



**Pradeep Metals Limited**  
Manufacturers of Precision Closed Die Forgings

4<sup>th</sup> November, 2023

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

Dear Sir,

**Sub: Outcome of Board Meeting dated 4<sup>th</sup> November, 2023:**

**Scrip Code: 513532**

This is in continuation to our letter dated 2<sup>nd</sup> November, 2023 and pursuant to Regulation 33, 30 and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

We wish to state that the Board of Directors of the Company in its Meeting, held today, has inter alia:

Considered and approved the Unaudited Financial Results of the Company on Standalone and Consolidated basis for the Quarter and Half-Year ended 30<sup>th</sup> September, 2023 along with Limited Review Reports thereon.

A copy of the said results, notes thereto and Auditors Limited Review Report thereon is enclosed for your records.

The Meeting of the Audit Committee / Board of Directors of the Company commenced at 5.00 p.m. and concluded at 7.00 p.m.

Please take the above information on record.

For **Pradeep Metals Limited**

  


**Abhishek Joshi**  
**Company Secretary & Compliance Officer**  
**ACS: 64446**

Statement of Standalone and Consolidated Unaudited Financial Results for the quarter and half year ended 30th September 2023

(Rs. in lakhs)

Sr. No.	Particulars	Standalone						Consolidated							
		Quarter ended			Half year ended			Year ended	Quarter ended			Half year ended			Year ended
		30-Sep-2023	30-Jun-2023	30-Sep-2022	30-Sep-2023	30-Sep-2022	31-Mar-2023	30-Sep-2023	30-Jun-2023	30-Sep-2022	30-Sep-2023	30-Sep-2022	31-Mar-2023		
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited			
1	Income from operations	6,361	5,229	6,528	11,589	12,507	24,588	7,001	5,943	7,276	12,944	13,759	26,779		
2	Other income	142	153	97	296	163	424	89	111	55	201	85	259		
	(A) Total Income (1+2)	6,503	5,382	6,625	11,885	12,670	25,012	7,090	6,054	7,331	13,145	13,844	27,038		
3	Expenses														
(a)	Cost of materials consumed	2,955	2,518	3,254	5,473	6,539	11,843	3,235	2,738	3,186	5,974	6,591	12,288		
(b)	Changes in inventories of work-in-progress, finished goods and scrap	79	(102)	(11)	(23)	(384)	(303)	92	123	249	215	(236)	(335)		
(c)	Manufacturing expenses	1,326	1,204	1,350	2,529	2,602	5,306	1,389	1,236	1,424	2,625	2,725	5,552		
(d)	Employee benefits expense	769	780	646	1,548	1,323	2,773	962	983	817	1,944	1,628	3,442		
(e)	Finance costs	135	145	135	281	264	543	168	176	162	345	311	656		
(f)	Depreciation and amortisation expense	196	178	147	374	296	619	256	239	203	496	406	848		
(g)	Other expenses	357	338	403	695	825	1,581	278	274	304	552	630	1,245		
	(B) Total Expenses	5,817	5,061	5,924	10,877	11,465	22,362	6,380	5,769	6,345	12,150	12,055	23,696		
4	Profit before exceptional items and tax (A-B)	685	321	701	1,008	1,205	2,650	710	285	986	995	1,789	3,342		
5	Less: Exceptional items- expenses [Refer note 9]	-	-	34	-	61	135	-	-	34	-	33	107		
6	Profit before tax (4-5)	685	321	668	1,008	1,144	2,515	710	285	953	995	1,756	3,235		
7	Tax Expense														
	1. Current tax	(179)	(82)	(183)	(261)	(325)	(698)	(179)	(82)	(183)	(261)	(325)	(698)		
	2. Deferred tax	7	(8)	13	(1)	18	20	14	(1)	26	14	32	57		
	3. Income tax of earlier years (net)	13	-	29	13	29	29	13	-	29	13	29	29		
	Total Tax Expenses	(159)	(90)	(142)	(249)	(279)	(649)	(152)	(83)	(129)	(235)	(265)	(612)		
8	Profit for the period (6-7)	526	231	526	759	866	1,866	558	202	824	760	1,492	2,623		
9	Other Comprehensive Income (OCI)														
	A (i) Items that will not be reclassified to profit or loss														
	Remeasurement loss of net defined benefit liability	(19)	(24)	5	(43)	(12)	(62)	(19)	(24)	5	(43)	(12)	(62)		
	(ii) Income tax relating to items that will not be reclassified to profit or loss	5	6	(1)	11	3	16	5	6	(1)	11	3	16		
	B (i) Items that will be reclassified to profit or loss														
	Exchange differences on translation of foreign operations	-	-	-	-	-	-	(45)	(11)	(31)	(57)	(168)	(218)		
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-		
	Total of Other Comprehensive Income	(13)	(18)	3	(32)	(9)	(46)	(59)	(29)	(27)	(89)	(177)	(264)		
10	Total Comprehensive Income for the period (8+9) [Comprising Profit (Loss) and Other Comprehensive Income for the year] attributable to:	512	213	529	727	857	1,819	499	173	796	672	1,315	2,359		
	To Owners of parent	-	-	-	-	-	-	499	173	796	672	1,315	2,359		
11	Of the Total Comprehensive Income above, Profit for the period attributable to:														
	To Owners of parent	-	-	-	-	-	-	558	202	824	760	1,492	2,623		
12	Of the Total Comprehensive Income above, Other comprehensive income attributable to:														
	To Owners of parent	-	-	-	-	-	-	(59)	(29)	(27)	(89)	(177)	(264)		
13	Paid-up equity share capital (Face value of Rs. 10/- per share)	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727		
14	Reserves excluding revaluation reserve						8,901						7,717		
15	Earnings per equity share of Rs. 10/- each (Not annualised)														
	(a) Basic (in Rs.)	3.05	1.34	3.04	4.39	5.00	10.80	3.23	1.17	4.77	4.40	8.63	15.19		
	(b) Diluted (in Rs.)	3.05	1.34	3.04	4.39	5.00	10.80	3.23	1.17	4.77	4.40	8.63	15.19		

SIGNED FOR IDENTIFICATION BY  
  
N. A. SHAH ASSOCIATES LLP  
MUMBAI



Statement of Standalone and Consolidated Unaudited Financial Results for the quarter and half year ended 30th September 2023 (Continued)

1 Standalone/ Consolidated Statement of Assets and Liabilities

Particulars	Standalone		Consolidated	
	As at 30th Sept, 2023	As at 31st March 2023	As at 30th Sept, 2023	As at 31st March 2023
	Unaudited	Audited	Unaudited	Audited
<b>ASSETS</b>				
<b>I. Non-current assets</b>				
(a) Property plant and equipment	6,590	5,176	8,077	6,750
(b) Right of use assets	174	43	174	43
(c) Capital work-in-progress	408	450	407	450
(d) Other Intangible assets	197	233	196	233
(e) Goodwill on consolidation	-	-	147	148
(F) Financial assets:				
(i) Non current Investments	533	533	-	-
(ii) Loans	1,985	2,087	-	-
(iii) Other non-current financial assets	113	99	112	99
(g) Income tax assets (net)	187	169	187	169
(h) Other non-current assets	560	707	767	912
	<b>10,746</b>	<b>9,497</b>	<b>10,071</b>	<b>8,804</b>
<b>II. Current assets</b>				
(a) Inventories	3,822	3,932	5,339	5,789
(b) Financial assets				
(i) Trade receivable	5,739	6,152	5,100	5,401
(ii) Cash and cash equivalents	2	2	292	153
(iii) Bank balances other than cash and cash equivalents	55	55	55	55
(iv) Loans	254	252	6	9
(v) Other current financial assets	215	250	200	234
(c) Other current assets	370	402	404	432
	<b>10,457</b>	<b>11,045</b>	<b>11,396</b>	<b>12,073</b>
<b>TOTAL ASSETS</b>	<b>21,203</b>	<b>20,542</b>	<b>21,466</b>	<b>20,877</b>
<b>EQUITY AND LIABILITIES</b>				
<b>III. Equity</b>				
(a) Equity share capital	1,727	1,727	1,727	1,727
(b) Other equity	9,455	8,901	8,216	7,717
<b>TOTAL EQUITY</b>	<b>11,182</b>	<b>10,628</b>	<b>9,943</b>	<b>9,444</b>
<b>LIABILITIES</b>				
<b>IV. Non-current liabilities</b>				
(a) Financial liabilities:				
(i) Lease liabilities	113	-	113	-
(ii) Borrowings	1,671	1,198	2,449	2,111
(b) Provisions	131	78	131	78
(c) Deferred tax liabilities (Net)	344	343	268	282
	<b>2,259</b>	<b>1,619</b>	<b>2,961</b>	<b>2,471</b>
<b>V. Current liabilities</b>				
(a) Financial liabilities:				
(i) Lease liabilities	25	6	25	6
(ii) Borrowings	4,055	4,867	4,348	5,156
(iii) Trade payable				
(A) Due to micro and small enterprises	50	61	50	61
(B) Due other than to micro and small enterprises	2,583	2,320	2,960	2,577
(iii) Other current financial liabilities	948	920	938	892
(b) Other current liabilities	41	55	181	205
(c) Provisions	60	65	60	65
	<b>7,762</b>	<b>8,295</b>	<b>8,562</b>	<b>8,962</b>
<b>TOTAL LIABILITIES</b>	<b>10,021</b>	<b>9,914</b>	<b>11,523</b>	<b>11,433</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>21,203</b>	<b>20,542</b>	<b>21,466</b>	<b>20,877</b>



Statement of Standalone and Consolidated Unaudited Financial Results for the quarter and half year ended 30th September 2023 (Continued)

2 Standalone and Consolidated Unaudited Cash Flow Statement for the half year ended 30th September 2023

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	Half year ended 30th September 2023 (Unaudited)	Half year ended 30th September 2022 (Unaudited)	Half year ended 30th September 2023 (Unaudited)	Half year ended 30th September 2022 (Unaudited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net profit/(loss) before taxation	1,007	1,142	995	1,756
Adjustments for:				
Depreciation and amortization (net)	374	296	496	406
Allowance for doubtful advance	-	3	-	3
Amount no longer payable written back	-	(3)	0	(3)
Unrealised foreign exchange (gain)/loss (net)	(48)	96	(48)	96
Loss on sale/discard of fixed asset (net)	-	35	-	34
Impairment of investment/goodwill (exceptional item)	-	61	-	33
Interest expenses	281	264	345	311
Interest income	(92)	(71)	(1)	(1)
	515	681	828	914
Operating profit before changes in assets and liabilities	1,522	1,823	1,823	2,670
Movements in working capital : [Current and Non-current]				
(Increase) / decrease in other assets and other financial assets	41	120	128	169
(Increase) / decrease in inventories	111	(297)	413	(293)
(Increase) / decrease in trade receivable	424	(1,026)	312	(1,298)
Increase / (decrease) in trade payable, other liabilities, provisions and other financial liabilities	343	634	528	649
	918	(569)	1,380	(773)
	2,441	1,254	3,204	1,897
Direct taxes paid (net of refund)	(263)	(295)	(263)	(289)
Net cash generated from operating activities...(A)	2,177	959	2,941	1,608
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Property, plant & equipment (tangible/intangible) (Including capital advances and work in progress)	(1,558)	(569)	(1,639)	(729)
Sale of Property, plant & equipment	-	10	-	11
(Increase)/decrease in other bank balances and non-current assets [Other than cash and cash equivalents]*	(0)	(8)	(0)	(8)
Repayment of loan from wholly owned subsidiary	123	-	-	-
Interest received	78	58	1	1
	(1,357)	(509)	(1,638)	(725)
Adjustment for:				
Less: Direct taxes paid @	0	0	0	(6)
Net cash used in investing activities...(B)	(1,357)	(509)	(1,637)	(731)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from long term borrowing	1,041	271	1,041	271
Repayment of long term borrowing	(320)	(304)	(600)	(734)
Payment of lease liabilities	(18)	(16)	(18)	(16)
Increase/(decrease) in working capital loan (Net)	(1,074)	110	(1,074)	111
Dividend paid	(173)	(254)	(173)	(254)
Interest paid	(276)	(257)	(340)	(309)
	(820)	(450)	(1,164)	(931)
Net cash used in financing activities...(C)	(820)	(450)	(1,164)	(931)
Net increase / (decrease) in cash and cash equivalents...(A + B + C)#	0	1	139	(54)
Cash and cash equivalents at the beginning of the period	2	2	153	305
Cash and cash equivalents at the end of the period	2	2	292	251
Net increase / (decrease) in cash and cash equivalents#	0	1	139	(54)

\*represents Rs.0.35 lakh for the half year ended 30th September, 2023

@represents Rs.0.05 lakh and Rs.0.03 lakhs for the half year ended 30th September, 2023 and half year ended 30th September, 2022 respectively.

#represents Rs.0.35 lakh for the half year ended 30th September, 2023

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Statement of Standalone and Consolidated Unaudited Financial Results for the quarter and half year ended 30th September 2023 (Continued)  
 Notes to financial results :

- 3 The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 4th November 2023, the statutory auditors of the Company have carried out the limited review of the standalone and consolidated financial results for the quarter and half year ended 30th September, 2023.
- 4 The above unaudited results have been prepared in accordance with the guidelines issued by the Securities and Exchange Board of India ('SEBI') and the Indian Accounting Standards [Ind AS] prescribed under section 133 of the Companies Act, 2013.
- 5 Based on the Company assessment and read with note 8(b)(i) below, aggregate impairment provision made upto 31st March 2023 of Rs. 810 lakhs is considered as adequate in regard to investment in wholly owned subsidiary (WOS) and no additional provision is required. 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 and the loan given to the WOS is considered as fully recoverable. The impairment provision made was disclosed as exceptional item in standalone financial results in earlier quarters / years as given in note 9 below.
- 6 Export sales in standalone results include sales (net of returns) made to the WOS and the SDS of the Company in USA as given below :

Particulars	(Rs. in lakhs)					
	Quarter ended		Half year ended		Year ended	
	30-Sep-2023	30-Jun-2023	30-Sep-2022	30-Sep-2023	30-Sep-2022	31-Mar-2023
Pradeep Metals Limited Inc., USA (WOS) and Dimensional Machine Works, LLC (SDS)	439	345	312	783	893	1,803

- 7 Foreign exchange (loss) / gain included in other income and finance cost is given below:

Particulars	Standalone						Consolidated					
	Quarter ended		Half year ended		Year ended	Quarter ended		Half year ended		Year ended		
	30-Sep-2023	30-Jun-2023	30-Sep-2022	30-Sep-2023	30-Sep-2022	31-Mar-2023	30-Sep-2023	30-Jun-2023	30-Sep-2022	30-Sep-2023	30-Sep-2022	31-Mar-2023
Other Income	80	106	47	186	71	236	80	106	47	186	71	236
Finance cost - Foreign exchange loss (attributable to finance cost)	(5)	-	(18)	(5)	(45)	(54)	(5)	-	(18)	(5)	(45)	(54)

- 8 (a) Unaudited consolidated financial statements / results are prepared in accordance with IND AS 110 'consolidated financial statements' and includes Unaudited financial results in respect of :

- (i) Pradeep Metals Limited, Inc. (WOS)  
 (ii) Dimensional Machine Works LLC (SDS), wholly owned subsidiary of WOS

The above unaudited financial results of the WOS and the SDS are prepared by the management in compliance with the requirement of Ind AS. Statutory auditors have carried out limited review of the unaudited standalone financial results of the WOS and the SDS for the quarter and half year ended 30th September 2023.

- (b) In respect of Step Down Subsidiary (SDS),

(i) Based on the management assessment, aggregate impairment provision made upto 31st March 2023 of Rs. 810 lakhs in regard to goodwill and tangible assets, is considered as adequate and no additional provision is required. 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. The impairment provision made was disclosed as exceptional item in consolidated financial results in earlier quarters / years as given in note 9 below.

(ii) (a) Ageing of slow/non-moving items of inventories is not available from the system. Management is of the view that there is demand for the SDSs products and these inventories have realizable value greater than cost. Based on the management estimate provision is made wherever considered necessary. (b) Further, the improvement in the systems and processes of maintaining the inventory records is in process. Statutory auditors had drawn reference of this matter in their report on the audited / unaudited consolidated financial results of the previous years and earlier quarters.

(iii) During the quarter ended 30th June 2022, SDS had received refund of employee related taxes for the earlier period of Rs.28 lakhs (equivalent USD 35,000) from the US Government in respect of the 'Employees Retention Credit' (ERC) under 'Taxpayer Certainty and Disaster Tax Relief Act of 2020'. This is considered as exceptional item for the half year ended 30th September 2022 and year ended 31st March 2023.

- 9 Exceptional items- expenses / (income):

Particulars	Standalone						Consolidated					
	Quarter ended		Half year ended		Year ended	Quarter ended		Half year ended		Year ended		
	30-Sep-2023	30-Jun-2023	30-Sep-2022	30-Sep-2023	30-Sep-2022	31-Mar-2023	30-Sep-2023	30-Jun-2023	30-Sep-2022	30-Sep-2023	30-Sep-2022	31-Mar-2023
Provision for impairment of investment in the WOS [Refer para 5]	-	-	34	-	61	135	-	-	-	-	-	-
Provision for impairment of Goodwill and tangible assets in the SDS [Refer para 8(b)(i)]	-	-	-	-	-	-	-	-	34	-	61	135
Refund of employee related taxes for the earlier period in the SDS [Refer para 8(b)(iii)]	-	-	-	-	-	-	-	-	-	-	(28)	(28)
<b>Total</b>	-	-	<b>34</b>	-	<b>61</b>	<b>135</b>	-	-	<b>34</b>	-	<b>33</b>	<b>107</b>

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Notes to financial results (continued):

10 Segment 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	Standalone						Consolidated							
	Quarter ended			Half year ended			Year ended	Quarter ended			Half year ended			Year ended
	30-Sep-2023	30-Jun-2023	30-Sep-2022	30-Sep-2023	30-Sep-2022	31-Mar-2023	30-Sep-2023	30-Jun-2023	30-Sep-2022	30-Sep-2023	30-Sep-2022	31-Mar-2023		
Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited			
<b>Segment revenue</b>														
(a) Closed die steel forging and processing	6,273	5,166	6,451	11,439	12,373	24,390	6,913	5,880	7,199	12,794	13,625	26,581		
(b) Power generation	115	63	77	177	134	198	115	63	77	177	134	198		
<b>Total</b>	<b>6,388</b>	<b>5,229</b>	<b>6,528</b>	<b>11,616</b>	<b>12,507</b>	<b>24,588</b>	<b>7,028</b>	<b>5,943</b>	<b>7,276</b>	<b>12,971</b>	<b>13,759</b>	<b>26,779</b>		
Less: Intersegment revenue	27	-	-	27	-	-	27	-	-	27	-	-		
<b>Net sales / income from operations</b>	<b>6,361</b>	<b>5,229</b>	<b>6,528</b>	<b>11,589</b>	<b>12,507</b>	<b>24,588</b>	<b>7,001</b>	<b>5,943</b>	<b>7,276</b>	<b>12,944</b>	<b>13,759</b>	<b>26,779</b>		
<b>Segment result</b>														
Profit before tax, finance cost from segment and other un-allocable expenses / (income) and after exceptional item as per para 6(b)(iii)														
(a) Closed die steel forging and processing	666	332	764	1,030	1,425	3,038	741	332	1,129	1,074	2,142	3,912		
(b) Power generation	65	38	56	104	93	116	65	38	56	104	93	116		
<b>Total</b>	<b>731</b>	<b>370</b>	<b>820</b>	<b>1,133</b>	<b>1,518</b>	<b>3,154</b>	<b>807</b>	<b>370</b>	<b>1,185</b>	<b>1,177</b>	<b>2,235</b>	<b>4,028</b>		
Less:														
(i) Finance cost (un-allocated)	111	140	135	281	264	543	168	176	162	345	311	656		
(ii) Other un-allocable expenditure / (income) (net) [net of exceptional item- para 6(b)(i)]	(65)	(90)	17	(156)	110	96	(72)	(91)	71	(163)	168	137		
<b>Profit before tax</b>	<b>685</b>	<b>321</b>	<b>688</b>	<b>1,008</b>	<b>1,144</b>	<b>2,515</b>	<b>710</b>	<b>285</b>	<b>953</b>	<b>995</b>	<b>1,756</b>	<b>3,235</b>		
<b>Capital employed:</b>														
<b>Segment assets</b>														
(a) Closed die steel forging and processing	18,352	17,282	18,571	18,352	18,571	18,285	18,859	17,784	19,376	18,859	19,376	19,002		
(b) Power generation	2,073	2,119	1,190	2,073	1,190	1,498	2,073	2,119	1,190	2,073	1,190	1,498		
(c) Unallocated	778	760	789	778	789	759	534	452	430	534	430	376		
<b>Total (A)</b>	<b>21,203</b>	<b>20,161</b>	<b>20,550</b>	<b>21,203</b>	<b>20,550</b>	<b>20,542</b>	<b>21,466</b>	<b>20,355</b>	<b>20,995</b>	<b>21,466</b>	<b>20,995</b>	<b>20,877</b>		
<b>Segment liabilities</b>														
(a) Closed die steel forging and processing	4,048	3,107	3,817	4,048	3,817	3,481	4,543	3,452	4,073	4,543	4,073	3,846		
(b) Power generation	771	571	-	771	-	36	771	571	-	771	-	36		
(c) Unallocated	5,200	5,641	6,897	5,200	6,897	6,397	6,214	6,715	8,351	6,214	8,351	7,551		
<b>Total (B)</b>	<b>10,020</b>	<b>9,319</b>	<b>10,713</b>	<b>10,020</b>	<b>10,713</b>	<b>9,914</b>	<b>11,528</b>	<b>10,738</b>	<b>12,424</b>	<b>11,528</b>	<b>12,424</b>	<b>11,433</b>		
<b>Capital Employed (Segment Assets- Segment Liabilities) (A-B)</b>														
(a) Closed die steel forging and processing	14,304	14,174	14,755	14,304	14,755	14,804	14,317	14,332	15,304	14,317	15,304	15,157		
(b) Power generation	1,302	1,548	1,190	1,302	1,190	1,462	1,302	1,548	1,190	1,302	1,190	1,462		
(c) Unallocated	(4,423)	(4,881)	(6,108)	(4,423)	(6,108)	(5,638)	(5,680)	(6,263)	(7,921)	(5,680)	(7,921)	(7,175)		
<b>Total</b>	<b>11,182</b>	<b>10,842</b>	<b>9,836</b>	<b>11,182</b>	<b>9,836</b>	<b>10,628</b>	<b>9,938</b>	<b>9,617</b>	<b>8,572</b>	<b>9,938</b>	<b>8,572</b>	<b>9,444</b>		

Business segment:

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

SIGNED FOR IDENTIFICATION BY  
  
N. A. SHAH ASSOCIATES LLP  
MUMBAI

For Pradeep Metals Limited  
  
Pradeep Goyal  
Chairman and Managing Director  
DIN: 00008370  
Navi Mumbai  
Date: 4th November 2023



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

To  
**The Board of Directors of  
Pradeep Metals Limited**

We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of Pradeep Metals Limited ("the Company") for the quarter and half year ended 30<sup>th</sup> September, 2023, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

**Management responsibility**

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

**Auditor's responsibility**

Our responsibility is to issue report on this Statement based on our review.

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

**Conclusion**

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results, prepared in accordance with recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

*Bhavin Kapadia*

**Bhavin Kapadia**  
Partner  
Membership number: 118991  
UDIN: 23118991BGZACC4012



Place: Mumbai  
Date: 4<sup>th</sup> November, 2023

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

To  
**The Board of Directors of  
Pradeep Metals Limited**

We have reviewed the accompanying statement of unaudited consolidated financial results of Pradeep Metals Limited ('the Holding Company') and its Wholly Owned Subsidiary (WOS) and Step Down Subsidiary (SDS) (collectively referred to as 'the Group'), for the quarter and half year ended 30<sup>th</sup> September 2023, ('the Statement'), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

**Management's responsibility**

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

**Auditor's responsibility**

Our responsibility is to issue report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

These unaudited consolidated financial results include results of the following entities:

<b>Name of the Entity</b>	<b>Relationship</b>
Pradeep Metals Limited Inc., USA	Wholly Owned Subsidiary (WOS)
Dimensional Machine Works LLC, USA	Step Down Subsidiary (SDS)

**Conclusion**

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



**N. A. SHAH ASSOCIATES LLP**  
Chartered Accountants

**Emphasis of Matters**

Reference is invited to note 8(b)(ii) of the Statement. In respect of 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 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.

The above matters were reported under 'Emphasis of matter' paragraph in our report for previous years and earlier quarters. Our conclusion is not modified in respect of above matters. Our opinion / conclusion was not modified in previous years and earlier quarters also.

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

*Bhavin Kapadia*

**Bhavin Kapadia**  
Partner  
Membership number: 118991  
UDIN: 23118991BGZACD9441



Place: Mumbai  
Date: 4<sup>th</sup> November, 2023