www.pradeepmetals.com
CIN: L99999MH1982PLC026191

16. Legal Proceedings:

As on 31st March 2025, there were two pending disputes: one in respect of bonus payment to existing and retired workers for Financial Year 2010-2011 and another w.r.t. NMMC Cess. (For details see Note 36 of Standalone Financial Statement).

With regards to bonus, the claims made by the ex-employees whose services have been terminated in earlier years are not acknowledged as debt. The matters are frivolous and are disputed under various forums. However, in the opinion of the Management, these claims are not tenable. The possibility of any liability devolving on the Company is remote and hence, no disclosure as contingent liability in considered necessary'.

17. Unpaid/Unclaimed Dividend:

Pursuant to IEPF (uploading of Information regarding unpaid & unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the said details as of the date of last AGM viz. 2nd August, 2024 on the website of the Company and can be accessed at https://www.pradeepmetals.com/unpaid-and-unclaimed-dividend/ and also on the website of the Ministry of Corporate Affairs.

18. Credit Ratings:

The Company's financial discipline and prudence is reflected in the credit ratings ascribed by the rating agency as given below:

Rating Agency	**CRISIL Limited**
Date of Rating	17th April, 2025
Total Bank Loan facilities rated	Rs. 102 Crore
Long-term Rating	CRISIL BBB/Stable (Reaffirmed)
Short-term Rating	CRISIL A3+ (Reaffirmed)

19. Other Disclosures.

a. **Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large:**

The particulars of the transactions between the Company and related parties, as per the Accounting Standards, the Companies Act, 2013, SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 etc., are mentioned separately in Notes to Accounts – forming part of the Annual Accounts.

The Company has not entered into any material transactions with its Promoters or Directors or Management or relatives etc. (other than with Wholly Owned Subsidiary Company Pradeep Metals Limited, Inc., Houston, USA or Wholly Owned Step-Down Subsidiary Dimensional Machine Works LLC., Houston USA.). Further, there are no transactions which have potential conflict with the interest of the Company. All transactions with the Related Parties were in the ordinary course of business and at arm's length basis. The details thereof are mentioned in Form No. AOC-2 annexed to Director's Report.

b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years:

Financial Year 2022-23

There was no non-compliance during Financial Year 2022-23

Financial Year 2023-24

There was no non-compliance during Financial Year 2023-24

Financial Year 2024-25

There was no non-compliance during Financial Year 2024-25

c. **Whistle-Blower Policy and confirmation that no person has been denied access to the Audit Committee:**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, the Company has a Whistle Blower Policy for establishing a vigil mechanism for Directors and Employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics Policy.

The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provisions for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle-Blower policy has been hosted on the website of the Company.

d. **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has complied with the mandatory requirements of Regulation 27 of the Listing Regulations, which are detailed in the Annual Report. The Company has obtained a certificate from the Auditors, certifying its compliance with the provisions of SEBI Listing Regulations, 2015. This certificate is attached to the Annual Report for Financial Year 2024-25.

e. **Web link where policy for determining 'material' subsidiaries is disclosed:**

The Company's investment in Wholly Owned Subsidiary is falling within the criteria prescribed in Regulation 23 of Listing Regulations (including any statutory enactments/amendments thereof) in respect of material Subsidiary. Below is the web link for policy adopted by the Board for determining the material subsidiaries: https://www.pradeepmetals.com/policies/

f. **Web link where policy on dealing with related party transactions:**

Below is the web link for policy adopted by the Board on dealing with Related Party transactions: https://www.pradeepmetals.com/policies/

g. **Commodity price risk or Foreign exchange risk and hedging activities:**

The Company has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The Company manages currency risk as per trends and experiences. The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to export receivables. The Company does not enter into any derivative instruments for trading or speculative purposes.

Please refer to Note 46 pertaining to “Disclosure in respect of “Foreign currency exposures” that are not hedged by derivative instruments respectively of the Standalone Financial Statement in this regard.

The Commodity price risk is mitigated through following proper Costing Model and Price fixation matrix ensuring that raw materials are procured as per Production planning as well as contracts with Suppliers which may contain cap on prices for duration of the contract.

h. **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):**

Not Applicable.

i. Company has received a certificate from M/s. Shweta Gokarn & Co, Practicing Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority: Copy of the said Certificate is annexed herewith as a part of the Report.

j. **Whether the Board has not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year:**

There were no such instances.

k. **Disclosure of accounting treatment , if different , from that prescribed in Accounting Standards with explanation:**

There were no changes in the accounting treatments during the financial year 2024-25

l. **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part:**

Total fees paid to the Statutory Auditors on Consolidated Financial basis is Rs. 34.69 Lakhs for Financial Year 2024-25.

m. **Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

No. of Complaints filed during the financial year	No. of Complaints disposed of during the financial year	No. of Complaints pending as on end of the financial year
0	0	0

n. **Disclosure of the discretionary requirements as specified in Part E of Schedule II:**

i. **The Board**

The Chairman of the Company is an Executive Director and his office, with required facilities, is provided and maintained by the Company.

ii. **Shareholder Rights**

As the Company’s quarterly, half-yearly and yearly results are published in an English newspaper and a Marathi newspaper and displayed on the website of the Company https://www.pradeepmetals.com/financial-reports/ and disseminated to the Stock Exchange (BSE Limited) wherein the shares of the Company are listed, hence separately not circulated to the shareholders.

iii. **Modified opinion(s) in audit report**

There are no modified opinions contained in the Audit report.

iv. Separate posts of Chairperson and Chief Executive Officer

Though currently not applicable, the Company will consider segregation of the post of the Chairman & the Chief Executive Officer of the Company at appropriate time. Presently, Mr. Pradeep Goyal is the Chairman & Managing Director of the Company.

v. Reporting of Internal Auditor

The Internal Auditors report directly to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

vi. The compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations during the year under review.

vii. Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made there under, M/s. Shweta Gokarn & Co., Practicing Company Secretaries, Navi Mumbai (Certificate of Practice Number: 11001) has conducted Secretarial Audit of the Company. The Secretarial Auditors' Report for the financial year ended 31st March, 2025, forms part of the Annual Report.

viii. Reconciliation of share capital audit report

As stipulated by SEBI, a qualified Practicing Company Secretary namely, Ms. Shweta Gokarn, carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the reports thereon are submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

ix. Compliance with Secretarial Standard

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

DECLARATION BY THE CHAIRMAN AND MANAGING DIRECTOR UNDER REGULATION 34(3) READ WITH PARA (D) OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

Pursuant to the provisions of Regulation 34(3) read with Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby declared that all the Board Members and Senior Management Personnel of Pradeep Metals Limited have affirmed Compliance with the Code of Conduct for the period from 1st April, 2024 to 31st March, 2025.

For and on behalf of the Board of Directors
Pradeep Metals Limited

Sd/-

Pradeep Goyal
Chairman & Managing Director
DIN: 00008370;

Place: Navi Mumbai
Date: 22nd May, 2025

CEO / CFO CERTIFICATION

The Directors
Pradeep Metals Limited
R-205, MIDC, Rabale,
Navi Mumbai – 400701

Ref: Certificate under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to certify that:

A. We have reviewed the Audited Financial Statements and the Cash Flow Statement for the quarter and year ended 31st March, 2025 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee that:

1. There have been no significant changes in internal control over financial reporting during the quarter and year ended 31st March, 2025;
2. There have been no significant changes in accounting policies during the year; and
3. There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

	Sd/-	Sd/-
	Pradeep Goyal	**Kavita Ojha**
Place: Navi Mumbai	**Chairman & Managing Director**	**Chief Financial Officer**
Date: 22nd May, 2025	**DIN: 00008370**	**PAN: ATTPC7818E**

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Pradeep Metals Limited
Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Pradeep Metals Limited** ('the Company') which comprise the Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of material accounting policies and other explanatory information (together referred to as standalone financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, and its profit including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter & how our audit addressed the key audit matter

Inventory valuation (WIP)

The nature of items produced by the Company are customized and are unique (i.e. non-standardized items), this poses a challenge of inventory valuation especially in respect of in work in progress (WIP). As at 31st March, 2025, WIP value is Rs. 3,020.87 Lakhs. The Company has multiple control points which include detailed recording of movement of WIP items in ERP System and periodical physical verification.

As part of our audit procedures, we have performed test verification of closing inventory and also performed analytical test to validate the closing stock quantities and values of WIP. Our analytical test included (a) assessing inventory valuation processes set in ERP system (b) verification of the overall input-output ratio and inquiring the reasons for difference between standard and actual consumption and yield, (c) assessing the accuracy and completeness of the information used by management in comparing the cost of WIP inventory with net realizable value. The deviations were not significant and satisfactory explanation was provided to us.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises of the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance and Shareholder's Information but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As a part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with respect to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors for the year ended 31st March, 2025 is in accordance with the provisions of section 197 read with Schedule V of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 35 (A), 35(B) and 35(C) to the standalone financial statements.

      ii. The Company did not have any long-term contract including derivative contract for which there are any material foreseeable losses.

      iii. According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 59 to the standalone financial statements);

(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 59 to the standalone financial statements);

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended 31st March, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

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

Bhavin Kapadia
Partner
Membership No.: 118991
UDIN: 25118991BMJHPI5889

Place: Mumbai
Date: 22nd May, 2025

Annexure A to Independent Auditors' Report for the year ended 31st March, 2025

[Referred to in 'Other legal and regulatory requirements 'of our report of even date]

1) a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (PPE) and relevant details of right to use assets.

(B) The Company has maintained proper records showing full particulars, including quantitative details and situation of intangible assets.

b) The Company has physically verified all the property, plant and equipment and right to use assets during the year. In our opinion, frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to information and explanations given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company which have been verified from photocopies of the agreements wherever the original documents are deposited with banks against credit facilities granted by them for which we have received confirmation from the bank.

d) None of the items of Property, Plant and Equipment (including Right of Use assets) or intangible assets have been revalued during the year.

e) No proceedings have been initiated during the year or are pending against the Company as on 31st March, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

2) a) The inventory has been physically verified by the management during the year. In respect of inventory lying with third parties, confirmations were obtained by the Company during the year. In our opinion, the frequency, coverage and procedure of such verification carried out by the management is reasonable and appropriate. As per the information and explanation given to us, discrepancies noticed on physical verification were not material (i.e. less than 10% in the aggregate for each class of inventory) and have been properly dealt with in the books of accounts.

b) The Company has been sanctioned working capital limits of more than Rs. 5 crores from bank on the basis of security of current assets. There are no borrowings from financial institution. According to the information and explanations given to us and on the basis of our examination of the records of the Company, discrepancies in quarterly returns or statements of current assets filed by the Company to bank with books of account which are not material are as mentioned below:

(Rs. in Lakhs)

Quarter ended	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return	Difference	Reason for discrepancies
30th June, 2024	Union Bank of India	Inventory and trade receivable	11,691.45	11,662.63	28.82	Mainly on account of non-consideration of following items in quarterly returns: 1) Quarterly provisioning made for Slow-moving and non-moving inventories 2) Receivable standing in books on account of sale of windmill power
30th September, 2024			12,404.56	12,344.23	60.33	
31st December, 2024			13,216.60	13,255.41	(38.82)	

3) a) The Company had stood guarantee for loan taken by the wholly owned subsidiary (WOS) as given below

(Rs. in Lakhs)

Particulars	Corporate Guarantee*
Aggregate amount during the current year	Nil
Balance outstanding as on 31st March, 2025*	Nil

* Guarantee given by the Company for loan taken by WOS standing as on 1st April, 2024 amounting to Rs. 832.52 Lakhs (equivalent USD 998,160) has ceased since WOS has fully repaid the loan taken during the year.

Based on the information and explanation given to us, apart from above, the Company has not provided any security or granted any loans or advances in the nature of loans.

b) In our opinion, the investments made and guarantees provided are not, prima facie, prejudicial to the Company's interest. The Company has not given any security for the loan taken by WOS from banks or granted any loans or advances in the nature of loans.

c) Based on the information and explanation given to us, the Company has not granted any loans or advances in the nature of loans. Hence reporting under clause 3(iii)(c), (d) and (e) is not applicable.

d) Based on the information and explanation given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Hence, reporting under clause 3(iii)(f) is not applicable.

4) According to the information and explanation given to us, in respect of corporate guarantee, and investment made in WOS, the Company has complied with the provisions of Section 185 and Section 186 of the Act as applicable. The Company has not given any loans or provided any security.

5) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits. Therefore, question of reporting compliance with directive issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder does not arise. We have been informed that no order relating to Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

6) As per information and explanation given to us, maintenance of cost records in respect of closed dies forging and processing is prescribed for the Company pursuant to the Rules made by the Central Government under section 148(1) of the Act. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

7) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of amounts deducted / accrued in the books of account, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, duty of customs, duty of excise, goods and services tax, cess and any other statutory dues, as applicable to the Company, during the year with the appropriate authorities except unpaid provident fund contribution of Rs. 3.98 Lakhs which will be paid off on linking of aadhar number of certain employees with the provident fund portal. Our opinion is not modified in respect of this matter. Other than above, Other than above, there are no arrears of outstanding statutory dues as at 31st March, 2025 for a period of more than six months from the date they became payable.

(b) According to information and explanations given to us and the records of the Company, there are no statutory dues as mentioned in clause (7)(a) above, which have not been deposited with authorities on account of any dispute except the following:

(Rs. in Lakhs)

The Nature of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount
The Income Tax Act, 1961	Income Tax	Commissioner of Income-tax (Appeals)	F.Y. 2019-20	28.56

(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(d) Based on our audit procedures and as per the information and explanations given to us by the management, we are of the opinion that

a. The Company has not defaulted in repayment of loans and payment of interest thereon to any lender.

b. The Company has not been declared as willful defaulter by any bank or financial institution or other lender.

c. Term loans raised during the year by the Company are applied for the purpose for which those are raised.

d. The funds raised on short term basis have not been utilised for long term purposes. Hence further reporting under clause 3(ix)(d) is not applicable.

e. During the year, the Company has not availed any funds from any entity or person on account of or to meet the obligation of its subsidiaries. The Company does not have any associates or joint ventures. Hence further reporting under clause 3(ix)(e) is not applicable.

f. The Company has not raised loans during the year on the pledge of securities held in subsidiaries. The Company does not have any associates or joint ventures.

(e) (a) During the year, the Company has not raised money by way of initial public offer or further public offer [including debt instruments]. Hence further reporting under clause 3(x)(a) is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Hence further reporting under clause 3(x)(b) is not applicable

(f) (a) During the course of our examination of the books of account and records of the Company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither noticed nor have been informed by the management, any incidence of fraud by the Company or on the Company.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As informed to us, no whistle blower complaints have been received by the Company during the year.

(g) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi company. Therefore, clause (xii) of paragraph 3 the Order is not applicable.

(h) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.

(i) (a) In our opinion, the Company has an internal audit system which commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date of our report, in determining the nature, timing and extent of our audit procedures.

(j) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or person connected with him. Therefore, clause (xv) of paragraph 3 the Order is not applicable.

(k) In our opinion and according to the information and explanations given to us,

(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(l) The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

(m) There has been no resignation of the statutory auditors during the year.

(n) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, nothing has come to our attention which causes us to believe that material uncertainty exists as on the date of the audit report and the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(o) During the year there are no unspent amounts towards Corporate Social Responsibility (CSR). Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.

(p) The Company has only foreign subsidiaries hence reporting under clause 3(xxi) is not applicable.

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

Bhavin Kapadia
Partner
Membership No.: 118991
UDIN: 25118991BMJHPI5889

Place: Mumbai
Date: 22nd May, 2025

Annexure B to Independent Auditors' Report of even date on the standalone financial statements of Pradeep Metals Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

Opinion

We have audited the internal financial controls with reference to standalone financial statements of **Pradeep Metals Limited** ("the Company") as of 31st March, 2025 in conjunction with our audit of the standalone financial statement of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls were operating effectively as at 31st March 2025, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI').

Responsibilities of Management and the Board of Directors for Internal Financial Controls over Financial Reporting

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statement, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to standalone financial statements

The Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statement for external purposes in accordance with generally accepted accounting principles. The Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements , including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Bhavin Kapadia
Partner
Membership No.: 118991
UDIN: 25118991BMJHPI5889

Place: Mumbai
Date: 22nd May, 2025

Standalone Financial Statement 2024-2025

Standalone Balance Sheet as at 31st March, 2025

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March, 2025	As at 31st March, 2024
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	4	8,211.69	6,621.00
(b) Right of use assets	4	129.24	159.04
(c) Capital work-in-progress	4	36.58	90.52
(d) Other Intangible assets	4	149.10	166.94
(e) Financial assets			
(i) Investments	5	2,769.32	532.53
(ii) Other financial assets	6	117.80	2,478.58
(f) Income tax assets (net)		263.38	118.22
(g) Other assets	7	441.50	630.31
		12,118.61	**10,797.14**
II. Current assets			
(a) Inventories	8	5,083.82	4,329.74
(b) Financial assets			
(i) Trade receivables	9	8,253.77	7,533.94
(ii) Cash and cash equivalents	10	2.53	2.03
(iii) Bank balances other than (ii) above	10	41.45	55.74
(iv) Loans	11	4.53	3.74
(v) Other financial assets	12	126.29	257.23
(c) Other assets	13	735.15	550.35
		14,247.54	**12,732.77**
TOTAL ASSETS		**26,366.15**	**23,529.91**
EQUITY AND LIABILITIES			
III. Equity			
(a) Equity share capital	14	1,727.00	1,727.00
(b) Other equity	15	12,415.68	10,488.97
TOTAL EQUITY		**14,142.68**	**12,215.97**
IV. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings			
(ia) Lease liabilities	38	70.97	99.56
(ib) Term loans	16	1,042.17	1,240.30
(b) Provisions	17	93.96	84.80
(c) Deferred tax liabilities (net)	18	569.93	414.13
		1,777.03	**1,838.79**
V. Current liabilities			
(a) Financial liabilities			
(i) Borrowings			
(ia) Lease liabilities	38	28.59	26.26
(ib) Short-term borrowings	19	5,204.89	4,995.01
(ii) Trade payable	20		
(iia) Due to micro and small enterprises		208.08	132.04
(iib) Due other than to micro and small enterprises		3,836.58	3,268.39
(iii) Other financial liabilities	21	924.03	847.98
(b) Other liabilities	22	107.63	120.91
(c) Provisions	23	136.64	84.56
		10,446.44	**9,475.15**
TOTAL LIABILITIES		**12,223.47**	**11,313.94**
TOTAL EQUITY & LIABILITIES		**26,366.15**	**23,529.91**
Material accounting policies & other notes	**1 to 62**		

Notes referred to herein above form an integral part of the standalone financial statements.
As per our report of even date attached

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

Bhavin Kapadia
Partner
Membership No. 118991

Place: Mumbai
Date: 22nd May, 2025

For and on behalf of the Board of Directors of Pradeep Metals Limited

Pradeep Goyal
Chairman and Managing Director
DIN: 00008370
Place: Mumbai
Date: 22nd May, 2025

Neeru Goyal
Director
DIN: 05017190
Place: Mumbai
Date: 22nd May, 2025

Abhishek Joshi
Company Secretary
Membership No. 64446
Place: Mumbai
Date: 22nd May, 2025

Kavita Choubisa Ojha
Chief Financial Officer
PAN: ATTPC7818E
Place: Mumbai
Date: 22nd May, 2025

Statement of Profit and Loss for the year ended on 31st March, 2025

(Rs. in Lakhs except share and per share data)

Particulars	Note No.	Year ended 31st March, 2025	Year ended 31st March, 2024
INCOME			
Revenue from operations	24	29,439.08	25,121.36
Other income	25	514.31	506.49
Total Income		**29,953.39**	**25,627.85**
EXPENSES			
Cost of material consumed	26	14,316.17	12,179.08
Purchase of Stock in Trade	27	103.72	-
Changes in inventories of work-in-progress, finished goods and scrap	28	(713.28)	(293.89)
Manufacturing expenses	29	6,421.46	5,201.08
Employee benefit expenses	30	3,643.79	3,135.30
Finance costs	31	677.73	601.00
Depreciation and amortization expense	4	802.40	766.78
Other expenses	32	1,634.57	1,596.92
Total Expenses		**26,886.56**	**23,186.27**
Profit before tax		**3,066.83**	**2,441.58**
Tax expense			
- Current tax		609.02	570.50
- Deferred tax charge		155.80	70.84
- Income tax of earlier years (net)		(12.56)	(12.77)
		752.26	**628.57**
Net Profit for the year (A)		**2,314.57**	**1,813.01**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement losses on defined benefit plans	33	(56.78)	(70.52)
Less: Income tax on above		14.29	17.75
		(42.49)	**(52.77)**
(ii) Items that will be reclassified to profit or loss in subsequent years			
- Cash flow hedge through other comprehensive income (Refer note 33)	33	-	-
Less: Income tax on above		-	-
		-	**-**
Other Comprehensive Income (B)		**(42.49)**	**(52.77)**
Total Comprehensive Income (A+B)		**2,272.08**	**1,760.24**
Earnings per equity share			
(a) Basic (Face value of Rs. 10 each)	34	13.40	10.50
(b) Diluted (Face value of Rs. 10 each)		13.40	10.50
Material accounting policies & other notes	**1 to 62**		

Notes referred to herein above form an integral part of the standalone financial statements.
As per our report of even date attached

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

Bhavin Kapadia
Partner
Membership No. 118991

Place: Mumbai
Date: 22nd May, 2025

For and on behalf of the Board of Directors of
Pradeep Metals Limited

Pradeep Goyal
Chairman and Managing Director
DIN: 00008370
Place: Mumbai
Date: 22nd May, 2025

Neeru Goyal
Director
DIN: 05017190
Place: Mumbai
Date: 22nd May, 2025

Abhishek Joshi
Company Secretary
Membership No. 64446
Place: Mumbai
Date: 22nd May, 2025

Kavita Choubisa Ojha
Chief Financial Officer
PAN: ATTPC7818E
Place: Mumbai
Date: 22nd May, 2025

Standalone Cash Flow Statement for the year ended 31st March, 2025

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2025		Year ended 31st March, 2024	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before taxation		3,066.83		2,441.58
Adjustments for:				
Depreciation and amortization	802.40		766.78	
Allowance for doubtful debts utilised / reversed	(50.00)		(1.20)	
(gain) / loss on discard of property, plant & equipment (net)	(186.71)		(15.29)	
Provision for slow moving / non moving inventories (net)	45.41		102.89	
Amount no longer payable written back	(10.74)		(47.22)	
Unrealised foreign exchange (gain) / loss (net)	94.71		102.89	
Interest expenses	677.73		601.00	
Interest income	(4.53)		(131.73)	
		1,368.27		1,080.15
Operating profit before changes in assets and liabilities		**4,435.10**		**3,521.73**
Movements in working capital : [Current and Non-current]				
(Increase) / decrease in other financial assets and other assets	159.72		(242.01)	
Increase in inventories	(799.49)		(407.50)	
Increase in trade receivable	(789.15)		(1,299.36)	
Increase in trade payable, other liabilities, provisions and other financial liabilities	675.64	(753.28)	1,023.19	(925.68)
		3,681.82		**2,596.05**
Adjustment for:				
Direct taxes paid (net of refund)		(755.50)		(524.78)
Net cash generated from operating activities…(A)		**2,926.32**		**2,071.27**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, plant & equipment and intangible assets (Including capital advances and work in progress)	(2,298.83)		(1,687.95)	
Sale / discard of Property, plant & equipment	267.35		-	
Increase in other bank balances and non-current assets [Other than cash and cash equivalent]	143.02		(1.36)	
Repayment of loan from wholly owned subsidiary	-		124.09	
Interest received	4.53		131.73	
	(1,883.93)		**(1,433.49)**	
Adjustment for:				
Less: Direct taxes paid [including tax deducted at source]	(0.41)		(0.21)	
Net cash used in investing activities…(B)		**(1,884.34)**		**(1,433.70)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from long term borrowings	784.52		1,055.03	
Repayment of long term borrowings	(1,070.94)		(725.73)	
Payment of lease liabilities	(36.00)		(36.00)	
Increase / (Decrease) in working capital loan (net)	298.24		(162.54)	
Dividend paid	(339.57)		(173.32)	
Interest paid	(677.73)		(594.86)	
Net cash used in financing activities…(C)		**(1,041.48)**		**(637.41)**
Net increase in cash and cash equivalents…(A + B + C)		**0.50**		**0.16**
Cash and cash equivalents at the beginning of the year	2.03		1.87	
Cash and cash equivalents at the end of the year	2.53		2.03	
Net increase in cash and cash equivalents		**0.50**		**0.16**
Material accounting policies & other notes	**1 to 62**			

Notes referred to herein above form an integral part of the standalone financial statements.
As per our report of even date attached

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

Bhavin Kapadia
Partner
Membership No. 118991

Place: Mumbai
Date: 22nd May, 2025

For and on behalf of the Board of Directors of Pradeep Metals Limited

Pradeep Goyal
Chairman and Managing Director
DIN: 00008370
Place: Mumbai
Date: 22nd May, 2025

Neeru Goyal
Director
DIN: 05017190
Place: Mumbai
Date: 22nd May, 2025

Abhishek Joshi
Company Secretary
Membership No. 64446
Place: Mumbai
Date: 22nd May, 2025

Kavita Choubisa Ojha
Chief Financial Officer
PAN: ATTPC7818E
Place: Mumbai
Date: 22nd May, 2025

Statement of changes in equity for the year ended 31st March, 2025

(Rs. in Lakhs)

Particulars	Equity share capital	Reserves and surplus (A)			Other Comprehensive Income (B)		Total other equity (A+B)
		Security Premium	General reserves	Retained earnings (Statement of profit and loss)	Re-measurement of the net defined benefit plan	Cash flow hedge reserve	
For the year ended 31st March, 2024							
Balance at 1st April 2023	1,727.00	515.98	211.60	8,350.56	(176.69)	-	8,901.45
Profit for the year	-	-	-	1,813.01	-	-	1,813.01
Remeasurements losses on defined benefit plan	-	-	-	-	(52.77)	-	(52.77)
Transaction with owners in their capacity as owners	-						
Interim dividend (FY 2023-24)	-	-	-	(172.70)	-		(172.70)
Balance as at 31st March, 2024	**1,727.00**	**515.98**	**211.60**	**9,990.87**	**(229.46)**	**-**	**10,488.97**
For the year ended 31st March, 2025							
Balance at 1st April 2024	1,727.00	515.98	211.60	9,990.87	(229.46)	-	10,488.97
Profit for the year	-	-	-	2,314.57	-	-	2,314.57
Addition during the year (net of taxes) (Refer note 33)	-	-	-	-	(42.49)	(6.60)	(49.09)
Amount reclassified to P&L during the year (net of taxes) (Refer note 33)	-	-	-	-	-	6.60	6.60
Transaction with owners in their capacity as owners							
Final dividend (F.Y.2023-24)	-	-	-	(345.36)	-		(345.36)
Balance as at 31st March, 2025	**1,727.00**	**515.98**	**211.60**	**11,960.08**	**(271.95)**	**-**	**12,415.69**

Material accounting policies & other notes **1 to 62**

i) **Securities premium**
Securities premium is used to record premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

ii) **General Reserve**
General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

iii) **Retained earnings**
Retained earnings represent the accumulated earnings net of losses, if any, made by the Company over the years.

iv) **Other comprehensive Income - Defined benefit obligation**
The reserve represents the remeasurement gains/(losses) arising from the actuarial valuation of the defined benefit obligations of the Company. The remeasurement gains/(losses) are recognised in other comprehensive income and accumulated under this reserve within equity. The amounts recognised under this reserve are not reclassified to profit or loss.

v) **Other comprehensive Income - Cash flow hedge reserve**
The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the underlying hedged transaction occurs. In case of a loss, amount that is not expected to be recovered is immediately reclassified into profit or loss as a reclassification adjustment.

Notes referred to herein above form an integral part of the standalone financial statements.
As per our report of even date attached

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

Bhavin Kapadia
Partner
Membership No. 118991

Place: Mumbai
Date: 22nd May, 2025

For and on behalf of the Board of Directors of Pradeep Metals Limited

Pradeep Goyal
Chairman and Managing Director
DIN: 00008370
Place: Mumbai
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Director
DIN: 05017190
Place: Mumbai
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Membership No. 64446
Place: Mumbai
Date: 22nd May, 2025

Kavita Choubisa Ojha
Chief Financial Officer
PAN: ATTPC7818E
Place: Mumbai
Date: 22nd May, 2025

Notes on standalone Ind AS financial statements for the year ended 31st March 2025

1. Background

Pradeep Metals Limited ("the Company") is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company's shares are listed on Bombay Stock Exchange in India. The Company is engaged in the manufacturing and selling of forged and machined components for various sectors. The Company caters to both domestic and international markets. The registered office and manufacturing facility of the Company is located at Navi Mumbai. The Company's CIN is L99999MH1982PLC026191.

The financial statements were authorized for issue in accordance with a resolution of the Directors on 22nd May, 2025.

2. Basis of preparation

2.1. Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Further, in accordance with the amendments to the Companies (Indian Accounting Standards) Rules, 2023, the company has disclosed material accounting policies as against the significant accounting policies. Considering the nature of transactions and business operation of the Company, accounting policies related to 'Leases' and 'Investment in equity instrument at FVTOCI' are not forming part of material accounting policies.

2.2. Basis of preparation and presentation

These standalone financial statements have been prepared on the historical cost convention and on accrual basis except for the following assets and liabilities which have been measured at fair value:

i. Certain financial assets and liabilities (including derivative instruments);

ii. Defined benefit plans – plan assets;

The financial statements are in accordance with Division II of Schedule III to the Act, as applicable to the Company.

2.3. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are prepared in Indian Rupees which is also the Company's functional currency. All amounts are rounded to the nearest rupees in Lakhs.

2.4. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 – Unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – unobservable inputs for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purpose using methods as prescribed in "Ind AS 113 Fair Value Measurement".

2.5. Use of significant accounting estimates, judgements and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses for the periods presented. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. Significant estimates and critical judgement in applying these accounting policies are described below:

i) Property, plant & equipment and Intangible assets

The Company has estimated the useful life, residual value and method of depreciation / amortization of property, plant & equipment and intangible assets based on its internal technical assessment. Property, plant & equipment and intangible assets represent a significant proportion of the asset base of the Company. Further, the Company has estimated that scrap value of property, plant & equipment would be able to cover the residual value & decommissioning costs of property, plant & equipment.

Therefore, the estimates and assumptions made to determine useful life, residual value, method of depreciation / amortization and decommissioning costs are critical to the Company's financial position and performance.

ii) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or (Cash Generating Unit) CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations involve use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

iii) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on industry practice, Company's past history and existing market conditions as well as forward looking estimates at the end of each reporting period.

iv) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

v) Income taxes

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit and loss.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. Any increase in probability of future taxable profit will result into recognition of unrecognized deferred tax assets.

vi) Measurement of defined benefit plan & other long-term benefits

The cost of the defined benefit gratuity plan / other long-term benefits and the present value of the gratuity obligation / other long-term benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation / other long-term benefits is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on management policy for increase in basic salary.

vii) Impairment of investment in subsidiaries

In the opinion of the management, investments in subsidiaries are considered long term and strategic in nature and in view of future business growth / asset base, the value of long-term investments are considered good. Impairment is made in the value of investment of subsidiary based on the assessment carried out by the Company.

viii) Provision for inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory item with the respective net realisable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for absolute and slow-moving inventories has been made in the financial statement.

3. Material Accounting Policies

3.1. Presentation and disclosure of standalone financial statement

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in the division II of Schedule III of the Companies Act, 2013 for a company whose financial statements are made in compliance with the Companies (India Accounting Standards) Rules, 2015.

Based on the nature of products / services and time between acquisition of assets for processing / rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months, however for the purpose of current/ non- current classification of assets and liabilities, period of 12 months have been considered as its normal operating cycle.

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

3.2. Property, Plant and Equipment and Depreciation

Recognition and measurement

Properties, plant and equipment are stated at their cost of acquisition. Cost of an item of property, plant and equipment includes purchase price including non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/decommissioning of the asset.

Parts (major components) of an item of property, plant and equipment having different useful lives are accounted as separate items of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date.

Depreciation and useful lives

Depreciation on the property, plant and equipment (other than freehold land and capital work in progress) is provided on a straight-line method (SLM) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013, except for the plant and machinery as per the table given below, for which on the basis of internal technical assessment made by the management, the depreciation has been provided considering the useful life of the plant.

The assets which have useful life different than as prescribed under Part C of Schedule II of the Companies Act, 2013 are as follows:

Particulars	Useful life
Machinery for heavy production/press/cranes etc.	15 Years
Dies	10 Years
Die holders	3 Years
R&D equipment (Microwave)	2 Years
Other machineries	8 Years
Second hand CNC machines	10 Years
Solar power generation plant	25 Years
Individual assets whose cost does not exceed ten thousand rupees	Nil Depreciated fully in the year of capitalisation

The useful lives of the property, plant and equipment not covered in table above and are in accordance with schedule II are as follows:

Particulars	Useful life
Factory Building on leasehold land	Lower of 30 Years or balance lease period
Electrical Installation	10 Years
Office Equipment	5 Years
Computers	3 Years
Furniture & fittings	10 Years
Motor Vehicles	8 Years
Windmill	22 Years

Building on leasehold lands and improvements to building on leasehold land / premises are amortized over the period of lease or useful life whichever is lower.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under "Other non-current assets". Cost of assets under construction / acquisition / not put to use at the Balance sheet date are disclosed under "Capital work-in-progress"

De-recognition

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is de-recognized.

3.3. Intangible assets and amortization

Recognition and measurement

Intangible assets are recognized only if it is probable that the future economic benefits attributable to asset will flow to the Company and the cost of asset can be measured reliably. Intangible assets are stated at cost of acquisition/development less accumulated amortization and accumulated impairment loss if any.

Cost of an intangible asset includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are recognized in the statement of profit and loss when the asset is derecognized.

Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.

Amortization and useful lives

Intangible Asset	Estimated useful life
ERP software	10 Years
Other Software	3 Years
Microwave Composite Heating Furnace project (SDF Technology)	7 years

In case of assets purchased during the year, amortization on such assets is calculated on pro-rata basis from the date of such addition

3.4. Research and development costs

Research costs are expensed as incurred. Development expenditures are recognized as an intangible asset when the Company can demonstrate:

The technical feasibility of completing the intangible asset so that the asset will be available for use or sale

- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset

The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.

- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

3.5. Inventories

Inventories consists of raw materials, consumables, dies, work-in-progress and scrap. Raw materials and components, packing materials, consumables, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The Cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable) and other costs incurred in bringing them to their present location and condition. Cost for raw material is determined on specific identification basis and other materials & consumables on weighted average method.

Work-in-progress & finished goods is valued at lower of cost and net realizable value. Cost includes direct materials valued on weighted average basis and costs of conversion which include costs directly related to the units of production and systematic allocation of fixed and variable production overheads. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

Dies are valued at cost or net realizable value whichever is less. Cost includes material cost and labour cost. Costs are determined on specific identification basis.

Scrap is valued at net realizable value.

3.6. Revenue recognition

The policy for Revenue as presented in the Company's financial statements are as under:

- o The Company recognizes revenue when the amount can be reliably measured, to the extent it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below
- o Sale of goods is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products. Revenue is measured at the transaction price allocated to that performance obligation, net of Goods and Service Tax (GST), returns and allowances, trade, volume & other discounts.
- o Accumulated experience is used to estimate and provide for turnover discounts, expected cash discounts, other eligible discounts, expected returns and incentives. No element of financing is deemed present as the sales are made with normal credit terms.
- o Revenue from export sales are recognized upon transfer of control of promised products to customers usually on the basis of dates of shipping bills or bill of lading depending on the shipment terms.
- o Sale of services is recognized upon rendering of services and revenue from fixed price, fixed time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized over the period of contract on pro-rata basis.
- o Revenue from sales of electricity is recognized when all the significant risks and rewards of ownership have been passed to the buyer, usually on transmission of electricity based on the data provided by the electricity department.
- o Export incentives / benefits are recognized as income in Statement of Profit and Loss on export of goods based on fulfilling specified criteria's and also reasonable certainty of utilizing the benefit by import of goods/sale of license in open market.
- o Revenues from die design and preparation charges are recognized as per the terms of the contract as and when services are rendered.
- • Other income
  - o Income from guarantee commission is recognized as a percentage of guarantee given on annual basis.
  - o Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders/board of directors approve the dividend as applicable.
  - o Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

3.7. Investment in subsidiaries

The Company's investment in instruments of subsidiaries are accounted for at cost less accumulated impairment. Where an indication of impairment exists, the carrying amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the statement of profit and loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit and loss.

3.8. Government grants

Government grants are recognized in the period to which they relate when there is reasonable assurance that the grant will be received and that the Company will comply with the attached conditions. When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. In case of Exports Promotion Capital Goods (EPCG) scheme, government grants is recognised in the statement of profit and loss over the period of fulfilment of export obligation. Where the grant relates to an asset, it is deducted from the cost of the asset and the net amount of the asset is capitalized.

3.9. Foreign currency transaction

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. As at the Balance Sheet date, foreign currency monetary items are translated at closing exchange rate. Exchange difference arising on settlement or translation of foreign currency monetary items are recognized as income or expense in the year in which they arise.

Foreign currency non-monetary items which are carried at historical cost are reported using the exchange rate at the date of transactions. Foreign currency non-monetary items which are measured at fair value are reported using the exchange rate at the date when the fair value is determined. Exchange difference arising on fair valuation of non-monetary items is recognized in line with the gain of item that give rise to such exchange difference (i.e. translation differences on items whose gain or loss is recognized in statement of profit and loss or other comprehensive income is also recognized in statement of profit or loss or other comprehensive income respectively).

3.10. Employee benefits

- Short term employee benefits

  All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the period in which the employee renders the related service.

- Post-employment benefits & other long-term benefits

  a. Defined contribution plan

  The defined contribution plan is a post-employment benefit plan under which the Company contributes fixed contribution to a Government Administered Fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Labour Welfare Fund and Employee State Insurance Scheme. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

  b. Post-employment benefit and other long-term benefits

  The Company has defined benefit plans comprising of gratuity and other long-term benefits in the form of leave benefits and long service rewards. Company's obligation towards gratuity liability is funded plan and is managed by Life Insurance Corporation of India (LIC). The present value of the defined benefit obligations and certain other long-term employee benefits [privilege leave and sick leave] is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations. Provision for casual leave is made on arithmetic basis.

For gratuity plan, re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the post-employment benefits liability) are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Such re-measurements are not reclassified to statement of profit and loss in subsequent periods.

The expected return on plan assets is the Company's expectation of average long-term rate of return on the investment of the fund over the entire life of the related obligation. Plan assets are measured at fair value as at the Balance Sheet date.

The interest cost on defined benefit obligation and expected return on plan assets is recognized under finance cost.

Gains or losses on the curtailment or settlement of defined benefit plan are recognized when the curtailment or settlement occurs.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions for other employee benefit plan [other than gratuity] are recognized immediately in the Statement of Profit and Loss as income or expense.

3.11. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Operating Segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the CODM, in deciding how to allocate resources and assessing performance.

3.12. Borrowing cost

Borrowing costs (net of interest income on temporary investments) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Ancillary cost of borrowings in respect of loans not disbursed are carried forward and accounted as borrowing cost in the year of disbursement of loan. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

3.13. Taxes on income

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Provision for current tax is made as per the provisions of Income Tax Act, 1961.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, and deferred tax assets are recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Company has unused tax losses and unused tax credits, deferred tax assets are recognized only if it is probable that they can be utilized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes previously unrecognized deferred tax assets to the extent that it has become probable that future taxable profit allow deferred tax assets to be recovered.

The Company has adopted the amendments with respect to Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to Ind AS 12) from 1st April 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting differences – e.g., leases and decommissioning liabilities. For leases and decommissioning liabilities, an entity is required to recognise the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, an entity applies the amendments to transactions that occur on or after the beginning of the earliest period presented.

3.14. Cash and cash equivalent

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalent as calculated above also includes outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.15. Cash flow statement

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

3.16. Provisions, contingent liabilities, contingent assets

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognize a contingent asset but discloses its existence in the financial statements if the inflow of economic benefits is probable. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

3.17. Earnings per share

Basic earnings per share is computed using the net profit for the year attributable to the equity shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive.

3.18. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

3.18.1. Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognized when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model based on 'simplified approach' for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit and loss.

De-recognition of financial asset

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

3.18.2. Financial liability and equity instrument

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognized in profit or loss. The remaining amount of change in the fair value of liability is always recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognized in profit or loss.

Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Derivatives and hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company designates certain derivatives as either:

i) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);

ii) hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents the nature of the risk being hedged and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including its analysis of the sources of hedge ineffectiveness and how it determines the hedge ratio).

The full fair value of a hedging derivative is classified as a non-current financial asset or financial liability when the residual maturity of the derivative is more than 12 months and as a current financial asset or financial liability when the residual maturity of the derivative is less than 12 months.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss, together with any changes in the fair value of the hedged item that are attributable to the hedged risk.

Hedge accounting is discontinued when the Company revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to the statement of profit and loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the statement of profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss. However, if there is a loss and an entity expects that all or a portion of that loss will not be recovered in one or more future periods, it shall immediately reclassify the amount that is not expected to be recovered into profit or loss as a reclassification adjustment.

Reclassification

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

De-recognition of financial liabilities

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognized and the consideration paid and payable is recognized in profit or loss.

3.19 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. 1st April, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any impact in its standalone financial statements.

4 Property, plant & equipment and intangible assets

4.1 As on 31st March, 2025

(Rs. in Lakhs)

Particulars	Gross Block				Depreciation / amortization				Net Block
	As at 1st April, 2024	Additions	Deductions	As at 31st March, 2025	As at 1st April, 2024	For the year	On deductions	As at 31st March, 2025	As at 31st March, 2025
Property, plant & equipment (Tangible assets)									
Freehold land	155.92	-	-	155.92	-	-	-	-	155.92
Factory buildings (on leasehold land)	2,096.24	5.21	3.68	2,097.77	477.88	70.35	3.49	544.73	1,553.04
Plant and machinery (P & M)	3,543.89	2,190.96	408.81	5,326.04	1,361.34	350.31	347.68	1,363.97	3,962.07
Microwave Machinery (R&D)	149.10	-	-	149.10	149.10	-	-	149.10	-
Windmill	1,187.27	96.37	-	1,283.64	425.69	59.13	-	484.82	798.82
Solar Plant	1,190.45	-	-	1,190.45	31.05	45.24	-	76.29	1,114.16
Electrical installation	188.39	-	-	188.39	67.45	16.79	-	84.25	104.15
Computers	78.88	16.47	8.05	87.31	47.46	16.82	7.69	56.59	30.72
Furniture and fixtures	89.70	3.61	10.94	82.37	48.33	8.25	10.13	46.44	35.93
Office equipment	37.17	7.20	5.27	39.10	12.56	7.31	4.46	15.41	23.70
Vehicles	305.26	-	-	305.26	96.55	26.87	-	123.42	181.84
Dies	898.06	53.88	41.41	910.53	581.57	101.68	24.07	659.18	251.34
Sub-total (A)	**9,920.33**	**2,373.70**	**478.16**	**11,815.88**	**3,298.98**	**702.74**	**397.52**	**3,604.20**	**8,211.69**
Intangible assets									
Software (Other than internally generated)	143.56	52.01	13.10	182.46	109.01	26.41	13.10	122.31	60.15
Microwave Composite Heating Furnace (SDF Technology)	304.10	-	-	304.10	171.70	43.44	-	215.15	88.95
Sub-total (B)	**447.66**	**52.01**	**13.10**	**486.56**	**280.71**	**69.85**	**13.10**	**337.46**	**149.10**
Total [(A) + (B)]	**10,367.99**	**2,425.71**	**491.26**	**12,302.44**	**3,579.69**	**772.59**	**410.62**	**3,941.66**	**8,360.79**

4.2 Right of use asset

(Rs. in Lakhs)

Particulars	Building	Leasehold Land	Total
Gross carrying value			
Balance as at 31st March, 2023	**122.27**	**55.81**	**178.08**
Additions in 2023-2024	146.05	-	146.05
Deletions in 2023-2024	122.27	-	122.27
Balance as at 31st March, 2024	**146.05**	**55.81**	**201.86**
Additions in 2024-2025	-	-	-
Deletions in 2024-2025	-	-	-
Balance as at 31st March, 2025	**146.05**	**55.81**	**201.86**
Accumulated amortization			
Balance as at 31st March, 2023	**117.40**	**17.88**	**135.28**
Charge for the year 2023-24	29.23	0.60	29.83
Deletions in 2023-2024	122.27	-	122.27
Balance as at 31st March, 2024	**24.34**	**18.47**	**42.84**
Charge for the year 2024-2025	29.21	0.60	29.81
Deletions in 2024-2025	-	-	-
Balance as at 31st March, 2025	**53.53**	**19.07**	**72.64**
Net carrying amount			
Balance as at 31st March, 2024	121.71	37.33	159.02
Balance as at 31st March, 2025	**92.52**	**36.74**	**129.24**

4.3 Depreciation as per statement of profit & loss

(Rs. in Lakhs)

Particulars	2024-25	2023-24
Depreciation and amortization of Property, plant & equipment and intangible assets	772.59	736.95
Depreciation on Right of use assets	29.81	29.83
Depreciation as per statement of profit & loss	**802.40**	**766.78**

4.4 As on 31st March, 2024

(Rs. in Lakhs)

Particulars	Gross Block				Depreciation / amortization				Net Block
	As at 1st April, 2023	Additions	Deductions	As at 31st March, 2024	As at 1st April, 2023	For the year	On deductions	As at 31st March, 2024	As at 31st March, 2024
Property, plant & equipment (Tangible assets)									
Freehold land	155.92	-	-	155.92	-	-	-	-	155.92
Factory buildings (on leasehold land)	2,008.90	87.34	-	2,096.24	400.39	77.48	-	477.88	1,618.37
Plant and machinery (P & M)	3,026.27	539.07	21.45	3,543.89	1,048.48	330.53	17.32	1,361.69	2,182.20
Microwave Machinery (R&D)	149.10	-	-	149.10	149.10	-	-	149.10	-
Windmill	1,246.22	-	58.95	1,187.27	391.95	56.07	22.32	425.69	761.58
Solar Plant	-	1,190.45	-	1,190.45	-	31.05	-	31.05	1,159.40
Electrical installation	127.27	61.13	-	188.39	53.79	13.66	-	67.45	120.94
Computers	61.18	17.70	-	78.88	32.15	15.31	-	47.46	31.42
Furniture and fixtures	88.78	0.93	-	89.70	40.18	8.15	-	48.33	41.37
Office equipment	27.89	9.28	-	37.17	6.36	6.20	-	12.56	24.61
Vehicles	102.97	202.39	0.11	305.26	68.23	28.42	0.10	96.55	208.70
Dies	853.86	44.20	-	898.06	481.17	100.40	-	581.57	316.49
Sub-total (A)	**7,848.35**	**2,152.49**	**80.51**	**9,920.34**	**2,671.81**	**667.27**	**40.09**	**3298.99**	**6621.00**
Intangible assets									
Software (Other than internally generated)	139.66	3.90	-	143.56	82.77	26.24	-	109.01	34.55
Microwave Composite Heating Furnace (SDF Technology)	304.10	-	-	304.10	128.26	43.44	-	171.70	132.39
Sub-total (B)	**443.76**	**3.90**	**-**	**447.66**	**211.03**	**69.68**	**-**	**280.71**	**166.94**
Total [(A) + (B)]	**8,292.11**	**2,156.39**	**80.51**	**10,368.00**	**2,882.84**	**736.95**	**40.09**	**3,579.70**	**6787.94**

4.5 Movement of capital work in progress

(Rs. in Lakhs)

Particulars	2024-25			
	P & M	Building	Others	Total
Opening capital work in progress	90.52	-	-	**90.52**
Add: Addition during the year	2,057.35	4.18	-	**2,061.53**
Less: Assets capitalized/ reversed during the year	2,111.29	4.18	-	**2,115.47**
Closing capital work in progress	**36.58**	**-**	**-**	**36.58**

(Rs. in Lakhs)

Particulars	2023-24			
	P & M	Building	Others	Total
Opening capital work in progress	419.94	-	30.56	**450.50**
Add: Addition during the year	1,392.96	-	56.35	**1,449.31**
Less: Assets capitalized / reversed during the year	1,722.38	-	86.91	**1,809.29**
Closing capital work in progress	**90.52**	**-**	**-**	**90.52**

4.6 CWIP Ageing schedule as at 31st March, 2025

(Rs. in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	13.00	23.58	-	-	36.58

CWIP Ageing schedule as at 31st March, 2024

(Rs. in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	90.52	-	-	-	90.52

4.7 There are no capital-work-in-progress where completion is overdue or exceeded its cost as compared to original plan as at 31st March, 2025 and 31st March, 2024.

4.8 Details of remaining amortization period and carrying value of intangible assets is as given below:

(Rs. in Lakhs)

Particulars	Carrying amount as at		Remaining useful life as at (months)	
	31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024
Epicore software	6.16	12.49	4	16
Microwave composite heating furnace (SDF Technology)	88.95	132.39	24	36
Other software's	53.99	22.06	11 to 36	11 to 36

4.9 First pari passu charge has been created on property, plant and equipment of the Company (present and future) in respect of term loans taken by the Company (Refer note 16.1). Further, second charge has been created on the property, plant and equipment for working capital facility availed by the Company (Refer note 19.1).

(Rs. in Lakhs)

5. Non current Investment (At cost, unless otherwise specified)	As at 31st March, 2025	As at 31st March, 2024
Unquoted equity instruments (fully paid) **Investment in wholly owned subsidiary**		
3,19,875 (Previous year : 95,708) Shares of Pradeep Metals Ltd Inc. USA, Houston at no par value	3,579.32	1,342.53
Less-Impairment in the value of investment	810.00	810.00
Total	**2,769.32**	**532.53**

5.1 During the year, the Company made an additional investment in the WOS by way of conversion of outstanding unsecured loans given to the WOS amounting to Rs. 2,236.80 Lakhs (equivalent USD 26.90 Lakhs) into 224,167 equity shares of WOS at an issue price of Rs. 997.83 per equity share (equivalent to USD 12 per equity share).

5.2 Based on the Company's assessment, aggregate impairment provision made upto 31st March, 2025 (Previous year : Rs. 810 Lakhs) of Rs. 810 Lakhs is considered as adequate in regard to investment in wholly owned subsidiary (WOS) and no additional provision is required in the current year. In view of the management, considering the long term and strategic nature of investment, the balance carrying value of investment would yield the required benefits.

5.3 During the previous year, WOS has regularized the compliance in regard to issue of equity shares against the contribution made in the past period.

5.4 Other disclosures of investment

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Aggregate cost of unquoted investment	2,769.32	532.53
Market value of unquoted investment	-	-
Aggregate amount of impairment in the value of investment	810.00	810.00

6. Other non-current financial assets

(Unsecured, considered good unless otherwise stated)

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Security deposits	116.89	112.14
Deposit with bank having remaining maturity more than 12 months (Refer note 6.2)	0.91	129.64
Share application money paid to WOS (Refer note 5.1)	-	2,236.80
Total	**117.80**	**2,478.58**

6.1 Bank deposits aggregating to Rs. Nil (Previous year : Rs.129.14 Lakhs) was kept as margin money against Letter of credit issued for acquisition of imported plant and machinery.

6.2 Bank deposit of Rs. 0.91 Lakhs (Previous year : Rs. 0.50 Lakhs) is under lien with bank towards guarantees issued by bank.

(Rs. in Lakhs)

7	Other non-current assets (Unsecured, considered good unless otherwise stated	As at 31st March, 2025	As at 31st March, 2024
	Capital advances		
	- Consider good	427.52	613.18
	- Considered doubtful	-	50.00
		427.52	**663.18**
	Less:- Allowance for bad and doubtful advances	-	(50.00)
		427.52	**613.18**
	Amount paid under protest	10.10	10.10
	Less : Provision for the above matter	(10.10)	(10.10)
		-	-
	Prepaid expenses	13.98	17.13
	Total	**441.50**	**630.31**

7.1 Movement of allowance for doubtful capital advances

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening balance	**50.00**	**50.00**
Less: Provision written back	50.00	-
Closing balance	**-**	**50.00**

7.2 Pursuant to Hon'ble High Court order, the Company had deposited back wages under protest amounting to Rs. 10.10 Lakhs (Previous year : Rs.10.10 Lakhs) in respect of ex-employees whose services were terminated in earlier years. As an abundant caution, the Company had made contingency provision of Rs.10.10 Lakhs (Previous year : Rs.10.10 Lakhs) which was charged to the Statement of Profit & Loss in the earlier year. The quantum of final liability cannot be ascertained at this stage and will be based on the outcome of matter under dispute.

(Rs. in Lakhs)

8.	Inventories (At lower of cost or net realisable value unless otherwise stated)	As at 31st March, 2025	As at 31st March, 2024
	Raw material - Steel	1,434.85	1,467.90
	Raw materials - Dies	230.65	191.51
	Work-in-progress	3,020.87	2,342.24
	Finished goods in transit	191.36	159.80
	Stores, spares and consumables	164.02	129.31
	Scrap	42.07	38.98
	Total	**5,083.82**	**4,329.74**

8.1 During the year ended 31st March 2025, Rs.45.41 Lakhs (Previous year: Rs. 10.69 Lakhs) was recognised as an expenses for inventories carried at Net realisable value.

(Rs. in Lakhs)

9. Trade receivables (Unsecured, considered good unless otherwise stated)	As at 31st March, 2025	As at 31st March, 2024
Unsecured		
Considered good	8,253.77	7,533.94
Considered doubtful	-	-
	8,253.77	**7,533.94**
Less: Allowance for doubtful debts		
Total	**8,253.77**	**7,533.94**

9.1 No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Rs. 1.16 Lakhs (Previous year : Rs. 0.31 Lakhs) is receivable from the WOS having three common directors and from the Step Down Subsidiary (SDS) of Rs. 1,130.34 Lakhs having three common directors (Previous year : Rs 1,486.49 Lakhs)

9.2 For details of outstanding receivables from related parties. (refer note 39.3)

9.3 Trade receivables are non - interest bearing and are generally on terms of 30 to 270 days.

9.4 Trade receivable includes export bills aggregating to Rs. Nil (Previous year : Rs. 172.19 Lakhs) purchased/ discounted by the bank but pending realisation as on the date of the Balance Sheet & disclosed under working capital (short term borrowings). The Company has transferred the relevant receivables to the discounting bank in exchange for cash. However, the Company has retained the late payment and credit risk.

9.5 Refer note 46 for policy on expected credit loss.

9.6 The Company has registered under the Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. The relevant provisions in respect of receivable are applicable to the Company.

9.7 Trade receivables ageing schedule as at 31st March, 2025

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	6,778.40	1,470.89	-	4.48	-	-	8,253.77
Total	**6,778.40**	**1,470.89**	**-**	**4.48**	**-**	**-**	**8,253.77**

Trade receivables ageing schedule as at 31st March, 2024

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	5,980.25	606.63	947.05	-	-	-	7,533.94
Total	**5,980.25**	**606.63**	**947.05**	**-**	**-**	**-**	**7,533.94**

(Rs. in Lakhs)

10. Cash and cash equivalent and other bank balances	As at 31st March, 2025	As at 31st March, 2024
Cash and cash equivalent		
Balances with banks		
- In current accounts	1.03	0.56
Cash on hand	1.50	1.47
Total	**2.53**	**2.03**
Other bank balances		
- In fixed deposits having remaining maturity less than 12 months	17.62	37.74
- Earmarked balances (on unpaid dividend account)	23.83	18.00
Total	**41.45**	**55.74**

10.1 Bank deposits earn interest at fixed rates.

10.2 Bank deposits aggregating to Rs. 17.62 Lakhs (Previous year : Rs. 37.74 Lakhs) are under lien with banks towards guarantees issued by bank.

(Rs. in Lakhs)

11. **Loans** (Unsecured, considered good unless otherwise stated)	As at 31st March, 2025	As at 31st March, 2024
Other loans		
Loan to employees	4.53	3.74
Total	**4.53**	**3.74**

(Rs. in Lakhs)

12. **Other current financial assets** (Unsecured, considered good unless otherwise stated)	As at 31st March, 2025	As at 31st March, 2024
Export incentive receivable	51.48	114.96
Amount recoverable from customers	42.12	28.66
Recoverable from WOS	2.53	2.55
Insurance claim receivable (Refer note 12.1)	-	56.08
Foreign currency forward contract receivable (net)	-	42.78
Other receivables	30.13	12.02
Interest accrued on fixed deposits	0.03	0.18
Total	**126.29**	**257.23**

12.1 It represents insurance claim made in previous year toward windmill owned by the Company and the same has been realised during the year.

12.2 Break up of financial assets carried at amortised cost

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Loans [refer note 11]	4.53	3.74
Other financial assets [refer note 6 & 12]	244.09	2,735.81
Trade receivables [refer note 9]	8,253.77	7,533.94
Cash & cash equivalents [refer note 10]	2.53	2.03
Other bank balance [refer note 10]	41.45	55.74
Total	**8,546.37**	**10,331.26**

(Rs. in Lakhs)

13. **Other current assets** (Unsecured, considered good unless otherwise stated)	**As at 31st March, 2025**	**As at 31st March, 2024**
Advance to suppliers (other than capital advance)	129.57	4.59
Considered doubtful	-	-
	129.57	**4.59**
Less:- Allowance for doubtful advances	-	-
	129.57	**4.59**
Input tax credit receivable (including refund receivable)	456.22	383.94
Prepaid expenses	149.36	161.82
Total	**735.15**	**550.35**

14. Share Capital

(Rs. In Lakhs except share and per share data)

14.1 **Authorised capital**	**As at 31st March, 2025**	**As at 31st March, 2024**
Equity share capital		
18,500,000 (Previous year : 18,500,000) Equity Shares of Rs. 10 each	1,850.00	1,850.00
Preference share capital		
550,000 (Previous year : 550,000) Preference Shares of Rs.100 each	550.00	550.00
Total	**2,400.00**	**2,400.00**

(Rs. In Lakhs except share and per share data)

14.2 **Issued, subscribed and paid-up capital**	**As at 31st March, 2025**	**As at 31st March, 2024**
Issued		
17,270,000 (Previous year : 17,270,000) Equity Shares of Rs.10 each	1,727.00	1,727.00
Issued, subscribed and paid-up		
17,270,000 (Previous year : 17,270,000) Equity Shares of Rs.10 each	1,727.00	1,727.00
Total	**1,727.00**	**1,727.00**

14.3 The Company has only one class of issued shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed, if any, by the Board of Directors shall be subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

14.4 **Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting year**	**As at 31st March, 2025**	**As at 31st March, 2024**
Shares outstanding at beginning of the year	17,270,000	17,270,000
Changes during the year	-	-
Shares outstanding at the end of the year	**17,270,000**	**17,270,000**

14.5 Equity Shares held by each shareholder holding more than 5% shares

Name of shareholder	As at 31st March 2025		As at 31st March 2024	
	Number of Shares	% of holding	Number of Shares	% of holding
Mr. Pradeep Goyal	15,76,400	9.13	15,76,400	9.13
Mrs. Neeru P. Goyal	9,19,927	5.33	9,19,927	5.33
Nami Capital Private Limited (Refer Note 62)	1,01,94,456	59.03	1,01,94,456	59.03

14.6 Shares held by ultimate holding company

Name of shareholder	As at 31st March 2025		As at 31st March 2024	
	Number of Shares	% of holding	Number of Shares	% of holding
Nami Capital Private Limited (Refer note 62)	1,01,94,456	59.03	1,01,94,456	59.03

14.7 Shares held by promoters

Promoter Name	As at 31st March 2025		As at 31st March 2024		% Change during the year	
	Number of Shares	% of holding	Number of Shares	% of holding	Number of Shares	% of holding
Mr. Pradeep Goyal	15,76,400	9.13	15,76,400	9.13	-	-
Mrs. Neeru P. Goyal	9,19,927	5.33	9,19,927	5.33	-	-
Nami Capital Private Limited (Refer note 62)	1,01,94,456	59.03	1,01,94,456	59.03	-	-
Total	**1,26,90,783**	**73.49**	**1,26,90,783**	**73.49**	**-**	**-**

15 For details of other Equity, refer Statement of Changes in Equity forming part of the Financial Statements.

(Rs. in Lakhs)

16.

Borrowings (Non-current)	As at 31st March, 2025	As at 31st March, 2024
Secured		
From banks		
- Term loan	943.37	1,123.20
- Vehicle loan	98.80	117.10
Total	**1,042.17**	**1,240.30**

16.1 Details of security provided

(i) Term loans are secured by first pari passu charge created on property, plant and equipment of the Company (present and future) and second charge on entire current assets of the Company (refer Note 4.9). In the previous year, these loans were additionally secured by a personal guarantee provided by the Chairman and Managing Director of the Company, which has been released during the current year.

(ii) Vehicle loan is secured against security of vehicle financed and further guaranteed by personal guarantee of Chairman and Managing Director of the Company.

16.2 Terms of repayment and maturity profile of the term loan is as set out below:

(Rs. in Lakhs)

Borrowings	**Interest Rate**	**As at 31st March, 2025**	**As at 31st March, 2024**
Term loan XV Repayable Nil (Previous year: 2 quarterly instalments of Rs. 17.70 Lakhs each & 1 instalment of balance amount)	1YMCLR+1.00% (Previously 9.80% p.a.)	-	41.80
Term loan XVI (INR) Repayable in 4 (Previous year:6) quarterly instalments of Rs. 16.70 Lakhs each & 1 instalment of balance amount.	1YEBLR+0.10% (Currently 9.10% p.a.)	47.92	114.59
Term loan XVII (FCTL and INR) Repayable in 2 quarterly instalments of Rs. 43.00 Lakhs each & 1 instalment of balance amount (previous year: 1 quarterly instalments of Rs. 150.00 Lakhs & 1 instalment of balance amounts)	1YEBLR+0.50% (Currently 9.50% p.a.)	137.58	253.59
Term loan XVII (INR) (New) Repayable in 2 quarterly instalments of Rs. 120.00 Lakhs each & 1 instalment of balance amount (Previous year: 5 quarterly instalments of Rs. 150.00 Lakhs each & 1 instalment of balance amount)	1YEBLR+0.50% (Currently 9.50% p.a.)	286.70	796.74
Term loan XVIII (INR) Repayable in 4 quarterly instalments of Rs. 37.20 Lakhs each & 11 instalment of Rs.42.27 Lakhs each and 1 instalment of balance amount (Previous year: 23 quarterly instalments of Rs. 32.00 Lakhs each and one instalment of balance amount)	1YEBLR+0.35% (Currently 9.35% p.a.)	611.46	739.46
Term loan XIX (INR) Repayable in 1 instalments of balance amount (Previous year : 4 quarterly instalments of Rs. 15.38 Lakhs each and 1 instalment of balance amount)	1YEBLR+0.35% (Currently 9.35% p.a.)	13.60	75.12
Term loan XX (INR) Repayable in 15 (Previous year: Nil) quarterly instalments of Rs. 43.40 Lakhs each & 1 instalment of balance amount	1YEBLR+0.50% (Currently 9.50% p.a.)	654.31	-
Vehicle loan (INR) Repayable in 61 (Previous year: 73) equated monthly instalments	(Currently 8.50% p.a.) -	117.41	134.17
Total		**1,868.98**	**2,155.47**

Above figures are including current maturity as disclosed in note 19

(Rs. in Lakhs)

17. Provisions (Non-current)	**As at March 31, 2025**	**As at March 31, 2024**
Provision for employee benefits		
- Leave benefits	93.96	84.80
Total	**93.96**	**84.80**

18. Income & deferred taxes

The major components of income tax expense for the years ended 31st March, 2025 & 31st March, 2024 are as under:

18.1 Statement of profit & loss

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Current tax	609.02	570.50
Deferred tax charge / (credit)	155.80	70.84
Income tax of earlier years (net)	(12.56)	(12.77)
Tax expense reported in the standalone statement of profit & loss	**752.26**	**628.57**

18.2 Other comprehensive income (OCI)

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Deferred tax related to items recognised in OCI		
Re-measurement of defined benefit plans	(14.29)	(17.75)
Deferred tax credit	**(14.29)**	**(17.75)**

18.3 Reconciliation of tax expenses and the accounting profit multiplied by applicable tax rate for 31st March 2025 and 31st March 2024

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Accounting profit before tax	3,066.83	2,441.58
Applicable income tax rate	25.17%	25.17%
	771.86	**614.50**
- Effect of expenses not deductible in determining taxable profit	(7.04)	15.15
- Income tax and deferred tax of earlier years (net)	(12.56)	(12.77)
Subtotal	**752.26**	**616.87**
At the effective income tax rate of	**24.53%**	**25.74%**
Tax expense reported in the standalone statement of profit and loss	**752.26**	**628.57**

18.4 Deferred tax liabilities (net)

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Deferred tax (asset)/liability relates to the following:		
Differences in depreciation and amortization for accounting and income tax purposes	610.91	467.93
Provision for NMMC cess liability	(0.04)	(0.04)
Provision for employee benefits	(43.05)	(54.85)
Right of use asset	23.29	30.63
Lease Liabilities	(25.07)	(31.67)
Provision for Contingency	(2.54)	(2.54)
Expenditure related to Amalgamation	(1.76)	-
Weighted average deduction u/s 80JJAA (net of unwinding)	8.19	4.67
Net deferred tax liabilities	**569.93**	**414.13**

18.5 Reflected in the balance sheet as follows

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Deferred tax assets	(40.98)	(53.79)
Deferred tax liabilities	610.91	467.93
Deferred tax liabilities (net)	**569.93**	**414.13**

18.6 Deferred tax expenses/(income)

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Deferred tax relates to the following:		
Differences in depreciation and amortization for accounting and income tax purposes	142.99	80.82
Provision for employee benefits	11.80	(5.22)
Right of use asset	(7.35)	29.41
Lease Liabilities	6.60	(30.17)
Expenditure related to Amalgamation	(1.76)	-
Weighted average deduction u/s 80JJAA (net of unwinding)	3.51	(4.01)
Net deferred tax credit	**155.80**	**70.84**

18.7 The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority and intends either to settle on a net basis. Deferred tax asset has not been recognised on impairment in the value of investment of Rs. 810 Lakhs (Previous year - Rs. 810 Lakhs) and Provision for doubtful capital advances Rs.Nil (Previous year Rs. 50 Lakhs) in the absence of reasonable certainty of its reversal in future.

18.8 The Company applied deferred tax related to Assets and Liabilities arising from single transaction (Amendments to Ind AS 12) from 1st April, 2023. Following the amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and deferred tax liability in relation to right of use assets.

(Rs. in Lakhs)

19 Borrowings (Current)	As at 31st March, 2025	As at 31st March, 2024
Secured		
From bank		
Working capital loans		
- Cash credit (Repayable on demand)	1,583.15	1,187.10
- Packing credit (Repayable within 180 days)	2,794.93	2,720.55
- Bills discounted (Repayable within 30 to 270 days)	-	172.19
Current maturity of long term borrowings		
- Term loan	808.20	898.10
- Vehicle loan	18.61	17.07
Total	**5,204.89**	**4,995.01**

19.1 Details of security provided on working capital loans

Working capital loans are secured by first charge by way of hypothecation of stock and book debts and second charge on entire property, plant and equipment of the Company. In the previous year, these loans were additionally secured by a personal guarantee provided by the Chairman and Managing Director of the Company, which has since been released during the current year.

(Rs. in Lakhs)

20. Trade Payables	As at 31st March, 2025	As at 31st March, 2024
- Dues to micro & small enterprises	208.08	132.04
- Dues to other than micro & small enterprises	3,836.58	3,268.39
Total	**4,044.66**	**3,400.43**

20.1 Under the Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act], certain disclosures are required to be made relating to Micro and Small Enterprises. The Company has disclosed such information only to the extent received from suppliers about their coverage under the MSMED Act. Auditors have relied on the same.

20.2 Details of dues to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED, Act 2006)

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
a) The principal amount remaining unpaid to any supplier at the end of the year.	208.08	132.04
b) Interest due remaining unpaid to any supplier at the end of the year.	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act,2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) The amount of interest due and payable for the delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act,2006.	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f) The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

20.3 Terms & conditions of the above financial liabilities:

Trade payables are non-interest bearing and are generally settled on 15 to 90 days terms. For details of balances outstanding of related parties, refer note 39.3.

20.4 Trade payables ageing schedule as at 31st March 2025

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed -Micro & small enterprises	185.77	22.31	-	-	-	-	208.08
(ii) Undisputed Others	1,653.72	2,179.96	1.76	1.04	-	0.10	3,836.58
Total	**1,839.49**	**2,202.28**	**1.76**	**1.04**	**-**	**0.10**	**4,044.66**

Trade payables ageing schedule as at 31st March, 2024

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed -Micro & small enterprises	107.66	24.38	-	-	-	-	132.04
(ii) Undisputed Others	2,029.23	1,234.31	2.98	1.17	0.70	-	3,268.39
Total	**2,136.89**	**1,258.69**	**2.98**	**1.17**	**0.70**	**-**	**3,400.43**

(Rs. in Lakhs)

21. Other current financial liabilities	As at 31st March, 2025	As at 31st March, 2024
Amount payable for capital goods		
- Dues to other than micro & small enterprises	50.98	35.66
Unpaid dividend (Refer note 10)	23.83	18.00
Foreign currency forward contract payable (net)	35.09	-
Accrued expenses	220.98	276.79
Salary and wages payable	564.13	493.10
Other liabilities*	29.02	24.44
Total	**924.03**	**847.98**

*Other liabilities includes directors commission payable, interest payable etc.

21.1 Break up of financial liabilities carried at amortised cost

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Borrowings [refer note 16 & 19]	6,247.06	6,235.31
Lease liabilities [refer note 38]	99.56	125.82
Other financial liabilities [refer note 21]	924.03	847.98
Trade payable [refer note 20]	4,044.66	3,400.43
Total	**11,315.31**	**10,609.54**

(Rs. in Lakhs)

22 Other current liabilities	As at 31st March, 2025	As at 31st March, 2024
Unearned revenue (refer note 22.1)	4.96	25.12
Advance received from customers	10.79	7.65
Statutory liabilities	91.88	88.13
Total	**107.63**	**120.91**

22.1 In the previous year, unearned revenue mainly includes amount of grants (in the nature of export benefits) of Rs.Nil (previous year : Rs. 14.11 Lakhs) relating to property, plant and equipment imported under the EPCG scheme. During the year, the Company has recognised EPCG benefit as Export Incentives revenue on account of fulfilment of corresponding export obligation.

23. Provision (Current)

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Provision for employee benefits		
- Leave benefits	75.85	68.15
- Gratuity	60.64	16.26
Provision for contingency	0.15	0.15
Total	**136.64**	**84.56**

(Rs. in Lakhs)

23.1 Movement of provision for contingency	As at 31st March, 2025	As at 31st March, 2024
Opening balance as on 1st April 2024	0.15	0.15
Add: Provision made	-	-
Less: Provision utilised / written back	-	-
Closing balance as on 31st March 2025	**0.15**	**0.15**

Provision for contingency represents provision for disputed Navi Mumbai Municipal Cess ('NMMC').In respect of this matter, the Company had paid Rs. 60.29 Lakhs (Previous year : Rs. 60.29 Lakhs) under protest in the previous years and adjusted the payment under protest to the extent of expected liability though the outcome of appeal is pending to be received. Expected outflow of interest/penalty depends on outcome of the appeal filed.

(Rs. in Lakhs)

24. Revenue from operations		Year ended 31st March, 2025	Year ended 31st March, 2024
Sale of manufacturing goods		25,635.62	22,265.68
Sale of traded goods		104.15	-
Sale of Service			
- Job work and tooling charges		175.40	115.23
	(A)	**25,915.17**	**22,380.91**
Other operating revenues			
- Export incentives		558.49	271.34
- Sale of electricity - windmill		197.38	182.26
- Amount no longer payable written back		10.74	47.22
- Scrap sales		2,757.30	2,239.62
	(B)	**3,523.91**	**2,740.45**
Total	**(A + B)**	**29,439.08**	**25,121.36**

24.1 Disclosures of Ind AS 115 - Revenue from contracts with customers:

(a) Contracts with customer and significant judgement in applying the standard:

(i) The Company's operations mainly relates to manufacturing and selling of forged and machined components for various sectors. The Company caters to both domestic and international markets. The Company applies the guidance provided in Ind AS 115 'Revenue from contracts with customer' for determining the timing of recognition of revenue. Refer material accounting policies on Revenue recognition.

(ii) For details of revenue recognised from contracts with customers, refer note 24.2 below.

(iii) There are no contract assets arising from the Company's contract with customers.

(b) Disaggregation of revenue:

(i) For disaggregation of revenue, refer break-up given in note 24 above, note 47.1 and note 47.4 (i)

(ii) Refer note 47.4(iii) for details regarding customer concentration that represents 10% or more of the Company's total revenue during the year ended 31st March, 2025 and 31st March, 2024.

(c) Performance obligation : For timing of satisfaction of its performance obligations, refer note 3.6 of material accounting policies of the Company.

(d) During the year ended 31st March, 2025 and 31st March, 2024, the Company recognized revenue of Rs.25.12 Lakhs and Rs.Nil arising from opening unearned revenue as of 1st April, 2024 and 1st April, 2023, respectively.

24.2 Reconciliation of revenue recognized with the contracted price is as follows:

(Rs. in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Contracted price	29,402.56	25,141.27
Less: Amount towards variable consideration components *	36.52	(19.91)
Revenue recognised	**29,439.08**	**25,121.36**

* The reduction towards variable consideration comprises of volume discounts given/reversed, etc.

(Rs. in Lakhs)

25. Other income	Year ended 31st March, 2025	Year ended 31st March, 2024
Interest income on		
- Fixed deposit	4.09	2.14
- Loans to wholly owned subsidiary	-	129.20
- Others	0.44	0.38
Guarantee commission recovered	6.41	11.07
Miscellaneous income*	15.27	15.09
Gain on sale / discard of property, plant & equipment (net)	186.71	15.29
Interest on Income tax refund	-	3.21
Foreign exchange fluctuation gain (net)	301.39	330.10
Total	**514.31**	**506.49**

* Miscellaneous income includes sundry scrap & other recoveries.

(Rs. in Lakhs)

26. Cost of raw materials consumed	Year ended 31st March, 2025	Year ended 31st March, 2024
Opening Inventory	1,467.90	1,437.53
Add : Purchases	14,283.12	12,209.46
	15,751.02	**13,646.98**
Less : Closing Inventory	1,434.85	1,467.90
Cost of raw materials consumed	**14,316.17**	**12,179.08**

(Rs. in Lakhs)

27. Purchase of stock in trade	Year ended 31st March, 2025	Year ended 31st March, 2024
Purchase of Trading Goods	103.72	-
Total	**103.72**	**-**

27.1 Particulars of goods traded

(Rs. in Lakhs)

Description of goods	Opening	Purchase	Sales	Closing
2024-25				
Carbon Steel Bars	-	103.72	104.15	-
2023-24	-	-	-	-

(Rs. in Lakhs)

28. Changes in inventories of work-in-progress, finished goods and scrap	Year ended 31st March, 2025	Year ended 31st March, 2024
Opening inventory		
Work-in-progress	2,342.24	2,143.50
Scrap	38.98	18.19
Finished goods in transit	159.80	85.44
	2,541.02	**2,247.13**
Closing Inventory		
Work-in-progress	3,020.87	2,342.24
Scrap	42.07	38.98
Finished goods in transit	191.36	159.80
	3,254.30	**2,541.02**
Increase in Stock of WIP, finished goods and scrap	**(713.28)**	**(293.89)**

(Rs. in Lakhs)

29. Manufacturing expenses	Year ended 31st March, 2025	Year ended 31st March, 2024
Dies expenses	350.91	348.39
Consumption of Stores & Spares	1,196.26	935.84
Other freight inward and other expenses	160.10	114.10
Power, fuel and water (net)	1,284.02	1,164.59
Insurance expenses	125.25	87.94
Repairs and maintenance		
- Plant and machinery	152.40	185.15
- Windmill & Solar maintenance charges	41.10	34.33
- Building	42.04	50.80
Contract labour expense (net)	821.85	583.97
Job work expenses	2,115.33	1,597.78
Rent	132.20	98.21
Total	**6,421.46**	**5,201.08**

(Rs. in Lakhs)

30. Employee benefit expense	Year ended 31st March, 2025	Year ended 31st March, 2024
Salaries, wages and bonus (including managerial remuneration)	3,300.33	2,839.93
Contribution to provident and other funds	128.83	125.45
Gratuity	55.65	45.23
Leave benefits	41.95	28.04
Workmen and staff welfare expenses	117.03	96.66
Total	**3,643.79**	**3,135.30**

(Rs. in Lakhs)

31. Finance costs	Year ended 31st March, 2025	Year ended 31st March, 2024
Interest on bank facilities	560.36	484.68
Foreign exchange loss (attributable to finance cost) (refer note no 31.1.)	-	5.08
Other interest costs*	9.74	9.84
Bank charges	107.63	101.40
Total	**677.73**	**601.00**

*Other interest costs mainly includes interest on leasehold properties in accordance with Ind AS 116- Leases.

31.1 The foreign exchange loss relates to foreign currency term loans to the extent considered as an adjustment to the interest cost.

(Rs. in Lakhs)

32.

Other expenses	**Year ended 31st March, 2025**	**Year ended 31st March, 2024**
Freight outward	417.57	327.50
Professional and legal fees	215.51	382.04
Travelling and conveyance	73.45	68.95
Rates and taxes	53.47	46.28
Repairs and maintenance - Others	50.99	36.51
Payment to auditors (refer note no. 32.1)	24.70	24.68
Directors sitting fees	17.25	15.75
Commission to other directors	10.00	8.40
Commission on sales	593.61	500.96
Provision for doubtful capital advance reversed, since no longer required	(50.00)	-
Corporate social responsibility expenses (Refer note 50)	46.60	40.25
Donation	1.87	1.74
Business Promotion Expenses	16.21	-
Miscellaneous expenses*	163.34	143.86
Total	**1,634.57**	**1,596.92**

* Miscellaneous expenses includes office expenses, printing stationery, postage, security, selling, communication etc.

32.1 Payment to auditors (Rs. in Lakhs)

Particulars	**Year ended 31st March, 2025**	**Year ended 31st March, 2024**
As auditor:		
- Statutory audit fees	21.63	21.60
- Tax audit and transfer pricing	2.47	2.43
- Others (including certification fees)	0.60	0.65
Total	**24.70**	**24.68**

33. Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI for each type of reserve in equity is shown below (Rs. in Lakhs)

Particulars	**Year ended 31st March, 2025**	**Tax**	**Total**
Items that will not be reclassified to profit or loss			
Re-measurement losses on defined benefit plans	(56.78)	14.29	(42.49)
	(56.78)	14.29	(42.49)
Items that will be reclassified to profit or loss in subsequent years			
Cash flow hedge through other comprehensive income (loss) *	(8.82)	2.22	(6.60)
Less: Amount reclassified to P&L during the year	8.82	(2.22)	6.60
	-	-	-
Total	**(56.78)**	**14.29**	**(42.49)**

*Represents amount of loss that is not expected to be recovered in subsequent years.

(Rs. in Lakhs)

Particulars		Tax	Total
Items that will not be reclassified to profit or loss			
Re-measurement losses on defined benefit plans	(70.52)	17.75	(52.77)
Items that will be reclassified to profit or loss in subsequent years			
Cash flow hedge through other comprehensive income	-	-	-
Total	**(70.52)**	**17.75**	**(52.77)**

34. Earnings per equity share

Particulars		Year ended 31st March, 2025	Year ended 31st March, 2024
Numerator for basic and diluted EPS			
Net profit after tax attributable to shareholders (before OCI) (in Rs. Lakhs)	(A)	2,314.57	1,813.01
Denominator for basic EPS			
Weighted average number of equity shares for basic EPS	(B)	1,72,70,000	1,72,70,000
Denominator for diluted EPS			
Weighted average number of equity shares for diluted EPS	(C)	1,72,70,000	1,72,70,000
Basic earnings per share of face value of Rs.10/- each (in Rs.)	**(A/B)**	**13.40**	**10.50**
Diluted earnings per share of face value of Rs.10/- each (in Rs.)	**(A/C)**	**13.40**	**10.50**

35. Contingent liabilities

(A) Contingent liabilities are determined on the basis of available information and are disclosed in the notes to the standalone financial statements. Details of contingent liabilities not provided for are given below:

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
(a) Claim against the Company not acknowledged as debts (net)	26.25	26.25
(b) Guarantees issued by bank	138.00	125.47
(c) Corporate guarantees given for loans taken by Pradeep Metals Limited, Inc. wholly owned subsidiary Outstanding as on 31st March 2025 is Nil (Previous year : USD 998,160) (refer notes 4.9 & 5.1)*	-	832.52

* Converted in INR at exchange rate of previous year end i.e. Rs. Nil (Previous year: Rs. 83.405). The said loan has been fully

(i) In respect of (b) and (c) above, the Company does not expect any cash outflow till such time contractual obligations are fulfilled.

(ii) In respect of (a) future cash out flows (including interest/penalty) are determinable on receipt of judgments from the statutory authorities/labour court.

(B) The Company has received demand order under the Income Tax Act, 1961 for various financial years as given below:

(Rs. in Lakhs)

Demand pertaining to financial Year	As at 31st March, 2025	As at 31st March, 2024
2019-20	28.56	28.56
Total	**28.56**	**28.56**

In this regard, the Company has filed appeal before tax authorities. Future cash outflows, if any, in respect of the above is determinable only on disposal of appeal. In the view of the management, the possibility of liability devolving on the Company in this case is remote.

(C) Claims made by the ex-employees whose services have been terminated in earlier years are not acknowledged as debt. The matters are frivolous and are disputed under various forums. However, in the opinion of the management, these claims are not tenable. The possibility of any liability devolving on the Company is remote and hence, no disclosure as contingent liability is considered necessary.

36. Capital and other commitments

(i) Capital commitment for tangible assets (net of advance paid) - Rs.269.71 Lakhs (Previous year : Rs. 1,097.68 Lakhs) and for intangible assets (net of advance paid) - Nil (Previous year : Nil).

(ii) The Company had imported machinery under the export promotion capital goods (EPCG) scheme to utilise the benefit of a zero customs duty rate which were subject to future exports. Pending export obligations at year-end aggregate to Rs. Nil (Previous year Rs. 84.71 Lakhs). (Also, refer note 22.1). The Company is in process of redemption of such licenses whose export obligations are fully completed.

(iii) The Company's intention is to continue to provide financial support to its subsidiaries - Pradeep Metals Limited Inc. (WOS) and Dimensional Machine Works, LLC (SDS).

37. Borrowings secured against current assets

During the year, the Company has taken borrowings from a bank on the basis of security of current assets. Discrepancies in quarterly returns or statements of current assets filed by the Company to bank with books of account which are not material (0.13% on average basis) are as mentioned below:

(Rs. in Lakhs)

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
30th June 2024	Union Bank of India	Inventory and trade receivables	11,691.45	11,662.63	28.82	Mainly on account of: 1) Quarterly provisioning made for Slow-moving and non-moving inventories 2) Exclusion of receivable standing in books on account of sale of windmill power
30th September 2024	Union Bank of India	Inventory and trade receivables	12,404.56	12,344.23	60.33	
31st December 2024	Union Bank of India	Inventory and trade receivables	13,216.60	13,255.41	(38.82)	

38. Leases:

Company as lessee:

I) Disclosures as per Ind AS 116- Leases

a) The Company has taken factory premises (Dhanlabh) under lease agreements and the Company has obtained factory land on leasehold basis from local authorities.

(Rs. in Lakhs)

The details of outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:	2024-25	2023-24
Lease payment not later than one year	28.59	26.26
Lease payment later than one year and not later than five years	70.97	99.56
Lease payment later than five years	-	-
Total	**99.56**	**125.82**

b) For lease arrangement with lease terms of 12 months or less, the Company has applied the 'short-term lease' recognition exemptions.

c) For addition, depreciation and carrying value of right of use asset, refer note 4.2.

d) Disclosure with respect to lease under Ind AS-116 Leases:

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Interest expense on lease liabilities	9.74	9.84
Lease expenses in case of short term leases and low value leases	132.20	98.21
Lease expenses debited to lease liabilities	26.26	119.89
Total cash outflow for leases [incl. short term & low value leases]	**168.20**	**227.94**

e) Disclosure in balance sheet:

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Right-of-use assets (gross block)	201.86	201.86
Right-of-use assets (net book value)	129.24	159.04
Financial liability- Lease liabilities - current	28.59	26.26
Financial liability -Lease liabilities - non-current	70.97	99.56

39 Related party disclosure

39.1 Name of the related parties and related party relationship

Description of relationship	Name of the Related Party
Enterprise having control over the Holding Company (Ultimate holding company)	Nami Capital Private Limited (Refer note 62)
Director/Key management personnel (KMP)	Mr. Pradeep Goyal, Chairman & Managing Director
	Dr. Kewal K. Nohria, Non-Executive Director
	Mrs. Neeru Pradeep Goyal, Non-Executive Director (Wife of Chairman & Managing Director)
	Mr. Jayavardhan Dhar Diwan, Independent Director
	Mrs. Nandita Vohra, Independent Director
	Mr. Abhinav Goyal, Non- Executive Director (Son of Chairman & Managing Director Mr. Pradeep Goyal and Director Mrs. Neeru Goyal)
	Mr. Kartick Maheshwari, Independent Director
	Mr. Advait Kurlekar (w.e.f.10th May,2023), Independent Director
Wholly owned subsidiary	Pradeep Metals Limited Inc., USA, Houston
Step down subsidiary of wholly owned subsidiary	Dimensional Machine Works LLC, USA, Houston
Enterprises owned or significantly influenced by key management personnel or their close members with whom transactions have taken place during the year (only where transactions have incurred)	Dhanlabh Engineering Works Private Limited

Note: Designated Key Managerial Personnel as required by Section 203 of the Companies Act, 2013 are not considered to be Key Management Personnel (Related party) for the purpose of disclosure under Ind AS 24.

39.2 Related party transactions

(Rs. in Lakhs)

Name of the related party	Nature of the transaction	As at March 31, 2025	As at March 31, 2024
Dhanlabh Engineering Works Private Limited	Labour charges paid	86.77	99.85
	Job Work and tooling charges	8.11	8.01
	Sale of products	0.72	4.23
	Rent expenses (amortisation of RoU)	42.48	42.48
	Electricity charges (Reimbursement)	18.99	18.84
	Sale of scrap	0.35	-
Pradeep Metals Limited Inc., USA, Houston	Sale of products	1.16	1.70
	Guarantee commission recovered	6.41	11.07
	Agency Commission Expenses	593.61	500.96
	Interest income (on loan given)	-	129.20
Dimensional Machine Works LLC, USA,Houston	Purchase of Raw Material	1.17	2.97
	Purchases of engineering labour	-	21.92
	Reimbursement of custom duty	2.74	0.92
	Reimbursement of freight charges	3.70	41.42
	Sale of products	1,327.29	1,801.11
Nami Capital Private Limited (Refer note 62)	Dividend paid (including interim dividend in 23-24)	203.89	101.94
Neeru Goyal	Sitting fees paid	1.25	1.25
	Dividend paid (including interim dividend in 23-24)	18.40	9.20

(Rs. in Lakhs)

Name of the related party	Nature of the transaction	As at March 31, 2025	As at March 31, 2024
Dr. Kewal K. Nohria	Sitting fees paid	3.00	3.00
	Dividend paid (including interim dividend in 23-24)	13.48	6.74
	Commission	2.00	1.75
Mr. Jayavardhan Dhar Diwan	Sitting fees paid	3.25	3.00
	Commission	2.00	1.75
Mr. Kartick Maheshwari	Sitting fees paid	2.75	2.75
	Commission	2.00	1.75
Mrs. Nandita Vohra	Sitting fees paid	3.00	2.75
	Commission	2.00	1.75
Mr. Advait Kurlekar	Sitting fees paid	2.75	1.75
	Commission	2.00	1.40
Mr. Abhinav Goyal	Sitting fees paid	1.25	1.25
Mr. Pradeep Goyal	Remuneration (including other allowances)	191.55	152.94
	Incentive	70.00	60.00
	Dividend paid	31.53	15.76

Note: Sitting fees, commission, remuneration and incentive pay forms part of short term employee benefits.

* Does not include Leave encashment since the same is considered for all employees (including the Chairman & Managing Director) of the Company as a whole.

39.3 Balance outstanding as at the year end

(Rs. in Lakhs)

Name of the related party	Nature of the transaction	As at 31st March, 2025	As at 31st March, 2024
Pradeep Metals Limited Inc., USA, Houston	Trade receivable	1.16	0.31
	Agency commission payable	153.91	202.29
	Guarantee commission receivable	2.53	2.55
	Loan given / Share application money pending allotment of shares (refer note 5.1)	-	2,236.80
	Investment in Subsidiary company	3,579.32	1,342.53
	Corporate guarantee outstanding #	-	832.52
Dimensional Machine Works LLC, USA, Houston	Amount payable for capital goods	21.10	22.29
	Trade receivable	1,130.34	1,486.49
Dhanlabh Engineering Works Private Limited	Trade payable	15.62	16.05
	Lease Liability	99.56	125.82
	Rent Deposit	6.40	6.40
Dr. Kewal K. Nohria	Commission payable	1.97	1.58
Mr. Jayavardhan Dhar Diwan	Commission payable	1.97	1.58
Mr. Kartick Maheshwari	Commission payable	1.97	1.58
Mrs. Nandita Vohra	Commission payable	1.97	1.58
Mr. Advait Kurlekar	Commission payable	1.97	1.26
Mr. Pradeep Goyal	Remuneration payable	10.66	11.18
	Incentive payable	37.59	31.96

Converted in INR at exchange rate of previous year end i.e. Rs. Nil (Previous year : Rs. 83.405). The said loan has been fully repaid by WOS during the year. refer note 35.

Note: In addition to above, Chairman and Managing Director of the Company has given personal guarantee for vehicle loan taken by the Company. No guarantee charges are payable by the Company.

39.4 All transactions were made on normal commercial terms and conditions and at market rates.

40. Loans and advances in the nature of loans given to subsidiary

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Pradeep Metals Limited, Inc		
Balance outstanding (Refer note 5.1)	-	2,236.80
Maximum amount outstanding during the year	-	2,236.80

41. Disclosures required under sec. 186(4) of the Companies Act, 2013

41.1 There are no loans or securities given by the Company which are covered under Section 186 of the Act.

41.2 Corporate guarantees given for loans taken by Pradeep Metals Limited, Inc. wholly owned subsidiary Outstanding as on 31st March, 2025 Nil (Previous year : Rs.832.52 Lakhs equivalent to USD 998,160). The said loan has been fully repaid by WOS during the year.

41.3 For details of investment in WOS, refer note 5.

42 Financial instruments by category

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments as of 31st March, 2025, other than those with carrying amounts that are reasonable approximates of fair values:

(Rs. in Lakhs)

Particulars	Carrying value		Fair Value	
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024
(i) Loans	4.53	3.74	4.53	3.74
(ii) Other non-current financial assets	117.80	2,478.58	117.80	2,478.58
(iii) Trade receivables	8,253.77	7,533.94	8,253.77	7,533.94
(iv) Cash and cash equivalents	2.53	2.03	2.53	2.03
(v) Other bank balances	41.45	55.74	41.45	55.74
(vi) Other current financial assets	126.29	257.23	126.29	257.23
Total financial assets	**8,546.37**	**10,331.26**	**8,546.37**	**10,331.26**
(i) Borrowings (Non-current)	1,042.17	1,240.30	1,042.17	1,240.30
(ii) Lease liabilities (Non-current)	70.97	99.56	70.97	99.56
(iii) Trade payable	4,044.66	3,400.43	4,044.66	3,400.43
(iv) Lease liabilities (Current)	28.59	26.26	28.59	26.26
(v) Other current financial liabilities	924.03	847.98	924.03	847.98
(vi) Borrowings (Current)	5,204.89	4,995.01	5,204.89	4,995.01
Total financial liabilities	**11,315.31**	**10,609.54**	**11,315.31**	**10,609.54**

The management assessed that the fair value of cash and cash equivalent, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(ii) Fair value hierarchy

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuation techniques for which lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3: Valuation techniques for which lowest level input that is significant to the fair value measurement is directly or indirectly unobservable;

The following tables categorise the financial assets and liabilities held at fair value by the valuation methodology applied in determining their fair value.

Fair value hierarchy as at 31st March, 2025 (Rs. in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Derivative Instruments	-	35.09	-	35.09

Fair value hierarchy as at 31st March, 2024 (Rs. in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Derivative Instruments	-	42.78	-	42.78

Determination of fair values: The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value.

Derivative instruments : For forward contracts, future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward exchange rates, discounted at a rate that reflects the credit risk of respective counterparties.

43. Significant estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or (Cash Generating Unit) CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

b) Measurement of defined benefit plan & other long term benefits

The cost of the defined benefit gratuity plan/other long term benefits and the present value of the gratuity obligation/other long term benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation/other long term benefits is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The cost of the defined benefit gratuity plan and other long term benefit and the present value of the gratuity obligation and leave benefit are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on management policy for increase in basic salary.

c) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on industry practice, the Company's past history and existing market conditions as well as forward looking estimates at the end of each reporting period. The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

e) Income tax and deferred tax

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, and therefore the tax charge in the statement of profit and loss. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized.

f) Provision for inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory item with the respective net realisable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for absolute and slow-moving/non-moving inventories has been made in the financial statements.

44. Foreign currency exchange rate risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's export revenue. The Company cover its foreign currency risk by booking forward contract against exports receivables and confirmed export sales orders. The Company also avails bill discounting facilities in respect of export receivables.

Since a major part of the Company's revenue is in foreign currency and major part of the costs are in Indian Rupees, any movement in currency rates would have impact on the Company's performance. Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance.

The major foreign currency exposures for the Company are denominated in USD. Additionally, there are transactions which are entered into in other currencies and are not significant in relation to the total volume of the foreign currency exposures. The Company hedges export trade receivables (particularly USD and Euro) upto a maximum of 12 months forward based on historical trends. Hedge effectiveness is assessed on a regular basis.

The following table sets forth information relating to foreign currency exposure from USD, EUR and GBP (which are not material) form non-derivative financial instruments:

(Rs. in Lakhs)

As at 31st March, 2025	USD	Euro	GBP	SGD	Total
Assets					
Trade Receivables	-	-	69.46	-	69.46
Vendor Advances	2.77	-	-	-	2.77
Total	**2.77**	**-**	**69.46**	**-**	**72.23**
Liabilities					
Trade Payables	175.58	-	-	-	175.58
Total	**175.58**	**-**	**-**	**-**	**175.58**
Net Assets/ (Liabilities)	**(172.81)**	**-**	**69.46**	**-**	**(103.35)**

(Rs. in Lakhs)

As at 31st March, 2024	USD	Euro	GBP	SGD	Total
Assets					
Trade Receivables	-	-	69.07	-	69.07
Vendor Advances	191.85	-	-	-	191.85
Total	**191.85**	**-**	**69.07**	**-**	**260.92**
Liabilities					
Trade Payables	225.48	0.67	-	-	226.15
Total	**225.48**	**0.67**	**-**	**-**	**226.15**
Net Assets/ (Liabilities)	**(33.63)**	**(0.67)**	**69.07**	**-**	**34.77**

Sensitivity analysis (Rs. in Lakhs)

Particulars	Foreign Currency Sensitivity							
	As at 31st March, 2025				As at 31st March, 2024			
	USD	Euro	GBP	SGD	USD	Euro	GBP	SGD
1% Appreciation in INR Impact on Profit & Loss	1.73	-	(0.69)	-	0.34	0.01	(0.69)	-
1% Depreciation in INR Impact on Profit & Loss	(1.73)	-	0.69	-	(0.34)	(0.01)	0.69	-

45. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade payables and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and finance loans taken by WOS. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management consists of Risk Management Committee (RMC) that advises on financial risks and the appropriate financial risk governance framework for the Company. The RMC provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt and short-term debt obligations with floating interest rates. Further, the Company also avails subvention benefits under MSMED, Act.

Interest rate sensitivity

The Company's total interest cost the year ended 31st March, 2025 was Rs. 560.36 Lakhs and for year ended 31st March, 2024 was Rs. 484.68 Lakhs. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Change in basis points	Effect on PBT and equity (Rs. in Lakhs)
31st March, 2025	0.50	(32.53)
	(0.50)	32.53
31st March, 2024	0.50	(27.15)
	(0.50)	27.15

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's export revenue.

The Company covers its foreign currency risk by budgeting exports sales & repeat orders from its overseas customers and the Company books forward contract against exports receivable. The Company also avails bill discounting facilities in respect of export receivables

Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the on-going purchase of steel. Due to significant volatility of the price of the steel, the Company has agreed with its customers for pass-through of increase/decrease in prices of steel. There may be lag effect in case of such pass-through arrangement.

Commodity price sensitivity

The Company revises its prices to customers on quarterly basis by considering average raw materials prices prevailing in the previous quarter implying it passes through any increase in prices thereby minimising the impact on the profit and loss and equity of the Company.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and other receivables and deposits, foreign exchange transactions and other financial instruments.

Expected credit loss and Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Further, the Company's customers includes companies having long standing relationship with the Company. Outstanding customer receivables are regularly monitored and reconciled. Two customers accounted for more than 10% of the total receivables as at 31st March, 2025 (Three customer for 31st March, 2024). An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The calculation is based on historical data, past trend and standard percentage norms. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 12. The Company does not hold collateral as security . Majority of the export receivable are covered under the insurance cover. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. No allowance has been made for expected credit loss.

Liquidity risk

As per the Company's policy, there should not be concentration of repayment of loans in a particular financial year. In case of such concentration of repayment, the Company evaluates the option of refinancing entire or part of repayments for extended maturity. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders and the Company.

The table below summarises the maturity profile of the Company's financial liabilities:

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Less than 1 year		
Borrowings (Current)	5,204.89	4,995.01
Trade and other payables	4,044.66	3,400.43
Lease liabilities (Current)	28.59	26.26
Other financial liabilities	924.03	847.98
	10,202.17	**9,269.68**
1 to 5 years		
Borrowings (Non-current)	1,042.17	1,240.30
Lease liabilities (Non-current)	70.97	99.56
	1,113.14	**1,339.86**
Total	**11,315.31**	**10,609.54**

46. Capital management

For the purpose of the Company's capital managem'ent, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital to ensure that it will be able to continue as a going concern so, that they can continue to provide returns for the shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce cost of capital. The Company manages its capital structure and make adjustments to, in light of changes in economic conditions, and the risk characteristics of underlying assets. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by equity. Net debt is calculated as total borrowing (including current and non-current terms loans as shown in the Balance Sheet).

The Company monitors capital using 'Total Debt' to 'Equity. The Company's Total Debt to Equity are as follows:

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Total debt*	6,247.06	6,235.31
Total capital (total equity other than OCI)	14,414.63	12,445.43
Net debt to equity ratio	**0.43**	**0.50**

* Total debt = Non-current borrowings + Current borrowings

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2025 and 31st March, 2024.

47. Segmental disclosure

The Group is primarily engaged in manufacturing of closed die steel forging & processing and generating power from wind turbine generator and solar power generating system.

(Rs. in Lakhs)

47.1

Particulars	Closed die forging and processing	Power generation	Total
Segment Revenue-Gross			
External revenue	**29,241.70**	**197.38**	**29,439.08**
Previous year	24,939.10	182.26	25,121.36

(Rs. in Lakhs)

47.2

Particulars	Closed die forging and processing	Power generation	Total
Segment Results			
Segment total	**3,170.72**	**268.02**	**3,438.74**
Previous year	2,670.98	129.53	2,800.51
Unallocated corporate income net of unallocated expenses			**(177.30)**
Previous year			(242.07)
Finance cost (un-allocated)			**549.21**
Previous year			601.00
Profit before tax			**3,066.83**
Previous year			2,441.58
Tax expense			**752.26**
Previous year			628.57
Profit for the year (before OCI)			**2,314.57**
Previous year (before OCI)			1,813.01

(Rs. in Lakhs)

47.3

Particulars	Closed die forging and processing	Power generation	Total
Other information			
Segment assets	**21,225.26**	**2,060.77**	**23,286.03**
Previous year	18,296.94	2,155.46	20,452.40
Unallocated corporate assets			**3,080.12**
Previous year			3,077.51
Segment liabilities	**6,068.42**	**616.12**	**6,684.54**
Previous year	4,735.03	730.65	5,465.68
Unallocated corporate liabilities			**5,538.94**
Previous year			5,848.26
Depreciation/amortization	**698.03**	**104.37**	**802.40**
Previous year	679.67	87.11	766.78
Capital expenditure (other than outstanding capital advances)	**2,329.34**	**96.37**	**2,425.71**
Previous year	965.93	1,190.45	2,156.38

47.4 Secondary segment: Geographical information

i) Sales, service income and other operating revenue by geographical market: (Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Locations		
Within India	14,654.82	12,641.84
Outside India	14,784.26	12,479.52
Total	**29,439.08**	**25,121.36**

ii) Trade receivable at year end

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Locations		
India	2,534.18	1,761.08
Outside India	5,719.59	5,772.86
Total	**8,253.77**	**7,533.94**

iii) Reliance on major customers: No customer represents more than 10% of the total revenue. Total revenue from this major customer amounts to Rs. Nil . In case of previous year, one customer represented more than 10% of total revenue whose revenue amounted to Rs. 2,422.11 Lakhs.

Notes:

a) The operating segments have been reported in a manner consistent with the internal reporting provided to the Corporate Management Committee, which is the Chief Operating Decision Maker.

b) The business segment comprise the following:
   a) Closed Die Forging and Processing
   b) Power Generation

c) The geographical information considered for disclosure are: Sales within India and Sales outside India

48. Hedge Accounting

The Company has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The Company's manages currency risk as per trends and experiences. The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to export receivables. The Company does not enter into any derivative instruments for trading or speculative purposes.

(a) The assets and liabilities position of various outstanding derivative financial instruments is given below:

(Rs. in Lakhs)

Particulars	2024-25		2023-24	
	In foreign currency	In INR	In foreign currency	In INR
Hedge				
Foreign currency forward contract (with underlying trade receivables considered for fair flow hedge) - Assets				
- USD	50.82	4,349.35	60.49	5,083.92
- Euro	16.30	1,504.68	20.16	1,872.89
Foreign currency forward contract (with underlying firm commitments considered for cash value hedge) - Assets				
- USD	7.68	657.16	-	-
- Euro	8.20	757.28	-	-
Total	**83.00**	**7,268.46**	**80.65**	**6,956.81**

(b) Outstanding position of foreign exchange derivative financial instruments

(Rs. in Lakhs)

Particulars	Currency pair		Fair value Gain / (loss) Amount	
			2024-25	2023-24
Foreign currency forward contract (with underlying trade receivables considered for fair flow hedge)	USD_INR	Sell	(30.26)	11.63
	Euro_INR	Sell	4.00	31.15
Foreign currency forward contract (with underlying firm commitments considered for cash value hedge)	USD_INR	Sell	(9.25)	-
	Euro_INR	Sell	0.43	-
Total Gain / (Loss)			**(35.09)**	**42.78**

(c) Details of amount held in hedging reserve (i.e. cash flow hedge) and the period over which these are going to be released:

For the year ended as on 31st March, 2025

Particular	Closing value in hedging reserve Gain/(Loss)	Release in less than 12 months	Release in more than 12 months
Foreign currency forward contracts (gross amount):			
USD_INR(trade receivables)	-	-	-
EURO_INR(trade receivables)	-	-	-
Closing balance at year end	**-**	**-**	**-**

For the year ended as on 31st March, 2024

Particular	Closing value in hedging reserve Gain/(Loss)	Release in less than 12 months	Release in more than 12 months
Foreign currency forward contracts (gross amount):			
USD_INR(trade receivables)	-	-	-
EURO_INR(trade receivables)	-	-	-
Closing balance at year end	**-**	**-**	**-**

(d) Amount of gain / loss (net of taxes) recognised in hedging reserve and recycled:

i) During the financial year 2024-25:

Particulars	Opening balance	Net amount recognised	Recycled to P&L (Refer note below)	Closing balance
Foreign currency forward contracts	-	(6.60)	6.60	-
Total	**-**	**(6.60)**	**6.60**	**-**

ii) During the financial year 2023-24:

Particulars	Opening balance	Net amount recognised	Recycled to P&L (Refer note below)	Closing balance
Foreign currency forward contracts	-	-	-	-
Total	**-**	**-**	**-**	**-**

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes.

49. Expenditure on research & development (charged to the Statement of P & L) (Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Professional fees	14.49	13.98
Motor car expenses	1.28	1.65
Repairs & maintenance	0.35	1.49
Materials stores & spares	1.99	4.80
Other expenses	3.70	1.42
Total	**21.81**	**23.34**

50 CSR expenditure (Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
(a) Amount required to be spent by the Company during the year	46.45	40.02
(b) Amount of expenditure incurred during the year	46.60	40.25
i) On specified purposes	46.60	40.25
(c) Shortfall at the end of the year	-	-
(d) Total of previous year's shortfall*	-	-
(e) Reason for shortfall	N.A.	N.A.
(f) Nature of CSR activities	" Health Care Education and Skill Development Ensuring environmental sustainability, ecological balance "	

*(Refer note 53.2 for cash flow on account of CSR expenditure)

50.1 Since the Company has spent in excess of the amount which was required to be spent for 2024-25, the Company is entitled to carry forward the amount spent of Rs. 0.15 Lakhs (Previous Year - Rs. 0.23 Lakhs) to subsequent three financial years respectively which can be set off against CSR obligations of these years. However, for accounting purpose, cumulative excess amount spent of Rs. 0.15 Lakhs (Previous Year - Rs.0.23 Lakhs) is not considered as prepaid expenses.

51. Defined benefits and other long term benefit plans

(a) Gratuity plan

Funded scheme

The Company has a defined benefit gratuity plan for its employees. The gratuity plan is governed by the payment of Gratuity Act, 1972. Under the Act, every employee who has completed five years of service is entitled to specific benefit. The level of benefits provided on the employee's length of service and salary retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per the provisions of the payment of Gratuity Act, 1972. The scheme is funded with insurance company in the form of a qualifying insurance policy.

Risk exposure and asset-liability matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefits payments.

I. Liability risks

(a) Asset-liability mismatch risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements.

b) Discount rate risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice have a significant impact on the defined benefit liabilities.

c) Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increase provided at the management's discretion may lead to uncertainties in estimating this increasing risk.

II. Asset Risks

All plan assets are maintained in a trust fund managed by a public sector insurer viz. LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured.

The following table summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the Balance Sheet for the gratuity plan. The principal assumptions used in determining gratuity for the Company's plan is shown below:

Particulars	**As at 31st March, 2025**	**As at 31st March, 2024**
Mortality table	IALM (2012-14) Ult	IALM (2012-14) Ult
Discount rate	6.65%	7.19%
Expected rate of return on plan assets	6.65%	7.19%
Rate of increase in compensation levels	6.00%	5.50%
Expected average remaining working lives (in years)	10.00	10.00
Employee attrition rate	For Service 2 years and below : 20% p.a.; For Service 3 to 4 years : 10% p.a. and For Service 5 years and above : 4% p.a.	For Service 2 years and below : 20% p.a.; For Service 3 to 4 years : 10% p.a. and For Service 5 years and above : 4% p.a.

Changes in the present value of the defined benefit obligation recognised in the Balance Sheet are as follows:

(Rs. in Lakhs)

Particulars	**As at 31st March, 2025**	**As at 31st March, 2024**
Present value of obligation as at the beginning of the year	794.24	699.90
Interest expense	57.11	52.07
Current service cost	54.48	47.17
Benefits paid	(81.20)	(69.32)
Remeasurements on obligation [Actuarial Loss]	51.26	64.41
Closing defined benefit obligation	**875.89**	**794.24**

Changes in the fair value of plan assets recognised in the Balance Sheet are as follows:

(Rs. in Lakhs)

Particulars	**As at 31st March, 2025**	**As at 31st March, 2024**
Opening fair value of plan assets	777.97	726.06
Interest income	55.94	54.02
Contributions	68.05	73.32
Benefits paid	(81.20)	(69.32)
Return on plan assets, excluding amount recognised in interest income-Loss	(5.52)	(6.11)
Closing fair value of plan assets	**815.24**	**777.97**

Net Interest (Income/Expense)

(Rs. in Lakhs)

Particulars	**For the year ended 31st March, 2025**	**For the year ended 31st March, 2024**
Interest Expense - obligation	57.11	52.07
Interest Income - plan assets	(55.94)	(54.02)
Net Interest income for the year	**1.17**	**(1.95)**

Remeasurement for the year [Actuarial (Gain)/Loss]

(Rs. in Lakhs)

Particulars	**For the year ended 31st March, 2025**	**For the year ended 31st March, 2024**
Experience Loss on plan liabilities	(0.53)	28.65
Demographic Loss on plan liabilities	-	-
Financial (Gain) / Loss on plan liabilities	**51.80**	**35.76**

Amount recognised in statement of other comprehensive income (OCI)

(Rs. in Lakhs)

Particulars	**For the year ended 31st March, 2025**	**For the year ended 31st March, 2024**
Remeasurement for the year - obligation - Loss	51.26	64.41
Remeasurement for the year - plan assets - Loss	5.52	6.11
Total Remeasurement cost/(credit) for the year recognised in OCI	**56.78**	**70.52**

The amounts to be recognised in the Balance Sheet

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Present value of obligation as at the end of the year	875.89	794.24
Fair value of plan assets as at the end of the year	815.24	777.97
Net asset/(liability) to be recognised in the Balance Sheet	**(60.65)**	**(16.27)**

Expense recognised in the Statement of Profit and Loss

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Current service cost	54.48	47.17
Sub Total	**54.48**	**47.17**
Net Interest (income)/expenses	1.17	(1.95)
Net periodic benefit cost recognised in the Statement of Profit and Loss	**55.65**	**45.23**

Reconciliation of net assets/(liability) recognised:

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Net asset/(liability) recognised at the beginning of the year	(16.27)	26.16
Company contributions	68.05	73.32
Expense recognised at the end of year	(55.65)	(45.23)
Amount recognised outside profit & loss for the year (OCI)	(56.78)	(70.52)
Net asset/(liability) recognised at the end of the year	**(60.65)**	**(16.26)**

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As at 31st March, 2025	As at 31st March, 2024
Funds managed by insurer	100%	100%

Sensitivity analysis:

A) Impact of change in discount rate when base assumption is decreased/increased in present value of obligation

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Decrease by 1%	53.58	47.43
Increase by 1%	(48.06)	(42.63)

B) Impact of change in salary increase rate when base assumption is decreased/increased in present value of obligation

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Decrease by 1%	(52.05)	(49.36)
Increase by 1%	57.10	54.48

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following are the expected benefit payments [gross liability] to the defined benefit plan in future years:

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Within one year	85.58	83.43
After one year but not more than five years	374.98	343.89
After Five years but not more than ten years	453.49	440.35

(b) Leave benefits

Liability for leave benefits which are long term in nature (Privilege and sick leave) are unfunded and actuarially determined considering the leave policy/rules of the Company. The total liability for leave benefits as at year end is Rs.169.81 Lakhs (Previous year : Rs.152.95 Lakhs).

(c) Bifurcation of liability as per Schedule III of the Companies Act 2013 :

(Rs. in Lakhs)

Particulars	Gratuity		Leave benefits	
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024
Current liability	(60.64)	(16.26)	(75.85)	(68.15)
Non-current liability	-	-	(93.96)	(84.80)
Net liability/assets	**(60.64)**	**(16.26)**	**(169.81)**	**(152.95)**

52. Defined contribution plan

In accordance with the law, all employees of the Company are entitled to receive benefits under the provident fund and ESIC. Under the defined contribution plan, provident fund, ESIC and LWF is contributed to the government administered fund. The Company has no obligation, other than the contribution payable to the provident fund, Pension fund, ESIC and LWF.

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Provident fund	45.10	42.97
Pension fund	80.12	76.37
Employees' state insurance (ESIC)	2.88	5.77
Labour welfare fund (LWF)	0.73	0.34
Total	**128.83**	**125.45**

53. Cash flow statement related

53.1 Aggregate outflow on account of direct taxes paid (net of refund) is Rs. 755.62 Lakhs (Previous year : Rs. 524.99 Lakhs).

53.2 Net cash inflow from operating activity netted off with Corporate Social Responsibility (CSR) expenditure of Rs. 46.60 lakhs (Previous year : Rs. 40.25 Lakhs) (Refer note 50).

53.3 Disclosure as required by Ind AS 7

Reconciliation of liabilities arising from financing activities

(Rs. in Lakhs)

Particulars	As at 31st March, 2024	Cash flows	Non cash changes	As at 31st March, 2025
Short term borrowings	4,995.01	209.88	-	5,204.89
Lease liabilities	125.82	(36.00)	9.74	99.57
Long term borrowings	1,240.30	(198.13)	-	1,042.17
Total liabilities from financing activities	**6,361.14**	**(24.25)**	**9.74**	**6,346.63**

(Rs. in Lakhs)

Particulars	As at 31st March, 2023	Cash flows	Non cash changes	As at 31st March, 2024
Short Term Borrowings	4,867.42	127.59	-	4,995.01
Lease liabilities	5.93	(36.00)	155.89	125.82
Long Term Borrowings	1,197.67	45.83	(3.19)	1,240.30
Total Liabilities from financing activities	**6,071.02**	**137.42**	**152.70**	**6,361.14**

54. Ratios

Particulars	Formulae used (Numerator / Denominator)	Ratio		% Change	Reason for change by more than 25%
		As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	
(a) Current ratio	Current Assets/ Current Liabilities	1.36	1.34	1.49%	N.A.
(b) Debt equity ratio	Debt/ Equity	0.45	0.52	-13.82%	N.A.
(c) Debt Service Coverage Ratio	Earning for debt service/ Debt Service	2.14	2.20	-2.77%	N.A.
(d) Return on Equity Ratio	Net Income/ Avg Equity	17.56	16.00	9.76%	N.A.
(e) Inventory turnover ratio (annualised)	Net Sales/ Avg Inventory	6.25	6.08	2.87%	N.A.
(f) Trade Receivables turnover ratio (annualised)	Net Credit Sales/ Avg Trade Receivables	3.73	3.67	1.62%	N.A.
(g) Trade payables turnover ratio (annualized)	Net Purchase/ Avg Trade Payables	3.84	4.22	-9.08%	N.A.
(h) Net capital turnover ratio (annualised)	Net Sales/ Working Capital	7.74	7.71	0.43%	N.A.
(i) Net profit ratio	Net Profit/ Sales	7.86	7.22	8.94%	N.A.
(j) Return on Capital employed	EBIT/ Capital Employed (comprising of net worth + total debt + deferred tax liability)	17.78	16.02	10.99%	N.A.
(k) Return on investment	Interest income / Average of Loan given to WOS	0.00	7.97	-100.00%	Loan given to WOS was converted into equity shares of WOS during the year (refer note 5.1)

55. The Board of directors has recommended a final dividend of Rs.2.50 per equity share on face value of Rs. 10/- each for financial year 2024-25 on board meeting held on 22nd May 2025, subject to approval of shareholders in ensuing Annual General Meeting. The total estimated equity dividend to be paid is Rs. 431.75 Lakhs.

56. **Subsequent Events:** There are no significant subsequent events that would require adjustments or disclosures in the financial statement between the Balance Sheet date and the date of signing of accounts.

57. As on 31st March, 2025, the Company has not been declared wilful defaulter by any bank/ financial institution or other lender.

58. The Company is not engaged in the business of trading or investing in crypto currency or virtual currency and hence no disclosure is required.

59. The Company has not advanced any funds or loaned or invested by the Company to or in any other person(s) or entities, including foreign entities (“Intermediaries”), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

    The Company has not received any funds from any person(s) or entities including foreign entities (“Funding Parties”) with the understanding that such Company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

60. No proceedings have been initiated or are pending against the Company as on 31st March, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

61. The Company does not have any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 and hence no disclosure is required.

62. The Board of Directors of the Company at their Meeting held on 3rd March, 2025, have approved the Scheme of Amalgamation of Nami Capital Private Limited (“NCPL” or “Transferor Company”) with Pradeep Metals Limited ("PML" or "Transferee Company") and their respective Shareholders (“Scheme”) under sections 230 to 232 read with Section 66 and other relevant provisions of the Companies Act, 2013. The Company has filed an application with BSE Limited under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, seeking its in-principal approval / no-objection to the proposed Scheme. The Scheme is subject to receipt of necessary statutory and regulatory approvals, including the approval of the Hon’ble National Company Law Tribunal, Mumbai Bench, and such other approvals as may be required under applicable laws.

Notes referred to herein above form an integral part of the standalone financial statements.
As per our report of even date attached

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

Bhavin Kapadia
Partner
Membership No. 118991

Place: Mumbai
Date: 22nd May, 2025

For and on behalf of the Board of Directors of
Pradeep Metals Limited

Pradeep Goyal
Chairman and Managing Director
DIN: 00008370
Place: Mumbai
Date: 22nd May, 2025

Neeru Goyal
Director
DIN: 05017190
Place: Mumbai
Date: 22nd May, 2025

Abhishek Joshi
Company Secretary
Membership No. 64446
Place: Mumbai
Date: 22nd May, 2025

Kavita Choubisa Ojha
Chief Financial Officer
PAN: ATTPC7818E
Place: Mumbai
Date: 22nd May, 2025

INDEPENDENT AUDITORS' REPORT

To,

The Members of

Pradeep Metals Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Pradeep Metals Limited** (hereinafter referred to as "the Holding Company") and wholly owned subsidiary and step down subsidiary [the Holding Company and its wholly owned subsidiary (WOS) and step down subsidiary (SDS) together referred to as "the Group"] comprising the Consolidated Balance Sheet as at 31st March, 2025, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended on that date, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (together referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, of the consolidated state of affairs of the group, as at 31st March, 2025, and their consolidated profit including other comprehensive income, consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

Reference is invited to Note 7.2 of the consolidated financial statement. In respect of Step-down Subsidiary (SDS): (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 these inventories have realizable value greater than cost. Based on the management estimate provision is made wherever considered necessary. We have relied on the management for the demand estimate and expected price realization. (ii) Further, the improvement in the systems and processes of maintaining the inventory records is in process.

Our opinion is not modified in the above matter. The above matter was also reported under 'Emphasis of Matter' paragraph in our audit report for the earlier years and our opinion was not modified in earlier years.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter & how our audit addressed the key audit matter

Inventory valuation (WIP)

The nature of items produced by the Holding Company are customized and are unique (i.e. non-standardized items), this poses a challenge of inventory valuation especially in respect of in work in progress (WIP). As at 31st March, 2025, WIP value is Rs. 3020.87 Lakhs. The Holding Company has multiple control points which include detailed recording of movement of WIP items in ERP System and periodical physical verification.

As part of our audit procedures, we have performed test verification of closing inventory and also performed analytical test to validate the closing stock quantities and values of WIP. Our analytical test included (a) assessing inventory valuation processes set in ERP system (b) verification of the overall input-output ratio and inquiring the reasons for difference between standard and actual consumption and yield, (c) assessing the accuracy and completeness of the information used by management in comparing the cost of WIP inventory with net realizable value. The deviations were not significant and satisfactory explanation was provided to us.

Other matters

We did not audit the financial statements of WOS and SDS for the year ended 31st March, 2025 included in the consolidated statement, whose financial statements reflect total assets of Rs.9,436.85 Lakhs as at 31st March 2025, total revenues (including other income) of Rs.6,268.43 Lakhs and share of total profit after tax amounting to Rs. 362.03 Lakhs for year ended 31st March, 2025, and net cash inflow of Rs. 28.00 Lakhs for the year ended 31st March, 2025, as considered in the consolidated financial statements. We have carried out limited review of the unaudited standalone financial statements of WOS and SDS for the year ended 31st March, 2025. The unaudited financial statements / financial information of WOS and SDS are certified by the Company's management and have been prepared by the Company in accordance with Ind AS. Our opinion on the consolidated financial statements of the Group for the year then ended to the extent they relate to the statement as stated in this paragraph, is based solely on such management certified unaudited financial statements. Our opinion on the consolidated financial results is not modified in respect of the above matter.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises of the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance and Shareholder's Information but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As a part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company (where applicable) has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we

conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of Holding Company included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with the Board of Directors of the Holding Company included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, we state that reporting under CARO is not applicable to WOS and SDS (foreign subsidiaries) of the Holding Company.
2. As required by Section 143 (3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit for the aforesaid consolidated financial statements.
   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2025 taken on record by the Board of Directors of the Holding Company, none of the directors are disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act. The Holding Company has subsidiary companies (WOS and SDS) incorporated outside India, hence, Section 164(2) of the Act is not applicable to the WOS and SDS.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, considering that WOS and SDS are incorporated outside India, such reporting requirements are not applicable to WOS and SDS. In respect of the Holding Company, our report on adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls is as per “Annexure A”;

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Holding Company to its directors for the year ended 31st March, 2025 is in accordance with the provisions of section 197 read with Schedule V of the Act.

h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i) group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer note 34(A), 34(B), 34(C) and 34(D) to the consolidated financial statements

   ii) The group did not have any long term contract including derivative contract for which there are any material foreseeable losses.

   iii) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no amounts which were required to be transferred to the Investor the Education and Protection Fund by the Holding Company. Further, the subsidiaries are incorporated outside India and hence, this reporting is not applicable to them.

   iv) (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated outside India, whose financial statements have been audited / reviewed under the Act, have represented to us that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 56 to the consolidated financial statements);

(b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated outside India, whose financial statements have been audited / reviewed under the Act, have represented to us that, to the best of their knowledge and belief, no funds have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 56 to the consolidated financial statements);

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. a) The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.

b) The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination which included test checks, the Holding Company has used an accounting software for maintaining its books of account for the financial year ended 31st March, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Holding Company as per the statutory requirements for record retention.

Reporting with respect to audit trail is not applicable to WOS and SDS (foreign subsidiaries) of the Holding Company.

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

Bhavin Kapadia
Partner
Membership No.: 118991
UDIN: 25118991BMJHPJ7579

Place: Mumbai
Date: 22nd May 2025

Annexure A to Independent Auditors' Report of even date on the Consolidated Financial Statements of Pradeep Metals Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

Opinion

We have audited the internal financial controls with reference to consolidated financial statements of **Pradeep Metals Limited** ("the Holding Company") as of 31st March, 2025 in conjunction with our audit of the consolidated financial statement of the Group for the year ended on that date. The Holding Company has subsidiary companies (WOS and SDS) incorporated outside India and reporting on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements is not applicable to such subsidiary companies (WOS and SDS).

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31st March, 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Responsibilities of Management and the Board of Directors for Internal Financial Controls with reference to consolidated financial statements

The Holding Company's management is responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to consolidated financial statements of the Holding Company.

Meaning of Internal Financial Controls with reference to consolidated financial statements

The Holding Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. The Holding Company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Holding Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Holding Company are being made only in accordance with authorizations of management and directors of the Holding Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Holding Company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Bhavin Kapadia
Partner
Membership No.: 118991
UDIN: UDIN: 25118991BMJHPJ7579

Place: Mumbai
Date: 22nd May 2025

Consolidated Balance Sheet as at 31st March, 2025

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March, 2025	As at 31st March, 2024
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	4	9,537.65	8,076.96
(b) Right of use assets	4	129.24	159.04
(c) Capital work-in-progress	4	36.58	90.52
(d) Other intangible assets	4	149.10	166.94
(e) Goodwill on consolidation		147.67	147.67
(f) Financial assets			
(i) Other financial assets	5	117.80	241.78
(g) Income tax assets (net)		263.38	118.22
(h) Other assets	6	655.19	838.82
		11,036.60	**9,839.95**
II. Current assets			
(a) Inventories	7	6,554.71	6,180.07
(b) Financial assets			
(i) Trade receivables	8	7,678.13	6,618.86
(ii) Cash and cash equivalents	9	504.46	464.21
(iii) Bank balances other than (ii) above	9	41.45	55.74
(iv) Loans	10	5.67	4.00
(v) Other financial assets	11	123.76	254.68
(c) Other assets	12	797.91	575.77
		15,706.09	**14,153.33**
TOTAL ASSETS		**26,742.69**	**23,993.28**
EQUITY AND LIABILITIES			
III. Equity			
(a) Equity share capital	13	1,727.00	1,727.00
(b) Other equity	14	11,994.31	9,663.51
TOTAL EQUITY		**13,721.31**	**11,390.51**
IV. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings			
(ia) Lease liabilities	37	70.97	99.56
(ib) Term loans	15	1,708.89	1,875.42
(b) Provisions	16	93.96	84.80
(c) Deferred tax liabilities (net)	17.4	478.60	321.26
		2,352.42	**2,381.04**
V. Current liabilities			
(a) Financial liabilities			
(i) Borrowings			
(ia) Lease liabilities		28.59	26.26
(ib) Short-term borrowings	18	5,286.99	5,331.56
(ii) Trade payable	19		
- Due to micro and small enterprises		208.08	132.04
- Due other than to micro and small enterprises		3,997.21	3,648.21
(iii) Other financial liabilities	20	873.26	740.42
(b) Other liabilities	21	122.80	258.68
(c) Provisions	22	136.64	84.56
(d) Current tax liabilities (net)		15.39	-
		10,668.96	**10,221.73**
TOTAL LIABILITIES		**13,021.38**	**12,602.77**
TOTAL EQUITY & LIABILITIES		**26,742.69**	**23,993.28**
Material accounting policies & other notes	**1 to 58**		

Notes referred to herein above form an integral part of the consolidated financial statements.
As per our report of even date attached

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

Bhavin Kapadia
Partner
Membership No. 118991

Place: Mumbai
Date: 22nd May, 2025

For and on behalf of the Board of Directors of Pradeep Metals Limited

Pradeep Goyal
Chairman and Managing Director
DIN: 00008370
Place: Mumbai
Date: 22nd May, 2025

Neeru Goyal
Director
DIN: 05017190
Place: Mumbai
Date: 22nd May, 2025

Abhishek Joshi
Company Secretary
Membership No. 64446
Place: Mumbai
Date: 22nd May, 2025

Kavita Choubisa Ojha
Chief Financial Officer
PAN: ATTPC7818E
Place: Mumbai
Date: 22nd May, 2025

Consolidated Statement of Profit and Loss for the year ended on 31st March, 2025

(Rs. in Lakhs except share and per share data)

Particulars	Note No.	Year ended 31st March, 2025	Year ended 31st March, 2024
INCOME			
Revenue from operations	23	31,186.13	27,666.86
Other income	24	520.47	372.60
Total Income		**31,706.60**	**28,039.46**
EXPENSES			
Cost of material consumed	25	14,507.96	13,120.74
Purchase of Stock in Trade	26	103.72	-
Changes in inventories of work-in-progress, finished goods and scrap	27	(435.01)	(181.42)
Manufacturing expenses	28	6,668.81	5,429.77
Employee benefit expenses	29	4,420.14	3,917.06
Finance costs	30	777.81	725.46
Depreciation and amortization expense	4	969.94	969.18
Other expenses	31	1,206.86	1,233.15
Total Expenses		**28,220.23**	**25,213.94**
Profit before tax		**3,486.37**	**2,825.52**
Tax expense			
- Current tax		624.23	570.50
- Deferred tax charge		157.33	39.37
- Income tax of earlier years (net)		(12.56)	(12.77)
		769.00	**597.10**
Net Profit for the year ended (A)		**2,717.37**	**2,228.42**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss	32		
- Remeasurement losses on defined benefit plans		(56.79)	(70.52)
Less: Income tax on above		14.29	17.75
		(42.50)	**(52.77)**
(ii) Items that will be reclassified to profit or loss in subsequent years	32		
- Cash flow hedge through other comprehensive income		-	-
Less: Income tax on above		-	-
		-	-
- Exchange loss on translation of foreign operations (net)		1.32	(56.00)
Less: Income tax on above		-	-
		1.32	(56.00)
Other Comprehensive Income (B)		**(41.18)**	**(108.77)**
Total Comprehensive Income (A+B)		**2,676.19**	**2,119.65**
Earnings per equity share	33		
(a) Basic (Face value of Rs. 10 each)		15.73	12.90
(b) Diluted (Face value of Rs. 10 each)		15.73	12.90
Material accounting policies & other notes	**1 to 58**		

Notes referred to herein above form an integral part of the consolidated financial statements.
As per our report of even date attached

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

Bhavin Kapadia
Partner
Membership No. 118991

Place: Mumbai
Date: 22nd May, 2025

For and on behalf of the Board of Directors of Pradeep Metals Limited

Pradeep Goyal
Chairman and Managing Director
DIN: 00008370
Place: Mumbai
Date: 22nd May, 2025

Neeru Goyal
Director
DIN: 05017190
Place: Mumbai
Date: 22nd May, 2025

Abhishek Joshi
Company Secretary
Membership No. 64446
Place: Mumbai
Date: 22nd May, 2025

Kavita Choubisa Ojha
Chief Financial Officer
PAN: ATTPC7818E
Place: Mumbai
Date: 22nd May, 2025

Consolidated Cash Flow Statement for the year ended 31st March, 2025

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2025		Year ended 31st March, 2024	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before taxation		3,486.37		2,825.52
Adjustments for:				
Depreciation and amortization	969.94		969.18	
Allowance for doubtful debts utilised / reversed	(50.00)		(1.20)	
Amount no longer payable written back	(10.74)		(47.25)	
Unrealised foreign exchange (gain) / loss (net)	94.71		(102.88)	
Provision for slow-moving / non-moving inventories (net)	130.89		93.52	
Gain on sale / discard of property, plant & equipment (net)	(186.72)		(15.29)	
Interest expenses	777.81		725.46	
Interest income	(4.52)		(2.53)	
		1,721.37		1,619.01
Operating profit before changes in assets and liabilities		**5,207.74**		**4,444.53**
Movements in working capital : [Current and Non-current]				
(Increase) / decrease in other financial assets and other assets	103.65		(195.90)	
Increase in inventories	(505.53)		(484.52)	
Increase in trade receivable	(1,128.59)		(1,135.65)	
Increase in trade payable, other current liabilities and provisions	384.41	(1,146.06)	1,054.16	(761.90)
		4,061.68		**3,682.63**
Adjustment for:				
Direct taxes paid (net of refund)		(739.23)		(524.75)
Net cash generated from operating activities…(A)		**3,322.45**		**3,157.89**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, plant & equipment and intangible assets (Including capital advances and work in progress)	(2,300.20)		(1,833.14)	
Sale / discard of Property, plant & equipment	271.81		-	
Increase in other bank balances and non-current assets [Other than cash and cash equivalent]	143.02		(1.36)	
Interest received	4.52		2.53	
	(1,880.84)		**(1,831.97)**	
Adjustment for:				
Direct taxes paid [including tax deducted at source]	(0.41)		(0.25)	
Net cash used in investing activities…(B)		**(1,881.25)**		**(1,832.22)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from long term borrowings	1,488.99		1,055.03	
Repayment of long term borrowings	(1,992.54)		(1,017.09)	
Payment of lease liabilities	(36.00)		(36.00)	
Increase / (Decrease) in working capital loan (net)	265.83		(121.67)	
Dividend paid	(339.57)		(173.31)	
Interest paid	(787.66)		(721.29)	
Net cash used in financing activities…(C)		**(1,400.95)**		**(1,014.32)**
Net increase / (decrease) in cash and cash equivalents…(A + B + C)		**40.25**		**311.34**
Cash and cash equivalents at the beginning of the year	464.21		152.87	
Cash and cash equivalents at the end of the year	504.46		464.21	
Net increase in cash and cash equivalents		**40.25**		**311.34**
Material accounting policies & other notes 1 to 58				

Notes referred to herein above form an integral part of the consolidated financial statements.
As per our report of even date attached

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

Bhavin Kapadia
Partner
Membership No. 118991

Place: Mumbai
Date: 22nd May, 2025

For and on behalf of the Board of Directors of Pradeep Metals Limited

Pradeep Goyal
Chairman and Managing Director
DIN: 00008370
Place: Mumbai
Date: 22nd May, 2025

Neeru Goyal
Director
DIN: 05017190
Place: Mumbai
Date: 22nd May, 2025

Abhishek Joshi
Company Secretary
Membership No. 64446
Place: Mumbai
Date: 22nd May, 2025

Kavita Choubisa Ojha
Chief Financial Officer
PAN: ATTPC7818E
Place: Mumbai
Date: 22nd May, 2025

Consolidated Statement of changes in equity for the year ended 31st March, 2025

(Rs. in Lakhs)

Particulars	Attributable to Owners									Total (A+B)
	Equity share capital (A)	Reserves and Surplus				Other Comprehensive			Total (B)	
		Securities Premium	Capital reserve	General reserves	Retained earnings	Foreign currency transaction reserve	Defined benefit obligation	Cash flow hedge reserve		
For the year ended 31st March 2024										
Balance at 1st April 2023	1,727.00	515.98	13.94	211.60	7,343.84	(364.90)	(3.89)	-	7,716.56	9,443.56
Profit for the year	-	-	-	-	2,228.42	-	-	-	2,228.42	2,228.42
Remeasurements loss on defined benefit plan	-	-	-	-	-	-	(52.77)	-	(52.77)	(52.77)
Exchange differences on translation of foreign operations & Adjustments	-	-	-	-	-	(56.00)	-	-	(56.00)	(56.00)
Final equity dividend (FY 2022-23)	-	-	-	-	(172.70)	-	-	-	(172.70)	(172.70)
Balance as at 31st March 2024	**1,727.00**	**515.98**	**13.94**	**211.60**	**9,399.55**	**(420.90)**	**(56.66)**	**-**	**9,663.51**	**11,390.51**
For the year ended 31st March 2025										
Balance at 1st April 2024	1,727.00	515.98	13.94	211.60	9,399.55	(420.90)	(56.66)	-	9,663.51	11,390.51
Profit for the year	-	-	-	-	2,717.38	-	-	-	2,717.38	2,717.38
Addition during the year (net of taxes) (Refer note 32)	-	-	-	-	-	-	(42.50)	(6.60)	(49.10)	(49.10)
Amount reclassified to P&L during the year (net of taxes) (Refer note 32)								6.60	6.60	6.60
Exchange differences on translation of foreign operations & Adjustments	-	-	-	-	-	1.32	-	-	1.32	1.32
Final equity dividend (FY 2023-24)	-	-	-	-	(345.40)	-	-	-	(345.40)	(345.40)
Balance as at 31st March 2025	**1,727.00**	**515.98**	**13.94**	**211.60**	**11,771.53**	**(419.58)**	**(99.16)**	**-**	**11,994.31**	**13,721.31**

Material accounting policies & other notes **1 to 58**

i) **Securities premium**
Securities premium is used to record premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

ii) **Capital reserve**
Capital reserve represents capital surplus and not normally available for distribution as dividend.

iii) **General reserve**
General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

iv) **Retained earnings**
Retained earnings represent the accumulated earnings net of losses, if any, made by the Group over the years.

v) **Other comprehensive Income - Defined benefit obligation**
The reserve represents the remeasurement gains / (losses) arising from the actuarial valuation of the defined benefit obligations of the Holding Company. The remeasurement gains / (losses) are recognised in other comprehensive income and accumulated under this reserve within equity. The amounts recognised under this reserve are not reclassified to profit or loss.

vi) **Other comprehensive Income - Foreign Currency Translation Reserve**
Exchange differences relating to the translation of the results and net assets of the group's foreign operation from their functional currencies to the group's presentation currency (i.e. Rs.) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the investment is disposed-off.

vii) **Other comprehensive Income - Cash flow hedge reserve**
The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the underlying hedged transaction occurs. In case of a loss, amount that is not expected to be recovered is immediately reclassified into profit or loss as a reclassification adjustment.

Notes referred to herein above form an integral part of the consolidated financial statements.
As per our report of even date attached

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

Bhavin Kapadia
Partner
Membership No. 118991

Place: Mumbai
Date: 22nd May, 2025

For and on behalf of the Board of Directors of Pradeep Metals Limited

Pradeep Goyal
Chairman and Managing Director
DIN: 00008370
Place: Mumbai
Date: 22nd May, 2025

Neeru Goyal
Director
DIN: 05017190
Place: Mumbai
Date: 22nd May, 2025

Abhishek Joshi
Company Secretary
Membership No. 64446
Place: Mumbai
Date: 22nd May, 2025

Kavita Choubisa Ojha
Chief Financial Officer
PAN: ATTPC7818E
Place: Mumbai
Date: 22nd May, 2025

Notes on Consolidated Ind AS financial statements for the year ended 31st March, 2025

1. Background

Pradeep Metals Limited (hereinafter referred to as 'the Parent Company', 'the Company' or 'Holding Company') is a public Company incorporated in India. The Company's shares are listed on Bombay Stock Exchange in India. Holding company together with its Wholly Owned Subsidiary ('WOS') and Step Down Subsidiary ('SDS') ('WOS and SDS are referred to as subsidiaries') is referred to as "the Group". The Group is engaged in the manufacturing and selling of forged and machined components for various sectors. The Group caters to both domestic and international markets.

The financial statements were authorized for issue in accordance with a resolution of the Directors on 22nd May, 2025.

2. Basis of preparation

2.1. Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India.

The unaudited financial statements / financial information of WOS and SDS were subject to limited review by the auditors of Holding Company and certified by the Holding Company's management and have been prepared in accordance with Ind AS.

The Group has consistently applied the accounting policies used in the preparation of its consolidated financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Further, in accordance with the amendments to the Companies (Indian Accounting Standards) Rules, 2023, the company has disclosed material accounting policies as against the significant accounting policies. Considering the nature of transactions and business operation of the Company, accounting policies related to 'Leases' 'Investment in equity instrument at FVTOCI' and 'Business Combinations' are not forming part of material accounting policies.

2.2. Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31st March, 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

a. Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

b. Exposure, or rights, to variable returns from its involvement with the investee, and

c. The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

a. The contractual arrangement with the other vote holders of the investee

b. Rights arising from other contractual arrangements

c. The Group's voting rights and potential voting rights

d. The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The subsidiaries considered in consolidated financial statements and its country of incorporation is as tabulated below:

Sr. No.	Name of the entity	Country of incorporation	Proportion of interest (including beneficial interest) / voting power (either directly/ indirectly through subsidiary)	
			As at 31st March 2025	As at 31st March 2024
(A)	**Wholly Owned Subsidiary company [WOS]**			
1.	Pradeep Metals Limited Inc.	USA	100%	100%
(B)	**Step Down Subsidiary [SDS]**			
1.	Dimensional Machine Works, LLC	USA	100%	100%

Consolidation Procedure

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Ind AS 103 - Business combinations explains how to account for any related goodwill.

(c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

(d) Consolidated Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(e) A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

i. Derecognizes the assets (including goodwill) and liabilities of the subsidiary

ii. Derecognizes the carrying amount of any non-controlling interests

iii. Derecognizes the cumulative translation differences recorded in equity

iv. Recognizes the fair value of the consideration received

v. Recognizes the fair value of any investment retained

vi. Recognizes any surplus or deficit in the consolidated statement of profit and loss

vii. Reclassifies the parent's share of components previously recognized in OCI to the consolidated statement of profit and loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

2.3. Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are prepared in Indian Rupees which is also the Holding Company's functional currency. All amounts are rounded to the nearest rupees in lakhs.

2.4. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 – Unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – unobservable inputs for the asset or liability

For assets and liabilities that are recognized in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purpose using methods as prescribed in "Ind AS 113 Fair Value Measurement".

2.5. Use of significant accounting estimates, judgements and assumptions

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of consolidated financial statements and reported amounts of income and expenses for the periods presented. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. Significant estimates and critical judgement in applying these accounting policies are described below:

i) Property, plant & equipment and Intangible assets

The Group has estimated the useful life, residual value and method of depreciation / amortization of property, plant & equipment and intangible assets based on its internal technical assessment. Property, plant & equipment and intangible assets represent a significant proportion of the asset base of the Group. Further, the Group has estimated that scrap value of property, plant & equipment would be able to cover the residual value & decommissioning costs of property, plant & equipment.

Therefore, the estimates and assumptions made to determine useful life, residual value, method of depreciation / amortization and decommissioning costs are critical to the Group's financial position and performance.

ii) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or (Cash Generating Unit) CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

iii) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on industry practice, Group's past history and existing market conditions as well as forward looking estimates at the end of each reporting period.

iv) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

v) Income taxes

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the consolidated statement of profit and loss.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized.

vi) Measurement of defined benefit plan & other long term benefits

The cost of the defined benefit gratuity plan / other long term benefits and the present value of the gratuity obligation / other long term benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation / other long term benefits is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases, and gratuity increases are based on management policy for increase in basic salary.

vii) Provision for Inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory item with the respective net realisable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for absolute and slow-moving inventories has been made in the financial statement.

viii) Impairment of goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

In estimating the future cash flows / fair value less cost of disposal, the Group has made certain assumptions relating to the future customer base, future revenues, operating parameters, capital expenditure and terminal growth rate which the Group believes reasonably reflects the future expectation of these items. However, if these assumptions change consequent to change in future conditions, there could be further favorable / adverse effect on the recoverable amount of the assets. The assumptions will be monitored on periodic basis by the Group and adjustments will be made if conditions relating to the assumptions indicate that such adjustments are appropriate. On the disposal of the relevant cash generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3. Material Accounting Policies

3.1. Presentation and disclosure of consolidated financial statement

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle

- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

3.2. Property, Plant and Equipment and Depreciation

Recognition and measurement

Properties plant and equipment are stated at their cost of acquisition. Cost of an item of property, plant and equipment includes purchase price including non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/decommissioning of the asset.

Parts (major components) of an item of property, plant and equipment having different useful lives are accounted as separate items of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognized in consolidated statement of profit and loss as incurred.

Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date.

Depreciation and useful lives

Depreciation on the property, plant and equipment (other than freehold land and capital work in progress) is provided on a straight-line method (SLM) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013, except for the plant and machinery as per the table given below, for which on the basis of internal technical assessment made by the management, the depreciation has been provided considering the useful life of the plant.

The assets which have useful life different than as prescribed under Part C of Schedule II of the Companies Act, 2013 are as follows:

Particulars	Useful life
Machinery for heavy production/press/cranes etc.	15 Years
Dies	10 Years
Die holders`	3 Years
R&D equipment (Microwave)	2 Years
Other machineries	8 Years
Second hand CNC machines	10 Years
Solar power generation plant	25 Years
Individual assets whose cost does not exceed ten thousand rupees	Nil Depreciated fully in the year of capitalisation

The useful lives of the property, plant and equipment not covered in table above and are in accordance with schedule II are as follows:

Particulars	Useful life
Factory Building on leasehold land	Lower of 30 Years or balance lease period
Electrical Installation	10 Years
Office Equipment	5 Years
Computers	3 Years
Furniture & fittings	10 Years
Motor Vehicles	8 Years
Windmill	22 Years

The Assets of WOS and SDS are depreciated considering the following useful life:

Particulars	Useful life
Building	30 Years
Plant & Machinery	7 Years
Furniture and Fixtures	10 Years
Office Equipments	5 Years
Second hand vehicles	5 Years
Computers	3 Years

Building on leasehold lands and improvements to building on leasehold land / premises are amortized over the period of lease or useful life whichever is lower.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under "Other non-current assets". Cost of assets under

Building on leasehold lands and improvements to building on leasehold land / premises are amortized over the period of lease or useful life whichever is lower.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under "Other non-current assets". Cost of assets under construction / acquisition / not put to use at the Balance sheet date are disclosed under "Capital work-in-progress"

De-recognition

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit and loss when the asset is de-recognized.

3.3. Intangible assets and amortization

Recognition and measurement

Intangible assets are recognized only if it is probable that the future economic benefits attributable to asset will flow to the Group and the cost of asset can be measured reliably. Intangible assets are stated at cost of acquisition/development less accumulated amortization and accumulated impairment loss if any.

Cost of an intangible asset includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are recognized in the statement of profit and loss when the asset is derecognized

Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.

Amortization and useful lives

Intangible Asset		Estimated useful life
(a)	ERP Software	10 Years
(b)	Other Software	3 Years
(c)	Computer Software [SDS]	5 Years
(d)	Microwave Composite Heating Furnace project (SDF Technology)	7 years

In case of assets purchased during the year, amortization on such assets is calculated on pro-rata basis from the date of such addition.

3.4. Research and development costs

Research costs are expensed as incurred. Development expenditures are recognized as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

3.5. Inventories

Inventories consists of raw materials, consumables, dies, work-in-progress and scrap. Raw materials and components, packing materials, consumables, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The Cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable) and other costs incurred in bringing them to their present location and condition. Cost for raw material is determined on specific identification basis and other materials & consumables on weighted average method.

Work-in-progress & finished goods is valued at lower of cost and net realizable value. Cost includes direct materials valued on weighted average basis and costs of conversion which include costs directly related to the units of production and systematic allocation of fixed and variable production overheads. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

Dies are valued at cost or net realizable value whichever is less. Cost includes material cost and labour cost. Costs are determined on specific identification basis.

Scrap is valued at net realizable value.

3.6. Revenue recognition

The policies for Revenue as presented in the consolidated financial statements are as under:

- **Revenue from operation**
    - The Group recognizes revenue when the amount can be reliably measured, to the extent it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below
    - Sale of goods is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products. Revenue is measured at the transaction price allocated to that performance obligation, net of Goods and Service Tax (GST), returns and allowances, trade, volume & other discounts

      Accumulated experience is used to estimate and provide for turnover discounts, expected cash discounts, other eligible discounts, expected returns and incentives. No element of financing is deemed present as the sales are made with normal credit terms.

- o Revenue from export sales are recognized upon transfer of control of promised products to customers usually on the basis of dates of shipping bills or bill of lading depending on the shipment terms.
- o Sale of services is recognized upon rendering of services and revenue from fixed price, fixed time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized over the period of contract on pro-rata basis.
- o Revenue from sales of electricity is recognized when all the significant risks and rewards of ownership have been passed to the buyer, usually on transmission of electricity based on the data provided by the electricity department.
- o Export incentives / benefits are recognized as income in Consolidated Statement of Profit and Loss on export of goods based on fulfilling specified criteria's and also reasonable certainty of utilizing the benefit by import of goods/sale of license in open market.
- o Revenues from die design and preparation charges are recognized as per the terms of the contract as and when services are rendered.

- **Other income**
  - o Dividend income is recognized when the Group's right to receive the payment is established, which is generally when shareholders/board of directors approve the dividend as applicable.
  - o Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

3.7. Government grants

Government grants are recognized in the period to which they relate when there is reasonable assurance that the grant will be received and that the Group will comply with the attached conditions. When the grant or subsidy relates to revenue, it is recognized as income or adjusted against expenses on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. In case of Exports Promotion Capital Goods (EPCG) scheme, government grants is recognised in the statement of profit and loss over the period of fulfilment of export obligation. Where the grant relates to an asset, it is deducted from the cost of the asset and the net amount of the asset is capitalized.

3.8. Foreign currency transaction

- Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. As at the Balance Sheet date, foreign currency monetary items are translated at closing exchange rate. Exchange difference arising on settlement or translation of foreign currency monetary items is recognized as income or expense in the year in which they arise.
- Foreign currency non-monetary items which are carried at historical cost are reported using the exchange rate at the date of transactions. Foreign currency non-monetary items which are measured at fair value are reported using the exchange rate at the date when the fair value is determined. Exchange difference arising on fair valuation of non-monetary items is recognized in line with the gain or loss of item that give rise to such exchange difference (i.e.

translation differences on items whose gain or loss is recognized in consolidated statement of profit and loss or other comprehensive income is also recognized in consolidated statement of profit or loss or other comprehensive income respectively).

- Translation of foreign operations

  Financial statements of foreign operations are translated as under:

  a. Assets and Liabilities at the rate prevailing at the end of the year. Depreciation is accounted at the average rate prevailing during the year.

  b. Revenue and expenses at average rates prevailing during the year. Off Balance Sheet items are translated into Indian Rupees at year-end rates.

  c. Exchange differences arising on translation are accumulated in the Foreign Currency Translation Reserve until the disposal of such operations.

3.9. Employee benefits

- Short term employee benefits

  All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized as an expense at the undiscounted amount in the consolidated statement of profit and loss in the period in which the employee renders the related service.

- Post-employment benefits & other long term benefits

  a. Defined contribution plan

     The defined contribution plan is a post-employment benefit plan under which the Holding Company contributes fixed contribution to a Government Administered Fund and will have no obligation to pay further contribution. The Holding Company's defined contribution plan comprises of Provident Fund, Labour Welfare Fund and Employee State Insurance Scheme. The Holding Company's contribution to defined contribution plans are recognized in the consolidated statement of profit and loss in the period in which the employee renders the related service.

  b. Post-employment benefit and other long term benefits

     The Holding Company has defined benefit plans comprising of gratuity and other long term benefits in the form of leave benefits and long service rewards. Holding Company's obligation towards gratuity liability is funded plan and is managed by Life Insurance Corporation of India (LIC). The present value of the defined benefit obligations and certain other long term employee benefits [privilege leave and sick leave] is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations. Provision for casual leave is made on arithmetic basis.

     For gratuity plan, re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the post-employment benefits liability) are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Such re-measurements are not reclassified to consolidated statement of profit and loss in subsequent periods.

The expected return on plan assets is the Holding Company's expectation of average long-term rate of return on the investment of the fund over the entire life of the related obligation. Plan assets are measured at fair value as at the Balance Sheet date.

The interest cost on defined benefit obligation and expected return on plan assets is recognized under finance cost.

Gains or losses on the curtailment or settlement of defined benefit plan are recognized when the curtailment or settlement occurs.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions for other employee benefit plan [other than gratuity] are recognized immediately in the consolidated statement of profit and loss as income or expense.

3.10. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Operating Segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the CODM, in deciding how to allocate resources and assessing performance.

3.11. Borrowing cost

Borrowing costs (net of interest income on temporary investments) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Ancillary cost of borrowings in respect of loans not disbursed are carried forward and accounted as borrowing cost in the year of disbursement of loan. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

3.12. Taxes on income

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside consolidated profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside consolidated profit or loss.

Provision for current tax is made as per the provisions of governing tax laws. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where applicable.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, and deferred tax assets are recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Group has unused tax losses and unused tax credits, deferred tax assets are recognized only if it is probable that they can be utilized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes previously unrecognized deferred tax assets to the extent that it has become probable that future taxable profit allow deferred tax assets to be recovered.

The Group has adopted the amendments with respect to Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to Ind AS 12) from 1st April 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting differences – e.g., leases and decommissioning liabilities. For leases and decommissioning liabilities, an entity is required to recognise the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, an entity applies the amendments to transactions that occur on or after the beginning of the earliest period presented.

3.13. Cash and cash equivalent

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalent as calculated above also includes outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

3.14. Cash flow statement

Cash flows are reported using the indirect method, where by consolidated net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

3.15. Provisions, contingent liabilities, contingent assets

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

The Group does not recognize a contingent asset but discloses its existence in the consolidated financial statements if the inflow of economic benefits is probable. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

3.16. Earnings per share

Basic earnings per share is computed using the consolidated net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the consolidated net profit for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive.

3.17. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through consolidated profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through consolidated profit or loss are recognized immediately in consolidated statement of profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

3.17.1. Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through consolidated profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in consolidated statement of profit or loss and is included in the “Other income” line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in consolidated statement profit or loss. The net gain or loss recognized in consolidated statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the ‘Other income’ line item. Dividend on financial assets at FVTPL is recognized when the Group’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model based on ‘simplified approach’ for the financial assets which are not fair valued through consolidated profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in consolidated statement of profit and loss.

De-recognition of financial asset

The Group de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognizes a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in consolidated statement of profit or loss if such gain or loss would have otherwise been recognized in consolidated statement of profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in consolidated statement of profit or loss if such gain or loss would have otherwise been recognized in consolidated statement of profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

3.17.2. Financial liability and equity instrument

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs. Repurchase of the Group's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in consolidated statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognized by the Group as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the Grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognized in consolidated statement of profit or loss. The net gain or loss recognized in consolidated statement of profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in consolidated profit or loss, in which case these effects of changes in credit risk are recognized in consolidated statement of profit or loss. The remaining amount of change in the fair value of liability is always recognized in consolidated statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to consolidated statement of profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through consolidated profit or loss are recognized in consolidated statement of profit or loss.

Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Derivatives and hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as either:

i) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);

ii) hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including its analysis of the sources of hedge ineffectiveness and how it determines the hedge ratio).

The full fair value of a hedging derivative is classified as a non-current financial asset or financial liability when the residual maturity of the derivative is more than 12 months and as a current financial asset or financial liability when the residual maturity of the derivative is less than 12 months.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss, together with any changes in the fair value of the hedged item that are attributable to the hedged risk.

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to the statement of profit and loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the statement of profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss. However, if there is a loss and an entity expects that all or a portion of that loss will not be recovered in one or more future periods, it shall immediately reclassify the amount that is not expected to be recovered into profit or loss as a reclassification adjustment.

Reclassification

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

De-recognition of financial liabilities

The Group de-recognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognized and the consideration paid and payable is recognized in consolidated statement of profit or loss.

3.18. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Group w.e.f. 1st April, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any impact in its consolidated financial statements.

4 Property, plant & equipment and intangible assets

4.1 As on 31st March, 2025

(Rs. in Lakhs)

Particulars	Gross Block					Depreciation / amortization / impairment					Net Block
	As at 1st April, 2024	Additions	Deductions	Exchange Fluctuation	As at 31st March, 2025	As at 1st April, 2024	For the year	On deductions	Exchange Fluctuation	As at 31st March, 2025	As at 31st March, 2025
Property, plant & equipment (Tangible assets)											
Freehold land	454.13	-	-	7.40	461.53	-	-	-	-	-	461.53
Factory buildings	3,349.72	5.21	3.68	31.11	3,382.36	569.17	112.74	3.49	2.69	681.11	2,701.25
Leasehold Improvement	47.93	-	-	1.19	49.12	47.93	-	-	1.19	49.12	-
Plant and machinery (P & M) (refer note 4.10)	4,731.98	2,191.41	456.49	29.01	6,495.91	2,599.48	461.16	390.90	26.42	2,696.16	3,799.75
Microwave Machinery (R & D)	149.10	-	-	-	149.10	149.10	-	-	-	149.10	-
Wind mill	1,187.27	96.37	-	-	1,283.64	425.69	59.13	-	-	484.82	798.82
Solar Plant	1,190.45	-	-	-	1,190.45	31.05	45.24	-	-	76.29	1,114.16
Electrical installation	188.40	-	-	-	188.40	67.45	16.79	-	-	84.24	104.16
Office equipment	47.43	7.20	5.27	1.86	51.22	45.12	10.36	4.46	0.20	51.22	-
Computers	92.05	17.43	8.05	0.21	101.64	62.03	18.49	7.69	0.18	73.01	28.63
Furniture and fixtures	98.66	3.61	10.94	0.23	91.56	19.43	8.80	10.13	0.13	18.23	73.33
Vehicles	383.10	-	-	1.93	385.03	142.95	35.84	-	1.24	180.03	205.00
Dies	898.06	53.88	41.41	-	910.53	581.92	101.68	24.07	-	659.53	251.00
Sub-total (A)	**12,818.28**	**2,375.11**	**525.83**	**72.94**	**14,740.49**	**4,741.32**	**870.23**	**440.74**	**32.05**	**5,202.86**	**9,537.65**
Intangible assets											
Software (Other than internally generated)	156.04	52.01	13.10	0.72	195.67	121.49	26.45	13.10	0.68	135.52	60.15
Goodwill	570.81	-	-	-	570.81	570.81	-	-	-	570.81	-
Microwave Composite Heating Furnace (SDF Technology)	304.10	-	-	-	304.10	171.71	43.44	-	-	215.15	88.95
Sub-total (B)	**1,030.95**	**52.01**	**13.10**	**0.72**	**1,070.58**	**864.01**	**69.89**	**13.10**	**0.68**	**921.48**	**149.10**
Total [(A) + (B)]	**13,849.22**	**2,427.12**	**538.93**	**73.66**	**15,811.07**	**5,605.34**	**940.13**	**453.84**	**32.73**	**6,124.34**	**9,686.74**

4.2 Right of use asset

(Rs. in Lakhs)

Particulars	Building	Leasehold Land	Total
Gross carrying value			
Balance as at 31st March, 2023	**122.27**	**55.81**	**178.08**
Additions in 2023-24	146.05	-	146.05
Deletions in 2023-24	122.27	-	122.27
Balance as at 31st March, 2024	**146.05**	**55.81**	**201.86**
Additions in 2024-25	-	-	-
Balance as at 31st March, 2025	**146.05**	**55.81**	**201.86**
Accumulated amortization			
Balance as at 31stMarch, 2023	**117.40**	**17.88**	**135.27**
Charge for the year 2023-24	29.23	0.60	29.84
Deletions in 2023-24	122.27	-	122.27
Balance as at 31st March, 2024	**24.35**	**18.48**	**42.85**
Charge for the year 2024-25	29.21	0.60	29.81
Balance as at 31st March, 2025	**53.56**	**19.08**	**72.62**
Net carrying amount			
Balance as at 31st March, 2024	121.71	37.33	159.04
Balance as at 31st March, 2025	**92.49**	**36.73**	**129.24**

4.3 Depreciation as per statement of profit & loss

(Rs. in Lakhs)

Particulars	2024-25	2023-24
Depreciation and amortization of Property, plant & equipment and intangible assets	940.13	939.34
Depreciation on Right of use assets	29.81	29.84
Depreciation as per statement of profit & loss	**969.94**	**969.18**

4.4 As on 31st March, 2024

(Rs. in Lakhs)

Particulars	Gross Block					Depreciation / amortization/ impairment					Net Block
	As at 1st April, 2023	Additions	Deductions	Exchange Fluctuation	As at 31st March, 2024	As at 1st April, 2023	For the year	On deductions	Exchange Fluctuation	As at 31st March, 2024	As at 31st March, 2024
Property, plant & equipment (Tangible assets)											
Freehold land	449.71	-	-	4.42	454.13	-	-	-	-	-	454.13
Factory buildings	3,203.49	128.00	-	18.24	3,349.72	449.94	118.21	-	1.03	569.17	2,780.55
Leasehold Improvement	47.22	-	-	0.71	47.93	47.22	-	-	0.71	47.93	-
Plant and machinery (P & M) (refer note 4.10)	4,179.71	574.34	39.52	17.46	4,731.98	2,126.97	473.67	19.04	17.88	2,599.48	2,132.50
Microwave Machinery (R & D)	149.10	-	-	-	149.10	149.10	-	-	-	149.10	-
Wind mill	1,246.22	-	58.95	-	1,187.27	391.95	56.07	22.32	-	425.69	761.58
Solar plant	-	1,190.45	-	-	1,190.45	-	31.05	-	-	31.05	1,159.40
Electrical installation	127.28	61.13	-	-	188.40	53.79	13.66	-	-	67.45	120.95
Office equipment	37.93	9.28	-	0.22	47.43	35.85	9.20	-	0.08	45.12	2.30
Computers	74.23	17.70	-	0.12	92.05	44.27	17.68	-	0.08	62.03	30.02
Furniture and fixtures	97.60	0.93	-	0.14	98.66	10.14	9.23	-	0.06	19.43	79.24
Vehicles	179.66	202.39	0.11	1.15	383.10	105.15	37.29	0.10	0.62	142.95	240.14
Dies	853.86	44.20	-	-	898.06	481.17	100.75	-	-	581.92	316.15
Sub-total (A)	**10,646.00**	**2,228.41**	**98.57**	**42.45**	**12,818.28**	**3,895.55**	**866.78**	**41.46**	**20.45**	**4,741.32**	**8,076.96**
Intangible assets (Other than internally generated)											
Software	151.70	3.90	-	0.44	156.04	94.82	29.11	-	(2.44)	121.49	34.55
Goodwill	570.81	-	-	-	570.81	570.81	-	-	-	570.81	-
Microwave Composite Heating Furnace (SDF Technology)	304.10	-	-	-	304.10	128.27	43.44	-	-	171.71	132.39
Sub-total (B)	**1,026.61**	**3.90**	**-**	**0.44**	**1,030.95**	**793.89**	**72.55**	**-**	**(2.44)**	**864.01**	**166.94**
Total [(A) + (B)]	**11,672.61**	**2,232.31**	**98.57**	**42.89**	**13,849.22**	**4,689.44**	**939.34**	**41.46**	**18.01**	**5,605.34**	**8,243.88**

4.5 Movement of capital work in progress

(Rs. in Lakhs)

Particulars	2024-25			
	P&M	Land & Building	Others	Total
Opening capital work in progress	90.52	-	-	**90.52**
Add: Addition during the year	2,057.35	4.18	7.80	**2,069.34**
Less: Assets capitalized / reversed during the year	2,111.29	4.18	7.80	**2,123.28**
Closing capital work in progress	**36.58**	**-**	**-**	**36.58**

(Rs. in Lakhs)

Particulars	2023-24			
	P&M	Land & Building	Others	Total
Opening capital work in progress	419.94	30.56	-	**450.49**
Add: Addition during the year	1,392.96	56.35	-	**1,449.31**
Less: Assets capitalized / reversed during the year	1,722.36	86.91	-	**1,809.27**
Closing capital work in progress	**90.52**	**-**	**-**	**90.52**

4.6 CWIP Ageing schedule as at 31st March, 2025

(Rs. in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	13.00	23.58	-	-	36.58

CWIP Ageing schedule as at 31st March, 2024

(Rs. in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	90.52	-	-	-	90.52

4.7 There are no capital-work-in-progress where completion is overdue or exceeded its cost as compared to original plan as at 31st March, 2025 and 31st March, 2024.

4.8 Details of remaining amortization period and carrying value of intangible assets is as given below:

Particulars	Carrying amount as at (Rs. in Lakhs)		Remaining useful life as at (months)	
	31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024
Epicore software	6.16	12.49	4	16
Microwave composite heating furnace (SDF Technology)	88.95	132.39	24	36
Other software's	53.99	22.06	11 to 36	11 to 36

4.9 First pari passu charge has been created on property, plant and equipment of the Holding Company (present and future) in respect of term loans taken by the Holding Company (Refer note 15.1). Further, second charge has been created on the property, plant and equipment of Holding Company for working capital facility availed by the Holding Company (Refer note 16.1). Further, exclusive charge on Land and Building of Pradeep Metals Limited, Inc. (WOS) has been created in respect of term loan availed by WOS. In case of SDS, finance lease obligation for machine is secured by personal guarantee given of Director of the SDS.

4.10 Property, plant and equipment held under lease

In respect of step-down subsidiary, the gross and net carrying amounts of machine under finance lease are:

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Cost	191.58	187.52
Accumulated depreciation	110.34	81.26
Net carrying amount	81.24	106.25

4.11 Based on the management assessment, aggregate impairment provision made upto 31st March, 2025 of Rs. 810 Lakhs (Previous year: Rs. 810 Lakhs) in regard to goodwill and tangible assets, is considered as adequate and no additional provision is required in the current year. The Management is of the view that the expected growth in the demand of the SDS's products and other steps taken, will generate sufficient cash flows to cover balance carrying value of goodwill and tangible assets.

(Rs. in Lakhs)

5	**Other non-current financial assets** (Unsecured, considered good unless otherwise stated)	As at 31st March, 2025	As at 31st March, 2024
	Security deposits	116.89	112.14
	Deposit with bank having remaining maturity more than 12 months (Refer note 5.1)	0.91	129.64
	Total	**117.80**	**241.78**

5.1 Bank deposits aggregating to Rs. Nil (Previous year: Rs.129.14 Lakhs) was kept as margin money by Holding Company against Letter of credit issued for acquisition of imported plant and machinery. The same has been utilised during the year by the Holding Company.

5.2 Bank deposit of Rs. 0.91 Lakhs (Previous year: Rs. 0.50 Lakhs) is under lien with bank towards guarantees issued by bank.

(Rs. in Lakhs)

6	**Other non-current assets** (Unsecured, considered good unless otherwise stated)	As at 31st March, 2025	As at 31st March, 2024
	Capital advances		
	- Considered good	427.52	613.18
	- Considered doubtful	-	50.00
		427.52	663.18
	Less:- Allowance for bad and doubtful advances	-	(50.00)
		427.52	613.18
	Custom bond deposit	213.69	208.51
	Amount Paid Under Protest	10.10	10.10
	Less : Provision for the above matter	(10.10)	(10.10)
		-	-
	Prepaid expenses	13.98	17.13
	Total	**655.19**	**838.82**

6.1 Pursuant to Hon'ble High Court order, the Holding Company had deposited back wages under protest amounting to Rs. 10.10 Lakhs in respect of ex-employees whose services were terminated in earlier years. As an abundant caution, the Holding Company had made contingency provision of Rs.10.10 Lakhs which was charged to the Statement of Profit & Loss in the earlier year. The quantum of final liability cannot be ascertained at this stage and will be based on the outcome of matter under dispute.

6.2 Movement of allowance for doubtful capital advances

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening balance as on 1st April, 2024	50.00	50.00
Less: Provision written back	50.00	-
Closing balance as on 31st March, 2025	**-**	**50.00**

(Rs. in Lakhs)

7. Inventories (At lower of cost or net realisable value unless otherwise stated)	As at 31st March, 2025	As at 31st March, 2024
Raw material - Steel	1,707.53	1,927.46
Raw materials - Dies	230.65	191.51
Work-in-progress	3,095.25	2,627.87
Finished goods (refer note 7.4)	783.18	657.00
Finished goods in transit	498.18	593.08
Stores, spares and consumables	197.85	144.17
Scrap	42.07	38.98
Total	**6,554.71**	**6,180.07**

7.1 Considering impact on account of suspension of orders for navy products, in view of the management, the value of inventory of finished goods in SDS is reduced by Rs.85.48 Lakhs (USD 100,000). (Previous year: Rs.82.83 Lakhs, USD 100,000)

7.2 In case of SDS, ageing of slow/non-moving items of inventories is not available from the system. The Management is of the view that there is demand for the SDS's products and these inventories have realizable value greater than cost and hence provision is made as mentioned in note 7.1. Auditor's have relied on the management for the demand estimate and expected price realization.

7.3 During the year ended 31st March, 2025, Rs.45.41 Lakhs (Previous year: Rs. 10.69 Lakhs) was recognised as an expenses by Holding Company for inventories carried at Net realisable value.

7.4 The Group has regrouped / reclassified the amount disclosed under stock in trade to finished goods and accordingly the prior year comparatives have also been reclassified / regrouped. This change did not have any impact of the reported profit after tax and total equity.

(Rs. in Lakhs)

8. Trade receivables (Unsecured, considered good unless otherwise stated)	As at 31st March, 2025	As at 31st March, 2024
Unsecured		
Considered good	7,678.13	6,618.86
Considered doubtful	-	-
	7,678.13	6,618.86
Less: Allowance for doubtful debts	-	-
Total	**7,678.13**	**6,618.86**

8.1 No trade receivables are due from directors or other officers of the Holding Company either severally or jointly with any other person.

8.2 Trade receivables are non - interest bearing and are generally on terms of 30 to 270 days.

8.3 Trade receivable includes export bills aggregating to Rs.Nil (Previous year: Rs.172.19 Lakhs) purchased / discounted by the bank but pending realisation as on the date of the Balance Sheet & disclosed under working capital (short-term borrowings). The Holding Company has transferred the relevant receivables to the discounting bank in exchange for cash. However, the Holding Company has retained the late payment and credit risk.

8.4 Refer note 42 for policy on expected credit loss.

8.5 The Holding Company has registered under the Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. The relevant provisions in respect of receivable are applicable to the Holding Company.

8.6 Trade receivables ageing schedule as at 31st March, 2025

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	6,048.73	1,578.68	9.09	36.48	-	5.14	7,678.13
Total	**6,048.73**	**1,578.68**	**9.09**	**36.48**	**-**	**5.14**	**7,678.13**

Trade receivables ageing schedule as at 31st March, 2024

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	4,952.22	647.68	903.56	102.73	12.66	-	6,618.86
Total	**4,952.22**	**647.68**	**903.56**	**102.73**	**12.66**	**-**	**6,618.86**

(Rs. in Lakhs)

9. Cash and cash equivalent and other bank balances	As at 31st March, 2025	As at 31st March, 2024
Cash and cash equivalents		
Balances with banks		
- In current accounts	502.96	462.74
Cash in hand	1.50	1.47
Total	**504.46**	**464.21**
Other bank balances		
- In fixed deposits having remaining maturity less than 12 months	17.62	37.74
- Earmarked balances (on unpaid dividend account)	23.83	18.00
Total	**41.45**	**55.74**

9.1 Bank deposits earns interest at fixed rates.

9.2 Bank deposits aggregating to Rs. 17.62 Lakhs (Previous year: Rs. 37.74 Lakhs) are under lien with banks towards guarantees issued by bank.

(Rs. in Lakhs)

10. **Loans** (Unsecured, considered good unless otherwise stated)	As at 31st March, 2025	As at 31st March, 2024
Other loans		
Loan to employees	5.67	4.00
Total	**5.67**	**4.00**

10.1 No loans and advances are due from directors or other officers of the Group either severally or jointly with any other person.

10.2 Loans are non derivative financial assets which generate fixed interest income for the group. The carrying value may be affected by changes in the credit risk of the counter party.

(Rs. in Lakhs)

11. **Other current financial assets** (Unsecured, considered good unless otherwise stated)	As at 31st March, 2025	As at 31st March, 2024
Export incentive receivable	51.48	114.96
Amount recoverable from customers	42.12	28.66
Interest accrued on fixed deposits	0.03	0.18
Insurance Claim Receivable (Refer note 11.1)	-	56.08
Foreign currency forward contract receivable (net)	-	42.78
Other receivables (Refer note 11.2)	30.13	12.02
Total	**123.76**	**254.68**

11.1 It represents insurance claim made in previous year toward windmill owned by the Holding Company and the same has been realised during the year.

11.2 It represents amount recoverable from vendor and interest on electricity deposit receivable.

11.3 Break up of financial assets carried at amortised cost

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Loans (Refer note 10)	5.67	4.00
Other financial assets (Refer note 5 & 11)	241.56	496.46
Trade receivables (Refer note 8)	7,678.13	6,618.86
Cash & cash equivalents (Refer note 9)	504.46	464.21
Other bank balance (Refer note 9)	41.45	55.74
Total	**8,471.27**	**7,639.27**

(Rs. in Lakhs)

12.

Other current assets (Unsecured, considered good unless otherwise stated)	As at 31st March, 2025	As at 31st March, 2024
Advance to suppliers (other than capital advance)	129.57	4.59
Considered doubtful	-	-
	129.57	4.59
Less:- Allowance for bad and doubtful advances	-	-
	129.57	4.59
Input tax credit receivable (including refund receivable)	456.22	383.94
Prepaid expenses	212.12	187.24
Total	**797.91**	**575.77**

12.1 No advances are due from directors or other officers of the group either severally or jointly with any other person.

13. Share Capital

(Rs. in Lakhs except share & per share data)

13.1

Authorised capital	As at 31st March, 2025	As at 31st March, 2024
Equity share capital		
18,500,000 (Previous year : 18,500,000) Equity Shares of Rs. 10 each	1,850.00	1,850.00
Preference share capital		
550,000 (Previous year : 550,000) Preference Shares of Rs.100 each	550.00	550.00
Total	**2,400.00**	**2,400.00**

(Rs. in Lakhs except share & per share data)

13.2

Issued, subscribed and paid-up capital	As at 31st March, 2025	As at 31st March, 2024
Issued		
17,270,000 (Previous year : 17,270,000) Equity Shares of Rs.10 each	1,727.00	1,727.00
Issued, subscribed and paid-up		
17,270,000 (Previous year : 17,270,000) Equity Shares of Rs.10 each	1,727.00	1,727.00
Total	**1,727.00**	**1,727.00**

13.3 The Holding Company (Pradeep Metals Limited) has only one class of issued shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividend in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Holding Company, the holder of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

13.4 Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting year	As at 31st March, 2025	As at 31st March, 2024
Shares outstanding at beginning of the year	1,72,70,000	1,72,70,000
Changes during the year	-	-
Shares outstanding at the end of the year	**1,72,70,000**	**1,72,70,000**

13.5 Equity Shares held by each shareholder holding more than 5% shares

Name of shareholder	As at 31st March, 2025		As at 31st March, 2024	
	Number of Shares	% of holding	Number of Shares	% of holding
Mr. Pradeep Goyal	15,76,400	9.13	15,76,400	9.13
Mrs. Neeru P. Goyal	9,19,927	5.33	9,19,927	5.33
Nami Capital Private Limited (Refer note 58)	1,01,94,456	59.03	1,01,94,456	59.03

13.6 Shares held by ultimate holding company

Name of shareholder	As at 31st March, 2025		As at 31st March, 2024	
	Number of Shares	% of holding	Number of Shares	% of holding
Nami Capital Private Limited (Refer note 58)	1,01,94,456	59.03	1,01,94,456	59.03

13.7 Shares held by promoters

Promoter Name	As at 31st March, 2025		As at 31st March, 2024		% Change during the year	
	Number of Shares	% of holding	Number of Shares	% of holding	Number of Shares	% of holding
Mr. Pradeep Goyal	15,76,400	9.13	15,76,400	9.13	-	-
Mrs. Neeru P. Goyal	9,19,927	5.33	9,19,927	5.33	-	-
Nami Capital Private Limited (Refer note 58)	1,01,94,456	59.03	1,01,94,456	59.03	-	-

14. For details of Other equity, refer Consolidated Statement of changes in equity.

(Rs. in Lakhs)

15. Borrowings (Non-current)	As at 31st March, 2025	As at 31st March, 2024
Secured		
Term loans		
From banks		
- Rupee loan [Refer note 15.1(i)]	943.37	1,123.20
- Vehicle loan [Refer note 15.1(iv)]	107.14	136.85
- Term loans [Refer note 15.1(ii)]	648.78	569.70
From other parties		
- Machinery loan [Refer note 15.1(iii)]	9.60	45.67
Total	**1,708.89**	**1,875.42**

15.1 Details of security provided

(i) Rupee loans are secured by first pari passu charge created on property, plant and equipment of the Holding Company (present and future) and second charge on entire current assets of the Holding Company (refer Note 4.9). In the previous year, these loans were additionally secured by a personal guarantee provided by the Chairman and Managing Director of the Company, which has been released during the current year.

(ii) In case of WOS,

(A) Term Loan amounting to Rs. 673.31 Lakhs (Previous year: Nil) is secured by (a) exclusive charged on Land and Building of WOS (b) corporate guarantee of the SDS (c) Personal Guarantee of Director of WOS.

(B) Term Loan amounting to Rs. Nil (Previous year: Rs. 819.92 Lakhs) is secured by (a) exclusive charged on Land and Building of WOS (b) irrevocable corporate guarantee of the Holding Company (c) Personal Guarantee of Chairman and Managing Director of the Holding Company. The said loan has been fully repaid by WOS during the year.

(iii) In case of SDS, finance lease obligation for machine is secured by personal guarantee of Director of the SDS.

(iv) Vehicle loans are secured against security of vehicle financed and further guaranteed by personal guarantee of Chairman and Managing Director of the Holding Company and Director of SDS.

15.2 Terms of repayment and maturity profile of the term loan is as set out below: (Rs. in Lakhs)

Borrowings	Interest Rate	As at 31st March, 2025	As at 31st March, 2024
Term loan XV Repayable Nil (Previous year: 2 quarterly instalments of Rs. 17.70 Lakhs each & 1 instalment of balance amount)	1YMCLR+1.00% (Previously 9.80% p.a.)	-	41.80
Term loan XVI (INR) Repayable in 4 (Previous year:6) quarterly instalments of Rs. 16.70 Lakhs each & 1 instalment of balance amount.	1YEBLR+0.10% (Currently 9.10% p.a.)	47.92	114.59
Term loan XVII (FCTL and INR) Repayable in 2 quarterly instalments of Rs. 43.00 Lakhs each & 1 instalment of balance amount (previous year: 1 quarterly instalments of Rs. 150.00 Lakhs & 1 instalment of balance amounts)	1YEBLR+0.50% (Currently 9.50% p.a.)	137.58	253.59
Term loan XVII (INR) (New) Repayable in 2 quarterly instalments of Rs. 120.00 Lakhs each & 1 instalment of balance amount (Previous year: 5 quarterly instalments of Rs. 150.00 Lakhs each & 1 instalment of balance amount)	1YEBLR+0.50% (Currently 9.50% p.a.)	286.70	796.74
Term loan XVIII (INR) Repayable in 4 quarterly instalments of Rs. 37.20 Lakhs each & 11 instalment of Rs.42.27 Lakhs each and 1 instalment of balance amount (Previous year : 23 quarterly instalments of Rs. 32.00 Lakhs each and one instalment of balance amount)	1YEBLR+0.35% (Currently 9.35% p.a.)	611.46	739.46
Term loan XIX (INR) Repayable in 1 instalments of balance amount (Previous year : 4 quarterly instalments of Rs. 15.38 Lakhs each and 1 instalment of balance amount)	1YEBLR+0.35% (Currently 9.35% p.a.)	13.60	75.12
Term loan XX (INR) Repayable in 15 (Previous year: Nil) quarterly instalments of Rs. 43.40 Lakhs each & 1 instalment of balance amount	1YEBLR+0.50% (Currently 9.50% p.a.)	654.31	-
Vehicle loan (INR) Repayable in 61 (Previous year: 73) equated monthly instalments	Currently 8.50% p.a.	117.41	134.17
Term loan USD 811,967 (Previous year: 998,159) - repayable in 111 monthly (Previous year : 9 quarterly) instalments of USD 7,289	6.75% (Fixed)	673.31	819.92
Machinery Loan (USD loan) Repayable in 15 (Previous year: 27) equated monthly instalments	12.05% (Fixed)	46.81	80.22
Vehicle Loan (USD loan) Repayable in 20 (Previous year: 32) equated monthly instalments	12.05% (Fixed)	20.25	30.67
Total		**2,609.35**	**3,086.28**

Above figures are including current maturity as disclosed in note 18.

(Rs. in Lakhs)

16.

Provisions (Non-current)	As at 31st March, 2025	As at 31st March, 2024
Provision for employee benefits		
- Leave benefits	93.96	84.80
Total	**93.96**	**84.80**

17 Income & deferred taxes

The major components of income tax expense for the years ended 31st March, 2025 & 31st March, 2024 are as under:

17.1 Statement of profit & loss

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Current income tax	624.23	570.50
Deferred tax charge / (credit)	157.33	39.37
Income tax of earlier years (net)	(12.56)	(12.77)
Tax expense reported in the statement of profit & loss	**769.00**	**597.10**

17.2 Other comprehensive income (OCI)

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Deferred tax related to items recognised in OCI		
Re-measurement of defined benefit plans	(14.29)	(17.75)
Deferred tax charge / (credit)	**(14.29)**	**(17.75)**

17.3 Reconciliation of tax expenses and the accounting profit multiplied by applicable tax rate for 31st March, 2025 and 31st March, 2024.

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Accounting profit before tax	3,486.37	2,825.52
Applicable income tax rate	25.17%	25.17%
	877.45	**711.13**
- Effect of expenses not deductible in determining taxable profit	(7.05)	26.85
- Tax difference of foreign subsidiaries/ intra group eliminations	(88.84)	(128.10)
- Income tax and deferred tax of earlier years (net)	(12.56)	(12.77)
Subtotal	**769.00**	**597.10**
At the effective income tax rate of	22.06%	21.13%
Tax expense reported in the consolidated statement of profit and loss	**769.00**	**597.10**

17.4 Deferred tax liabilities (net)

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Deferred tax (asset)/liability relates to the following:		
Differences in depreciation and amortization for accounting and income tax purposes	519.58	375.07
Provision for NMMC cess liability	(0.04)	(0.04)
Provision for employee benefits	(43.05)	(54.85)
Right of use asset	23.29	30.63
Lease Liabilities	(25.07)	(31.67)
Provision for Contingency	(2.54)	(2.54)
Expenditure incurred on Amalgamation	(1.76)	-
Weighted average deduction u/s 80JJAA (net of unwinding)	8.19	4.67
Net deferred tax liabilities	**478.60**	**321.26**

17.5 Reflected in the balance sheet as follows (Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Deferred tax assets	(40.98)	(53.80)
Deferred tax liabilities	519.58	375.07
Deferred tax liabilities (net)	**478.60**	**321.26**

17.6 Deferred tax income (Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Deferred tax relates to the following:		
Differences in depreciation and amortization for accounting and income tax purposes	144.51	49.36
Provision for employee benefits	11.80	(5.22)
Right of use asset	(7.34)	29.41
Lease Liabilities	6.60	(30.17)
Expenditure incurred on Amalgamation	(1.76)	-
Weighted average deduction u/s 80JJAA (net of unwinding)	3.52	(4.01)
Net deferred tax credit	**157.33**	**39.37**

17.7 The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority and intends either to settle on a net basis. Deferred tax asset has not been recognised on impairment in the value of investment of Rs.810 Lakhs (Previous year: Rs.810 Lakhs) and Provision for doubtful capital advances Rs.Nil (Previous year : Rs. 50 Lakhs) in the absence of reasonable certainty of its reversal in future.

17.8 In accordance with US law, the WOS of the Holding Company has opted for payment of tax on consolidated income [i.e. after considering the income from its subsidiary (SDS of Holding Company)]. Provision for the current tax has been made for the year then ended 31st March, 2025, after considering accumulated carried forward losses of earlier years. Further, no deferred tax asset is recognized on unused tax profits of Rs. 389.53 Lakhs (Previous year : Rs. 384.87 Lakhs) in absence of reasonable certainty of having taxable income (on consolidated basis) in future years.

17.9 The Holding Company applied Deferred tax related to Assets and Liabilities arising from single transaction (Amendments to Ind AS 12) from 1st April, 2023. Following the amendments, the Holding Company has recognised a separate Deferred tax asset in relation to its lease liabilities and Deferred tax liability in relation to right of use assets.

(Rs. in Lakhs)

18 Borrowings (Current)	As at 31st March, 2025	As at 31st March, 2024
Secured		
From bank		
Working capital loans		
- Cash credit (Repayable on demand)	1,591.60	1,227.96
- Packing credit (Repayable within 180 days)	2,794.93	2,720.55
- Bills discounted (Repayable within 30 to 270 days)	-	172.19
Current maturity of long term borrowings		
- Machinery loan taken by SDS	37.21	34.55
- Term loans taken by WOS	24.53	250.22
- Term loan taken by the Holding Company	808.20	898.10
- Vehicle loan taken by the Holding Company and SDS	30.52	27.99
Total	**5,286.99**	**5,331.56**

18.1 Details of security provided on working capital loans

Working capital loans are secured by first charge by way of hypothecation of stock and book debts and second charge on entire property, plant and equipment of the Holding Company. In the previous year, these loans were additionally secured by a personal guarantee provided by the Chairman and Managing Director of the Holding Company, which has since been released during the current year.

(Rs. in Lakhs)

19. Trade Payables	As at 31st March, 2025	As at 31st March, 2024
- Dues to micro & small enterprises	208.08	132.04
- Dues to other than micro & small enterprises	3,997.21	3,648.21
Total	**4,205.29**	**3,780.25**

19.1 Under the Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act], certain disclosures are required to be made relating to Micro and Small Enterprises. The Group has disclosed such information only to the extent received from suppliers about their coverage under the MSMED Act. Auditor's have relied on the same.

19.2 Details of dues to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
a) The principal amount remaining unpaid to any supplier at the end of the year	208.08	132.04
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-

19.3 Terms & conditions of the above financial liabilities:

Trade payables are non-interest bearing and are generally settled on 15 to 270 days terms. For details of balances outstanding of related parties, (refer note 38.3)

19.4 Trade payables ageing schedule as at 31st March, 2025

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed - Micro & small enterprises	188.00	20.08	-	-	-	-	208.08
(ii) Undisputed - Others	1,742.32	2,235.73	2.59	16.47	-	0.10	3,997.21
Total	**1,930.32**	**2,255.81**	**2.59**	**16.47**	**-**	**0.10**	**4,205.29**

Trade payables ageing schedule as at 31st March, 2024

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed - Micro & small enterprises	107.66	24.38	-	-	-	-	132.04
(ii) Undisputed - Others	3,334.39	258.77	-	55.05	-	-	3,648.21
Total	**3,442.05**	**283.15**	**-**	**55.05**	**-**	**-**	**3,780.25**

(Rs. in Lakhs)

20. Other current financial liabilities	As at 31st March, 2025	As at 31st March, 2024
Interest accrued but not due	1.16	11.01
Amount payable for capital goods		
- Dues to other than micro & small enterprises	50.98	35.66
Unpaid dividend	23.83	18.00
Accrued expenses	127.17	95.27
Salary and wages payable	584.37	507.58
Foreign currency forward contract payable (net)	35.09	-
Other liabilities*	50.66	72.91
Total	**873.26**	**740.43**

*Other liabilities includes directors sitting fees, interest payable and payable to employee of subsidiaries, etc.

20.1 Break up of financial liabilities carried at amortised cost

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Borrowings (refer note 15 & 18)	6,995.88	7,206.98
Lease liabilities (refer note 37)	99.56	125.82
Other financial liabilities (refer note 20)	873.26	740.42
Trade payable (refer note 19)	4,205.29	3,780.25
Total	**12,173.99**	**11,853.47**

(Rs. in Lakhs)

21 Other Current liabilities	As at 31st March, 2025	As at 31st March, 2024
Unearned revenue (refer note 21.1)	4.96	25.12
Advance received from customers	10.79	7.65
Statutory liabilities	107.05	225.91
Total	**122.80**	**258.68**

21.1 In the previous year, unearned revenue mainly includes amount of grants (in the nature of export benefits) of Rs.Nil (previous year: Rs. 14.11 lakhs) relating to property, plant and equipment imported under the EPCG scheme. During the year, the Holding Company has recognised EPCG benefit as Export Incentives revenue on account of fulfilment of corresponding export obligation.

(Rs. in Lakhs)

22. Provision (Current)	As at 31st March, 2025	As at 31st March, 2024
Provision for employee benefits		
- Leave benefits	75.85	68.15
- Gratuity	60.64	16.26
Provision for contingency (refer note 22.1)	0.15	0.15
Total	**136.64**	**84.56**

(Rs. in Lakhs)

22.1 Movement of provision for contingency	As at 31st March, 2025	As at 31st March, 2024
Opening balance as on 1st April, 2024	0.15	0.15
Add: Provision made	-	-
Less: Provision utilised / written back	-	-
Closing balance as on 31st March, 2025	**0.15**	**0.15**

Note :

Provision for contingency represents provision for disputed Navi Mumbai Municipal Cess ('NMMC'). In respect of this matter, the Holding Company had paid Rs. 60.29 Lakhs (Previous year : Rs. 60.29 Lakhs) under protest in the previous years and adjusted the payment under protest to the extent of expected liability though the outcome of appeal is pending to be received. Expected outflow of interest/penalty depends on outcome of the appeal filed.

(Rs. in Lakhs)

23 Revenue from operations		Year ended 31st March, 2025	Year ended 31st March, 2024
Sale of products		27,367.07	24,798.62
Sale of traded goods		104.15	-
Sale of services			
Job work and tooling charges		175.40	115.40
	(A)	**27,646.62**	**24,914.01**
Other operating revenues			
- Export incentives		558.49	271.34
- Sale of electricity - windmill		197.39	182.27
- Amount no longer payable written back		10.74	47.25
- Scrap sales		2,772.89	2,252.00
	(B)	**3,539.51**	**2,752.85**
Total	(A + B)	**31,186.13**	**27,666.86**

23.1 Disclosures of Ind AS 115 - Revenue from contracts with customers:

(a) Contracts with customer and significant judgment in applying the standard:

(i) The Group's operations relates to manufacturing and selling of forged and machined components for various sectors. The Group caters to both domestic and international markets. The Group applies the guidance provided in Ind AS 115 'Revenue from contracts with customer' for determining the timing of recognition of revenue. Refer material accounting policies on Revenue recognition.

(ii) For details of revenue recognised from contracts with customers, refer note 23.2 below.

(iii) There are no contract assets arising from the Group's contract with customers.

(b) Disaggregation of revenue:

(i) For disaggregation of revenue, refer break-up given in note 23 above and note 44.1.

(ii) Refer note 44.4(iii) for details regarding customer concentration that represents 10% or more of the Group's total revenue during the year ended 31st March, 2025 & 31st March, 2024 .

(c) Performance obligation: For timing of satisfaction of its performance obligations, refer note 3.6 of material accounting policies of the Group.

(d) During the year ended 31st March, 2025 and 31st March, 2024, the Holding company recognized revenue of Rs.25.12 Lakhs and Rs.Nil arising from opening unearned revenue as of 1st April, 2024 and 1st April, 2023, respectively.

23.2 Reconciliation of revenue recognized with the contracted price is as follows:

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Contracted price	31,222.65	27,646.95
Less: Amount towards variable consideration components*	36.52	(19.91)
Revenue recognised	**31,186.13**	**27,666.86**

* The reduction towards variable consideration comprises of volume discounts given / reversed, etc.

(Rs. in Lakhs)

24 Other income	Year ended 31st March, 2025	Year ended 31st March, 2024
Interest income on		
- Fixed deposit	4.08	2.15
- Others	0.44	0.38
Other miscellaneous income*	27.83	21.48
Gain on sale / discard of property, plant & equipment (net)	186.72	15.29
Interest on Income tax refund	-	3.21
Foreign exchange fluctuation gain (net)	301.40	330.09
Total	**520.47**	**372.60**

* Miscellaneous income includes recoveries of expenses incurred in earlier years, sundry scrap & other recoveries.

(Rs. in Lakhs)

25	Cost of raw materials consumed	Year ended 31st March, 2025	Year ended 31st March, 2024
	Opening Inventory	1,860.72	1,697.78
	Add : Purchases	14,354.77	13,283.69
		16,215.49	**14,981.46**
	Less : Closing Inventory	1,707.53	1,860.72
	Cost of raw materials consumed	**14,507.96**	**13,120.74**

(Rs. in Lakhs)

26	Purchases of stock in trade	Year ended 31st March, 2025	Year ended 31st March, 2024
	Purchase of Trading Goods	103.72	-
	Total	**103.72**	**-**

26.1 Particulars of Goods Traded

(Rs. in Lakhs)

Description of goods	Opening	Purchase	Sales	Closing
2024-25				
Carbon steel bars	-	103.72	104.15	-
2023-24	-	-	-	-

(Rs. in Lakhs)

27	Changes in inventories of work-in-progress, finished goods and scrap		Year ended 31st March, 2025	Year ended 31st March, 2024
	Opening Inventory			
	Finished goods (refer note 7.4)		745.31	996.10
	Finished goods in transit		571.51	404.30
	Work-in-progress		2,627.87	2,383.65
	Scrap		38.98	18.19
		(A)	**3,983.67**	**3,802.25**
	Closing Inventory			
	Finished goods (refer note 7.4)		783.18	745.31
	Finished goods in transit		498.18	571.51
	Work-in-progress		3,095.25	2,627.87
	Scrap		42.07	38.98
		(B)	**4,418.68**	**3,983.67**
	Increase in Stock of WIP, finished goods and scrap	**(A - B)**	**(435.01)**	**(181.42)**

(Rs. in Lakhs)

28	Manufacturing expenses	Year ended 31st March, 2025	Year ended 31st March, 2024
	Dies expenses	350.91	348.38
	Consumption of Stores & Spares	1,256.59	1,027.02
	Other freight inward and other expenses	160.10	114.10
	Power, fuel and water (net)	1,318.94	1,199.34
	Insurance expenses	161.85	108.95
	Repairs and maintenance		
	- Plant and machinery	175.73	223.71
	- Windmill maintenance charges	41.10	34.33
	- Building	73.14	69.42
	Contract labour expense (net)	821.84	590.44
	Job work expenses	2,176.40	1,615.87
	Rent	132.21	98.21
	Total	**6,668.81**	**5,429.77**

(Rs. in Lakhs)

29	Employee benefit expense	Year ended 31st March, 2025	Year ended 31st March, 2024
	Salaries, wages and bonus (including managerial remuneration)	3,992.03	3,538.09
	Contribution to provident and other funds	213.50	209.05
	Gratuity	55.64	45.23
	Leave benefits	41.94	28.04
	Workmen and staff welfare expenses	117.03	96.66
	Total	**4,420.14**	**3,917.06**

(Rs. in Lakhs)

30.	Finance costs	Year ended 31st March, 2025	Year ended 31st March, 2024
	Interest on bank facilities	648.20	605.22
	Foreign exchange loss (attributable to finance cost)	-	5.08
	Other interest costs*	9.74	9.86
	Bank charges	119.87	105.30
	Total	**777.81**	**725.46**

*Other interest costs mainly includes interest on leasehold properties in accordance with Ind AS 116- Leases.

30.1 The foreign exchange loss relates to foreign currency term loans to the extent considered as an adjustment to the interest cost.

(Rs. in Lakhs)

31. Other expenses	Year ended 31st March, 2025	Year ended 31st March, 2024
Freight outward	417.70	360.84
Professional and legal fees	256.30	423.66
Travelling and conveyance	86.93	73.56
Rates and taxes	103.40	79.83
Repairs and maintenance - Others	53.91	31.55
Payment to auditors (refer note 31.1)	34.69	34.51
Directors sitting fees	17.25	15.75
Commission to other directors	10.00	8.40
Provision for doubtful capital advance reversed, since no longer required	(50.00)	-
Corporate social responsibility expenses (refer note 47)	46.60	40.25
Donation	2.62	1.74
Business Promotion Expenses	20.44	-
Miscellaneous expenses *	207.02	163.06
Total	**1,206.86**	**1,233.15**

* Miscellaneous expenses includes office expenses, printing stationery, postage, security, selling, communication etc.

(Rs. in Lakhs)

31.1 Payment to auditors	Year ended 31st March, 2025	Year ended 31st March, 2024
As auditor:		
- Statutory audit fees	21.63	21.60
- Tax audit (including transfer pricing)	2.47	2.43
- Others (including certification fees)	10.59	10.48
Total	**34.69**	**34.51**

32 Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI for each type of reserve in equity is shown below

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2025	Tax	Total
Re-measurement losses on defined benefit plans	(56.79)	14.29	(42.50)
	(56.79)	**14.29**	**(42.50)**
Items that will be reclassified to profit or loss in subsequent years			
Cash flow hedge through other comprehensive income (loss) *	(8.82)	2.22	(6.60)
Less: Amount reclassified to P&L during the year	8.82	(2.22)	6.60
	-	-	-
Total	**(56.79)**	**14.29**	**(42.50)**

*Represents amount of loss that is not expected to be recovered in subsequent years.

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2024	Tax	Total
Re-measurement losses on defined benefit plans	(70.52)	17.75	(52.77)
	(70.52)	**17.75**	**(52.77)**
Items that will be reclassified to profit or loss in subsequent years			
Cash flow hedge through other comprehensive income (loss)	-	-	-
Less: Amount reclassified to P&L during the year	-	-	-
	-	-	-
Total	**(70.52)**	**17.75**	**(52.77)**

33. Earnings per equity share (Rs. in Lakhs except share & per share data)

Particulars		Year ended 31st March, 2025	Year ended 31st March, 2024
Numerator for basic and diluted EPS			
Net profit after tax attributable to shareholders (before OCI) (in Rs. Lakhs)		2,717.37	2,228.42
(A) **Denominator for basic EPS**			
Weighted average number of equity shares for basic EPS	(B)	1,72,70,000	1,72,70,000
Denominator for diluted EPS			
Weighted average number of equity shares for diluted EPS	(C)	1,72,70,000	1,72,70,000
Basic earnings per share of face value of Rs.10/- each (in Rs.)	**(A/B)**	**15.73**	**12.90**
Diluted earnings per share of face value of Rs.10/- each (in Rs.)	**(A/C)**	**15.73**	**12.90**

34 Contingent liabilities

(A) Contingent liabilities are determined on the basis of available information and are disclosed in the notes to the consolidated financial statements. Details of contingent liabilities not provided for are as given below:

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
(a) Claim against the Holding Company not acknowledged as debts (net)	26.25	26.25
(b) Guarantee issued by bank on behalf of the Holding Company	138.00	125.47

(i) In respect of (a) above, future cash out flows (including interest / penalty) are determinable on receipt of judgments from the statutory authorities / labour court.

(ii) In respect of (b) above, the Company does not expect any cash outflow till such time contractual obligations are fulfilled.

(B) The Holding Company has received demand order under the Income Tax Act, 1961 as given below:

(Rs. in Lakhs)

Demand pertaining to financial Year	As at 31st March, 2025	As at 31st March, 2024
2019-20	28.56	28.56
Total	**28.56**	**28.56**

In this regard, the Holding Company has filed appeal before tax authorities. Future cash outflows, if any, in respect of the above is determinable only on disposal of appeal. In the view of the management, the possibility of liability devolving on the Company in this case is remote.

(C) Claims made by the ex-employees of the Holding Company whose services have been terminated in earlier years are not acknowledged as debt. The matters are frivolous and are disputed under various forums. However, in the opinion of the management, these claims are not tenable. The possibility of any liability devolving on the Group is remote and hence, no disclosure as contingent liability is considered necessary.

(D) During the previous year, the WOS had received Anti-dumping duty demand order raised by U.S. Customs and Border Protection amounting to USD 85,201.72 (excluding interest) (equivalent to Rs. 70.06 lakhs) (Previous year: USD 85,201.72 (equivalent to Rs. 70.06 Lakhs) in respect of classification of stainless-steel flanges imported from the Holding Company to United States during for the period 28th March 2018 to 30th September 2019. WOS had filed their response with the Authority and final outcome is awaited. In the view of the management and based on expert's opinion obtained by the WOS, the possibility of liability devolving on the WOS in this case is remote and hence, no disclosure as contingent liability in considered necessary.

35 Capital and other commitments

(i) Capital commitment for tangible assets (net of advance paid) - Rs. 269.71 Lakhs (Previous year: Rs. 1,097.68 Lakhs) and for intangible assets (net of advance paid) - Nil (Previous year: Nil).

(ii) The Holding company had imported machinery under the export promotion capital goods (EPCG) scheme to utilise the benefit of a zero customs duty rate which were subject to future exports. Pending export obligations at year-end aggregate to Rs. Nil (Previous year Rs. 84.71 Lakhs). The Holding company is in process of redemption of such licenses whose export obligations are fully completed. (Also, refer note 23.1)

36 Borrowings secured against current assets

During the year, the Holding Company has taken borrowings from a bank on the basis of security of current assets. Discrepancies in quarterly returns or statements of current assets filed by the Holding Company to bank with books of account which are not material (0.13% on average basis) are as mentioned below:

(Rs. in Lakhs)

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
30th June, 2024	Union Bank of India	Inventory and trade receivables	11,691.45	11,662.63	28.82	Mainly on account of: 1) Quarterly provisioning made for Slow-moving and non-moving inventories 2) Exclusion of receivable standing in books on account of sale of windmill power
30th September, 2024	Union Bank of India	Inventory and trade receivables	12,404.56	12,344.23	60.33	
31st December, 2024	Union Bank of India	Inventory and trade receivables	13,216.60	13,255.41	(38.82)	

37 Leases:

Company as lessee:

I) Disclosures as per Ind AS 116- Leases

a) The Holding Company has taken factory premises and machinery under lease agreements and the Holding Company has obtained land on leasehold basis from local authorities.

(Rs. in Lakhs)

The details of outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:	2024-25	2023-24
Lease payment not later than one year	28.59	26.26
Lease payment later than one year and not later than five years	70.97	99.56
Lease payment later than five years	-	-
Total	**99.56**	**125.82**

b) For lease arrangement with lease terms of 12 months or less, the Holding Company has applied the 'short-term lease' recognition exemptions.

c) For addition, depreciation and carrying value of right of use asset, refer note 4.2.

d) Disclosure with respect to lease under Ind AS-116 Leases:

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Interest expense on lease liabilities	9.74	9.84
Lease expenses in case of short term leases and low value leases	132.21	98.21
Lease expenses debited to lease liabilities	26.26	119.89
Total cash outflow for leases [incl. short term & low value leases]	**168.21**	**227.94**

e) Disclosure in Balance Sheet:

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Right-of-use assets (gross block)	201.86	201.86
Right-of-use assets (net book value)	129.24	159.04
Financial liability- Lease liabilities - current	28.59	26.26
Financial liability -Lease liabilities - non-current	70.97	99.56

38. Related party disclosure

38.1 Name of the related parties and related party relationship

Description of relationship	Name of the Related Party
Enterprise having control over the Holding Company (Ultimate holding company)	Nami Capital Private Limited (Refer note 58)
Director/Key management personnel (KMP)	Mr. Pradeep Goyal, Chairman & Managing Director
	Dr. Kewal K. Nohria, Non-Executive Director
	Mrs. Neeru Pradeep Goyal, Non-Executive Director (Wife of Chairman & Managing Director)
	Mr. Jayavardhan Dhar Diwan, Independent Director
	Mrs. Nandita Vohra, Independent Director
	Mr. Abhinav Goyal, Non- Executive Director (Son of Chairman & Managing Director Mr. Pradeep Goyal and Director Mrs. Neeru Goyal)
	Mr. Kartick Maheshwari, Independent Director
	Mr. Advait Kurlekar, Independent Director
Relatives of key management personnel	Mrs. Neha Goyal (Wife of Director Mr. Abhinav Goyal)
Enterprises owned or significantly influenced by key management personnel or their close members with whom transactions have taken place during the year	Dhanlabh Engineering Works Private Limited

Note: Designated Key Managerial Personnel as required Section 203 of the Companies Act, 2013 are not considered to be Key Management Personnel (Related party) for the purpose of disclosure under Ind AS 24.

38.2 Related party transactions

(Rs. in Lakhs)

Name of the related party	Nature of the transaction	As at 31st March, 2025	As at 31st March, 2024
Dhanlabh Engineering Works Private Limited	Labour charges paid	86.77	99.85
	Job Work and tooling charges	8.11	8.01
	Sale of products	1.07	4.23
	Rent expenses (amortisation of RoU)	42.48	42.48
	Electricity charges (Reimbursement)	18.99	18.84
Nami Capital Private Limited	Dividend paid (including interim dividend)	203.89	101.94
Mrs. Neeru Goyal	Sitting fees paid	1.25	1.25
	Dividend paid (including interim dividend)	18.40	9.20
Dr. Kewal K. Nohria	Sitting fees paid	3.00	3.00
	Dividend paid (including interim dividend)	13.48	6.74
	Commission	2.00	1.75
Mr. Jayavardhan Dhar Diwan	Sitting fees paid	3.00	3.00
	Commission	2.00	1.75
Mr. Kartick Maheshwari	Sitting fees paid	2.75	2.75
	Commission	2.00	1.75
Mrs. Nandita Vohra	Sitting fees paid	3.00	2.75
	Commission	2.00	1.75
Mr. Advait Kurlekar	Sitting fees paid	2.75	1.75
	Commission	2.00	1.40
Mr. Pradeep Goyal	Remuneration (including other allowances)	191.55	152.94
	Incentive	70.00	60.00
	Dividend paid (including interim dividend)	31.53	15.76
Mr. Abhinav Goyal	Remuneration (including other allowances)	190.40	182.78
	Sitting fees paid	1.25	1.25
Mrs. Neha Goyal	Remuneration (including other allowances)	131.16	125.91

Note: Sitting fees, commission, remuneration and incentive pay forms part of short term employee benefits.

* Does not include Leave encashment since the same is considered for all employees (including the Chairman & Managing Director) of the Holding Company as a whole.

38.3 Balance outstanding as at the year end

(Rs. in Lakhs)

Name of the related party	Nature of the transaction	As at 31st March, 2025	As at 31st March, 2024
Dhanlabh Engineering Works Private Limited	Trade payable	15.62	16.05
	Rent Deposits	6.40	6.40
	Lease liability	99.56	125.82
Dr. Kewal K. Nohria	Commission payable	1.97	1.58
Mr. Jayavardhan Dhar Diwan	Commission payable	1.97	1.58
Mr. Kartick Maheshwari	Commission payable	1.97	1.58
Mrs. Nandita Vohra	Commission payable	1.97	1.58
Mr. Advait Kurlekar	Commission payable	1.97	1.26
Mr. Pradeep Goyal	Remuneration payable	10.66	11.18
	Incentive payable	37.59	31.96
Mr. Abhinav Goyal	Remuneration payable	6.48	4.37
Mrs. Neha Goyal	Remuneration payable	3.92	2.68

Note: In addition to above transactions, Chairman and Managing Director of the Holding Company and Director of SDS have given personal guarantee for loan facilities taken by the Holding Company and SDS. No guarantee charges are payable by the Group. (Refer note 15.1 & 18.1)

38.4 All transactions were made on normal commercial terms and conditions and at market rates.

39 Financial instruments by category

Set out below is a comparison, by class, of the carrying amounts and fair value of the Group's financial instruments as of 31st March, 2025, other than those with carrying amounts that are reasonable approximates of fair values:

(Rs. in Lakhs)

Particulars	Carrying value		Fair Value	
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024
(i) Loans	5.67	4.00	5.67	4.00
(ii) Other non-current financial assets	117.80	241.78	117.80	241.78
(iii) Trade receivables	7,678.13	6,618.86	7,678.13	6,618.86
(iv) Cash and cash equivalents	504.46	464.21	504.46	464.21
(v) Other bank balances	41.45	55.74	41.45	55.74
(vi) Other current financial assets	123.76	254.67	123.76	254.67
Total financial assets	**8,471.27**	**7,639.26**	**8,471.27**	**7,639.26**
(i) Borrowings (Non-current)	1,708.89	1,875.42	1,708.89	1,875.42
(ii) Lease liabilities (Non-current)	70.97	99.56	70.97	99.56
(iii) Trade payable	4,205.29	3,780.25	4,205.29	3,780.25
(iv) Lease liabilities (Current)	28.59	26.26	28.59	26.26
(v) Other current financial liabilities	873.26	740.42	873.26	740.42
(vi) Borrowings (Current)	5,286.99	5,331.56	5,286.99	5,331.56
Total financial liabilities	**12,173.99**	**11,853.47**	**12,173.99**	**11,853.47**

The Management assessed that the fair value of cash and cash equivalent, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(ii) Fair value hierarchy

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuation techniques for which lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3: Valuation techniques for which lowest level input that is significant to the fair value measurement is directly or indirectly unobservable;

The following tables categorise the financial assets and liabilities held at fair value by the valuation methodology applied in determining their fair value.

Fair value hierarchy as at 31st March, 2025 (Rs. in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial liabilities				
Derivative Instruments	-	35.09	-	35.09

Fair value hierarchy as at 31st March, 2024 (Rs. in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Derivative Instruments	-	42.78	-	42.78

Determination of fair values : The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value.

Derivative instruments : For forward contracts, future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward exchange rates, discounted at a rate that reflects the credit risk of respective counterparties.

40 Significant estimates and assumptions

The preparation of the Group's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or (Cash Generating Unit) CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk adjusted discount rate, future economic and market conditions.

b) Measurement of defined benefit plan & other long term benefits

The cost of the defined benefit gratuity plan / other long term benefits and the present value of the gratuity obligation / other long term benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation / other long term benefits is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The cost of the defined benefit gratuity plan and other long term benefit and the present value of the gratuity obligation and leave benefit are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

c) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on industry practice, group's past history and existing market conditions as well as forward looking estimates at the end of each reporting period. The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

e) Income tax and deferred tax

Provision for tax liabilities require judgments on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the consolidated statement of profit and loss.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized.

f) Provision for inventories

The Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory item with the respective net realisable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. The Management is satisfied that adequate allowance for absolute and slow-moving inventories has been made in the consolidated financial statements.

41 Foreign currency exchange rate risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the group's export revenue. The Group cover its foreign currency risk by booking forward contract against exports receivables and confirmed export sales orders. The Group also avails bill discounting facilities in respect of export receivables.

Since a major part of the group's revenue is in foreign currency and major part of the costs are in Indian Rupees, any movement in currency rates would have impact on the group's performance. Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance.

The major foreign currency exposures for the group are denominated in USD. Additionally, there are transactions which are entered into in other currencies and are not significant in relation to the total volume of the foreign currency exposures. The group hedges export trade receivables (particularly USD and Euro) upto a maximum of 12 months forward based on historical trends. Hedge effectiveness is assessed on a regular basis.

The following table sets forth information relating to foreign currency exposure from USD, EUR and GBP (which are not material) form non-derivative financial instruments:

(Rs. in Lakhs)

As at 31st March, 2025	USD	Euro	GBP	SGD	Total
Assets					
Trade Receivables	-	-	69.46	-	69.46
Vendor Advances	2.77	-	-	-	2.77
Total	**2.77**	**-**	**69.46**	**-**	**72.23**
Liabilities					
Trade payables	0.57	-	-	-	0.57
Total	**0.57**	**-**	**-**	**-**	**0.57**
Net Asset / (Liability)	**2.20**	**-**	**69.46**	**-**	**71.66**

(Rs. in Lakhs)

As at 31st March, 2024	USD	Euro	GBP	SGD	Total
Assets					
Trade Receivables	-	-	69.07	-	69.07
Vendor Advances	191.85	-	-	-	191.85
Total	**191.85**	**-**	**69.07**	**-**	**260.92**
Liabilities					
Trade payables	0.90	0.67	-	-	1.57
Total	**0.90**	**0.67**	**-**	**-**	**1.57**
Net Asset / (Liability)	**190.95**	**(0.67)**	**69.07**	**-**	**259.35**

Sensitivity analysis

(Rs. in Lakhs)

Particulars	Foreign Currency Sensitivity							
	As at 31st March, 2025				As at 31st March, 2024			
	USD	Euro	GBP	SGD	USD	Euro	GBP	SGD
1% Appreciation in INR Impact on Profit & Loss	(0.02)	-	(0.69)	-	(1.91)	0.01	(0.69)	-
1% Depreciation in INR Impact on Profit & Loss	0.02	-	0.69	-	1.91	(0.01)	0.69	-

42 Financial risk management objectives and policies

The Group's principal financial liabilities comprise loans and borrowings, trade payables and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a Risk Management Committee (RMC) that advises on financial risks and the appropriate financial risk governance framework for the Group. The RMC provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

Further, the Holding Company also avails subvention benefits under MSMED Act.

Interest rate sensitivity

The Group's total interest cost the year ended 31st March 2025 was Rs. 648.20 Lakhs and for year ended 31st March 2024 was Rs. 605.22 Lakhs. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Change in basis points	Effect on PBT and equity (Rs. in Lakhs)
31st March, 2025	0.50	(38.20)
	-0.50	38.20
31st March, 2024	0.50	(34.32)
	-0.50	34.32

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's export revenue and long term foreign currency borrowings.

The Group covers its foreign currency risk by budgeting exports sales & repeat orders from its overseas customers and the Holding Company books forward contract against exports receivable. The Holding Company also avails bill discounting facilities in respect of export receivables.

Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the on-going purchase of steel. Due to significant volatility of the price of the steel, the Group has agreed with its customers for pass-through of increase / decrease in prices of steel. There may be lag effect in case of such pass-through arrangement.

Commodity price sensitivity

The Group revises its prices to customers on quarterly basis by considering average raw materials prices prevailing in the previous quarter implying it passes through any increase in prices thereby minimising the impact on the profit and loss and equity of the Group.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and other receivables and deposits, foreign exchange transactions and other financial instruments.

Expected credit loss and Trade receivables

Customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Further, the Group's customers includes companies having long standing relationship with the Group. Outstanding customer receivables are regularly monitored and reconciled. One customers accounted for more than 10% of the total receivables as at 31st March 2025. No customer accounted for more than 10% of the total receivables as at 31st March 2024. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The calculation is based on historical data, past trend and standard percentage norms. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11.3. The Group does not hold collateral as security except in case of few customers. Majority of the export receivable are covered under the insurance cover. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Liquidity risk

As per the Group's policy, there should not be concentration of repayment of loans in a particular financial year. In case of such concentration of repayment, the Group evaluates the option of refinancing entire or part of repayments for extended maturity. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders and the Group.

The table below summarises the maturity profile of the Group's financial liabilities:

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Less than 1 year		
Borrowings (Current)	5,286.99	5,331.56
Trade and other payables	4,205.29	3,780.25
Lease liabilities (Current)	28.59	26.26
Other financial liabilities	873.26	740.42
	10,394.13	**9,878.49**
1 to 5 years		
Borrowings (Non-current)	1,708.89	1,875.42
Lease liabilities (Non-current)	70.97	99.56
	1,779.86	**1,974.98**
Total	**12,173.99**	**11,853.47**

43 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Holding Company. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital to ensure that it will be able to continue as a going concern so, that they can continue to provide returns for the shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce cost of capital. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a debt equity ratio, which is debt divided by equity.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by equity. Net debt is calculated as total borrowing (including current and non-current terms loans as shown in the balance sheet).

The Group monitors capital using 'Total Debt' to 'Equity'. The Group's Total Debt to Equity are as follows:

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Total debt*	6,995.88	7,206.98
Total capital (total equity other than OCI)	14,240.05	11,868.07
Net debt to equity ratio	**0.49**	**0.61**

* Total Debt = Non-current borrowings + Current borrowings + Current maturities of Non-current borrowings

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2025 and 31st March, 2024.

44 Segmental disclosure

The Group is primarily engaged in manufacturing of closed die steel forging & processing and generating power from wind turbine generator and solar power generating system.

(Rs. in Lakhs)

	Particulars	Closed die forging and processing	Power generation	Total
44.1	**Segment Revenue-Gross**			
	External revenue	30,988.75	197.38	**31,503.45**
	Previous year	27,484.60	182.26	27,666.86
44.2	**Segment Result**			
	Segment total	3,829.64	268.02	**4,097.66**
	Previous year	3,169.36	129.53	3,298.90
	Unallocated corporate income net of unallocated expenses			**(166.52)**
	Previous year	-	-	(252.08)

(Rs. in Lakhs)

Particulars	Closed die forging and processing	Power generation	Total
Finance costs (unallocated)			**777.81**
Previous year			725.46
Profit before tax			**3,486.37**
Previous year			2,825.52
Tax expense			**769.00**
Previous year			597.10
Profit for the year (before OCI)			**2,717.37**
Previous year (before OCI)			2,228.42
44.3 **Other information**			
Segment assets	23,871.73	2,060.77	**25,932.49**
Previous year	21,070.01	2,155.46	23,225.47
Unallocated corporate assets			**810.21**
Previous year			767.81
Segment liabilities	6,192.28	616.12	**6,808.41**
Previous year	5,134.05	730.65	5,864.71
Unallocated corporate liabilities			**6,212.98**
Previous year			6,738.07
Depreciation/amortization	865.57	104.37	**969.94**
Previous year	882.07	87.11	969.18
Capital expenditure (other than capital advances)	2,367.32	96.37	**2,463.70**
Previous year	1,132.38	1,190.45	2,322.83

44.4 Secondary segment: Geographical information

i) Sales, service income and other operating revenue by geographical market:

(Rs. in Lakhs)

Locations	Year ended 31st March, 2025	Year ended 31st March, 2024
Within India	14,654.82	12,641.84
Outside India	16,531.31	15,025.02
Total	**31,186.13**	**27,666.86**

ii) Trade receivable at year end

(Rs. in Lakhs)

Locations	Year ended 31st March, 2025	Year ended 31st March, 2024
India	2,534.18	1,761.08
Outside India	5,143.95	4,084.68
Total	**7,678.13**	**5,845.76**

iii) Reliance on major customers:

No customer represented more than 10% of total revenue for the year ended 31st March, 2025 and 31st March, 2024.

Notes:

a) The operating segments have been reported in a manner consistent with the internal reporting provided to the Corporate Management Committee, which is the Chief Operating Decision Maker.

b) The business segment comprise the following:

i) Closed Die Forging and Processing

ii) Power Generation

c) The geographical information considered for disclosure are: Sales within India and Sales outside India.

45 Hedge accounting

The Holding Company has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the Holding Company. The Holding Company's manages currency risk as per trends and experiences. The Holding Company uses forward exchange contracts to hedge against its foreign currency exposures relating to export receivables. The Holding Company does not enter into any derivative instruments for trading or speculative purposes.

(a) The assets and liabilities position of various outstanding derivative financial instruments is given below:

(Rs. in Lakhs)

Particulars	2024-25		2023-24	
	In foreign currency	In INR	In foreign currency	In INR
Hedge				
Foreign currency forward contract (with underlying trade receivables considered for fair flow hedge) - Assets				
- USD	50.82	4,349.35	60.49	5,083.92
- Euro	16.30	1,504.68	20.16	1,872.89
Foreign currency forward contract (with underlying firm commitments considered for cash value hedge) - Assets				
- USD	7.68	657.16	-	-
- Euro	8.20	757.28	-	-
Total	**83.00**	**7,268.46**	**80.65**	**6,956.81**

(b) Outstanding position of foreign exchange derivative financial instruments

(Rs. in Lakhs)

Particulars	Currency pair	Buy/ Sell	Fair value Gain / (loss) Amount	
			2024-25	2023-24
Foreign currency forward contract (with underlying trade receivables considered for fair flow hedge)	USD_INR	Sell	(30.26)	11.63
	Euro_INR	Sell	4.00	31.15
Foreign currency forward contract (with underlying firm commitments considered for cash value hedge)	USD_INR	Sell	(9.25)	-
	Euro_INR	Sell	0.43	-
Total Gain / (Loss)			**(35.09)**	**42.78**

(c) Details of amount held in hedging reserve (i.e. cash flow hedge) and the period over which these are going to be released:

For the year ended as on 31st March, 2025

(Rs. in Lakhs)

Particular	Closing value in hedging reserve Gain/(Loss)	Release in less than 12 months	Release in more than 12 months
Foreign currency forward contracts (gross amount):			
USD_INR(trade receivables)	-	-	-
EURO_INR(trade receivables)	-	-	-
Closing balance at year end	**-**	**-**	**-**

For the year ended as on 31st March, 2024

(Rs. in Lakhs)

Particular	Closing value in hedging reserve Gain/(Loss)	Release in less than 12 months	Release in more than 12 months
Foreign currency forward contracts (gross amount):			
USD_INR(trade receivables)	-	-	-
EURO_INR(trade receivables)	-	-	-
Closing balance at year end	**-**	**-**	**-**

(d) Amount of gain / loss (net of taxes) recognised in hedging reserve and recycled:

i) During the financial year 2024-25:

(Rs. in Lakhs)

Particulars	Opening balance	Net amount recognised	Recycled to P&L (Refer note below)	Closing balance
Foreign currency forward contracts	-	(6.60)	6.60	-
Total	**-**	**(6.60)**	**6.60**	**-**

ii) During the financial year 2023-24:

(Rs. in Lakhs)

Particulars	Opening balance	Net amount recognised	Recycled to P&L (Refer note below)	Closing balance
Foreign currency forward contracts	-	-	-	-
Total	**-**	**-**	**-**	**-**

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes.

The amount of gain / (loss) recognised in Statement of Profit and Loss on account of hedge ineffectiveness for cash flow hedges for the year ended 31st March, 2025 is Rs. Nil (Previous year : Rs. Nil).

46. Expenditure on research & development (charged to the Consolidated Statement of P & L) (Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Professional fees	14.49	13.98
Motor car expenses	1.28	1.65
Repairs & maintenance	0.35	1.49
Materials stores & spares	1.99	4.80
Other expenses	3.70	1.42
Total	**21.82**	**23.34**

47. CSR expenditure

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
(a) Amount required to be spent by the Holding Company during the year	46.45	40.02
(b) Amount of expenditure incurred during the year	46.60	40.25
i) On specified purposes	46.60	40.25
(c) Shortfall at the end of the year	-	-
(d) Total of previous year's shortfall*	-	-
(e) Reason for shortfall	N.A.	N.A.
(f) Nature of CSR activities	Health Care Education and Skill Development Ensuring environmental sustainability, ecological balance	

*(Refer note 50.2 for cash flow on account of CSR expenditure)

Since the Holding Company has spent in excess of the amount which was required to be spent for 2024-25, the Holding Company is entitled to carry forward the amount spent of Rs. 0.15 Lakhs (Previous Year - Rs. 0.23 Lakhs) to subsequent three financial years respectively which can be set off against CSR obligations of these years. However, for accounting purpose, cumulative excess amount spent of Rs. 0.15 Lakhs (Previous Year - Rs. 0.23 Lakhs) is not considered as prepaid expenses.

48 Defined benefits and other long term benefit plans

(a) Gratuity plan

Funded scheme

The Holding Company has a defined benefit gratuity plan for its employees. The gratuity plan is governed by the payment of Gratuity Act, 1972. Under the Act, every employee who has completed five years of service is entitled to specific benefit. The level of benefits provided on the employee's length of service and salary retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per the provisions of the payment of Gratuity Act, 1972. The scheme is funded with insurance company in the form of a qualifying insurance policy.

Risk exposure and asset-liability matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefits payments.

I. Liability risks

a) Asset-liability mismatch risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Holding Company is successfully able to neutralize valuation swings caused by interest rate movements.

b) Discount rate risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice have a significant impact on the defined benefit liabilities.

c) Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increase provided at the Management's discretion may lead to uncertainties in estimating this increasing risk.

II. Asset Risks

All plan assets are maintained in a trust fund managed by a public sector insurer viz. LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Holding Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Holding Company has no control over the management of funds but this option provides a high level of safety for the total corpus.

The following table summarises the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the gratuity plan. The principal assumptions used in determining gratuity for the Holding Company's plan is shown below:

Particulars	**As at 31st March, 2025**	**As at 31st March, 2024**
Mortality table	IALM (2012-14) Ult	IALM (2012-14) Ult
Discount rate	6.65%	7.19%
Expected rate of return on plan assets	6.65%	7.19%
Rate of increase in compensation levels	6.00%	5.50%
Expected average remaining working lives (in years)	10.00	10.00
Employee attrition rate	For Service 2 years and below : 20% p.a.; For Service 3 to 4 years : 10% p.a. and For Service 5 years and above : 4% p.a.	For Service 2 years and below : 20% p.a.; For Service 3 to 4 years : 10% p.a. and For Service 5 years and above : 4% p.a.

Changes in the present value of the defined benefit obligation recognised in the Consolidated Balance Sheet are as follows:

(Rs. in Lakhs)

Particulars	**As at 31st March, 2025**	**As at 31st March, 2024**
Present value of obligation as at the beginning of the year	794.24	699.90
Interest expense	57.11	52.07
Current service cost	54.48	47.17
Benefits paid	(81.20)	(69.32)
Remeasurements on obligation [Actuarial Loss]	51.26	64.41
Closing defined benefit obligation	**875.89**	**794.24**

Changes in the fair value of plan assets recognised in the Consolidated Balance Sheet are as follows:

(Rs. in Lakhs)

Particulars	**As at 31st March, 2025**	**As at 31st March, 2024**
Opening fair value of plan assets	777.98	726.06
Interest income	55.94	54.02
Contributions	68.05	73.32
Benefits paid	(81.20)	(69.32)
Return on plan assets, excluding amount recognised in interest income - loss	(5.52)	(6.11)
Closing fair value of plan assets	**815.24**	**777.98**

Net Interest (Income/Expense)

(Rs. in Lakhs)

Particulars	**Year ended 31st March, 2025**	**Year ended 31st March, 2024**
Interest Expense - Obligation	57.11	52.07
Interest Income - Plan assets	(55.94)	(54.02)
Net Interest (Income)/Expense for the year	**1.17**	**(1.95)**

Remeasurement for the year [Actuarial (Gain)/Loss]

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Experience Loss on plan liabilities	(0.53)	28.65
Financial (Gain) / Loss on plan liabilities	51.80	35.76

Amount recognised in Consolidated Statement of other comprehensive income (OCI)

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Remeasurement for the year - obligation - loss	51.26	64.41
Remeasurement for the year - plan assets - loss	5.52	6.11
Total Remeasurement cost/(credit) for the year recognised in OCI	**56.78**	**70.52**

The amounts to be recognised in the Consolidated Balance Sheet

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Present value of obligation as at the end of the year	875.89	794.24
Fair value of plan assets as at the end of the year	815.24	777.98
Net asset/(liability) to be recognised in the Consolidated Balance Sheet	**(60.65)**	**(16.27)**

Expense recognised in the Consolidated Statement of Profit and Loss

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Current service cost	54.48	47.17
Sub Total	**54.48**	**47.17**
Net Interest income	1.17	(1.95)
Net periodic benefit cost recognised in the Consolidated Statement of Profit and Loss	**55.65**	**45.23**

Reconciliation of net assets/(liability) recognised:

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Net asset/(liability) recognised at the beginning of the year	(16.27)	26.16
Company contributions	68.05	73.32
Expense recognised at the end of year	(55.65)	(45.23)
Amount recognised outside profit & loss for the year (OCI)	(56.78)	(70.52)
Net asset/(liability) recognised at the end of the year	**(60.65)**	**(16.27)**

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As at 31st March, 2025	As at 31st March, 2024
Funds managed by insurer	100%	100%

Sensitivity analysis:

A) Impact of change in discount rate when base assumption is decreased/increased in present value of obligation

(Rs. in Lakhs)

Discount Rate	As at 31st March, 2025	As at 31st March, 2024
Decrease by 1%	53.58	47.43
Increase by 1%	(48.06)	(42.63)

B) Impact of change in salary increase rate when base assumption is decreased/increased in present value of obligation

Salary Increment rate	As at 31st March, 2025	As at 31st March, 2024
Decrease by 1%	(52.05)	(49.36)
Increase by 1%	57.10	54.48

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following are the expected benefit payments [gross liability] to the defined benefit plan in future years:

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Within one year	85.58	83.43
After one year but not more than five years	374.98	343.89
After Five years but not more than ten years	453.49	440.35

(b) Leave benefits

Liability for leave benefits which are long term in nature (Privilege and sick leave) are unfunded and actuarially determined considering the leave policy / rules of the Holding Company. The total liability for leave benefits as at year end is Rs.169.81 Lakhs (Previous year : Rs.152.95 Lakhs).

(c) Bifurcation of liability as per Schedule III of the Companies Act 2013 :

(Rs. in Lakhs)

Particulars	Gratuity		Leave benefits	
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024
Current liability	(60.64)	(16.26)	(75.85)	(68.15)
Non-current liability	-	-	(93.96)	(84.80)
Net liability / assets	**(60.64)**	**(16.26)**	**(169.81)**	**(152.95)**

49. Defined contribution plan

In accordance with the law, all employees of the Holding Company are entitled to receive benefits under the provident fund and ESIC. Under the defined contribution plan, provident fund, ESIC and LWF is contributed to the government administered fund. The Holding Company has no obligation, other than the contribution payable to the provident fund, Pension fund, ESIC and LWF.

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Provident fund	45.10	42.97
Pension fund	80.12	76.37
Employees' state insurance (ESIC)	2.88	5.77
Labour welfare fund (LWF)	0.73	0.34
Total	**128.83**	**125.45**

50 Cash flow statement related

50.1 Aggregate outflow on account of direct taxes paid (net of refund) is Rs. 755.03 Lakhs (Previous year : Rs. 525.01 Lakhs).

50.2 Net cash inflow from operating activity netted off with Corporate Social Responsibility (CSR) expenditure of Rs. 46.60 Lakhs (Previous year : Rs. 40.25 Lakhs) (Refer note 47).

50.3 Disclosure as required by Ind AS 7

Reconciliation of liabilities arising from financing activities

(Rs. in Lakhs)

Particulars	As at 1st April, 2024	Cash flows	Non cash changes	As at 31st March, 2025
Short-term borrowings	4,120.70	265.83	-	4,386.53
Lease liabilities	125.82	(36.00)	9.74	99.56
Long-term borrowings	3,086.28	(476.93)	-	2,609.35
Total liabilities from financing activities	**7,332.80**	**(247.10)**	**9.74**	**7,095.44**

(Rs. in Lakhs)

Particulars	As at 1st April, 2023	Cash flows	Non cash changes	As at 31st March, 2024
Short-term borrowings	4,242.38	(121.66)	-	4,120.70
Lease liabilities	5.93	(36.00)	155.89	125.82
Long-term borrowings	3,025.32	64.15	(3.19)	3,086.28
Total liabilities from financing activities	**7,273.63**	**(93.51)**	**152.70**	**7,332.80**

51 The Board of Directors of Holding Company have recommended a final dividend of Rs. 2.50 per equity share on face value of Rs.10 each for financial year 2024-25 on board meeting held on 22nd May, 2025, and subject to approval of shareholders in ensuing annual general meeting.

52 **Subsequent Events :** There are no significant subsequent events that would require adjustments or disclosures in the financial statement between the Balance Sheet date and the date of signing of accounts.

53 As on 31st March, 2025, the Holding Company has not been declared wilful defaulter by any bank/ financial institution or other lender.

54 The Group is not engaged in the business of trading or investing in crypto currency or virtual currency and hence no disclosure is required.

55 The Group has not advanced any funds or loaned or invested by the Group to or in any other person(s) or entities, including foreign entities (“Intermediaries”), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

The Group has not received any funds from any person(s) or entities including foreign entities (“Funding Parties”) with the understanding that such Company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries."

56 No proceedings have been initiated or are pending against the Group as on 31st March, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

57 The Group does not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 and hence no disclosure is required.

58 The Board of Directors of the Holding Company at their Meeting held on 3rd March, 2025, have approved the Scheme of Amalgamation of Nami Capital Private Limited ("NCPL" or "Transferor Company") with Pradeep Metals Limited ("PML" or "Transferee Company") and their respective Shareholders ("Scheme") under sections 230 to 232 read with Section 66 and other relevant provisions of the Companies Act, 2013. The Holding Company has filed an application with BSE Limited under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, seeking its in-principal approval / no-objection to the proposed Scheme. The Scheme is subject to receipt of necessary statutory and regulatory approvals, including the approval of the Hon'ble National Company Law Tribunal, Mumbai Bench, and such other approvals as may be required under applicable laws.

Notes referred to herein above form an integral part of the consolidated financial statements.
As per our report of even date attached

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

Bhavin Kapadia
Partner
Membership No. 118991

Place: Mumbai
Date: 22nd May, 2025

For and on behalf of the Board of Directors of Pradeep Metals Limited

Pradeep Goyal
Chairman and Managing Director
DIN: 00008370
Place: Mumbai
Date: 22nd May, 2025

Neeru Goyal
Director
DIN: 05017190
Place: Mumbai
Date: 22nd May, 2025

Abhishek Joshi
Company Secretary
Membership No. 64446
Place: Mumbai
Date: 22nd May, 2025

Kavita Choubisa Ojha
Chief Financial Officer
PAN: ATTPC7818E
Place: Mumbai
Date: 22nd May, 2025

Notes

Certifications & Approvals

ISO 9001:2015
ISO 14001:2015
ISO 45001:2018
Pressure Equipment Directive (PED/2014/68/EU)
AD2000-MERKBLATT W0
AS 9100D

Nuclear Approved Supplier - USA & Germany
Indian Defense Approved Supplier
Indian Railways Approved Supplier
Marine Approved Supplier
Indian Boiler Regulation IBR
NORSOK Approved Products

Steel Grades Used

STAINLESS STEEL

F303, F304/F304L, F316 Ti, F316/F316l, F321, F347H
1.4301, 1.4307, 1.4435, 1.4436
1.4404, 1.4541, 1.4571

DUPLEX

F51/1.4462/2205, Inconel 625, 825 Manel 400, 500, Haste.loy C 276, Alloy 20

ALLOY STEEL

SAE- 4130, 8620H, 4140
20MnCr5, 18NiCrMo4, En19, 42CrMo4
F5, F9, F11, F20, F22, F91, F92

DIE STEEL

Er24, DIN1.2714, DIN1.2713, H11

CARBON STEEL

SAE - 1008, 1010, 1018, 1030, 1040, 1045, 1141, 1140
En3A, En8,D, En9, C22.8/10460, CK45 / C45
Gr55, Gr70, A668 CLF, A105/1.0481, LF2 / 10436

Our Capabilities

DESIGN & TOOLING

AutoCAD drawing approved based on customer specifications
3-D modeling using Siemens NX (Unigraphics)
DEFORM simulation to optimize yield and die-design
Tool-path generation using Cimatron
Tooling Center
- Makino S-33
- HAAS VF-1/VF-3
- EDM
- CNC Wirecut
- CNC Lathes

MACHINING

Vertical Machining Centers
Horizontal Machining Center
CNC Lathe Machines
Up to 530 mm Diameter

TESTING

Spectrometer
Tensile Tester
Microscopy
PMI
Radioactivity
Impact IGC

CUTTING

400T & 1600 T Shears
125mm dia, Hi-speed Circular Saw
250 mm Band Saws

MEASUREMENTS

Accurate 3-D CMM Model Spectra
Mahr Contour Measuring System
Mahr Mobile Surface Measuring Station MarSurf M 400
Trimos Vectra Touch - 600 mm

FORGING

6t, 3t & 1t Closed Die Hammers
2500T, 1250T, 700T Mechanical Presses
Trimming Presses
Induction and Gas-fired furnaces

HEAT TREATMENT

Electric Tempering furnace
Mechanical charger
Austentizing furnaces

POST FORGING

Shot blasting
Coining
Stamping
Rust-preventon
Packing
Ultrasonic cleaning

Pradeep
Metals
Limited

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