



Pradeep Metals Limited

37th ANNUAL REPORT

2019 - 2020

Publicly listed on BSE
37 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 and Managing Director
Dr. Kewal Krishan Nohria	Non-Executive Director
Mr. Omprakash Agarwal	Non-Executive Director (upto 15 th November, 2019)
Mrs. Neeru P. Goyal	Non-Executive Director
Mr. Suresh G. Vaidya	Independent Director
Mr. Jayavardhan Dhar Diwan	Independent Director
Mr. Kartick Maheshwari	Independent Director
Ms. Nandita Nagpal Vohra	Independent Director

Chief Financial Officer

Ms. Kavita Choubisa Ojha

Company Secretary and Compliance Officer

Ms. Nivedita Nayak

Statutory Auditors

N. A. Shah Associates LLP
Chartered Accountants

Secretarial Auditors

Shweta Gokarn & Co.
Company Secretaries

Internal Auditors

MGB & Co. LLP
Chartered Accountants

Cost Auditors

MKJ & Associates
Cost and Management Accountants

Bankers

Union Bank of India

Registered Office

R-205, MIDC, Rabale, Navi Mumbai 400 701.
Tel: +91-22-27691026 Fax: +91-22-27691123
e-mail: info@pradeepmetals.com, investors@pradeepmetals.com
Website: www.pradeepmetals.com
CIN: L99999MH1982PLC026191

Registrar and Transfer Agent

Link Intime India Pvt. Ltd.
C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai 400 083.
Tel: +91-22-49186270; Fax: +91-22-49186060
Email: rnt.helpdesk@linkintime.co.in

PERFORMANCE AT A GLANCE (STANDALONE)

(Rupees in lakhs)

PARTICULARS	2019-20	2018-19	2017-18	2016-17	2015-16
Sales and Other Income (Net of Excise Duty/GST)	17,829	17,611	14,551	12,757	12,084
Profit before Interest, Depreciation, Exceptional Items and Taxes	3,093	2,815	2,210	1,762	1,580
Less: Finance Cost	615	693	621	550	676
Less: Depreciation	509	444	416	432	370
Less: Exceptional items	270	-	-	-	-
Less: Prior period items -	-	-	-	-	20
(income)/expenses (net)					
Profit before Tax	1,699	1,678	1,173	779	514
Less: Taxation	410	484	353	265	138
(including MAT and Deferred Tax)					
Profit for the year before Dividend	1,289	1,194	819	515	376

Earnings per Equity Share of Rs.10/- each (in Rupees)

a. Basic	7.46	6.91	4.74	2.98	2.17
b. Diluted	7.46	6.91	4.74	2.98	2.17
c. Net Worth (Rs. In lakh)	7,341	6,398	5,232	4,419	3,929

NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY SEVENTH ANNUAL GENERAL MEETING OF PRADEEP METALS LIMITED WILL BE HELD ON FRIDAY, 25th DAY OF SEPTEMBER, 2020 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, 2020, 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, 2020, together with the Reports of the Auditors thereon.
2. To confirm the payment of Interim Dividend on Equity Shares for the financial year ended 31st March, 2020.
3. To consider re-appointment of the Statutory Auditors, M/s. N.A. Shah Associates LLP, Chartered Accountants (Firm Registration Number: 116560W/W100149) for a second term as the Statutory Auditors of Company and to fix their remuneration and 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 re-appoints M/s. N.A. Shah Associates LLP, Chartered Accountants (Firm Registration Number: 116560W/W100149), as the Statutory Auditors of the Company for a second term of five (5) consecutive years, to hold the office from the conclusion of this Annual General Meeting until the conclusion of forty second 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.”

SPECIAL BUSINESS:

4. **To re-appoint a Director in place of Dr. Kewal Krishan Nohria (DIN: 00060015) as Non-Executive Non-Independent Director of the Company, who retires by rotation and who has attained the age of seventy-five years, being eligible, offers himself for re-appointment.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and on recommendation of the Nomination and Remuneration Committee of the Company, Dr. Kewal Krishan Nohria (DIN: 00060015), Non-Executive Non-Independent Director of the Company, who retires by rotation in terms of Section 152 of the Companies Act, 2013 and who has attained the age of seventy-five years, being eligible and upon his consent, to continue as Director, be and is hereby re-appointed as Non-Executive Non-Independent Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To approve the remuneration of the Cost Auditors for the financial year ending 31st March, 2021.

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), M/s. MKJ & Associates, Cost & Management Accountants, Mumbai (Firm Registration No. 001352), 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, 2021, be paid a remuneration of Rs.1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses incurred by them in connection of the aforesaid audit.”

6. To re-appoint Mr. Pradeep Goyal as a Chairman and Managing Director of the Company (DIN: 00008370) for a period of 3 (Three) years.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as “the Act”, including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to the approval(s) from appropriate authorities required, if any, consent of the Members of the Company be and is hereby accorded for re-appointment of Mr. Pradeep Goyal (DIN:00008370) as the Chairman and Managing Director of the Company, for a period of 3 (Three) years commencing from 17th December, 2020 to 16th December, 2023, on the following terms and conditions:

(i)	Basic Salary	From 17.12.2020 to 16.12.2021	Rs. 108 lakhs
		From 17.12.2021 to 16.12.2022	Rs. 120 lakhs
		From 17.12.2022 to 16.12.2023	Rs. 132 lakhs
(ii)	Incentive Pay	Subject to maximum of Rs. 25 lakhs per annum, to be decided by the Board of Directors/Nomination and Remuneration Committee, depending on the performance of the Company.	
(iii)	Perquisites (Including Allowances)		
	Leave Travel Allowance	The yearly payment in the form of allowance shall be equivalent to one month's basic salary.	
	Magazines/Books Allowance	Rs. 50,000/- per annum	
	Gas/Electricity/Maintenance Allowance	Rs. 96,000/- per annum	
	Medical Reimbursement	Expenditure incurred by the Chairman and Managing Director and his family	
	Club Fees	Actual fees for maximum of two clubs. Admission fee and life Membership fees will not be paid by the Company.	
	Leave	As per Company Rules	
	Encashment of leave	As per Company Rules	
	Car with Driver	For use on the Company's business	
	Telephone	At residence and cellular phones. Personal long distance calls to be charged and recovered by the Company.	

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The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit prescribed from time to time under section 197, Section 198 and other applicable provisions of the Act and rules made thereunder, read with Schedule V of the Act or any statutory modification(s) or reenactment thereof for the time being in force or otherwise as may be permissible at law.

RESOLVED FURTHER THAT when, in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to the Chairman and Managing Director in accordance with the applicable provisions of Schedule V of the Act, subject to the approval of Central Government, if required.

RESOLVED FURTHER THAT during the term of office of Mr. Pradeep Goyal as Chairman and Managing Director of the Company, he shall not be subject to retirement by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof (hereinafter referred as "the Board") be and is hereby also authorized to amend, alter, modify or otherwise vary the aforesaid terms and conditions/or remuneration of Mr. Pradeep Goyal, Chairman and Managing Director, as may be deemed fit of the Company from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to obtain necessary Regulatory approvals (if applicable), to accept any modification to the aforesaid terms of remuneration of the Chairman and Managing Director and to do all such other acts, deeds, matters and things as it may in absolute discretion deem fit for the purpose of giving effect to this resolution, including to delegate powers of the Board granted by this resolution to any committee of Directors, or any Director or Secretary of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof be and is hereby 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."

7. **To appoint Mr. Abhinav Goyal as Non-Executive Director (Non-Independent) of the Company (DIN: 0008786430)**

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

"RESOLVED THAT pursuant to the provisions of Section 160(1) of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act", including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Articles of Association of Company, Mr. Abhinav Goyal (DIN: 0008786430), in respect of whom the Company has received a recommendation from the Nomination and Remuneration Committee and notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director (Non-Independent), liable to retire by rotation with immediate effect."

Place: Navi Mumbai
Date: 29th June, 2020

**By order of the Board of Directors
For PRADEEP METALS LTD**

REGISTERED OFFICE:

R-205, MIDC, Rabale, Navi Mumbai - 400 701
Tel. no. +91-22-27691026 Fax:+91-22-27691123
Email: investors@pradeepmetals.com
Website: www.pradeepmetals.com
CIN: L99999MH1982PLC026191

**Sd/-
Nivedita Nayak
Company Secretary & Compliance Officer
FCS: 8479**

NOTES:

1. Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated 5th May, 2020 read together with circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as 'MCA Circulars') permitted convening the Annual General Meeting ('AGM' /'Meeting') through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM'), without the physical presence of the Members 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. Generally, a Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
4. The Company has appointed Ms. Shweta Gokarn, Practicing Company Secretary (Certificate of Practice Number- 11001) 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 Register of Members and Share Transfer Books of the Company will be closed from Friday, 18th September, 2020 to Thursday, 24th September, 2020 (both days inclusive).
6. Members 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. Members 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.
7. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
8. **DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:**
In compliance with the MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.pradeepmetals.com, websites of the Stock Exchange and on the website of Company's Registrar and Transfer Agent, Link Intime India Private Limited at <https://instavote.linkintime.co.in>.
9. **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 to be followed: