



Pradeep Metals Limited
Manufacturers of Precision Closed Die Forgings

7th February, 2022

The Secretary

BSE Limited

P J Towers, Dalal Street,
Mumbai 400 001.

Scrip Code: **513532**

Dear Sir,

Sub: Re-submission of Unaudited Financial Results on Standalone and Consolidated basis for the Quarter and Nine Months ended 31st December, 2021 – Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

Ref: Letter dated 5th February, 2022 along with Unaudited Financial Results on Standalone and Consolidated basis for the Quarter and Nine Months ended 31st December, 2021 – Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

This is with reference to our letter dated 5th February, 2022 with respect to the captioned subject, we have observed that in the attachments of the said submission, some of the information mentioned in the financial results is not clearly legible due to some technical glitches, which occurred while scanning the same. Hence we are submitting a clear version of the Documents.

Please take the enclosed information on record and request to disseminate the information on the website of the exchange.

Thanking you,

For **Pradeep Metals Limited**

Abhishek Joshi

Company Secretary & Compliance Officer

ACS: 64446

Encl: as above

Statement of Standalone and Consolidated Unaudited Financial Results for the quarter and nine months ended 31st December 2021

Sr.	Particulars	Standalone						Consolidated					
		Quarter ended			Nine months ended		Year ended	Quarter ended			Nine months ended		Year ended
		31-Dec-2021	30-Sep-2021	31-Dec-2020	31-Dec-2021	31-Dec-2020	31-Mar-2021	31-Dec-2021	30-Sep-2021	31-Dec-2020	31-Dec-2021	31-Dec-2020	31-Mar-2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations	5,434	4,999	3,480	14,675	9,933	14,146	5,600	5,500	3,916	15,687	11,075	15,600
2	Other income	108	100	75	356	138	218	80	74	87	275	138	210
	(A) Total Income (1+2)	5,542	5,099	3,555	15,031	10,071	14,364	5,680	5,574	4,003	15,962	11,213	15,810
3	Expenses												
(a)	Cost of materials consumed	2,924	2,279	1,324	7,509	3,755	5,608	2,876	2,482	1,326	7,875	4,055	6,281
(b)	Changes in inventories of work-in-progress, finished goods and scrap	(173)	34	99	(681)	376	389	(169)	25	144	(772)	438	203
(c)	Manufacturing expenses	1,091	1,087	817	3,134	2,176	3,062	1,142	1,137	986	3,268	2,472	3,199
(d)	Employee benefits expense	596	631	559	1,809	1,519	2,089	654	735	647	2,022	1,789	2,380
(e)	Finance costs	146	83	97	324	264	382	162	92	114	361	332	455
(f)	Depreciation and amortisation expense	146	144	132	429	385	540	186	200	200	563	579	774
(g)	Other expenses	362	312	192	984	619	1,028	312	238	241	793	736	1,086
	(B) Total Expenses	5,092	4,570	3,219	13,508	9,095	13,098	5,163	4,909	3,662	14,110	10,400	14,378
4	Profit before exceptional items and tax (A-B)	450	529	336	1,523	976	1,266	517	665	341	1,853	814	1,432
5	Less: Exceptional items- expenses/(income) [Refer note 12]	34	34	112	95	292	308	34	34	112	95	293	308
6	Profit / (Loss) before tax (4-5)	416	495	224	1,428	684	958	483	631	229	1,758	521	1,124
7	Tax Expense												
1.	Current tax	(116)	(139)	(89)	(401)	(249)	(356)	(116)	(139)	(85)	(401)	(249)	(356)
2.	Deferred tax	2	6	5	10	10	26	1	8	10	15	27	49
3.	Income tax and deferred tax of earlier years (net)	-	-	(4)	(5)	(5)	(9)	-	-	(4)	-	(5)	(9)
8	Profit (Loss) for the year from continuing operations (6-7)	302	362	136	1,037	439	619	368	500	147	1,371	294	808
9	Profit (Loss) from discontinuing operations	-	-	-	-	-	-	-	-	-	-	-	-
10	Tax expense of discontinuing operations	-	-	-	-	-	-	-	-	-	-	-	-
11	Profit (Loss) from discontinuing operations (after tax) (9-10)	-	-	-	-	-	-	-	-	-	-	-	-
12	Profit (Loss) for the period before non-controlling interest (8+11)	302	362	136	1,037	439	619	368	500	147	1,371	294	808
13	(Less) / add: allocation to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-
14	Profit (Loss) for the period (8+11)	302	362	136	1,037	439	619	368	500	147	1,371	294	808
15	Other Comprehensive Income (OCI)												
A (i)	Items that will not be reclassified to profit or loss												
	Remeasurement gain/(loss) of net defined benefit liability	(9)	(18)	(3)	(35)	(18)	37	(9)	(18)	(5)	(35)	(18)	37
(ii)	Income tax relating to items that will not be reclassified to profit or loss	2	5	1	9	5	(9)	2	5	1	9	5	(9)
B (i)	Items that will be reclassified to profit or loss												
	Exchange differences on translation of foreign operations	-	-	-	-	-	-	11	6	(22)	(12)	17	29
(ii)	Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
	Total of Other Comprehensive Income	(7)	(13)	(2)	(26)	(13)	28	4	(7)	(24)	(38)	4	57
16	Total Comprehensive Income for the period (14+15) [Comprising Profit (Loss) and Other Comprehensive Income for the period] attributable to:	295	349	134	1,011	426	647	373	493	123	1,334	298	865
(a)	To Owners of parent	-	-	-	-	-	-	373	493	123	1,334	298	865
(b)	To Non controlling interest	-	-	-	-	-	-	-	-	-	-	-	-
17	Of the Total Comprehensive Income above, Profit for the period attributable to:												
(a)	To Owners of parent	-	-	-	-	-	-	368	500	147	1,371	294	808
(b)	To Non controlling interest	-	-	-	-	-	-	-	-	-	-	-	-
18	Of the Total Comprehensive Income above, Other comprehensive income attributable to:												
(a)	To Owners of parent	-	-	-	-	-	-	4	(7)	(24)	(38)	4	57
(b)	To Non controlling interest	-	-	-	-	-	-	-	-	-	-	-	-
19	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
20	Reserves excluding revaluation reserve	-	-	-	-	-	6,259	-	-	-	-	-	4,047
21	Earnings per equity share of Rs. 10/- each (Not annualised)												
(a)	Basic (in Rs.)	1.75	2.10	0.79	6.01	2.54	3.58	2.13	2.90	0.85	7.94	1.70	4.68
(b)	Diluted (in Rs.)	1.75	2.10	0.79	6.01	2.54	3.58	2.13	2.90	0.85	7.94	1.70	4.68

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



Statement of Standalone and Consolidated Unaudited Financial Results for the quarter and nine months ended 31st December 2021 (Continued)
Notes to financial results (continued):

- 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 5th February 2022, the statutory auditors of the Company have carried out limited review of the unaudited standalone & consolidated financial results for the quarter and nine months ended 31st December 2021.
- 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.
- In view of accumulated losses incurred by the wholly owned subsidiary (WOS) and step down subsidiary (SDS), business impact of Covid-19 and provision for impairment of goodwill / tangible assets by SDS, the Company carried out impairment assessment in respect of its investment in WOS and loans granted to WOS. Based on such assessment, the Company has made a provision for impairment (in standalone financial results) of Rs.34 lakhs in the value of its investment in WOS during the quarter ended 31st December 2021, Rs.34 lakhs during the quarter ended 30th September 2021, Rs.112 lakhs during the quarter ended 31st December 2020, Rs.95 lakhs for the nine months ended 31st December 2021 and Rs. 254 lakhs for the nine months ended 31st December 2020 and Rs.270 lakhs for the year ended 31st March 2021. Aggregate impairment provision made upto 31st December 2021 amounts to Rs.635 lakhs. In the view of 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. Statutory auditors have drawn reference of the above matter in their report on the audited / unaudited standalone financial results of the previous years and earlier quarters.
- During quarter ended 31st December 2021, the Company has made additional investment in equity of the wholly owned subsidiary i.e. Pradeep Metals Limited Inc., USA amounting to Rs. Nil [quarter ended 30th September 2021 Rs. Nil quarter ended 31st December 2020 Rs.162.45 lakhs (USD 220,000) year ended 31st March 2021 Rs. 463.32 lakhs (USD 620,000)].
The Company has granted loan of Rs.240.02 lakhs (USD 320,000) in the quarter ended 31st December 2021, Rs.29.51 lakhs (USD 40,000) in the quarter ended 30th September 2021, Rs. 990.23 lakhs in the quarter ended 31st December 2020 (USD 1,350,000), year ended 31st March 2021 Rs.1,646.21 lakhs (USD 2,250,000)].
During the quarter ended 31st December 2021 Corporate guarantee given by the Company for the loan taken by WOS was increased by USD 1,800,000, (Reduced by USD 40,000 for quarter ended 30th September 2021, and USD 1,280,000 for the year ended 31st March 2021). The bank loan (based on corporate guarantee given by Holding Company) and part of the loan granted in the quarter ended 31st December 2021 has been utilised towards purchase of immovable property by WOS.

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

Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-2021	30-Sep-2021	31-Dec-2020	31-Dec-2021	31-Dec-2020	31-Mar-2021
Pradeep Metals Limited Inc., USA (WOS)	344	368	214	1,137	985	1,452
Dimensional Machine Works, LLC (SDS)	225	115	24	390	80	98

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

Particulars	Standalone						Consolidated					
	Quarter ended			Nine months ended		Year ended	Quarter ended			Nine months ended		Year ended
	31-Dec-2021	30-Sep-2021	31-Dec-2020	31-Dec-2021	31-Dec-2020	31-Mar-2021	31-Dec-2021	30-Sep-2021	31-Dec-2020	31-Dec-2021	31-Dec-2020	31-Mar-2021
Other Income	72	60	62	247	99	126	72	60	62	247	99	126
Finance cost - Foreign exchange loss (attributable to finance cost)	(21)	-	-	(38)	-	(7)	(21)	-	-	(38)	-	(7)

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

- Pradeep Metals Limited, Inc. (WOS)
- 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 nine months ended 31st December 2021.

- In respect of Step Down Subsidiary (SDS),

(i) The management has carried out impairment assessment in respect of goodwill and tangible assets considering the accumulated losses and assessment of financial impact on account of COVID-19 on future cash flows. Based on such assessment, the excess of carrying value of goodwill (net of impairment) / tangible assets over the recoverable amount has been accounted as an impairment provision Rs.34 lakhs during the quarter ended 31st December 2021, Rs.34 lakhs during the quarter ended 30th September 2021, Rs.112 lakhs during the quarter ended 31st December 2020, Rs.95 lakhs for the nine months ended 31st December 2021 and Rs. 254 lakhs for the nine months ended 31st December 2020 and Rs.270 lakhs for the year ended 31st March 2021. Aggregate impairment provision made upto 31st December 2021 amounts to Rs.635 lakhs. Management is of the view that expected growth in the demand of the SDS's products and other steps taken by the management, will generate sufficient cash flows to cover the balance carrying value of the tangible assets in the books of SDS as at 31st December 2021. This provision is disclosed as exceptional item in consolidated financial results.

(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.

(iii) During the previous year, the Company had received financial support of Rs.281 lakhs (USD 384,200) under Paycheck Protection Program (PPP scheme) framed by the US government to assist certain class of companies in USA during the period of COVID-19. Till 31st March 2021 proceeds received under the scheme amounting to Rs.211 lakhs (USD 288,150) had been utilised by the Company as per the government guidelines. Balance unspent of Rs.70 lakhs (USD 96,050) which was grouped under short-term borrowings as "Amount received towards Paycheck protection program" for the year ended 31st March 2021, has been fully utilised during the quarter ended 30th June 2021. Further, income and relevant expenses of Rs. 71 lakhs are considered as exceptional items for the nine months ended 31st December, 2021 (for the year ended 31st March 2021 Rs. 211 lakhs (USD 288,150)).

Statutory auditors have drawn reference of the matters covered in para (i) & (ii) above in their report on the audited / unaudited consolidated financial results of the previous years and earlier quarters.

- The COVID 19 pandemic continues to adversely impact the global economic conditions and its impact remains uncertain. The holding company including its subsidiaries have also adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. The management has considered internal and external information while finalizing various estimates and recoverability of assets in relation to its financial statements upto the date of approval of the standalone and consolidated financial results by the Board of Directors. The Company continues to closely monitor any material changes to future economic conditions.

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



9 Exceptional items- expenses/(income):

(Rs. in lakhs)

Particulars	Standalone						Consolidated					
	Quarter ended		31-Dec-2020	Nine months ended		Year ended 31-Mar-2021	Quarter ended		31-Dec-2020	Nine months ended		Year ended 31-Mar-2021
	31-Dec-2021	30-Sep-2021		31-Dec-2021	31-Dec-2020		31-Dec-2021	30-Sep-2021		31-Dec-2021	31-Dec-2020	
Provision for impairment of investment in WOS [Refer para 5]	34	34	112	95	254	270	-	-	-	-	-	-
Provision for impairment of Goodwill / Tangible Assets in SDS [Refer para 7(b)(i)]	-	-	-	-	-	-	34	34	112	95	254	270
Expenses incurred during the period of lockdown due to COVID-19	-	-	-	-	38	38	-	-	-	-	38	38
Financial support received in SDS [Refer para 7(b)(iii)]	-	-	-	-	-	-	-	-	-	71	107	211
Expenses incurred against financial support received in SDS [Refer para 7(b)(iii)]	-	-	-	-	-	-	-	-	-	(71)	(107)	(211)
Total	34	34	112	95	292	308	34	34	112	95	292	308

Notes to financial results (continued):

10 Segment disclosure:

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

(Rs. in lakhs)

Particulars	Standalone						Consolidated					
	Quarter ended		31-Dec-2020	Nine months ended		Year ended 31-Mar-2021	Quarter ended		31-Dec-2020	Nine months ended		Year ended 31-Mar-2021
	31-Dec-2021	30-Sep-2021		31-Dec-2021	31-Dec-2020		31-Dec-2021	30-Sep-2021		31-Dec-2021	31-Dec-2020	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment revenue												
(a) Closed die steel forging and processing	5,403	4,922	3,448	14,507	9,775	13,961	5,569	5,422	3,883	15,519	10,917	15,415
(b) Power generation	31	78	32	168	158	185	31	78	32	168	158	185
Total	5,434	5,000	3,480	14,675	9,933	14,146	5,600	5,500	3,915	15,687	11,076	15,600
Less: Intersegment revenue	-	-	-	-	-	-	-	-	-	-	-	-
Net sales / income from operations	5,434	5,000	3,480	14,675	9,933	14,146	5,600	5,500	3,915	15,687	11,076	15,600
Segment result												
Profit / (loss) before tax, finance cost from segment and other unallocable expenses / (income) and after exceptional item as per para 10 and 9(b)(iii)												
(a) Closed die steel forging and processing	561	524	389	1,659	1,024	1,547	626	653	384	1,927	1,014	1,740
(b) Power generation	11	57	13	106	96	102	11	57	13	106	96	102
Total	572	581	402	1,765	1,120	1,649	636	710	397	2,034	1,109	1,842
Less:												
(i) Finance cost	146	83	97	324	264	382	162	92	114	361	332	455
(ii) Other un-allocable expenditure / (income) (net) [net of exceptional item- para 5 and 9(b)(i)]	10	3	81	13	172	308	(8)	(13)	54	(85)	257	263
Profit before tax	416	495	224	1,428	684	958	483	631	229	1,758	521	1,124
Capital employed:												
Segment assets												
(a) Closed die steel forging and processing	16,910	16,178	14,027	16,910	14,027	14,244	17,344	15,649	13,054	17,344	13,054	13,906
(b) Power generation	1,062	1,169	1,229	1,062	1,229	1,242	1,062	1,169	1,229	1,062	1,229	1,242
(c) Unallocated	833	833	940	833	940	897	481	286	891	481	891	315
Total (A)	18,805	18,180	16,196	18,805	16,196	16,383	18,887	17,104	15,174	18,887	15,174	15,463
Segment liabilities												
(a) Closed die steel forging and processing	3,042	3,089	2,053	3,042	2,053	2,546	3,253	3,300	2,362	3,253	2,362	2,796
(b) Power generation	-	-	-	-	-	5	-	-	-	-	-	5
(c) Unallocated	6,938	6,562	6,377	6,938	6,377	5,846	8,716	7,259	7,606	8,716	7,606	6,888
Total (B)	9,980	9,651	8,430	9,980	8,430	8,397	11,969	10,559	9,968	11,969	9,968	9,689
Capital Employed (Segment Assets- Segment Liabilities) (A-B)												
(a) Closed die steel forging and processing	13,868	13,089	11,974	13,868	11,974	11,698	14,091	12,349	10,692	14,091	10,692	11,110
(b) Power generation	1,062	1,169	1,229	1,062	1,229	1,237	1,062	1,169	1,229	1,062	1,229	1,237
(c) Unallocated	(6,105)	(5,729)	(5,437)	(6,105)	(5,437)	(4,949)	(8,235)	(6,973)	(6,715)	(8,235)	(6,715)	(6,573)
Total	8,825	8,529	7,766	8,825	7,766	7,986	6,918	6,545	5,206	6,918	5,206	5,774

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.

for Pradeep Metals Limited

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

Pradeep Goyal

Pradeep Goyal
Chairman and Managing Director
DIN: 00008370

Mumbai
Date: 5th February 2022



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**

1. We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of Pradeep Metals Limited ("the Company") for the quarter and nine months ended 31st December, 2021, 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

2. 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

3. 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

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited 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.

Emphasis of matter

5. Reference is invited to note 3 of the notes to financial results. In view of accumulated losses in the wholly owned subsidiary (WOS) and step down subsidiary (SDS), expected business impact of COVID 19 and provision for impairment of goodwill and tangible assets by SDS, the Company carried out impairment assessment in respect of its investment in WOS and loans granted to WOS. Based on such assessment, the Company has made additional provision for impairment of Rs. 34 lakhs in the value of its investment in WOS during the quarter ended 31st December 2021, Rs.34 lakhs during the quarter ended 30th September 2021, Rs.112 lakhs during the quarter ended 31st December 2020, Rs.95 lakhs for the nine months ended 31st December 2021, Rs. 254 lakhs for the nine months ended 31st December 2020 and Rs.270 lakhs for the year ended 31st March 2021. Aggregate impairment provision made upto 31st December 2021 amounts to Rs.635 lakhs. In the view of management, considering the long term and strategic nature of investment, the balance carrying value of investment in WOS would yield the required benefits and the loan given to the WOS is considered as fully recoverable.

N. A. SHAH ASSOCIATES LLP

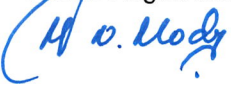
Chartered Accountants

Our opinion is not modified in respect of above matter. Above matter was reported in our reports on the audited / unaudited standalone financial results of the previous years and earlier quarters and our opinion was not modified.

For N. A. Shah Associates LLP

Chartered Accountants

Firm's Registration No. 116560W/W100149



Milan Mody

Partner

Membership number: 103286

UDIN: 22103286AAOFSW7970



Place: Mumbai

Date: 05th February, 2022

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

1. 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 nine months ended 31st December 2021, ('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

2. 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

3. 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.

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

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

5. Conclusion

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



6. Emphasis of Matters

Reference is invited to note 7(b)(i) & (ii) of the Statement. In respect of SDS;

- a) The management has carried out impairment assessment in respect of goodwill and tangible assets considering the continuing losses and assessment of financial impact on account of Covid-19 on future cash flows. Based on such assessment, the SDS has made additional provision for impairment of Rs. 34 lakhs for goodwill and tangible assets during the quarter ended 31st December 2021 (Provision for impairment made of Rs.34 lakhs during the quarter ended 30th September 2021, Rs.112 lakhs during the quarter ended 31st December 2020, Rs.95 lakhs for the nine months ended 31st December 2021, Rs. 254 lakhs for the nine months ended 31st December 2020 and Rs.270 lakhs for the year ended 31st March 2021. Aggregate impairment provision made upto 31st December 2021 amounts to Rs.635 lakhs). Management is of the view that expected growth in the demand of the SDS's products and other steps taken by the management, will generate sufficient cash flows to cover balance carrying value of tangible assets in the books of SDS as at 31st December 2021
- b) (i) Ageing of slow/non-moving items of inventories is not available from the system. Management is of the view that there is demand for the SDS's products and 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 conclusion is not modified in respect of above matters. The matters in paragraph (a) and (b) above were reported in our reports on the audited / unaudited consolidated financial results of the previous years and earlier quarters and our opinion was not modified.

For N. A. Shah Associates LLP

Chartered Accountants

Firm's Registration No. 116560W/W100149

Milan Mody

Partner

Membership number: 103286

UDIN: 22103286AAOHEQ4255



Place: Mumbai

Date: 5th February, 2022