



Pradeep Metals Limited

40th ANNUAL REPORT

2022 - 2023

Publicly listed on BSE
40 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



40th ANNUAL REPORT 2023

TABLE OF CONTENTS

CONTENTS	PAGE NO.
▪ COMPANY INFORMATION	1
▪ PERFORMANCE AT A GLANCE	2
▪ NOTICE	3
▪ DIRECTORS' REPORT	27
▪ ANNEXURES TO DIRECTORS' REPORT	36
▪ MANAGEMENT DISCUSSION & ANALYSIS	50
▪ CORPORATE GOVERNANCE REPORT	54
▪ AUDITORS' REPORT ON STANDALONE FINANCIALS	76
▪ STANDALONE FINANCIAL STATEMENTS	88
▪ AUDITORS' REPORT ON CONSOLIDATED FINANCIALS	155
▪ CONSOLIDATED FINANCIAL STATEMENTS	162

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40th ANNUAL REPORT 2023

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Pradeep Goyal	Chairman and Managing Director
Dr. Kewal Krishan Nohria	Non-Executive Director
Mrs. Neeru P. Goyal	Non-Executive Director
Mr. Abhinav Goyal	Non-Executive Director
Late Mr. Suresh G. Vaidya*	Independent Director
Mr. Jayavardhan Dhar Diwan	Independent Director
Mr. Kartick Maheshwari	Independent Director
Ms. Nandita Nagpal Vohra	Independent Director
Mr. Advait Kurlekar**	Independent Director (Additional)

* Ceased to be Director w.e.f. April 12, 2023

** Appointed as Director w.r.f. May 10, 2023

CHIEF FINANCIAL OFFICER

Ms. Kavita Choubisa Ojha

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Abhishek Rajesh Joshi

STATUTORY AUDITORS

N. A. Shah Associates LLP
Chartered Accountants

SECRETARIAL AUDITORS

Shweta Gokarn & Co.
Company Secretaries

INTERNAL AUDITORS

CNK & Associates LLP
Chartered Accountants

COST AUDITOR

Umesh Kakule & Associates
Cost and Management Accountants

BANK

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	2022-23	2021-22	2020-21	2019-20	2018-19
Sales and Other Income (Net of GST)	25,012	21,283	14,364	17,829	17,611
Profit before Interest, Depreciation, Exceptional Items and Tax	3,812	3,097	2,187	3,159	2,815
Less: Finance Cost	543	443	382	615	693
Less: Depreciation	619	583	540	498	444
Less: Exceptional items	135	135	308	348	-
Profit Before Tax	2,514	1,936	958	1,698	1,678
Less: Taxation	649	512	339	410	484
(including MAT and Deferred Tax)					
Profit for the year before Dividend	1,865	1,424	618	1,288	1,194
Earnings per Equity Share of Rs.10/- each (in Rupees)					
a. Basic	10.80	8.25	3.58	7.46	6.91
b. Diluted	10.80	8.25	3.58	7.46	6.91
c. Net Worth (Rs. In Lakh)	10,628	9,241	7,987	7,341	6,398

NOTICE

NOTICE IS HEREBY GIVEN THAT THE FORTIETH ANNUAL GENERAL MEETING OF PRADEEP METALS LIMITED WILL BE HELD ON FRIDAY, AUGUST 4, 2023 AT 11:30 A.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 March 31, 2023, 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 March 31, 2023, together with the Reports of the Auditors thereon.
2. a. To confirm payment of an Interim Dividend of Re. 1/- per Equity Share for the Financial Year ended March 31, 2023; and
b. To declare Final Dividend on Equity Shares for the Financial Year ended March 31, 2023.

SPECIAL BUSINESS:

3. **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.**

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), the amended Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee and that of the Board 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."

4. **To appoint Mr. Advait Kurlekar (DIN: 00808669) as an Independent Director.**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 ('the Act') and the rules made thereunder read with Schedule IV to the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Advait Kurlekar (DIN: 00808669), who was appointed as an Additional Director on the Board of the Company in accordance with provisions of Section 161(1) of the Act on May 10, 2023 and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, for a period of 5 years with effect from May 10, 2023 upto May 9, 2028.

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 re-appoint Ms. Nandita Nagpal Vohra (DIN: 06962408) as an Independent Director for a Second Term of five years.**

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

“**RESOLVED THAT** in accordance with the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Rules made thereunder read with Schedule IV of the Companies Act, 2013, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Nomination and Remuneration Committee and that of the Board of the Company, Ms. Nandita Nagpal Vohra (DIN: 06962408) who holds office as an Independent Director up to December 27, 2023, be and is hereby re-appointed as an Independent Director of the Company for a second term of five years w.e.f. December 28, 2023 upto December 27, 2028.”

6. **To approve the remuneration of the Cost Auditors for the Financial Year ending March 31, 2024.**

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. Vishesh Naresh Patani, Cost Accountants (Firm Registration No. 101108), Mumbai, 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 March 31, 2024, be paid a remuneration of Rs.1,35,000/- (Rupees One Lakh Thirty-Five Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit.”

7. **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.**

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 the appropriate authorities, if required, 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 further period of 3 (Three) years commencing from December 17, 2023 to December 16, 2026, on the following terms and conditions:

(i)	Basic Salary	From 17.12.2023 to 16.12.2024	Rs. 168 Lakhs p.a.
		From 17.12.2024 to 16.12.2025	Rs. 192 Lakhs p.a.
		From 17.12.2025 to 16.12.2026	Rs. 216 Lakhs p.a.

40th ANNUAL REPORT 2023

(ii)	Incentive Pay	Subject to maximum of the following, to be decided by the Board of Directors / Nomination and Remuneration Committee depending on performance of the Company.	
		Financial Year 2023-24	Rs. 65.00 Lakhs
		Financial Year 2024-25	Rs. 70.00 Lakhs
		Financial Year 2025-26	Rs. 70.00 Lakhs
(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. 76,000/- per annum	
	Gas / Electricity / Maintenance Allowance	Rs. 1,45,200/- 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's Rules	
	Encashment of leave	As per Company's Rules	
	Car with Driver	For use of the Company's business	

RESOLVED FURTHER THAT notwithstanding anything hereinabove stated, where in any Financial Year during the currency of the term of Mr. Pradeep Goyal as the Chairman and Managing Director, the Company has no profits or its profits are inadequate, he shall be paid the remuneration stated above as 'Minimum Remuneration' in the respective Financial Year(s) even if the same may exceed the ceiling limit laid down in Section 197 and Schedule V to the Act.

RESOLVED FURTHER THAT notwithstanding anything hereinabove stated, where during the currency of the term of Mr. Pradeep Goyal as the Chairman and Managing Director, he attains the age of Seventy Years, he shall continue to be the Chairman and Managing Director till the expiry of his term of office.

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 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 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 it may, in it's absolute discretion, 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 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.

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

“RESOLVED THAT in modification of the Special Resolution dated July 30, 2022 and pursuant to the provisions of Sections 188, 177 and any other applicable provisions of the Companies Act, 2013 (herein after referred to as ‘the Act’) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) consent of the Members of the Company be and is hereby accorded to approve revision of remuneration payable by Dimensional Machine Works (DMW), LLC, 100% Wholly Owned Step-Down Subsidiary to Mr. Abhinav Goyal, Director of the Company (DIN: 08786430), as follows:

(i)	Basic Salary and Allowances	USD 21,000 per Month (Equivalent to Rs. 17.25 Lakhs*) (Overall Limit remains the same as approved earlier)
(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 March 31, 2023 – Rs. 82.17/-**

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.”

9. To approve revision in remuneration of Ms. Neha Goyal, holding office or place of profit in Dimensional Machine Works, Wholly Owned Step-Down Subsidiary.

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

‘RESOLVED THAT in modification of the Special Resolution dated July 30, 2022 and pursuant to the provisions of Sections 188, 177 and any other applicable provisions of the Companies Act, 2013 (herein after referred to as ‘the Act’) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) consent of the Members of the Company be and is hereby accorded to approve revision of remuneration payable by Dimensional Machine Works (DMW), LLC, 100% Wholly Owned Step-Down Subsidiary to Ms. Neha Goyal, as follows:

(i)	Basic Salary and Allowances	USD 15,000 per Month (Equivalent to Rs. 12.32 Lakhs*) (Overall Limit remains the same as approved earlier)
(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 on the Company’s business

***Exchange rate as on March 31, 2023 – Rs. 82.17/-**