

1715, Saiprasad Industrial Park-II, Besides Ramol Police Station,  
CTM-Ramol Road, Ramol Ahmedabad- 382 449. Mob.: 9067295280  
E-mail: [cs1@palcorecycle.com](mailto:cs1@palcorecycle.com) Website: [www.palcometals.com](http://www.palcometals.com)  
CIN: L27310GJ960PLC000998 GSTN: 24AAACP9154D1ZM



Palco Metals Limited

**7<sup>th</sup> September, 2024**

To  
BSE Limited  
Listing Department  
P J Towers, Dalal Street,  
Fort, Mumbai- 400 001.

**Sub: Submission of Annual Report under regulation 34 of SEBI (Listing obligations and disclosure requirements) Regulations, 2015 along with the Notice calling 63<sup>rd</sup> AGM of the company:**

The 63<sup>rd</sup> Annual General Meeting ("AGM") of the Company will be held on Friday, September 30, 2024. at 11.00 A.M. at the Registered Office of the company at 1715, Saiprasad Industrial Park-II, Besides Ramol Police Station, CTM-Ramol Road, Ramol Ahmedabad GJ 382449 IN, to transact the business as mentioned in the Notice of 63<sup>rd</sup> AGM of the Company.

Pursuant to regulation 34(1) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of 63<sup>rd</sup> AGM for the financial year 2023-24 which is being dispatched sent to the members.

Kindly take same on your record.

**For, Palco metals Limited**

  


**Mukesh Tiwari**  
**Company Secretary and Compliance Officer**  
**M. No.45237**



**Palco Metals Limited**

[www.palcometals.com](http://www.palcometals.com)



#### **BOARD OF DIRECTORS**

Shri Kirankumar Agrawal – Managing Director

Shri Naman Naredi- Director

Shri Nareshchand Jain – Director

Rakhi Jitendra Agrawal-Director

Meenu Maheshwari- Director

Shri Gaurav Jani- Director

#### **STATUTORY AUDITORS**

KPSJ & Associates LLP

Chartered Accountants,

Ahmedabad

#### **CHIEF FINANCIAL OFFICER**

Badal Kailash Naredi

#### **COMPANY SECRETARY**

Mr. Mukesh Tiwari

#### **BANKERS**

State Bank of India

#### **REGD. OFFICE**

Block No 1715, Saiprasad Industrial Park-II, Besides  
Ramol Police Station, CTM- Ramol Road, Ramol,  
Ahmedabad-382449

#### **LISTING**

Bombay Stock Exchange

**ISIN:** INE239L01013

**CIN:** L27310GJ1960PLC000998

#### **REGISTRARS & SHARE TRANSFER AGENTS**

MCS SHARE TRANSFER AGENT LIMITED

Ahmedabad Branch

201, 2<sup>nd</sup> Floor, Shatdal Complex,

Ashram Road, Ahmedabad – 380009.

#### **PALCO METALS LIMITED**

**CIN:** L27310GJ1960PLC000998

**WEB:** [www.palcometals.com](http://www.palcometals.com)

## **NOTICE OF 63<sup>rd</sup> AGM OF THE COMPANY**

Notice is hereby given that the Sixty Third Annual General Meeting of the members of the Company will be held on **Monday, 30<sup>th</sup> September 2024 at 11:00 AM**, at Registered Office of the Company at Block No 1715, Saiprasad Industrial Park-II, Besides Ramol Police Station, CTM- Ramol Road, Ramol, Ahmedabad-382449 to transact the following business:

### **ORDINARY BUSINESS:**

- 1. To receive, consider and adopt the audited financial statements [including consolidated financial statements] of the Company for the year ended on March 31, 2024 and the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** the Financial Statement comprising of Audited Balance Sheet of the Company as at 31st March 2024, the Cash Flow Statement and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and the Auditors Report and Consolidated Financial Statement comprising of Audited Consolidated Balance Sheet of the Company as at 31st March 2024, the Consolidated Cash Flow Statement and the Consolidated Profit & Loss Account for the year ended on that date together thereon be and are hereby adopted.”

- 2. To appoint a director in place of Mr. Kirankumar Babulal Agrawal (DIN: 00395934), who retires by rotation and being eligible offers himself for re-appointment and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** Mr. Kirankumar Babulal Agrawal (DIN: 00395934), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company.”

- 3. To re-appoint M/s KPSJ & Associates LLP (124845W/W100209), Chartered Accountants as Statutory Auditors of the Company for a second term of five years and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 139, Section 142 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(s) thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee, M/s KPSJ & Associates LLP (124845W/W100209) be and are hereby re-appointed as Statutory Auditors of the Company for a second term of five years to hold office from the conclusion of 63<sup>rd</sup> Annual General Meeting till the conclusion of 68<sup>th</sup> Annual General Meeting on such remuneration plus taxes and reimbursement of out of pocket expenses as may be incurred by them in connection with audit of accounts of the Company, as may be mutually agreed upon between the Board of Directors and the Statutory Auditors.



**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this Resolution.”

**SPECIAL BUSINESS:**

**4. To appoint Mr. Naman Naredi (DIN: 06943536) as a Non-Executive Director:**

**To consider and if thought fit in this regard, to pass, with or without modification(s) the following resolution as ORDINARY RESOLUTION:**

“**RESOLVED THAT** in accordance with the provisions of Section 152 read with other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Naman Naredi (DIN: 06943536), who was appointed as an additional director in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of this meeting and in respect of whom the Company has received notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company, not liable to retire by rotation;

**RESOLVED FURTHER THAT** the Board of Directors of the Company 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 appoint Mrs. Meenu Maheshwari (DIN: 07113136) as an Independent Women Director of the Company:**

**To consider and if thought fit in this regard to pass, with or without modification(s) the following resolution as SPECIAL RESOLUTION:**

“**RESOLVED THAT** Mrs. Meenu Maheshwari (DIN: 07113136), was appointed as an Additional Independent Director of the Company by Board in its meeting dated 31<sup>st</sup> August, 2024 with effect from 1st September, 2024, and who holds office upto the date of this Annual General Meeting of the Company, and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

“**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), as amended from time to time, the appointment of Mrs. Meenu Maheshwari (DIN: 07113136) as Director, who meets the criteria for

independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company is appointed as Independent Director, for a term of five years, i.e., from September, 1, 2024 to August 31, 2029 (both days inclusive) and who would not be liable to retire by rotation.”

**6. Giving an authorization to Board of Directors under section 180(1)(c) of the Companies Act, 2013 up to Borrow money up to an aggregate limit of Rs. 75 crores**

**To consider and if thought fit in this regard, to pass, with or without modification(s) the following resolution as SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in accordance with the Memorandum and Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to borrow any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may think fit from time to time which together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers or Bodies Corporate or from any other source of Borrowing in the ordinary course of business may exceed the permissible limit i.e. aggregate of paid-up capital, free reserves and securities premium of the Company, provided that the aggregate amount of money/moneys so borrowed by the Board of Directors shall not at any time exceed the limit of Rs. 75 Crores (Rupees Seventy-Five Crores Only).

**RESOLVED FURTHER THAT** any Directors(s) of the Company be and is/are hereby severally authorised for and on behalf of the Company to do all such acts, deeds, matters and things as may be necessary, proper, expedient, or incidental to give effect to this resolution.”

**7. Giving an authorization to Board of Directors under section 180(1)(a) of the Companies Act, 2013 to raise funds by creating Charge on the assets of the Company, up-to an aggregate limit of Rs. 75 crores.**

**To consider and if thought fit in this regard, to pass, with or without modification(s) the following resolution as SPECIAL RESOLUTION:**

**"RESOLVED THAT,** consent of the shareholders of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter refer to as "Board"), to pledge, mortgage, lien, hypothecate and/or create charge, whether fixed or floating (in addition to any other hypothecation, pledge, lien, mortgage, charges created/to be created by the Company), in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the immovable properties and movable assets, investments (both tangible and intangible) of the Company, both present and future, and the whole or substantially the whole of the undertaking(s) or any properties of the Company where so ever situated, in favour of banks, financial institutions, investors, debenture holders or any other lenders and their agents or trustees (together, the "Lenders") to secure any borrowings, debentures, financial

assistance or financial indebtedness to be availed by the Company or any third party from time to time (including without limitation, up to the limit of Rs. 75.00 Crore (Rupees Seventy-Five Crores.) Crore) over and above the paid-up capital of the Company and its free reserves;

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and is hereby authorized to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf.

**8. Giving an authorization to Board of Directors to advance any loan, give any guarantee or to provide any security to all such person specified under section 185 of the Companies Act, 2013 up to an aggregate limit of Rs. 75 crores.**

**To consider and if thought fit in this regard, to pass, with or without modification(s) the following resolution as SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to Section 185 and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in accordance with Memorandum and Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to advance any loan(s) and/or to give any guarantee(s) and/or to provide any security(ies) in connection with any Financial Assistance/Loan taken/to be taken/availed/to be availed by any entity which is a Subsidiary/ Associate/Joint Venture or such other entity/person as specified under Section 185 of the Companies Act, 2013 and more specifically to such other entity/person as the Board of the Directors in its absolute discretion deems fit and beneficial and in the best interest of the Company (hereinafter commonly known as the Entities); all together with in whom or in which any of the Director of the Company from time to time is interested or deemed to be interested; provided that the aggregate limit of advancing loan and/or giving guarantee and/or providing any security to the Entities shall not at any time exceed the aggregate limit of Rs. 75 Crores (Seventy-Five Crores).

**RESOLVED FURTHER THAT** the aforementioned loan(s) and/or guarantee(s) and/or security(ies) shall only be utilized by the borrower for the purpose of its principal business activities.

**RESOLVED FURTHER THAT** any Directors(s) of the Company be and is/are hereby severally authorised for and on behalf of the Company to do all such acts, deeds, matters and things as may be necessary, proper, expedient, or incidental to give effect to this resolution.”

**9. Giving an authorization to Board of Directors under section 186 of the Companies Act, 2013 up to invest, to advance loan, to provide security or guarantee in connection with loan upto the aggregate limit of Rs.75 crores to any Body Corporate, Company or any other Person:**

**To consider and if thought fit in this regard, to pass, with or without modification(s) the following resolution as SPECIAL RESOLUTION:**

**“RESOLVED FURTHER THAT** pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in accordance with the Memorandum and Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company for giving any loan to any person or body corporate, give any guarantee or provide security in connection with a loan to any other body corporate or person; and acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may think fit from time to time which together with the loans, guarantee, security and investment given/provided/made by the Company, from time to time in one or more tranches, may exceed the aggregate permissible limit i.e. 60% of the paid-up capital of the Company, its free reserves and securities premium account or 100% of its free reserves and securities premium account,

provided that the aggregate of such sum or sums of moneys shall not at any time exceed the aggregate limit of Rs.75 Crores (Rupees Seventy-Five Crores Only).

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board of the Directors of the Company be and is hereby authorized to take from time to time all decisions and such steps as may be necessary for giving loans, guarantees or providing securities or for making such investments and to give corporate guarantee and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem necessary or appropriate or desirable including to settle any question, difficulty or doubt that may arise in respect of such investments / loans / guarantees / securities made or given or provided by the Company (as the case may be).”

## **10. Adoption of new set of Articles of Association**

**To consider and if thought fit in this regard, to pass, with or without modification(s) the following resolution as SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013, read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to adopt new set of Article of Association in place of existing Articles of Association of the Company, copy of which is placed before the meeting and placed on the website of the company.

**RESOLVED FURTHER THAT** any of the directors or the company secretary be and are hereby authorised severally to do such acts and deeds to give effect to this resolution and file all necessary forms/returns with the Registrar of Companies.

**11. Reclassification of Authorised Share Capital and Consequent Alteration of Memorandum of Association and Articles of Association:**

**To consider and if thought fit in this regard, to pass, with or without modification(s) the following resolution as SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Sections 13, 61 and all other applicable provisions, if any, under the Companies Act, 2013, (including any amendment thereto or re-enactment thereof) the existing Authorised Share Capital of the Company of ` 100,000,000 (Ten Crores) divided into 7,000,000 (Seventy Lacs) Equity Shares of ` 10/- (Rupees 10 Only) each and 3,000,000 (Thirty Lacs) Non-cumulative Redeemable preference shares of `10/- (Rupees Ten Only) each be and is hereby reclassified to ` 100,000,000 (Rupees Ten Crores) divided into 10,000,000 (One Crore) Equity shares of ` 10/- (Rupees Ten Only) each.

**RESOLVED FURTHER THAT** the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

V. The Authorised Share Capital of the Company is ` 100,000,000 (Rupees Ten Crores) comprising of 10,000,000 (One Crore) Equity shares of ` 10/- (Rupees Ten Only) each with the rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being with power to increase and reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be provided by the Articles of Association of the Company and the Companies Act, 2013.”

**RESOLVED FURTHER THAT** that pursuant to the provisions of Section 13 sub-section (1), read with Section 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) The Authorised Share Capital of the Company is ` 100,000,000 (Rupees Ten Crores) comprising of 10,000,000 (One Crore) Equity shares of ` 10/- (Rupees Ten Only).”

**12. To consider re-appointment of Mr. Kirankumar Babulal Agrawal (Din: 00395934) as the Managing Director of the Company for a further period of 3 (Three years).**

**To consider and if thought fit to pass, with or without modification(c) the following resolution as SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Sections 117, 196, 197 and 203 read with Schedule V and Article of Association of the Company as amended from time to time and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or reenactment(s) thereof for the time being in force), the approval of the members/shareholders of the Company be and are hereby accorded to approve the terms of re-appointment and remuneration of Mr. Kirankumar Babulal Agrawal (DIN : 00395934) as the Managing Director and Key Managerial Personnel of the Company for a further period of 3 (Three) years with effect from 13<sup>th</sup> August,

2024 to 13<sup>th</sup> August, 2027, as recommend/ approved by the Nomination & Remuneration Committee and Board of Directors in its meeting held on 31<sup>st</sup> August, 2024 on the terms and conditions including remuneration as set out in explanatory statement annexed to the notice convening this meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be accepted to Mr. Kirankumar Babulal Agrawal (DIN : 00395934), subject to the same not exceeding the limit set herein with in the resolution given under explanatory statement, or any statutory modifications or re-enactment thereof:-

“RESOLVED FURTHER THAT the following Directors and/or Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, things and matters as may be necessary to give effect to the resolution:

Mr. Naman Naredi    Director  
Mr. Mukesh Tiwari    CS

**By Order of the Board**  
**For, Palco Metals Limited**  
**SD/-**  
**Kirankumar Agrawal**  
**Managing Director**  
**DIN: 00395934**  
**Date: 31<sup>st</sup> August, 2024**  
**Place: Ahmedabad**

## NOTES:

1. The information as prescribed under Regulation 36[3] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 of the Director seeking reappointment at the ensuing Annual General Meeting is provided at **Annexure-1** to this Notice of AGM

**2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF, ON A POLL ONLY AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as a proxy on behalf of members not exceeding 50 [fifty] and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company, then such proxy shall not act as a proxy for any other person or member. Proxies in order to be effective must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting i.e., by 11:00 AM on Sunday, 30th September 2024. Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate authority together with specimen signature, as applicable.

3. Corporate members intending to authorize its representatives to attend the Meeting are requested to submit to the Company at its Registered Office, a certified copy of Board Resolution / authorization document authorizing their representative to attend and vote on their behalf at the Meeting. Members/Proxies/Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.

4. Electronic copy of the Notice of the 63<sup>rd</sup> Annual General Meeting of the Company along with Annual Report, *inter-alia*, including the Remote e-voting instructions, Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has specifically requested for a hard copy of the same. For members, who have not registered their email address, physical copy of the Notice of the 63<sup>rd</sup> Annual General Meeting of the Company along with Annual Report, *inter-alia*, including the Remote e-voting instructions, Attendance Slip and Proxy Form is being sent by the permitted mode.

5. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically by mailing to the company at mail id: [cs1@palcorecycle.com](mailto:cs1@palcorecycle.com) or in writing to the Share Transfer Agent and registrar to issue of Company.

6. Members, who hold shares in dematerialized form, are requested to bring their Client ID and DP ID Numbers for easy identification of attendance at the meeting. Members are also requested to notify any change in their email ID or bank mandates or address to the company and always quote their Folio Number or DP ID and Client ID Numbers in all correspondence with the company. In respect of holding in

electronic form, Members are requested to notify any change of email ID or bank mandates or address to their Depository Participants.

**7.** The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their Demat Account. Members holding shares in physical form can submit their PAN details to the Company at mail id: [cs1@palcycle.com](mailto:cs1@palcycle.com) or in writing to the Share Transfer Agent and registrar to issue of the Company.

**8.** Members are requested to intimate immediately the change in their registered address, if any, to their Depository Participants (DPs) in respect of their electronic share accounts and to the Company or Share Transfer Agent, in respect of their physical share folios, if any. In case of mailing address mentioned on this Annual Report is without PINCODE, members are requested to kindly inform their PINCODE immediately.

**9.** Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection for the members at the Registered Office of the Company on all working days, during normal business hours, up to the date of this Annual General Meeting.

**10.** The Company's Shares have been activated for dematerialization both with National Securities Depository Ltd. and Central Depository Services (India) Ltd. Those shareholders who wish to hold shares in electronic form may approach their Depository Participants. The existing ISIN of the Equity Shares of the Company is INE239L01013.

**11.** Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form can file nomination in prescribed Form SH-13 and for cancellation / variation in Nomination in the prescribed Form SH-14 with the Company's RTA.

**12.** Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (LODR) Regulations, 2015 and read with Standard 2 of the Secretarial Standards on General Meetings, a member of the Company holding shares either in physical form or in dematerialized form, may exercise his right to vote by electronic means in respect of the resolution(s) contained in this notice.

**13.** A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. Persons who are not members as on the cut-off date should treat this notice for information purpose only.

**14.** The Notice will be displayed on the website of the Company [www.palcometals.com](http://www.palcometals.com) and on the website of NSDL. The members who have casted their vote by remote e-voting prior to AGM may also attend the AGM, but shall not be entitled to cast their vote again. A route map showing directions to reach the venue of the 63<sup>rd</sup> AGM is given in the Annual Report as per the requirement of the Secretarial Standards-2 on "General Meetings".

**15.** The Board of Directors has appointed Mr. Punit Lath Company Secretary in Practice as a Scrutinizer, for conducting the voting / poll and remote e-voting process in a fair and transparent manner. The



Scrutinizer shall submit the report after completion of the scrutiny to the Chairperson of the Company. Results will be uploaded on the Company's website as well as intimated to the Bombay Stock Exchanges.

**16.** Members are requested to carefully read the instructions for remote e-voting before casting their vote. The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:

### **E-VOTING INSTRUCTIONS**

**1.** In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services.

The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

**2.** The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

**3.** The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

**4.** The remote e-voting period commences on Friday, September 27, 2024 (09:00 AM) and ends on Sunday, September 29, 2024 (05:00 PM). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, September 23, 2024 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.

**5.** The process and manner for remote e-voting are as under:

**A.** In case a member receives an email from NSDL [for members whose e-mail IDs are registered with the Company/Depository Participant(s)]:

(i) Open email and open PDF file viz.; "Palco Metals remote e-voting.pdf" with your client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting.

Please note that the password is an initial password.

(ii) Launch internet browser and type URL: <https://www.evoting.nSDL.com/>. Press Enter.

(iii) Click on Shareholder – Login

(iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select “EVEN” of “Palco Metals Limited”.

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.

(x) Upon confirmation, the message “Vote cast successfully” will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [cs1@palcorecycle.com](mailto:cs1@palcorecycle.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**B.** In case a member receives physical copy of the Notice of Annual General Meeting [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:

(i) Initial password is provided under separate communication You may use User ID and Password provided in that communication. Please note that the password is an initial password and you will be asked to change the password when you log-in for the first time.

(ii) After that, follow all steps from Sl. No. (ii) to Sl. No. (xii) as given above, to cast vote.

**6.** In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.:1800-222-990.

**7.** If you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password/PIN for casting your vote.

**8.** You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

**9.** The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of September 23, 2024.

**10.** Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., September 23, 2024 may obtain the Login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [cs1@palcorecycle.com](mailto:cs1@palcorecycle.com).

**11.** Login to 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 “Forgot Password” option available on the site to reset the same.

- 12.** If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll-free no.: 1800-222-990.
- 13.** Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- 14.** A member may participate in the Annual General Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the Annual General Meeting.
- 15.** A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.
- 16.** Mr. Punit S. Lath, Practicing Company Secretary (Membership No. 26238, C.P. No. 11139) has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
- 17.** The Chairperson shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “ballot paper” for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- 18.** The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairperson or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- 19.** The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.palcometals.com](http://www.palcometals.com) and on the website of NSDL immediately after the declaration of result by the Chairperson or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.

By Order of the Board  
For Palco Metals Limited

Sd/-  
Kirankumar Agrawal  
Managing Director  
DIN: 00395934

Date: 31<sup>st</sup> August, 2024  
Place: Ahmedabad

**ANNEXURE 1” TO NOTICE OF AGM”**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND PURSUANT TO REGULATION 36[3] OF THE SEBI [LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS] REGULATIONS, 2015:**

**ORDINARY BUSINESS:**

- 1. Item No. 03: To re-appoint M/s KPSJ & Associates LLP (124845W/W100209), Chartered Accountants as Statutory Auditors of the Company for a second term of five years and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

M/s KPSJ & Associates LLP (124845W/W100209) Chartered Accountants to be re-appointed as Statutory Auditors of the Company for a second term of five years in this 63<sup>rd</sup> AGM till conclusion of 68<sup>th</sup> AGM.

Re-appointment was recommended by the Audit Committee and approved by the Board of Directors in the Board Meeting dated 31<sup>st</sup> August 2024.

**Details of Auditor seeking reappointment at the 63<sup>rd</sup> AGM pursuant to Regulation 36[5] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015**

<b>Name and FRN</b>	<b>M/s KPSJ &amp; Associates LLP (124845W/W100209)</b>
<b>Terms of appointment</b>	for a second term of five years to hold office from the conclusion of 63 <sup>rd</sup> Annual General Meeting till the conclusion of 68 <sup>th</sup> Annual General Meeting
<b>Fees Payable</b>	As per mutually agreed between the Board of Directors and the Statutory Auditors.
<b>Basis of Recommendation</b>	The recommendations are based on the fulfilment of the eligibility criteria prescribed by the Companies Act, 2013 and considering audit experience, capability, independence assessment.
<b>Brief Profile</b>	Established in 2003, KPSJ & Associates LLP is a leading Chartered Accountant firm with progressive, specialized and well-structured Professionals with an experience of more than 21 years of value-added expertise.  Eventually, the firm inducted young and energetic professionals like Chartered Accountants, Company

	Secretaries, Cost Accountants, CAIIBs, senior ex-Bankers, Information System Auditors. The prime commitment of the firm is to provide quality and efficient services to the clients.
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**SPECIAL BUSINESS:**

**Item No. 4: To appoint Mr. Naman Naredi (DIN: 06943536) as a Non-Executive Director and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

Mr. Naman Naredi accomplished Master of Commerce in Economics and Finance, as well as a Master's in International Business Management from Heriot-Watt University in Edinburgh. He launched his career in Jaipur overseeing financial operations at a professional firm. He also amassed experience in real estate, engaging on new project identification, corporate finance, and project evaluations.

Further, Mr. Naman Naredi has confirmed that he is not disqualified to act as a Director in terms of Section 164 of the Act and he is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority.

Nomination and Remuneration Committee has duly considered their appointment and has approved their appointment as Non-Executive Director on the Board of the Company. Board in its meeting dated 12<sup>th</sup> February, 2024 considered their appointment as the Non-Executive Director on the Board of Company and appointed him as the Additional Director on the Board up to the ensuing AGM of the Company.

Now in the AGM Board seeks their regularization on the Board of the Company from the members of the Company. Board recommends the passing of the above resolution.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above-mentioned resolution.

**Details of Director seeking reappointment at the AGM pursuant to Regulation 36[3] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 is as under**

Name & DIN of Director	Mr. Naman Naredi DIN: 06943536
Date of Birth	13/08/1993
Date of Appointment	12 <sup>th</sup> February 2024
Experience	In 2018, ventured into the Import-Export and trading arena, effectively managing transactions across various

	products, parties, and regions. Presently, he plays a pivotal role in 'Premium Petro Products' – one of the top five bitumen importers in India – and oversees 'Fun Kingdom', North India's premier amusement and adventure park. His business acumen and dedication have significantly contributed to enhancing the financial performance and growth of his ventures.
Qualifications	B.com, MBA
Directorship held in other Public Limited Companies	NIL
Member / Chairman of Committees in other Public Limited Companies	NIL
No. of Shares held in the company & Subsidiary Company	NIL
Inter se Relationship with any Director /KMP Director or KMP	No relationship with any Director/KMP on the Board.

**Item No. 05: Appointment of Mrs. Meenu Maheshwari (DIN: 07113136) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution:**

Mrs. Meenu Maheshwari (DIN: 07113136), was appointed as an Additional Director of the Company, under the category of Independent Director with effect from 1<sup>st</sup> September, 2024, on th4 Board of Company.

Nomination and Remuneration Committee has duly considered their appointment and has approved their appointment as Non-Executive Director on the Board of the Company.

Being a Company Secretary by qualification, she has flourished herself with vast Professional post Qualification experience of more than 10 Years in the field of Corporate Governance. She is serving on the board of various company as Independent Director enrich her with immense knowledge and experience which is fruitful for the Board of the company. Her name is also registered in the Independent Directors Data Bank.

Further, Mrs. Meenu Maheshwari has confirmed that she is not disqualified to act as a Director in terms of Section 164 and Section 149 of the Companies Act and she is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority and she is in compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Now in the AGM Board seeks their regularization on the Board of the Company from the members of the Company. Board recommends the passing of the above resolution.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above-mentioned resolution.

**Details of Directors proposed to be reappointed/ whose remuneration is proposed) As required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015) is as under:**

Name & DIN of Director	Mrs. Meenu Maheshwari DIN: 07113136
Date of Birth	28 <sup>th</sup> April 1973
Date of Appointment	31 <sup>st</sup> August 2024
Experience	Worked as Company Secretary for 4 years in a listed company and has experience of around 14 years as Practicing Company Secretary.
Qualifications	B.com; M.com, CS
Directorship held in other Public Limited Companies	<ol style="list-style-type: none"> <li>1. PLASTENE INDIA LIMITED</li> <li>2. HCP PLASTENE BULKPACK LIMITED</li> <li>3. PLASTENE POLYFILMS LIMITED</li> <li>4. GUPTA SYNTHETICS LIMITED</li> <li>5. KRISHNA CAPITAL AND SECURITIES LIMITED</li> </ol>
Member / Chairman of Committees in other Public Limited Companies	<ol style="list-style-type: none"> <li>1. HCP PLASTENE BULKPACK LIMITED – Audit Committee and Stakeholder Relationship Committee</li> <li>2. KRISHNA CAPITAL AND SECURITIES LIMITED - Stakeholder Relationship Committee</li> <li>3. PLASTENE POLYFILMS LIMITED – Audit Committee</li> </ol>
No. of Shares held in the company & Subsidiary Company	NIL
Inter se Relationship with any Director /KMP Director or KMP	No relationship with any Director/KMP on the Board.

**Item No. 06 & 07**

**To consider and approve for giving authorization to Board of Directors under section 180(1)(c) of the Companies Act, 2013 up to an aggregate limit of Rs. 75 crores.**

Pursuant to Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions of the Act, the Board of Directors of the Company herewith sought approval to set the limit of Borrowings of the Company at INR 75 Crores. The Company is constantly reviewing opportunities across the globe for business opportunities of the company or its subsidiary company.

Keeping in view the future financial requirements to support its business opportunities like hiring of people, develop & monetize projects, the Company may need additional funds to support its long-term strategic business plan.

For this purpose, the Company may, from time to time, raise finance/fund from various Banks and/ or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid up capital and free reserves of the Company. Hence it is proposed to increase the borrowing limits to Rs. 75 Crores (Rupees Seventy-Five Crores Only) for the Company.

Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any-time except with the consent of the members of the Company in a general meeting.

For seizing any Opportunity, the Company, may require funds which can be finance/fund from various Banks and/ or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, term of finance may require creating charge or pledge on the assets of the company.

Pursuant to Section 180(1)(a) of the Companies Act, 2013 the Board of Directors cannot raise funds by pledging or creating Charge on the assets of the Company until the resolution with defined limits to raise funds by creating mortgage or pledge on the assets of the company is duly approved by the members as special resolution.

Hence it is proposed to increase the limits of raising funds by creating charge on the assets of the company upto the limits to Rs. 75 Crores (Rupees Seventy-Five Crores Only) with members approval by way of passing special resolution.

The Board recommends the resolution set out in Item No. 6 and 7 of this Notice for approval of the members by way of Special Resolution. None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the resolution.

**Item No. 08 Giving an authorization to Board of Directors to advance any loan, give any guarantee or to provide any security to all such person specified under section 185 of the Companies Act, 2013 up to an aggregate limit of Rs. 75 crores.**

Pursuant to the provisions of Section 185 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (the "Rules") (as amended from time to time), no company shall, directly or indirectly, advance any loan, including any loan represented by a book debt to, or give any guarantee or provide any security in connection with any loan taken by (a) any director of company, or of a company which is its holding company or any partner or relative of any such director; or (b) any firm in which any such director or relative is a partner.

However, a company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom



any of the director of the company is interested, subject to the condition that, a special resolution is passed by the company in general meeting and the loans are utilized by the borrowing company for its principal business activities.

In order to augment the long term resources of the Company and to render support for the business requirements of the entities in which director of the Company is interested or deemed to be interested from time to time, the Board of Directors in its meeting held on 31<sup>st</sup> August, 2024 has, subject to the approval of shareholders of the Company, proposed and approved for seeking the shareholder approval for advancing any loan, giving any guarantee or providing any security to all such person specified under Section 185 of the Companies Act, 2013 and more specifically such other entity/person as the Board of the Directors in its absolute discretion deems fit and beneficial and in the best interest of the Company (hereinafter commonly known as the Entities); all together with in whom or in which any of the Director of the Company from time to time is interested or deemed to be interested and up to an aggregate limit of Rs.75 Crores. Further, the aforementioned loan(s) and/or guarantee(s) and/or security(ies) shall only be utilized by the borrower for the purpose of its principal business activities and that keeping the best interest of the Company.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above-mentioned resolution except to the extent of their directorships and shareholding in the Company / entity (if any).

Accordingly, consent of the members is sought for passing a Special and the Board of Directors recommends the approval of the shareholders on a Special Resolution.

**Item No. 09 Giving an authorization to Board of Directors under section 186 of the Companies Act, 2013 up to invest, to advance loan, to provide security or guarantee in connection with loan upto the aggregate limit of Rs.75 crores to any Body Corporate, Company or any other Person:**

Pursuant to the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (the "Rules") (as amended from time to time), the Board of Directors of a Company can give any loan to any person or body corporate, give any guarantee or provide security in connection with a loan to any other body corporate or person; and acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may think fit from time to time which together with the loans, guarantee, security and investment given/provided/made by the Company, beyond the maximum permissible limit under Section 186 of the Companies Act, 2013 i.e. 60% of the paid-up capital of the Company and its free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, provided that if special resolution has been passed by the shareholders of the Company to that effect. Keeping in view the future plans of the Company and to fulfil long term strategic and business objectives and as a measure of achieving greater financial flexibility and to enable optimal financing structure, the Board of Directors in its meeting held on August 31, 2024 has, subject to the approval of shareholders of the Company, has proposed and approved for seeking the shareholder approval for setting up limit up to an aggregate amount of Rs.75 Crores and to give powers to the Board of

Directors or any duly constituted committee thereof to that effect under Section 186 of the Companies Act, 2013.

The loan(s), guarantee(s), security(ies) and investment(s), as the case may be, shall be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made thereunder.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above-mentioned resolution except to the extent of their directorships and shareholding in the Company (if any).

Accordingly, consent of the members is sought for passing a Special Resolution as in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the shareholders of the Company as a Special Resolution.

#### **Item No. 10 Adoption of new set of Articles of Association**

The Articles of Association ("AOA") of the Company as presently in force are based on the erstwhile Companies Act, 1956 and several regulations in the existing AOA are no longer in conformity with the Companies Act, 2013.

Further several regulations / articles of the existing AOA of the Company require alteration or deletion pursuant to changes in applicable laws. Therefore, it is considered expedient to wholly replace the existing AOA by a new set of Articles and Memorandum. The new set of AOA to be substituted in place of the existing AOA.

Copy of the draft Articles of Association and Memorandum of Association of the Company would be available for inspection by the members at the Registered Office of the Company on any working day.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 and 7 of the Notice.

#### **Item No. 11 Reclassification of Authorised Share Capital and Consequent Alteration of Memorandum of Association and Articles of Association**

The present Authorised Share Capital of the Company of ` 100,000,000 (Ten Crores) divided into 7,000,000 (Seventy Lacs) Equity Shares of ` 10/- (Rupees 10 Only) each and 3,000,000 (Thirty Lacs) Non-cumulative Redeemable preference shares of ` 10/- (Rupees Ten Only) each.

As per the provisions of Sections 13 of the Companies Act, 2013, a Company can alter the Share Capital Clause of its Memorandum of Association and Articles of Association with the consent of Shareholders.

The Board recommends the said reclassification as the Company do not have any future plan to issue preference shares to the shareholders so entire Authorised Share Capital to be converted into Equity Share Capital.

On reclassification of authorised capital, it would be necessary to amend Clause V of the Memorandum of Association and Article 3 of Articles of Association. The Resolution seeks approval of Members to reclassify the Share Capital and to amend the said Clauses.

The existing Authorised Share Capital of the Company of ` 100,000,000 (Ten Crores) divided into 7,000,000 (Seventy Lacs) Equity Shares of ` 10/- (Rupees 10 Only) each and 3,000,000 (Thirty Lacs) Non-cumulative Redeemable preference shares of `10/- (Rupees Ten Only) each be and is hereby reclassified to ` 100,000,000 (Rupees Ten Crores) divided into 10,000,000 (One Crore) Equity shares of ` 10/- (Rupees Ten Only) each.

The Resolution requires approval of Members to reclassify the Share Capital and to amend the respective Clauses in the Memorandum of Association & Articles of Association of the Company. The Board of Directors recommends the passing of these Resolutions by special resolutions.

None of the Directors / key managerial persons of the Company or their relatives is interested, financially or otherwise, in the aforesaid resolution.

**Item No 12. To consider re-appointment of Mr. Kirankumar Babulal Agrawal (Din: 00395934) as the Managing Director of the Company for a further period of 3 (Three years).**

Mr. Kirankumar Agrawal (DIN: 00395934) was re-appointed as a Managing Director in 57th Annual General Meeting of the Company w.e.f. with effect from 14th, 2018 upto 13th August, 2021.

He is a commerce graduate and passed his Chartered Accountant course with very good rank and marks. After completing his Chartered Accountant certification, Mr. Kirankumar Babulal Agrawal started his practice as Chartered Accountant.

In 1997 Mr. Kirankumar Agrawal along with Mr. Kanaiyalal Agrawal took over the management of Palco Metals Limited which was a sick company at that time of acquisition in 1997 and transformed it into a profit-making company under their management.

It would be appropriate to re-appoint him from August, 2024 for a period of 3 years.

The Board of Director of the Company at its meeting held on 31/08/2024 and on the recommendation of the Nomination and Remuneration Committee in its meeting held on 12/08/2024, approved re-appointment of Mr. Kirankumar Agrawal as Managing Director (KMP) of the Company, subject to the approval of members/shareholders of the Company in General Meeting as a Special Resolution for a period of three years from August 14, 2024 to 13 August, 2027 at the remuneration, in accordance with norms laid down in Schedule V and other applicable provisions of Companies act, 2013 and rules made thereunder.

As Mr. Kirankumar Babulal Agrawal does not hold position of Managing Director in any other company except subsidiary company Palco Recycle Industries Limited and henceforth as required by proviso to section 203(3) of the Companies act, 2013, his resolution for appointment as Managing Directors was considered and approved by NR Committee and after that by Board of Directors in meeting with presence of all Directors present in India and with consent of all the Directors present in meeting. The said resolution was passed unanimously by the Board in Meeting dated 31/08/2024. Further Board has recommended the approval of the said resolution.

It is further informed to the members that Kirankumar Agrawal is presently deriving salary of Rs. 150000/- per month from subsidiary company.

The information in respect of terms of remuneration & perquisites is given below: Remuneration, benefits and perquisites:

**I. Salary:** Nil/- per month (at Present). Board be delegated the power to decide the remuneration in case of inadequacy of profits or losses to pay remuneration upto the limits of Rs. 250000 per month including the drawing of salary from Subsidiary company.

**II. Commission:**

No Commission is payable.

**III. Perquisites:**

**a) Housing:**

(i) As may be decided by Board or Committee. Board or Committee can decide the same within limits of Schedule V in case of inadequacy of profits or losses.

**b) Medical Reimbursement:**

Reimbursement of medical expenses actually incurred for self and family, subject to the ceiling of one month 's salary in a year with a right to carry forward.

**c) Leave and Leave Travel Concession:**

Leave Travel Concession for self and family, subject to the ceiling of one month 's salary.

Earned privilege leaves on full pay and allowance as per the rules of the Company subject to the condition that leave accumulated but not availed of shall not be allowed to be encashed.

**d) Club Fees:**

No Club fees shall be payable by the company.

**e) Personal Accident Insurance:**

No Insurance policy of promoter will be payable from the company.

**f) Car & Telephone:**

(i) No car will be provided

(ii) No Telephone will be provided.

#### **IV. Limits on Remuneration:**

The remuneration as specified in clauses above shall be subject to the overall limits as specified under Sections 196, 197 and other applicable provisions read with Schedule V of the Companies Act, 2013.

#### **V. Minimum Remuneration:**

In the event of the Company incurring a loss or having inadequate profits in any financial year, the remuneration, perquisites, benefits, allowances and amenities payable to Mr. Kirankumar Babulal Agrawal shall be in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 as amended from time to time.

#### **VI. Sitting Fees:**

He shall not be paid sitting fees for attending the meetings of the Board of Directors of the Company.

Mr. Kirankumar Agrawal is Key managerial personnel of the Company and Managing Director of Subsidiary Company. Hence, he is covered under the provisions of Section 188 of the Companies Act, 2013 and rules made thereunder.

Except Mr. Kirankumar Agrawal, being an appointee and his relative, none of the Directors and Key Managerial Personnel of the Company is concerned or interested, financial or otherwise, in the resolution set out at Item No.2.

This explanation, together with the accompanied notice is and should be treated as an abstract under Section 189 and 190 of the Companies Act, 2013 and rules made there under, in respect of the re-appointment of Mr. Kirankumar Babulal Agrawal, as the Managing Director.

The resolution seeks approval of members as a Special Resolution for the re-appointment of Mr. Kirankumar Babulal Agrawal as the Managing Director (Key Managerial Personnel) of the Company with effect from August 13, 2021 to August, 14 2024, pursuant to the provisions of Section 117, 196 and 197 and 203 read with Schedule V other applicable provision of the Companies Act, 2013 and the rules made there under.

#### **Details of Director seeking reappointment at the 63<sup>rd</sup> AGM pursuant to Regulation 36[3] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015**

Name & DIN of Director	Kirankumar Babulal Agrawal DIN 00395934
Date of Birth	23/10/1964

Date of Appointment	17/08/1996
Experience	He has got the rich and vast experience of 15 Years Practicing Chartered Accountants in area of Finance and Taxation. 25 Years of Experience as promoter of Palco Metals Limited an aluminum recycle company.
Qualifications	B. Com CA
Directorship held in other Public Limited Companies	Palco Recycle Industries Limited Palco Recycle Exchange Limited
Member / Chairman of Committees in other Public Limited Companies	Palco Recycle Industries Limited
No. of Shares held in the company & Subsidiary Company	4000 & 7500 Equity shares respectively.
<i>Inter se</i> Relationship with any Director /KMP Director or KMP	No relationship with any Director/KMP on the Board.

**By Order of the Board  
For Palco Metals Limited**

**Sd/-  
Kirankumar Agrawal  
Managing Director  
DIN: 00395934  
Date: 31<sup>st</sup> August, 2024**

**Place: Ahmedabad**

## DIRECTORS' REPORT

To,  
The Members,  
**Palco Metals Limited,**  
Ahmedabad

Your directors have pleasure in presenting herewith the 63<sup>rd</sup> Annual Report together with the Audited Statement of Accounts for the year ended on 31<sup>st</sup> March, 2024.

### **1. FINANCIAL SUMMARY:**

**(Amount in Lacs Rs.)**

Particulars	Year Ended on 31/03/2024	Year Ended on 31/03/2023
<b>TOTAL INCOME</b>		
Revenue from Operations (Net)	28.09	5.00
Other Income	2.34	6.38
<b>Total revenue</b>	<b>30.43</b>	<b>11.38</b>
<b>TOTAL EXPENSES:</b>		
Expenses (Employee Exps.)	3.48	2.89
Other Exps.	6.86	5.73
Finance Costs	10.11	0.01
<b>Total Exps.</b>	<b>20.45</b>	<b>8.63</b>
<b>Profit/(Loss) after finance costs but before exceptional Items</b>	<b>9.98</b>	<b>2.75</b>
Exceptional Items	-	-
<b>Profit before extraordinary items and tax</b>	<b>9.98</b>	<b>2.75</b>
Extraordinary Items	-	-
<b>Profit before Tax</b>	<b>9.98</b>	<b>2.75</b>
Tax Expenses	1.00	0.71
Prior Period Tax Adjustment	6.18	0.00
<b>Net Profit /Loss for the Period</b>	<b>2.80</b>	<b>2.04</b>
<b>Earning Per share</b>	<b>0.70</b>	<b>0.51</b>

### **2. STATEMENT OF COMPANY'S AFFAIRS:**

The Company has earned revenue from Operations of Rs. 28.09 Lacs. Other income from interest stood at Rs. 2.34 Lacs as compared to Rs. 5.00 Lacs and Rs. 6.38 Lacs respectively last year. Further Company has Subsidiary Company Palco Recycle Industries Limited in which Company holds approx. 65% of holding.

### **3. DIVIDEND:**

This Year also company has earned Only 28.09 lacs from major income from operations. Hence, with a view to conserve the resources, the board of directors of the company have not recommended any dividend for the year under review.

### **4. TRANSFER TO RESERVE:**

The Company proposes to transfer nil amounts to General Reserve and surplus amount of profit is proposed to be retained as in the Statement of Profit and Loss.

### **5. ANNUAL RETURN:**

Annual Return of the Company as required under Section 92(3) read with Section 134(3)(a) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, in the prescribed Form MGT-7, is also placed on the website of the company [www.palcometals.com](http://www.palcometals.com) and weblink for the same is <http://palcometals.com/investors/>

### **6. ACCEPTANCE OF DEPOSITS:**

During the year under review, the Company has not accepted any deposits from the Public and Shareholders of the Company. Further no amount of principal or interest was outstanding as of the Balance Sheet date.

### **7. SUBSIDIARY, ASSOCIATE OR JOINT VENTURE COMPANY:**

The Company has Subsidiary company Palco Recycle Industries Limited (PRIL) within the meaning of 2(87) of the Companies Act, 2013. Palco Recycle Industries Limited has performed stable during the year. The performance of subsidiary is as follows:

**(Amount in Lacs Rs.)**

<b>Particulars</b>	<b>Year Ended on 31/03/2024</b>	<b>Year Ended on 31/03/2023</b>
<b>TOTAL INCOME</b>		
Revenue from Operations (Net)	19407.71	15967.63
Other Income	45.23	72.88
<b>Total revenue</b>	<b>19452.95</b>	<b>16040.51</b>
<b>Total Exps.</b>	<b>19043.56</b>	<b>15827.05</b>
Profit/(Loss) after finance costs but before exceptional Items	409.38	213.46
<b>Profit before Tax</b>	<b>565.10</b>	<b>213.46</b>
Tax Expenses	64.56	75.72
<b>Profit After Tax</b>	<b>500.55</b>	<b>137.74</b>



Further, a report in the prescribed Form AOC- 1 as per first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 and Rules made there under is attached herewith as **Annexure B** to the report.

#### **8. CONSOLIDATED FINANCIAL STATEMENTS:**

Since the Company has the subsidiary company i.e., Palco Recycle Industries Limited, Consolidated Financial Statements prepared, pursuant to the requirements of Section 129, read with Schedule III of the Companies Act, 2013 and Rules made there under, Listing Regulations and applicable Accounting Standards, are placed in the Annual Report along with the Auditors Report thereon. They are also forming part of the financial statements.

#### **9. MATERIAL CHANGES & COMMITMENTS:**

There have been no other material changes and commitments which affect the financial position of the Company, that have occurred between the end of financial year to which the financial statements relates and the date of this report.

#### **10. CORPORATE GOVERNANCE:**

As per the provision of Regulation 15(2) of the Listing Regulations Compliance with Corporate Governance provisions as specified in the regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) and para-C, D and E of Schedule V shall not apply to listed entities having paid-up equity share capital not exceeding 10 Crores and net worth not exceeding Rs. 25 Crores as on the last date of previous financial year.

Henceforth, Company being falling under the specified limits of above regulation, requirement of giving Corporate Governance report in Annual Report as per the Para C of the Schedule V is exempted to the company and hence not required to provide the same.

Further Para's information pertaining to PARA A, B and F are as Under:

#### **PARA (A) RELATED PARTY TRANSACTIONS:**

Details of Related Party Transactions as per AS 18 issued by ICAI are disclosed in Notes to the Standalone Financial Statements for the year ended on 31st March, 2024. Further the transactions entered into by the company are arm's length transactions.

Further, there are no materially significant related party transactions made/ entered into by the Company with its related parties including promoters, directors or the management etc. that may have potential conflict with the interests of the Company at large.

The requirement of Policy on materiality of related party transactions and dealing with related party transactions as per Regulation 23 SEBI (LODR) Regulations, 2015 is not applicable to company as per the Exemption granted under regulation 15(2) of Listing Regulations.

After applicability of regulation 15(2) of Listing Regulations, the related party transactions are dealt in by the company as per the Section 188 of the Companies Act, 2013.

Disclosures in compliance with the Accounting Standard on “Related Party Disclosures is as under: **Kindly refer Note No. 19 of Balance sheet.**

**PARA (B) MANAGEMENT DISCUSSION AND ANALYSIS:**

In terms of provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (listing regulations) the Management Discussion and Analysis Report has been enclosed herewith as per **Annexure - A** and forming part of the Directors’ Report.

**PARA (F) DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:**

The Company is not required to disclose the information regarding Demat suspense account/ unclaimed suspense account, as there are no shares of company in the Demat suspense account/ unclaimed suspense account.

**11. DIRECTORS RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and according to the confirmation and explanations obtained by them, your Directors make the following statement in terms of Section 134(3)(C) and 134(5) of the Companies Act, 2013 and confirm that:

(a) In the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The Directors had 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 the year under review;

(c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The Directors had prepared the annual accounts for the financial year ended on 31<sup>st</sup> March, 2024 on a going concern basis;

(e) The Directors had 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) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

As required under Section 134(3)(m) of the Companies Act, 2013 and Rules made there under, details relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in the *Annexure - C* attached herewith and forming part of the Directors' Report.

## **13. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:**

The details of the Loans and advances are provided in the schedule attached to the Balance Sheet. There were no guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

The Company in the EGM dated 15/07/2021 has passed the Special Resolution under section 186 and has set the limits of Rs. 75 Crores to give any loan to any person or other body corporate or to invest in shares, mutual funds, Fixed deposits or to give any guarantee or provide security in connection with a loan to any other body corporate or person.

Further the Company has proposed resolution under Section 185 and 186 of the Companies Act 2013 read with relevant applicable rules and provisions of the act or any other enactment; in the ensuing AGM i.e. 63rd AGM to set limit of Rs. 75 Crores where a company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, subject to the conditions that a special resolution is passed by the company in general meeting and the loans are utilized by the borrowing company for its principal business activities under section 185 and may grant the loan(s), guarantee(s), security(ies) and investment(s), as the case may be, under section 186 in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made thereunder.

Further Company has provided guarantee in respect of loan given by bank to its subsidiary company Palco Recycle Industries Limited which is exempted under Section 185 of the Companies Act, 2013.

## **14. AUDITORS:**

### **A. STATUTORY AUDITORS**

Section 139(2) of the Companies Act, 2013 (effective 1st April, 2014), mandates that a listed company or such other prescribed class of companies shall not appoint or re-appoint an audit firm as Statutory Auditors for more than two terms of five consecutive years each.

KPSJ & Associates LLP, having Firm Registration number 124845W/W100209 Chartered Accountants will complete their present term on conclusion of the ensuing Annual General Meeting. The Board has proposed the resolution for appointment of Auditors for 2<sup>nd</sup> term of five years in the ensuing AGM of the Company.

The Board recommended the appointment of KPSJ & Associates LLP, Chartered Accountants, as Auditors of the Company, for a period from the conclusion of 63<sup>rd</sup> Annual General Meeting till the conclusion of 68<sup>th</sup> (Sixty-Eighth) Annual General Meeting of the Company. KPSJ & Associates LLP have confirmed their eligibility and qualification required under the Act for holding the office as Auditors of the Company.

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

The Statutory Auditor has in their report on both financial Statement and Consolidated Financial Statement of the company has not given any adverse remarks, qualification which requires the Board explanation or justification.

#### **B. SECRETARIAL AUDITOR:**

Section 204 of the Companies Act, 2013 and Rules made there under inter alia requires every listed company to annex with its Board Report a Secretarial Audit Report given by a Company Secretary in practice in the prescribed form. The Board has appointed Mr. Punit Lath, Practicing Company Secretary, Ahmedabad to conduct Secretarial Audit for the financial year 2023-24. The Secretarial Audit Report for the financial year ended March 31, 2024 is annexed herewith marked as *Annexure -D* to this Report.

Further the Secretarial Audit report of the company does not contain any major adverse remarks, qualification which requires the Board explanation or justification.

#### **15. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

During the year under review following changes in the Board were done.

##### **A. Change in Directors**

1. Mr. Kanaiyalal Babulal Agrawal (DIN: 00594240) has resigned from the directorship with effect from 6<sup>th</sup> November 2023 and Mr. Narendra Maheshchand Agrawal (DIN: 00580711) has resigned from the directorship with effect from 12<sup>th</sup> February, 2024 as he was occupied in other areas.
2. Mr. Naman Naredi (DIN: 06943536) appointed as an Additional Director who shall hold office up to the date of ensuing Annual General Meeting.
3. Re-appointment of Mr. Kirankumar Babulal Agrawal (DIN: 00395934) as the Managing Director of the Company for a further period of 3 (three years) from 14<sup>th</sup>, August, 2024 up to 13<sup>th</sup> August, 2026
4. Mrs. Rakhi Jitendra Agrawal (DIN: 07021709) a Woman Independent Director of the company completed her term of Independent Director in the Company.

5. CS Meenu Maheshwari (DIN: 07113136) is appointed as an additional Woman Independent Director who was recommended by Nomination and Remuneration Committee and in the Board meeting dated 31<sup>st</sup> August, 2024 which is subject to approval of the Shareholders in the ensuing 63<sup>rd</sup> Annual General Meeting.

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

Further the certificate from Practicing Company Secretary Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as regards the non-disqualification of Directors are attached herewith as **Annexure – E** to the report.

### **16. DECLARATIONS BY INDEPENDENT DIRECTORS**

Based upon the declarations received from the independent Directors in terms of section 149 (7) of the Companies Act, 2013 the Board of Directors has confirmed that they meet the criteria of Independence as mentioned under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and that they are Independent of the Management.

In the opinion of the Board, there has been no change in the circumstances affecting their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Companies Act, 2013 and applicable rules thereunder) of all Independent Directors on the Board.

All those Independent Directors who are required to undertake the online proficiency self-assessment test as contemplated under Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014, have passed such test.

### **17. FRAUD REPORTING**

During the year under review, no instances of fraud were reported by the Auditors of the Company.

### **18. BOARD EVALUATION:**

The Board of Directors has carried out an annual evaluation of its own performance and that of its Board Committees pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015.

The performance of the Board and Committees were evaluated by the Board on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairperson was evaluated, taking into account the views of executive directors and non-executive directors and assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### **19. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:**

The Board, on the recommendation of the Nomination & Remuneration Committee, had formulated criteria for determining Qualifications, Positive Attributes and Independence of a Director as also a Policy for remuneration of Directors, Key Managerial Personnel and Senior Management.

The Policy on appointment and remuneration of Directors, KMP and other employees and other matters as required under Section 178(3) of the Companies Act, 2013 is available on the web-site of the Company viz. [www.palcometals.com](http://www.palcometals.com).

Further company being non operative doesn't have employee base except the KMP and henceforth requirements of Section 197(12) read along with rule relating disclosure of remuneration in Boards report is not applicable to the company.

### **20. BOARD MEETINGS, COMMITTEE MEETINGS, AGM AND INFORMATION RELATING TO COMMITTEES:**

#### **A. Board Meeting**

The Board of Directors of the Company met 6 (Six) times during the year in respect of which proper notices were given and the proceedings were properly recorded, signed and maintained in the Minutes book kept by the Company for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Further Board also herewith declares the compliance of Applicable Secretarial Standards in respect of SS-1 for Board Meeting, Committee Meetings and SS-2 in respect of General Meeting.

Details of the Board Meeting and present of Directors therein are as follows:  
(Y=Present, N=Absent, NA= not associated with company as on that date.)

Name of Director	Date of Board Meeting and Presence of Director Therein						Total meeting Attended
	30/05/23	15/07/23	14/08/23	06/11/23	10/11/23	12/02/24	
Kirankumar Agrawal	Y	Y	Y	Y	Y	Y	6/6
Kanaiyalal Agrawal	Y	Y	Y	Y	NA	NA	4/4
Naman Naredi	NA	NA	NA	NA	NA	Y	1/1

Narendra Agarwal	Y	Y	Y	Y	Y	NA	5/5
Nareshchand Jain	Y	Y	Y	Y	Y	Y	6/6
Rakhi Jitendra Agrawal	Y	Y	Y	Y	Y	Y	6/6
Gaurav Jani	Y	Y	Y	Y	Y	Y	6/6

**B. AUDIT COMMITTEE:**

During the Year under the 4 (Four) meeting of the audit committee was held complying the requirements under the Companies Act, 2013 and Secretarial Standard. The constitution of committee and date of meeting and presence of Directors there at is as follows:

Name of Director	Date of meeting & presence of Director					Total Meeting Attended
	30/05/23	15/07/23	14/08/23	10/11/23	12/02/2024	
Nareshchand Jain - Member Independent Director	Y	Y	Y	Y	Y	5
Kirankumar Babulal Agrawal Member Non- Independent Director	Y	Y	Y	Y	Y	5
Mr. Gaurav Jani Chairperson	Y	Y	Y	Y	Y	5

**C. NOMINATION AND REMUNERATION COMMITTEE:**

The constitution of nomination and remuneration committee and date of meeting and presence of Directors there at is as follows:

Name of Director	Date of meeting & presence of Director
	12/02/2024
Mrs. Rakhi Agrawal Chairperson- Independent Director	Y
Mr. Naresh Chand Jain- Independent Director	Y
Mr. Kirankumar Agrawal Member Non-Independent Director	Y

#### **D. STAKEHOLDERS RELATIONSHIP COMMITTEE**

One Meeting of the Stake Holders Relationship Committee were duly held during the year under review. The constitution of committee and date of meeting and presence of Directors there at is as follows:

<b>Name of Director</b>	<b>Date of meeting &amp; presence of Director</b>	<b>Total Meeting Attended</b>
	<b>10/02/2024</b>	
Mr. Gauravkumar Jani – Independent Director	Y	1
Naresh Chand Jain Chairperson- Independent Director	Y	1
Kirankumar Babulal Agrawal Member-Non-Independent Director	Y	1

The Annual General meeting of the company was held on 15<sup>th</sup> September, 2023. Further Meeting of the Independent Directors of the company was held on 12<sup>th</sup> February, 2024.

#### **E. RISK MANAGEMENT COMMITTEE**

Company has implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to ensure that there is a robust system of risk controls and mitigation in place.

Senior management periodically reviews this risk management framework to keep updated and address emerging challenges. Major risks identified for the Company by the management are Currency fluctuation, Compliances of various applicable Laws, Regulatory changes, Manufacturing & Supply, Litigation, Technological Changes. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust

Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize.

#### **21. TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to Section 124 of the Companies Act, 2013, certain amounts of investors which are unclaimed or unpaid for certain years are required to be transferred to the Investor Education and Protection Fund ("IEPF"). Further Company is also required to transfer those shares to the Demat account of the Investor Education and Protection Fund ("IEPF") in respect of which dividend is unpaid or unclaimed for seven consecutive years.



So, it is informed to stakeholders that company has no such amount or shares which are required to be transferred to IEPF.

## **22. CORPORATE SOCIAL RESPONSIBILITY:**

In terms of provisions of Section 135 of the Companies Act, 2013 and Rules made there under, provisions of Corporate Social responsibility are not applicable to the company.

## **23. INTERNAL FINANCIAL CONTROLS:**

The Company has in place adequate internal financial controls commensurate with operations of the company. The Management regularly monitors the safeguarding of the assets, prevention and detection of frauds and errors and the accuracy and completeness of the accounting records.

The Internal Auditor along with Statutory Auditor reviews the effectiveness and efficiency of these procedures

During the year, such controls were tested and no reportable material weakness in the operations was observed.

The Statutory Audit Report, Internal Auditor Reporting to Audit Committee, Audit Committee and Secretarial Audit Report for the financial year 2023-24 does not contain any major qualification, reservation or adverse remark.

## **24. LISTING AGREEMENT WITH STOCK EXCHANGE / LISTING FEES:**

The Listing Agreement entered into by the Company with Stock Exchange, if applicable and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company confirms that it has paid Annual Listing Fees to BSE up to the Financial Year 2023-24.

## **25. PARTICULARS OF EMPLOYEES:**

The Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the company as the company does not have any major operations and employees on its pay roll (or on contract basis) except Key Managerial Person.

The Statement of particulars of employees under Section 197(12) read with Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is not provided with as, during the financial year under review, no employee of the Company including Whole-time Directors and Managing Directors were in receipt of remuneration in excess of the limits set out in the said rules.

## **26. WHISTLE BLOWER POLICY / VIGIL MECHANISM:**

The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report any act of serious misconduct or wrongful activity being occurred or suspected to occur within the organization, to Whole-time Directors or Managing Directors of the Company, as he may desire. No employee of the Company is denied access to the Audit Committee. The Vigil Mechanism / Whistle Blower Policy is also available on the website [www.palcometals.com](http://www.palcometals.com).

## **27. GENERAL DISCLOSURES:**

During the year under review, there is no change in the nature of business of the Company and there is no material change and/or commitments, affecting the financial position of the Company, during the period from 31<sup>st</sup> March, 2024 till the date of this report.

During the year under review, there was no significant and/or material order passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future.

The Company does not provide any loan or other financial arrangement to its employees or Directors or Key Managerial Personnel for purchase of its own shares and hence, the disclosure under Section 67(3)(c) of the Companies Act, 2013.

The disclosure in terms of Rule 4 of Companies (Share Capital and Debenture) Rules, 2014 is not provided, as the Company does not have any equity shares with differential voting rights.

Your Company has always believed in providing a safe and harassment free workplace for every individual working in premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment.

Your director's further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In the preparation of Financial Statement, no treatment different from that of prescribed accounting standard has been followed.

## **28. General Disclosure:**

- The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year: Not applicable as no application is made under the same.

- The details of 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.

**29.ACKNOWLEDGEMENT:**

The Directors place on record the appreciation and gratitude for the co-operation and assistance extended by various departments of the Union Government, State Government, Bankers and Financial Institutions.

The Directors also place on record their appreciation of dedicated and sincere services of the employees of the Company at all levels.

The Company will make every effort to meet the aspirations of its Shareholders and wish to sincerely thank them for their whole hearted co-operation and support at all times.

**Date: 31st August, 2024**

**For, and on behalf of the Board of Directors**

**Place: Ahmedabad**

**SD/-  
Gauravkumar Jani  
Director  
DIN: 07573106**

**SD/-  
KiranKumar Agrawal  
Managing Director  
DIN: 00395934**

## **ANNEXURE A**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

#### **INDUSTRY STRUCTURE AND DEVELOPMENTS:**

During the year 2023, total world production of Metallurgical Grade Alumina (MGA) was 137.179 Million Tonnes, registering an increase of about 2.38% compared to 133.995 Million Tonnes produced during 2022. Global Alumina consumption during 2023 was 137.089 Million Tonnes as against 133.53 Million Tonnes consumed during 2022, exhibiting a YoY increase of 2.66%. China was the major contributor in both production and consumption, having 58.24% share in production and 58.84% share in consumption of Alumina. World metallurgical grade alumina demand is expected to be about 138.119 Million tonnes in 2024, representing an increase of 0.75% compared to the previous year. Overall, the global Alumina market is expected to remain in slight surplus of 1.03 Million Tonnes in 2024 with an expected production of 137.647 Million Tonnes. Total Alumina production in India during the financial year 2023-24 was 7.52 Million Tonnes, thereby registering a YoY increase of 1.12%. Out of this, your Company's contribution is expected to be 2.04 Million Tonnes (27.19%), Hindalco 3.66 Million Tonnes (48.71%) and Vedanta 1.81 Million Tonnes (24.10%). World bauxite production during 2023 was around 380.74 Million Tonnes, which is 3.07% higher than 369.40 Million Tonnes produced in 2022. Global bauxite production during 2024 is expected to be around 380.57 Million Tonnes. During 2023, it is estimated that 141.647 Million Tonnes of Bauxite were imported by China, which was mainly sourced from Guinea (99.33 Million Tonnes), Australia (34.61 Million Tonnes), Indonesia (1.88 Million Tonnes), Brazil (1.40 Million Tonnes) and Malaysia (0.68 Million Tonnes). China import of Bauxite from Indonesia in 2023 dropped by 90% i.e. from 19.07 Million Tonnes in 2022 to 1.9 Million Tonnes in 2023. Indonesia has maintained its stance to ban bauxite exports from June, 2023 to support the development of downstream mining industry

#### **OPPORTUNITIES AND THREATS:**

Global aluminium demand (primary and secondary) will increase by almost 40% by 2030. The aluminium sector will need to produce an additional 33.3 Million Tonnes to meet demand growth in all industrial sectors – from 86.2 Million Tonnes in 2020 to 119.5 Million Tonnes in 2030. Transportation, construction, packaging and electrical sectors are four key sectors that will drive demand, accounting for 75% of the total metal required. 37% of this growth is expected to come from China, which will require 12.3 Million Tonnes, the rest of Asia adding a further 8.6 Million Tonnes, North America 5.1 Million Tonnes and Europe 4.8 Million Tonnes. Together, these four regions alone will account for more than 90 per cent of the additional aluminium required globally. The highest growth in terms of absolute demand is expected to come from the transportation sector which, driven by decarbonization policies and the shift from vehicles powered by traditional fossil fuels to Electric Vehicles (EVs), is expected to go from consuming about 19.9 Million Tonnes of aluminium in 2020 to 31.7 Million Tonnes in 2030. As countries transit to clean technologies, in response to the urgent need for climate action and sustainable lifestyles,

the shift to a 'Net Zero' economy is expected to be metal-intensive and aluminium has been identified as one of the critical metals that will aid this transition, catering to the emerging demand for clean energy solutions, green technologies and sustainable systems. Aluminium is a lightweight material, which is ideal for use in EVs, 'Green Buildings' and power cabling. Based on the International Energy Agency's projections for a sub-two degrees global warming scenario, consistent with the Paris Agreement (Beyond 2°C Scenario or B2DS), demand (including recycled aluminium and scrap) could increase from the present level by 80% to around 170 Million Tonnes by 2050. It is estimated, in this context, that to cater to this huge spurt in demand, up to 28.5% increase in global primary aluminium production shall be required (from around 70 Million Tonnes in 2023 to 90 Million Tonnes in 2050), while the rest may be met from secondary sources and scrap. In FY 2022-23, the Subsidiary of the company Palco Recycle Industries Limited (PRIL) operating in Aluminium ingots, wire rods, cubes, delivered a strong performance despite Forex and raw material price volatility.

The PRIL has achieved sales of worth Rs. 15967.63 Lacs. The PRIL is planning to expand the Operating capacity of the company and has plan to achieve the same in the current fiscal year.

We remain committed to make an even bigger difference by reimagining and improving our work, investing in our people and welding a sustainable future. We recognise the value of a diverse workforce.

#### **SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:**

The company is working in single segment further no Operating income was reported during the year by the company on standalone basis. On Consolidated basis it has Operating Income of Rs. 15967.63 Lacs.

#### **OUTLOOK:**

Indian Aluminium demand remained resilient in the financial year 2023-24 with increase in domestic consumption by 12% compared to the financial year 2022-23. Similarly, production of metal also increased in the financial year 2023-24 by 2.20% compared to the financial year 2022-23. As per RBI, India's GDP growth outlook is expected to be 7.0% YoY for the financial year 2024-25 as compared to 7.6% in the financial year 2023-24 and inflation is expected to moderate to 4.5% in the financial year 2024-25 from 5.4% in the financial year 2023-24. India Aluminium Market was valued at USD 11.28 billion in 2023, and is predicted to reach USD 19.76 billion by 2030, with a CAGR of 7.6% from 2024 to 2030.

#### **RISK AND CONCERNS:**

Risk may be defined as the possibilities that an event (anticipated or unanticipated) can adversely affect the business objective and goals. At Palco Metals Ltd, risk governance

reconciles estimation, control and quantification through an institutionalized approach, which include consistence implementation and monitoring, supplemented by audits. The management conducts regular to arrest the abnormalities. Currency exchange rates could undergo changes with the Indian rupee turning volatile for most part of the year. This could have a potential impact on the export earning of the company. The company is conscious of the impact of the volatile movement. Hedging is done wherever is necessary and forward cover are taken to mitigate probable risks. The company has adopted conservative policy in booking the unfavorable impact of exchange fluctuation. Prudential accounting norms are followed in line with the accounting standard.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has adequate internal control system in operation commensurate with the size and nature of its business for enduring efficiency of operation and protection of Company's assets. The Audit Committee formed by the company review on periodical basis the compliance with the company's policies, procedures and prevailing laws. Audit findings are closely reviewed by audit committee along with management response. The committee also reviews the effectiveness of company's internal control and their effectiveness on actual operation and regularly monitors implementation of audit recommendation. The system ensures effective utilization of company resource and protections of assets from loss, theft, misappropriation and relevant risks. Further company has approved the Nomination and Remuneration policy for paying remuneration to Board of Directors and KMP.

#### **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The Company has not reported any operational income during the year. The salary and other administrative expenses were met from the other income generated during the year. The company is looking for different avenues and opportunity for generating operating revenue.

#### **HUMAN RESOURCES:**

The Company's philosophy is to provide to its employees friendly working environment and a performance-oriented work culture. The company believes that human resources are important asset for giving Company a competitive edge in a competitive environment.

Additional Information pursuant to recent Changes in Management Discussion & Analysis Report:

**DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS OF PALCO RECYCLE INDUSTRIES LIMITED, OUR SUBSIDIARY COMPANY ALONG WITH DETAILED EXPLANATIONS THEREFOR, INCLUDING:**

Debtors Turnover	12.43
Inventory Turnover	13.86
Interest Coverage Ratio	2.60
Current Ratio	1.43
Debt Equity Ratio	3.10
Net Profit Margin (%)	0.88

**DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF.**

**Return on Capital Employed - 0.15%**

**Date: 31<sup>st</sup> August, 2024**

**Place: Ahmedabad**

**For and on behalf of the Board of Directors**

Sd/-  
Gauravkumar Jani  
Director  
DIN: 07573106

Sd/-  
KiranKumar Agrawal  
Managing Director  
DIN: 00395934

**ANNEXURE B****Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures****Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts (Amt. in Lacs)

<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Name of the Subsidiary	PALCO RECYCLE INDUSTRIES LIMITED
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period and date of acquisition	31/03/2024  On 28 <sup>th</sup> September, 2010 29,47,500 Equity shares acquired by way of subscription to preferential allotment and 2000000 Shares acquired by way of subscription to preferential allotment on 28 <sup>th</sup> October, 2013. Further Company on 30 <sup>th</sup> March, 2018 further acquired the 205634 Equity Shares. Further company in FY 2018-19 purchase the 70000 Equity shares through transfer.
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
4.	Share Capital	807
5.	Reserves & Surplus	2226.34
6.	Total Assets	6965.83
7.	Total Liabilities	3932.48
8.	Investments	0.00
9.	Turnover (Net)	19407.71
10.	Profit Before Taxation	565.10
11.	Provision For Taxation	64.56
12.	Profit After Taxation	500.55
13.	Proposed Dividend	Nil
14.	% Of Shareholding	65% (5223134 Equity Shares)

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations **NIL**
- Names of subsidiaries which have been liquidated or sold during the year. **NIL**

**Date: 31<sup>st</sup> August, 2024**

**For and on behalf of the Board of Directors**

**Sd/-**

**Sd/-**

**Place: Ahmedabad**

Gauravkumar Jani  
Director  
DIN: 07573106

KiranKumar Agrawal  
Managing Director  
DIN 00395934



## ANNEXURE C

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO ETC

The information in accordance with the provisions of Section 134 (3) (m) of The Companies Act, 2013, read with the rule 8 (3) of Companies (Accounts) Rules, 2014, regarding conservation of energy and technology absorption and Foreign Exchange Earnings and outgo is herein given below and forms part of the Directors report:

#### **(A) CONSERVATION OF ENERGY:**

In line with the company's commitment towards conservation of energy, company throughout the year, aimed at improving energy efficiencies through improved operational and maintenance practices. Further company does not have production facilities or any major consumption of energy as a part of its operations, so this is not the major event for the company. However, steps were taken in directions are as under:

- \* Using LED lightings.
- \* Usage of 5 Star rated electronic appliances.

No capital investment was done on energy conservation.

#### **(B) TECHNOLOGY ABSORPTION:**

Company does not have any production facilities or any operations where Technology upgradation can be done hence information is not applicable to the company.

#### **(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflow is given herein below:

Particulars	Current Year	Previous Year
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Outgo	NIL	NIL

Date: 31<sup>st</sup> August, 2024

Place: Ahmedabad

for and on behalf of the Board of Directors

Sd/-  
Gauravkumar Jani  
Director  
DIN: 07573106

Sd/-  
Kirankumar Agrawal  
Managing Director  
DIN: 00395934

**ANNEXURE D**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2024**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Palco Metals Limited  
(CIN: L27310GJ1960PLC000998)  
Ahmedabad

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Palco Metals Limited (herein after called “the Company”)** for the year ended **31<sup>st</sup> March, 2024**.

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, papers, minute 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 Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 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 31<sup>st</sup> March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - There was no Foreign Direct Investment and External Commercial Borrowings by the Company during the year under review and hence the provisions in respect of the said matters are not applicable to the Company;
- (v) 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;
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time - ***(Not applicable, as the Company has not issued any shares during the year under review);***
  - (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - ***(Not applicable, as the Company has not issued any shares/ options to directors/ employees under the said guidelines / regulations during the year under review);***
  - (e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;-***(Not applicable, as the Company has not issued any debt securities which were listed during the year under review);***
  - (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 client – ***(Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review);***
  - (g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; – ***(Not applicable as the Company has not delisted / propose to delist its equity shares from any Stock Exchange during the year under review);*** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – ***(Not applicable as the Company has not bought back or propose to buy-back any of its securities during the year under review).***
  - (i) The Securities and Exchange Board of India (Listing Obligation and Disclosures Requirements) Regulations, 2018

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors and Committees (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited, and SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 (effective 1<sup>st</sup> December, 2015).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc except the following:

I Further Report that

- (i) That the Secretarial Standards on Meetings of the Board of Directors and Committees (SS-1) and General Meetings (SS-2), as approved by the Central Government, have been issued by the Institute of Company Secretaries of India (ICSI) which come into force w.e.f. 1<sup>st</sup> July 2015 are being observed by the Company.
- (ii) During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, mentioned here in above and there is adequate compliance management system for the purpose of other laws.

As informed to us by the management of the company, and looking to the nature of the business of the company along with keeping in mind the non operative stage of company with no plant and machinery, I have formed opinion that there are no laws which have specific applicability to the Company.

I have relied on Confirmations made by the Company and information provided by the company for forming opinion as to non applicability of Labor Laws, Pollution Control Laws, and Environmental Laws.

I further report that the Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit, since the same have been subject to review by statutory financial auditor and other designated professionals and the same has been reported under statutory Audit Report.

I further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and a Woman Director. No 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.
- (ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed

notes on agenda were sent at least seven days in advance, 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.

(iii) Majority decision is carried through unanimously, while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, standards etc.

I further report that during the audit period, there no major specific events having major bearing on the company's affairs except the Re-appointment of Independent Directors and appointment of New Auditors on completion of term of Erstwhile Auditors.

Signed Sd/-

Punit Santosh Kumar Lath

Practicing Company Secretary

ACS No. 26238, COP No. 11139

Date: 10/08/2024

UDIN: A026238F000919207

ICSI Unique Code: I2012GJ946500

Peer Review Certificate No.: 809/2020

Place: Ahmedabad

Please note that the Secretarial Audit Report is to be read with our letter of even date attached as Annexure to the report and letter also forms the integral part of report.

## ANNEXURE A" to the Secretarial Audit Report

To,  
The Members,  
Palco Metals Limited  
(CIN: L27310GJ1960PLC000998)  
Ahmedabad.

Dear Sir,

Our Secretarial Audit Report of even date for the Financial Year ended on 31<sup>st</sup> March, 2024 is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. 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. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed to provide a reasonable basis for our opinion.
3. I have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other laws and regulations applicable to the Company and verification of documents, records and procedures on test check basis.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management.
6. The Secretarial Audit Report 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.

Signed Sd/-

Punit Santosh Kumar Lath  
Practicing Company Secretary  
ACS No. 26238, COP No. 11139  
Date: 10/08/2024

UDIN: A026238F000919207  
ICSI Unique Code: I2012GJ946500  
Peer Review Certificate No.: 809/2020  
Place: Ahmedabad

**Annexure E**  
**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members of  
**Palco Metals Limited**  
Ahmedabad

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Palco Metals Limited having CIN: L27310GJ1960PLC000998 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of Appointment as per MCA Index of Signatory Details</b>
1	Kirankumar Babulal Agrawal	00395934	17/08/1996
2	Narendra Agrawal	00580711	21/03/2023
3	Naman Naredi	06943536	12/02/2024
4	Naresh Chand Jain	00594361	28/03/2006
5	Gauravkumar Pushkarrai Jani	05334077	05/09/2022
6	Rakhi Jitendra Agrawal	07021709	26/03/2015

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Signed Sd/-**

**Punit Santosh Kumar Lath**  
**Practicing Company Secretary**  
**ACS No. 26238, COP No. 11139**  
**Date: 31/08/2024**

**UDIN: A026238E000829524**  
**ICSI Unique Code: I2012GJ946500**  
**Peer Review Certificate No.: 809/2020**  
**Place: Ahmedabad**



## **Independent Auditor's Report**

To the Members of

**PALCO METALS LIMITED**

Ahmedabad.

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **PALCO METALS LIMITED**, which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and loss, Cash Flow Statement and statement of changes in equity for period ended on 31st march, 2024, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Ind AS financial statements**

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended. This responsibility also includes 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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. The board of directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit. Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, and we also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error.
- Obtain an understanding of the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

- 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.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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 those charged with governance 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 those charged with governance, we determine those matters that were of most significance in the audit of the 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.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2024;
- b) In the case of the Statement of Profit and Loss, the Profit of the Company for the period ended 31st March, 2024.

- c) In the case of the Statement of Cash Flow, Cash Flows of the Company for the period ended 31<sup>st</sup> March, 2024.
- d) In the case of the statement of change in equity of the Company for period ended on 31<sup>st</sup> march, 2024.

### **Basis for Opinion**

We conducted our audit in accordance with the standards on auditing 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 Ind AS 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 Ind AS financial statements under the provisions of the Act and the rules there under, 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 period. 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. We have determined no matters to be the key audit matters to be communicated in our report.

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

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report,

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 during the course of our 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

### **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 of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order; and

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

- a) We have 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 Balance Sheet and the Statement of Profit and Loss, Cash Flow Statement and statement of change in equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Financial Statement comply with the Ind Accounting Standards specified under section 133 of the Act, read with Rule 7 of Companies (Accounts) Rule, 2014.
- e) We do not have any observation or comment on the financial statements or matters which have any adverse effect on the functioning of the company.

- f) We do not have any qualification, reservations or adverse remarks relating to the maintenance of accounts and other matters connected herewith.
- g) on the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act; and
- h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting;
- i) The Company being a limited company, 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 respect of whether the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- j) 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, 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 financial statements
  - ii) the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
  - iii) There has been no delay in transferring amounts, 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 (which are material either individually or in the aggregate) 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;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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;

(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) The Company has neither declared nor paid any dividend during the year. Therefore, Section 123 of the Act is not applicable

Unique Document Identification Number (UDIN) for this document is  
**24112900BKADMX2020.**

For, K P S J & ASSOCIATES LLP  
Chartered Accountants  
FRN:124845W/W100209

SHRIRAM RAMRATAN LADDHA  
PARTNER

Membership No.: 112900

Place: AHMEDABAD

Date: 13/07/2024

## **Annexure to the Auditors' Report**

Referred to in the Paragraph 3 & 4 under the heading 'Report on the Other Legal and Regulatory Requirements' of our report of even date on the financial statements of the Company for the year ended March 31, 2024.

### **I. In respect of its fixed assets:**

- a. The Company does not have any Fixed assets as company .Thus, paragraph 3(ii) of the order is not applicable to the company.

### **II. In respect of its Inventories:**

- a. The Company does not hold any physical inventories as company is not engaged in any manufacturing activity. Thus, paragraph 3(ii) of the order is not applicable to the company.

### **III. In respect of loans granted and taken to / from parties covered in the register maintained u/s 189 of the Companies Act, 2013**

The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

- (i) the terms and conditions of the grant of such loans are not prejudicial to the company's interest.
- (ii) the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular.
- (i) according to the information and explanations given to us , overdue amount is more than rupees five lakhs, reasonable steps have been taken by the company for recovery of the principal and interest.



**IV. In respect of loans, investments and guarantees u/s. Section 185 and 186 of the Companies Act, 2013.**

In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, with respect to the Loans given, investment made, guarantees and securities given.

**V. In respect of deposits from public :**

In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year. Therefore the provisions of clause paragraph 3 (v) of CARO are not applicable to the Company.

**VI. In respect of maintenance of cost records:**

Pursuant to rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013 in respect of certain manufacturing activities, as informed to us, the Company is not required to maintain cost records.

**VII. In respect of statutory dues:**

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Income tax, Wealth tax, VAT, CST, GST, cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Employees' State Insurance, Custom Duty and Excise duty.

According to the information and explanations given to us, there are no undisputed statutory dues payable in respect of Provident Fund, Employees State Insurance, Income tax, VAT, CST, Wealth Tax, GST, Cess which are outstanding as at 31.3.2024 for a period of more than six months from the date they became payable.

According to the information and explanations given to us, there are no dues of Wealth tax, Customs duty and Cess which have not been deposited with the appropriate authorities on account of any dispute.

**VIII. In respect of tax assessments under Income Tax Act, 1961:**

According to the information and explanations provided to us, the company has not surrendered or disclosed any income in the tax assessments under Income Tax Act, 1961, hence paragraph 3(viii) of the order is not applicable.

**IX. In respect of dues to financial institution / banks / debentures:**

In our opinion and according to the information and explanations are given to us,

a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders during the year.

b) The company is not declared a willful defaulter by any bank or financial institution or other lender.

c) All the term loans were applied for the purpose for which the loans were obtained.

**X. In respect of application of money raised by Initial public offer , further public offer (including debt instruments) and term loans.**

According to the information and explanations given to us, company has not raised any money from initial public offer, further public offer (including debt instruments). The Company has not made any preferential allotment or private placement of shares or convertible debentures. Accordingly, paragraph 3 (x)(b) of the order is not applicable.

**XI. respect of fraud:**

To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

No report has been filed by us under 143(12) with the Central government.

No whistle-blower complaints were received during the year.

## **XII. In respect of Nidhi Company**

In our opinion and according to the information and explanations given to us, Company is not Nidhi Company . Hence Compliance related to Net owned fund is not applicable to company.

## **XIII. In Respect of Related parties Transactions**

In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013, where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.

## **XIV. In respect of Internal Audit System:**

(a)Based on our examination of the records of the company, the company has an internal audit system commensurate with the size and nature of its business.

## **XV. In Respect of Non Cash transactions with Directors**

According to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him and so compliance under section 42 of the Companies Act, 2013 need not complied with.

## **XVI. In respect of registration under section 45-IA of RBI:**

According to the information and explanations as given to us and based on our examination of the records of the company,

1. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
2. The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
3. The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, Hence paragraph 3(xvi)(c) is not applicable.

## **XVII. In Respect of Cash Losses :**

According to the information and explanations are given to us and based on our examination of the records of the company, the company has not incurred cash losses in the financial year and immediately preceding financial year. Accordingly, paragraph 3(xvii) of the order is not applicable

**XVIII. In Respect of change in Statutory Auditor.**

There has been no change in the Statutory Auditors of the company. Accordingly, paragraph 3(xviii) of the order is not applicable

**XIX. In Respect of material uncertainty exists on date of audit report:**

According to the information and explanations given to us and based on our examination 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, no material uncertainty exists as on the date of the audit report that company is not 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.

**XX. In Respect of unspent amount under section 135(5):**

According to the information and explanations are given to us and based on our examination of the records of the company, second proviso to sub-section (5) of section 135 of the said Act is not applicable.

**XXI. In Respect of qualifications and adverse remarks:**

Based on our examination of the Companies (Auditor's Report) Order CARO reports of the holding/subsidiary/joint venture/associate companies, there are no qualifications or adverse remarks by the respective auditors in those reports.

For, K P S J & ASSOCIATES LLP  
Chartered Accountants  
FRN:124845W/W100209

SHRIRAM RAMRATAN LADDHA  
PARTNER

Membership No.: 112900

Place: AHMEDABAD

Date: 13/07/2024

## **Annexure-B to the Auditors' Report referred:**

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

We have audited the internal financial controls over financial reporting of Palco Metals Limited ("the Company") as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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

over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 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 Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 financial statements 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 financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2024, based on the internal control over financial reporting 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.

For, K P S J & ASSOCIATES LLP

Chartered Accountants

FRN:124845W/W100209

SHRIRAM RAMRATAN LADDHA

PARTNER

Membership No.: 112900

Place: AHMEDABAD

Date: 13/07/2024

**PALCO METALS LIMITED**  
**STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 31st March, 2024**  
(Amount in Lacs Rs. )

	Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
<b>A</b>	<b><u>ASSETS</u></b>			
1	<b>Non Current Assets</b>			
	Investment in Subsidiaries & Joint Vanture	(2)	877.93	877.93
	<b>Financial Assets</b>			
	Investments	(3)	36.95	36.95
	Loans	(4)	27.40	66.56
	<b>Sub - Total : Non- current Assets</b>		<b>942.27</b>	<b>981.43</b>
2	<b>Current Assets</b>			
	<b>Financial Assets</b>			
	Trade Receivable	(5)	31.74	5.65
	Cash and Cash Equivalents	(6)	3.38	3.38
	Bank Balance other than Cash and Cash Equivalents above	(6)	1.47	3.23
	<b>Other Current Assets</b>	(7)	21.59	11.65
	<b>Sub - Total : Current Assets</b>		<b>58.18</b>	<b>23.91</b>
	<b>TOTAL ASSETS</b>		<b>1000.45</b>	<b>1005.35</b>
<b>B</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
1	<b>Equity</b>			
	Equity Share Capital	(8)	400.00	400.00
	Other Equity	(9)	398.98	396.17
	<b>Sub - Total : Shareholders' Funds</b>		<b>798.98</b>	<b>796.17</b>
2	<b>Non- Current Liabilities</b>			
	<b>Financial Liabilities</b>			
	Preference Share Capital	(10)	-	200.00
	Other Current Liabilities	(11)	192.33	7.04
	<b>Sub - Total : Non- current Liabilities</b>		<b>192.33</b>	<b>207.04</b>
3	<b>Current Liabilities</b>			
	<b>Financial Liabilities</b>			
	Trade Payables	(12)	-	0.06
	Other Current Liabilities	(13)	7.77	0.90
	<b>Provisions</b>	(14)	0.38	0.46
	<b>Current Tax Liabilities ( Net )</b>	(15)	1.00	0.71
	<b>Sub - Total : Current Liabilities</b>		<b>9.15</b>	<b>2.14</b>
	<b>TOTAL- EQUITY AND LIABILITIES</b>		<b>1000.45</b>	<b>1005.35</b>
	See accompanying notes forming part of the financial statements	(1)		

UDIN:24112900BKADM2020  
For K P S J & ASSOCIATES LLP  
Chartered Accountants  
FRN: 124845W/W100209

For and on behalf of the Board of Directors  
**PALCO METALS LIMITED**

**Shriram Ramratan Laddha**  
Partner  
M. N. 112900

**Mukesh Tiwari**  
Company Secretary  
M No. A45237

**Naman Naredi**  
Director  
DIN: 06943536

**Kirankumar Agrawal**  
Director  
DIN:00395934

Place: Ahmedabad  
Date: 13.07.2024

**Badal Naredi**  
CFO

Place: Ahmedabad  
Date: 13.07.2024



**PALCO METALS LIMITED**  
**STANDALONE STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED ON 31st March, 2024**

(Amount in Lacs Rs. )

	Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
			Rs.	Rs.
1	<b>Revenue from operations</b>			
	Net Sales / Income from Operation		28.09	5.00
	Other Income	(16)	2.34	6.38
	<b>Sub - Total : Total Income from Operations</b>		<b>30.43</b>	<b>11.38</b>
2	<b>Expenses</b>			
	Cost of materials consumed		-	-
	Changes in inventories		-	-
	Employee Benefits Expense		3.48	2.89
	Depreciation and Amortisation Expenses			0.00
	Financial Expenses		10.11	0.01
	Other Expenses ( Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	(17)	6.86	5.73
	<b>Sub - Total : Expenses</b>		<b>20.45</b>	<b>8.63</b>
3	<b>Profit / (Loss) before Tax (1 - 2)</b>		9.98	2.75
	Current tax expense for current year		1.00	0.71
	Provision for Deferred tax			-
	Prior Period Tax Adjustment		6.18	0.00
	<b>Sub - Total : Tax Expenses</b>		<b>7.18</b>	<b>0.71</b>
4	<b>Profit / (Loss) After Tax</b>		2.80	2.04
5	<b>Other Comprehensive Income</b>			
	a Items that will not be reclassified subsequently to profit or loss			
	1.Items that will not be reclassified subsequently to profit or loss		-	-
	2. Equity instruments through other comprehensive income, net		-	-
	b Items that will be reclassified subsequently to profit or loss			
	1.Fair value changes on derivatives designated as cash flow hedge, net		-	-
	2.Fair value changes on investments, net		-	-
	3.Defined benefit recognised in comprehensive income		-	-
	<b>Total Other Comprehensive Income ( Loss), Net of Tax</b>		-	-
6	<b>Total Comprehensive Income</b>		2.80	2.04
7	<b>Earnings per Equity share (Face value Rs.10/-each )</b>			
	a Basic Earnings per share Rs.		0.70	0.51
	b Diluted Earnings per share Rs.		0.70	0.51
	See accompanying notes forming part of the financial statements	(1)		

UDIN:24112900BKADMX2020  
For K P S J & ASSOCIATES LLP  
Chartered Accountants

FRN: 124845W/W100209

Shriram Ramratan Laddha  
Partner  
M. N. 112900  
Place: Ahmedabad  
Date: 13.07.2024

For and on behalf of the Board of Directors  
**PALCO METALS LIMITED**

Mukesh Tiwari  
Company Secretary  
M No. A45237

Naman Naredi  
Director  
DIN: 06943536

Kirankumar Agrawal  
Director  
DIN:00395934

Badal Naredi  
CFO

Place: Ahmedabad  
Date: 13.07.2024

**PALCO METALS LIMITED**  
Standalone Cash Flow Statement for the year Period 01/04/2023 to 31/03/2024

(Amount in Lacs Rs. )

	Particulars	Year ended March 31,2024	Year ended March 31,2023
<b>A</b>	<b>Cash Flows From Operating Activities</b>		
	Net Profit before Tax	9.98	2.75
	Adjustments for :		
	Financial cost	10.11	0.01
	Interest Income	- 2.34	- 6.23
	<b>Operating Profit before Working Capital Changes</b>	<b>17.75</b>	<b>- 3.47</b>
	<b>Movement in Working Capital :</b>		
	(Increase)/Decrease in Other Non-current Assets	185.29	7.04
	Increase/(Decrease) in Trade Payables	- 0.06	- 1.01
	Increase/(Decrease) in Other Current Liabilities	6.87	- 13.12
	Increase/(Decrease) in Other Financial Liabilities	-	-
	(Increase)/Decrease in Trade Receivable	- 26.09	2.77
	(Increase)/Decrease in Other Current Assets	- 9.93	34.27
	Increase/(Decrease) in Short Term Provisions	- 0.09	0.09
	Cash generated from/(used in) operations	173.74	26.57
	Direct taxes paid	- 6.89	- 0.52
	<b>Net cash flow from/(used in) operating activities (A)</b>	<b>166.85</b>	<b>26.05</b>
<b>B</b>	<b>Cash Flows From Investments Activities</b>		
	Purchase Of Fixed Assets	-	-
	(Increase)/Decrease in Investment of Subsidiaries, Associates	-	-
	(Increase)/Decrease in Other Investment	-	-
	Interest Received	2.34	6.23
	<b>Net cash flow from/(used in) investing activities (B)</b>	<b>2.34</b>	<b>6.23</b>
<b>C</b>	<b>Cash Flows From Financing Activities</b>		
	Proceeds from increase of Share Capital	-	-
	Increase/(Decrease )in Financial Liabilities	-	-
	Redemption Of Prefrence Shares	- 200.00	-
	(Increase)/Decrease in Loans Advances	39.16	- 29.92
	Finance Cost	- 10.11	- 0.01
	<b>Net cash generated/ (used in) financing activities (C)</b>	<b>- 170.95</b>	<b>- 29.93</b>
	<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>- 1.76</b>	<b>2.35</b>
	Cash and cash equivalents at beginning of the year	6.61	4.26
	Cash and cash equivalents at end of the year	4.85	6.61

**Notes:** 1.76 - 2.35

(i) The cash flow statement has been prepared under indirect method as per Accounting Standard -3 "Cash Flow Statement" notified in Companies (Accounting Standards) Rules, 2006.

(ii) Previous year figures have been recast/restated wherever necessary.

UDIN:24112900BKADMX2020  
For K P S J & ASSOCIATES LLP  
Chartered Accountants  
FRN: 124845W/W100209

For and on behalf of the Board of Directors  
**PALCO METALS LIMITED**

Shriram Ramratan Laddha  
Partner  
M. N. 112900

Mukesh Tiwari  
Company Secretary  
M No. A45237

Naman Naredi  
Director  
DIN: 06943536

Kirankumar Agrawal  
Director  
DIN:00395934

Place: Ahmedabad  
Date: 13.07.2024

Badal Naredi  
CFO

Place: Ahmedabad  
Date: 13.07.2024

**PALCO METALS LIMITED**  
Statement of Changes in Equity for the year ended 31 March, 2024 (SOCIE)

(Amount in Lacs Rs. )

**A: Equity Share Capital**

Particulars	As at 31st March, 2024			As at 31st March, 2023	
	Number of shares	Amount	Rs.	Number of shares	Amount Rs.
Shares outstanding at the beginning of the year	40,00,000		400.00	40,00,000	400.00
Shares Issued during the year	-		-	-	-
Shares bought back during the year	-		-	-	-
Shares outstanding at the end of the year	40,00,000		400.00	40,00,000	400.00

**B: Other Equity :**

Particulars	Other Equity				Total Other Equity [a + b + c + d]
	Retained earnings	Capital Reserve	Capital Redumtion Reserve	Equity Instruments through Other Comprehensive Income	
	(a)	(b)	(c)	(d)	(e)
Balance as at 31 March, 2022	294.11	0.03	100.00	-	394.13
Profit for the year ended 31 March, 23	2.04	-	-	-	2.04
Other comprehensive income for the year ended 31 March, 2023	-	-	-	-	-
Dividend Paid	-	-	-	-	-
Tax on Dividend Paid	-	-	-	-	-
Balance as at 31 March, 2023	296.15	0.03	100.00	-	396.17
Profit for the year ended 31 March, 24	2.80	-	-	-	2.80
Other comprehensive income for the year ended 31 March, 2024	-	-	-	-	-
Redumtion during the year	- 200.00	-	200.00	-	-
Dividend Paid	-	-	-	-	-
Tax on Dividend Paid	-	-	-	-	-
Balance as at 31 March, 2024	98.95	0.03	300.00	-	398.98

**C: Preference Share Capital**

Particulars	As at 31st March, 2024			As at 31st March, 2023	
	Number of shares	Amount	Rs.	Number of shares	Amount Rs.
Shares outstanding at the beginning of the year	20,00,000		200.00	20,00,000	200.00
Shares Issued during the year	-		-	-	-
Shares bought back during the year	- 20,00,000		200.00	-	-
Shares outstanding at the end of the year	-		-	20,00,000	200.00

This is the Statement of Changes in Equity referred to in our report of even date.

UDIN:24112900BKADM2020  
For K P S J & ASSOCIATES LLP  
Chartered Accountants  
FRN: 124845W/W100209

For and on behalf of the Board of Directors  
PALCO METALS LIMITED

Shriram Ramratan Laddha  
Partner  
M. N. 112900

Mukesh Tiwari  
Company Secretary  
M No. A45237

Naman Naredi  
Director  
DIN: 06943536

Kirankumar Agrawal  
Director  
DIN:00395934

Place: Ahmedabad  
Date: 13.07.2024

Badal Naredi  
CFO

Place: Ahmedabad  
Date: 13.07.2024

## SCHEDULES TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

### Note 1: Company Background & Significance Accounting Policies

#### Corporate Information :

Palco Metals Limited ("the Company") is a public limited Company incorporated in India having CIN NO: L2731OGJ1960PLC000998 and its registered office of the company is located at 1715, Saiprasad Industrial Park-II, Besides Ramol Police Station, CTM-Ramol Road, Ramol, Ahmedabad, Gujarat 382449 India. The Company has its primary listings on the BSE Limited, in India.

The Company is currently not engaged in any manufacturing activity. However, the subsidiary company engaged in the manufacturing of Aluminium Wire & Aluminum Deoxidant through integrated facility to manufacture wire rods of various grades, Deoxidant in the form of Aluminium substance, notchbar and cables & has laboratory to test all types of wire rod and cables.

#### Significant Accounting Policies

##### BASIS OF PREPARATION

##### A. Statement of Compliance

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2017 notified under Section 133 of Companies Act, 2013, (the 'Act') and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) (as amended from time to time).

##### B. Basis of preparation and presentation

The financial statements are prepared under the historical cost convention on the "Accrual Concept" of accountancy in accordance with the accounting principles generally accepted in India and they comply with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 and other pronouncement issued by the Institute of Chartered Accountants of India [ICAI], to the extent applicable, and with the applicable provisions of the Companies Act, 2013 except for the following:

- (i) Certain financial assets and liabilities that are measured at fair value or amortized cost;
- (ii) Defined benefit plans - plan assets are measured at fair value less present value of defined benefit obligations.

The Function currency of the Company is Indian Rupee (INR). The financial statements are presented in INR and all values are rounded to the nearest Lakhs, unless otherwise indicated.

<b>1</b>	<b>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</b>
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**A. Use of Estimates**

The preparations of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affects the reported amounts of revenues, expenses, Assets and liabilities and the disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainly about these assumptions and estimates could result in the outcome requiring a material adjustment to the carrying amount to the assets or liabilities to the future period.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known / materialized. The said estimates are based on the facts and events that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

**Critical accounting judgements and key sources of estimation uncertainty: Key assumptions**

- (i) Useful lives of Property, Plant and Equipment:** This involves determination of the estimated useful life of property, plant and equipment and the assessment as to which components of the cost may be capitalized. The useful life of these assets is based on the life prescribed in Schedule II to the Companies Act, 2013. Management reviews its estimate of the useful lives of depreciable / amortizable assets at each reporting date, based on the expected utility of the assets.
- (ii) Allowances for doubtful debts:** The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- (iii) Allowances for inventories:** Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items

## PALCO METALS LIMITED

with the respective net realizable 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.

- (iv) **Defined benefit plans:** The cost of the defined benefit plan includes gratuity and the present value of the gratuity obligation are determined using actuarial valuations using projected unit credit method. 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.
- (v) **Recognition and measurement of provisions and contingencies:** The certain key assumptions about the likelihood and magnitude of an outflow of resources. Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies, if any, in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for

### **B. Current & Non-Current Classification:**

Any asset or liability is classified as current if it satisfies any of the following conditions:

- (i) The asset/liability is expected to be realized/ settled in the Company's normal operating cycle.
- (ii) The asset is intended for sale or consumption;
- (iii) The asset/liability is held primarily for the purpose of trading;
- (iv) The asset/liability is expected to be realized/ settled within twelve months after the reporting period;
- (v) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- (vi) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date

All other assets and liabilities are classified as noncurrent. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months

### **C. Property, Plant and Equipment**

There is no Property, Plant and Equipment.

### **D. Depreciation/amortisation:**

As there is no Property, Plant and Equipment. Hence, no accounting policy for Depreciation/amortization.

**E. Foreign Currency**

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Nonmonetary items that are measured in terms of historical cost in a foreign currency are not translated.

**Exchange Differences:**

All exchange differences arising on settlement and conversion of foreign currency transaction are included in the Statement of Profit and Loss.

**F. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

- (i) **Sale of goods:** Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects GST on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.
- (ii) **Income from services:** Revenues from job contracts are recognized as and where services are rendered. The company collects service tax on behalf of the government and therefore, it is not an economic benefit flowing to the company; hence, it is excluded from revenue.
- (iii) **Interest:** Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.
- (iv) **Dividend:** Dividend income if any is recognized when the company's right to receive dividend is established by the reporting date.

**G. Taxation**

Tax on Income comprises current tax and deferred tax. These are recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

(i) Current Tax :

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively

## PALCO METALS LIMITED

enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and revises the provisions where appropriate

### (ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

### **H. Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal.

### **I. Impairment of tangible and intangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment losses (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement Profit and Loss.

**J. Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

**K. Inventories**

Inventories are stated at the lower of weighted average cost or net realisable value. Costs include all non-refundable duties and all charges incurred in bringing the goods to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

**L. Retirement and other employee benefits**

**Defined Contribution Plans**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation other than the contribution payable to the provident fund.

**Defined Benefit Plans**

The company operates defined benefit plans for its employees, viz, gratuity .

## PALCO METALS LIMITED

The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, of defined benefit plan in respect of post-employment are charged to the Other Comprehensive Income. The Company has an Employee Gratuity Fund managed by the Life Insurance Corporation of India. Liability with regards to long term employee benefits is provided for on the basis of actuarial valuation at the Balance sheet date.

The Company does not have policy of leave encashment and hence there is no liability on this account.

### **M. Financial instruments**

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

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 recognised immediately in the Statement of Profit and Loss.

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 a Company entity are recognised at the proceeds received, net of direct issue costs.

#### **(A) Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### **1) Classification of financial assets**

**Financial assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated at fair value through profit or loss on initial recognition):**

- (a) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

## PALCO METALS LIMITED

- (b) 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.

### **2) Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial assets 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 transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL). Interest income is recognised in the Statement of Profit and Loss and is included in the "Other income" line item.

### **3) Financial assets at cost**

Investment in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements

### **4) Financial assets at Fair Value through Profit & Loss (FVTPL)**

Investments in equity instruments other than investments in subsidiaries 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.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in Statement of Profit and Loss.

### **5) Derecognition of financial assets**

The Company derecognizes 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.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received / receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

## **6) Impairment of financial assets**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

12-month expected credit losses are portion of the life time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that will results if default occurs within the 12 months after the reporting date and this, are not cash shortfalls that are predicted over the next 12 months

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

## **7) Foreign exchange gains and losses**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Statement of Profit and Loss.

(B) Financial liabilities and equity instruments

### **1) 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.

### **2) 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 recognised at the proceeds received, net of direct issue costs.

### **3) Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

### **4) Financial liabilities at FVTPL**

A financial liability may be designated as at FVTPL upon initial recognition if:

- (a) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- (b) The financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability.

### **5) Financial liabilities at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised 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 amortised 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 costs 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 net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

#### **6) Foreign exchange gains and losses**

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL or amortisation cost, the foreign exchange component forms part of the fair value gains or losses and is recognised in Statement of Profit and Loss.

#### **7) Derecognition of Financial Liability**

The Company derecognises 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 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 derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

#### **N. Cash & Cash Equivalents**

Cash comprises cash on hand and demand deposit with banks (with an original maturity of three months or less from the date of creation). Cash equivalents are short-term balances that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## **O. Cash Flow Statement**

Cash flows are reported using the indirect method, where by 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 of the Company are segregated

## **P. Provision, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement

### **Contingent liability**

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

### **Contingent Assets**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

**Q. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable To equity shareholders (after deducting preference dividends and attributable taxes) by the Weighted average number of equity shares outstanding during the period. Partly paid equity shares Are treated as a fraction of an equity share to the extent that they are entitled to participate in Dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, Bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that has changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**R. Segment reporting**

As the company's business activity, in the opinion of the management, falls within a single primary segment subject to the same risks and returns, the disclosure requirements of IND Accounting Standard (AS) – 108 “Segment Reporting” notified under the Companies (Accounting Standards) Rules, 2006 are not applicable.

**S. Operational Creditor Association**

Our subsidiary company Palco Recycle Industries Limited has lost a battle in supreme Court or recovery of debt . It is not possible to fight alone by Palco Recycle Industries Limited. To Safeguard the interest of the company, the board of Palco Metals Limited advised to form unregistered association named as Essar Association Fund (held in Trust). Palco Metals Limited having financial transaction for contribution received and expenses incurred on behalf of the unregistered association.



**PALCO METALS LIMITED**  
**Notes Forming parts of Standalone Balancesheet for the period ended on 31st March, 2024**  
**(Amount In Lacs )**

As at 31st March, 2024	As at 31st March, 2023
Amount Rs.	Amount Rs.

**Note 2 : Other Non Current Loans & Advances**

**Investments in subsidiaries, associates and joint ventures (At Cost)**

Equity Shares of Palco Recycle Industries Ltd. ( 52,23,134 shares of Rs 10 each, Unquoted )	877.93	877.93
<b>Total</b>	<b>877.93</b>	<b>877.93</b>

**Note 3 : Other Non Current Loans & Advances**

**other Investments (At Cost)**

Unquoted Equity Shares of Palco Recycle Exchange Ltd. (5,92,400 shares of face value of Rs 10 each)	36.45	36.45
Units of ANMA	0.50	0.50
<b>Total</b>	<b>36.95</b>	<b>36.95</b>

**Note 4 : Non Current loans and advances**

a. Loans and advances to related parties Unsecured, considered good	-	26.27
b. Others (specify nature) Unsecured, considered good	27.40	40.29
<b>Total</b>	<b>27.40</b>	<b>66.56</b>

**Note 5 : Trade Receivable**

Scured		-
Unscured		-
Undisputed Trade receivables – considered good		-
Trade Receivable - Related parties		-
Trade Receivable Less than 6 months	31.74	5.65
Trade Receivable between 6 months - 1 Year		-
Trade Receivable between 1 Year- 2 years		-
Trade Receivable between 2 Year- 3 years		-
Trade Receivable more than 3 years		-
Trade Receivable - Others		-
Unbilled Dues		-
<b>Total</b>	<b>31.74</b>	<b>5.65</b>

**Note 6 : Cash and cash equivalents**

Balances with banks	1.47	3.23
Cash on hand	3.38	3.38
<b>Total</b>	<b>4.85</b>	<b>6.61</b>

**Note 7 : Other Current Assets**

Short term loan & Advances - Others	19.79	0.03
Short term loan & Advances - Related Party.	0.00	4.31
Income Tax Receivable	1.80	7.05
Balance with Govt. Authority	-	0.26
<b>Total</b>	<b>21.59</b>	<b>11.65</b>

**Related Party Transaction as informed by the management**

Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Subsidiary Company	-	4.31
Private Company in which director is a member	-	-
<b>Total</b>	<b>-</b>	<b>4.31</b>

\*Either severally or jointly

**PALCO METALS LIMITED**  
**Notes Forming parts of Standalone Balancesheet for the period ended on 31st March, 2024**  
**(Amount In Lacs )**

**Note 8 : Share capital**

Particulars	As at 31st March, 2024		As at 31st March, 2023		
	Number of shares	Amount Rs.	Number of shares	Amount	Rs.
<b>Authorised</b>					
Equity Shares of Rs.10 each	7,000,000	700.00	7,000,000		700.00
8.50% Non- Cumulative Redeemable Preference Shares of Rs. 10 each	3,000,000	300.00	3,000,000		300.00
<b>Issued</b>					
Equity Shares of Rs. 10 each	4,000,000	400.00	4,000,000		400.00
<b>Subscribed &amp; Paid up</b>					
Equity Shares of Rs. 10 each	4,000,000	400.00	4,000,000		400.00
<b>Subscribed but not fully Paid up</b>	-	-	-		-
<b>Total</b>	<b>4,000,000</b>	<b>400.00</b>	<b>4,000,000</b>		<b>400.00</b>

**Rights, preferences and restrictions attached to equity shares**

The Company has one class of equity shares having a par value of Rs 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their share holding.

**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31st March, 2024		As at 31st March, 2023		
	Number of shares	Amount Rs.	Number of shares	Amount	Rs.
Shares outstanding at the beginning of the year	4,000,000	400.00	4,000,000		400.00
Shares Issued during the year	-	-	-		-
Shares bought back during the year	-	-	-		-
Shares outstanding at the end of the year	4,000,000	400.00	4,000,000		400.00

**Shares in the company held by each shareholder holding more than 5 percent shares**

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Krishna Capital & Securities	1,360,000	34%	1,360,000	34%
Krishna Sharebroking Ser. Pvt.Ltd.	338,120	8%	338,120	8%
<b>Total</b>	<b>1,698,120</b>		<b>1,698,120</b>	

**PALCO METALS LIMITED**  
Notes Forming parts of Standalone Balancesheet for the period ended on 31st March, 2024  
(Amount In Lacs )

As at 31st March, 2024	As at 31st March, 2023
Amount Rs.	Amount Rs.

**Shareholding of Promoters**

Promoters Name	As at year ended 31st March,2024		
	Number of shares held	% total shares	% Change during the year
<b>Equity shares with voting rights</b>			
Kirankumar Babulal Agrawal	4,000	0%	0%
Rajkumari Ashokkumar Agrawal	88,720	2%	0%
Krishna Capital & Securities Ltd	1,360,000	34%	0%
Krishna Sharebroking Ser. Pvt.Ltd.	338,120	8%	0%
Vital Marketing & Finance Pvt. Ltd.	190,000	5%	0%
Thakkar Financial Service Pvt Ltd	190,000	5%	0%
Kanaiyalal Babulal Agrawal	186,200	5%	0%
Narendra Agarwal	190,000	5%	0%
Lalit Kumar Naredi	180,000	5%	0%

**Shareholding of Promoters**

Promoters Name	As at year ended 31st March, 2023		
	Number of shares held	% total shares	% Change during the year
<b>Equity shares with voting rights</b>			
Kirankumar Babulal Agrawal	4,000	0%	0%
Rajkumari Ashokkumar Agrawal	88,720	2%	0%
Krishna Capital & Securities Ltd	1,360,000	34%	0%
Krishna Sharebroking Ser. Pvt.Ltd.	338,120	8%	0%
Vital Marketing & Finance Pvt. Ltd.	190,000	5%	0%
Thakkar Financial Service Pvt Ltd	190,000	5%	0%
Kanaiyalal Babulal Agrawal	186,200	5%	0%
Narendra Agarwal	190,000	5%	0%
Lalit Kumar Naredi	180,000	5%	0%

**Note 9 : Other Equity**

<b>Surplus</b>		
Opening balance of Surplus	296.15	294.11
(+) Net Profit/(Net Loss) For the current year	2.80	2.04
(-) Transfer to Capital Redemption Reserve	200.00	
<b>Total Surplus / Reserve</b>	<b>98.95</b>	<b>296.15</b>
<b>Capital Reserves</b>		
	0.03	0.03
<b>Capital Redemption Reserve</b>		
Opening	100.00	100.00
(+) Transfer from Resereve & Surplus	200.00	0.00
Closing balance	300.00	100.00
<b>Total</b>	<b>398.98</b>	<b>396.17</b>

**Note 10 : Preference Share Capital**

<b>Unsecured</b>		
2000000 8.5% Non- Cumulative Redeemable Preference Shares of Rs. 10 each	0.00	200.00
<b>Total</b>	<b>0.00</b>	<b>200.00</b>

**Terms & Conditions of Preference Shares :-**

The Company has made the second trench of allotment of 8.5% redeemable preference shares, non cumulative, 20,00,000 number of shares made on 15/06/2006 , shares are issued at Rs. 10 each to such persons or investors as board of directors deem fit under the private placement basis in compliance of section 80 of companies act 1956 along with guidelines or other provision of the law as may be prevailing at that time and which shall be redeemable within the period of 20 years from the date of allotment. The Preference Shareholders carry a preferential right for repayment of capital in priority to the equity shares, on liquidation of the Company or repayment of capital. However, the preference shares carry no further or other right to participate either in the profits or assets of the Company and have no voting rights. During the year entire preference shares redeemed at par and equivalent amount transferred to capital redemption reserve.

**PALCO METALS LIMITED**  
**Notes Forming parts of Standalone Balancesheet for the period ended on 31st March, 2024**  
**(Amount In Lacs )**

**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31st March, 2024		As at 31st March, 2023		
	Number of shares	Amount Rs.	Number of shares	Amount	Rs.
Shares outstanding at the beginning of the year	2,000,000	200.00	2,000,000		200.00
Shares Issued during the year	-	-	-		-
Shares redeemed during the year	2,000,000	200.00	-		-
Shares outstanding at the end of the year	-	-	2,000,000		200.00

**Shares in the company held by each shareholder holding more than 5 percent shares**

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Radius Global Pvt Limited (For)			190,000	10%
Vital Marketing Pvt.Ltd.			-	0%
Kanaiyalal Agrawal			330,000	17%
Sunita Kanaiyalal Agrawal			290,000	15%
Aashutosh Agrawal			150,000	8%
Saloni Agrawal			150,000	8%
Komal Agrawal			150,000	8%
Babulal Agrawal			200,000	10%
Meena Agrawal			150,000	8%
<b>Total</b>	-		1,610,000	

**Note 11 : Other Non Current Liabilities**

Other Non Current Liabilities ( Unsecured Loan and Related Parties )	192.33	7.04
<b>Total</b>	<b>192.33</b>	<b>7.04</b>

**Related Party Transaction as informed by the management**

Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	6.96
Subsidiary Company	192.33	
Private Company in which director is a member	-	-
<b>Total</b>	<b>192.33</b>	<b>6.96</b>

\*Either severally or jointly

**Note 12 : Trade Payables**

Trade Payable Less than 1 Year		
Total outstanding dues of micro enterprises and small enterprises : Undisputed , Billed and Due	-	-
Creditors for Goods	-	-
Creditors for Services	-	-
Total outstanding dues other than micro enterprises and small enterprises : Undisputed , Billed and Due		
Creditors for Goods	-	-
Creditors for Services	-	0.06
Trade Payable Between than 1 -2 Years	-	-
Trade Payable Between than 2 -3 Years	-	-
Trade Payable more than 3 Years		
Total outstanding dues other than micro enterprises and small enterprises : Undisputed , Billed and Due		
Creditors for Goods	-	-
Creditors for Services	-	-
Trade Payable : Unbilled Dues	-	-
<b>Total</b>	<b>-</b>	<b>0.06</b>

**Related Party Transaction as informed by the management**

Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

\*Either severally or jointly

**PALCO METALS LIMITED**  
**Notes Forming parts of Standalone Balancesheet for the period ended on 31st March, 2024**  
**(Amount In Lacs )**

As at 31st March, 2024	As at 31st March, 2023
Amount Rs.	Amount Rs.

**Note 13 : Other Current Liabilities**

Other Current Liabilities	1.70	-
<u>Statutory liabilities</u>		
GST Payable	5.06	0.90
TDS Payable	1.01	-
<b>Total</b>	<b>7.77</b>	<b>0.90</b>

**Related Party Transaction as informed by the management**

Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Subsidiary Company	1.70	
Private Company in which director is a member	-	-
<b>Total</b>	<b>1.70</b>	<b>-</b>

**Note 14 : Short Term Provisions**

Office & Factory Staff Salary Payable	0.26	0.28
Unpaid Audit Fees	0.12	0.12
Unpaid Expenses	0.00	0.07
<b>Total</b>	<b>0.38</b>	<b>0.46</b>

**Note 15 : Non Current Income tax liabilities**

Provision for Income Tax	1.00	0.71
<b>Total</b>	<b>1.00</b>	<b>0.71</b>

**PALCO METALS LIMITED**

(Amount In Lacs )

As at 31st March, 2024	As at 31st March, 2023
Amount Rs.	Amount Rs.

<b>Note 16 :</b>	<b>Other Income</b>	
	Interest income	2.34
	Other Income	0.15
	Rounded	0.50
	<b>Total</b>	<b>6.38</b>

<b>Note 17 :</b>	<b>Other Expenses</b>		
	Audit Fees	0.12	0.14
	Professional Fees & legal Exp.	1.06	0.90
	Repairs to others	0.11	0.07
	Printing & Stationery Exp.	0.70	-
	Advertisement Exp.	0.28	0.28
	Custodian & other Compliance Fees	0.22	0.55
	Listing Fee Expenses	3.94	3.54
	ROC Filing Fees	0.24	0.07
	Software Expenses	-	0.18
	Misc.Exp.	0.18	-
	<b>Total</b>	<b>6.86</b>	<b>5.73</b>

**Payment to Auditors - Detail**

	As at 31st March, 2024	As at 31st March, 2023
<b>(i) Payments to the auditors comprises (net of GST, where applicable):</b>		
As auditors - statutory audit	0.12	0.14
For other services	0.06	0.09
<b>Total</b>	<b>0.18</b>	<b>0.24</b>

**PALCO METALS LIMITED**

**Note 18 : Ratio Analysis**

Sr. No.	Ratio	Numerator	Denominator	As at 31st March, 2024	As at 31st March, 2023	% Variance	Reason for variance
1	Current ratio	Current Assets	Current Liabilities	6.36	11.19	-483%	-
2	Debt equity ratio	Total Debt	Shareholder's Equity	0.24	0.25	-1%	-
3	Debt service coverage ratio	Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc	Interest & Lease Payments + Principal Repayments	-	-	0%	-
4	Return on Equity	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.00	0.00	0%	-
5	Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory (Opening + Closing balance / 2)	-	-	0%	-
6	Trader receivable turnover ratio	Net Credit Sales (gross credit sales minus sales return)	Average Accounts Receivable (Opening + Closing balance / 2)	0.38	0.18	20%	-
7	Trade payable turnover ratio	Net Credit Purchases (gross credit purchases minus purchase return )	Average Accounts payable(Opening + Closing balance / 2)	-	-	0%	-
8	Net capital turnover ratio	Net Sales (total sales minus sales returns)	Average Working Capital	0.20	0.04	16%	-
9	Net profit ratio	Net Profit	Net Sales	0.10	0.41	-31%	-
10	Return on capital employed	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	0.03	0.00	2%	-
11	Return on inves	Return	Investment	0.01	0.01	0%	-

**PALCO METALS LIMITED**

(Amount in Lacs Rs.)

**Note - 19 : RELATED PARTY DISCLOSURES**

**A. WHERE CONTROL EXISTS**

Name of the Party	Nature of Relation
Palco Recycles Industries Limited.	Subsidiary Company

**B. NAME OF RELATED PARTIES AND DESCRIPTION OF RELATIONSHIP, WHERE TRANSACTION HAVE TAKEN PLACE DURING THE YEAR:**

**- KEY MANAGEMENT PERSONNEL**

Name of the Party	Nature of Relation
Kirankumar Agarwal	Managing Director
Nareshchandra Jain	Independent Director
Narendra Agrawal	Independent Director Resigned w.e.f. 12/02/2024
Gauravkumar Pushkarri Jani	Independent Director
Naman Naredi	Independent Director w.e.f 12/02/2024
Badal Naredi	Chief Financial officer
Rakhi Agrawal	Independent Women Director
Mukesh Tiwari	Company Secretary

**- ENTERPRISES ON WHICH KEY MANAGEMENT PERSONNEL AND THEIR RELATIVE HAVE SIGNIFICANT INFLUENCE**

Name of the Party	Nature of Relation
Krishna Share broking and securities Ltd.	Common Director
Palco Recycle Exchange Ltd.	Common Director
Krishna Capital & Securities Ltd.	Associate Company

(Related party relationship is as identified by the management of the company)

**C. DISCLOSURES FOR TRANSACTIONS WITH RELATED PARTIES DURING THE YEAR:**

Nature of Transactions	Enterprise on which Control Exists.	Key Management Personnel.	Enterprises on which Key Management personnel and their Relatives have significant influence.	Total
<b>INCOMES</b>				
Service Rendered	28.09	-	-	28.09
<b>EXPENSES</b>				
Interest Expenses	10.10	-	-	10.10
<b>OUTSTANDINGS</b>				
As at Beginning	-	-	-	-
Sundry Debtors	9.96	-	-	9.96
Loans & Advances	26.27	-	-	26.27
<b>As at Closing</b>				
Sundry Debtors	31.74	-	-	31.74
Unsecured Loan	192.33	-	-	192.33

**C. DISCLOSURES FOR TRANSACTIONS WITH RELATED PARTIES DURING THE PREVIOUS YEAR:**

Nature of Transactions	Enterprise on which Control Exists.	Key Management Personnel.	Enterprises on which Key Management personnel and their Relatives have significant influence.	Total
<b>INCOMES</b>				
Service Rendered	5.00	-	-	5.00
Interest Income	2.88	-	-	2.88
<b>OUTSTANDINGS</b>				
<b>As at Beginning</b>				
Sundry Debtors	8.42	-	-	8.42
Loans & Advances	39.23	-	-	39.23
<b>As at Closing</b>				
Sundry Debtors	9.96	-	-	9.96
Unsecured Loan	26.27	-	-	26.27

**Note - 20 : VALUE OF IMPORTS CALCULATED ON CIF BASIS**

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
a) Raw Materials ( included High seas purchases)	NIL	NIL
b) Stores & Spares	NIL	NIL
c) Capital Items	NIL	NIL

**Note - 21 : Expenditure In Foreign Currency (Accrual Basis) :**

Nature of Transactions	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Travelling and conveyance	NIL	NIL



**PALCO METALS LIMITED**

(Amount in Lacs Rs.)

**Note - 22 : Earning In Foreign Currency (Accrual Basis) :**

Nature of Transactions	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Exports at F.O.B. Value	NIL	NIL

**NOTE - 23 : IMPORTED AND INDIGENOUS RAW MATERIALS AND SPARE PARTS CONSUMED**

Nature of Transactions	For the Year ended March 31, 2024		For the Year ended March 31, 2023	
	% age	Value	% age	Value
Raw Material				
a) Indigenous	NIL	NIL	NIL	NIL
b) Imported- High Sea	NIL	NIL	NIL	NIL
<b>Total</b>	NIL	NIL	NIL	NIL
Stores and Spares				
a) Indigenous	NIL	NIL	NIL	NIL
b) Imported	NIL	NIL	NIL	NIL
<b>Total</b>	NIL	NIL	NIL	NIL

**NOTE - 24 :**

In the opinion of the Board, 'Sundry Debtors', 'Loans and Advances' and 'Other current Assets' are approximately of the value stated if realised in the ordinary course of business. Confirmation Letters have not been obtained in respect of debtors, creditors, loans taken and loans/advances given. Accordingly such balances are subject to confirmation, reconciliation and consequent adjustments, if any.

**NOTE - 25 :**

In the opinion of the Board, provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.

**NOTE - 26 :**

Claims, Late payment charges etc have been accounted for in the books as and when confirmed with the respective parties.

**NOTE - 27 : Depreciation and amortization expense**

Particulars	Rs.	Rs.
Depreciation of tangible assets	NIL	NIL
Amortization of intangible assets	NIL	NIL

**NOTE - 28 : Earnings per share (EPS)**

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	Rs.	Rs.
Total operations for the year		
Profit/(loss) after tax	2.80	2.04
Less : Dividends on convertible preference shares & tax thereon	0.00	0.00
Add : Other Comprehensive Income	0.00	0.00
Net profit/(loss) for calculation of basic EPS	2.80	2.04
Weighted average number of equity shares in calculating basic EPS	40.00	40.00
Earning per share Rs. - Basic and Diluted	0.07	0.05

**NOTE - 29 : Disclosures related to Segment Reporting**

In the opinion of the management, the Company is mainly engaged in a single segment of manufacturing and trading of non-ferrous metals and all other activities revolve around the main activity, therefore there are no separate reportable segments as per Ind AS 108 "Segment Reporting".

**NOTE - 30 : Contingent Liability and Capital Commitment**

Particular	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
<b>Contingent Liability</b>		
Bank Guarantee given by the Company on behalf of Subsidiary Company	33.78	23.78
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance)	Nil	Nil

**Note 31 : Financial Instruments - Accounting Classifications and Fair Value Measurements**

The fair values of the financial assets and liabilities are 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. The following methods and assumptions were used to estimate the fair values.

1. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique :

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: Other techniques for which all inputs which have a significant effects on the recorded fair value are observable, either directly or indirectly.
- Level 3: Techniques which use inputs that have a significant effects on the recorded fair value that are not based on observable market data.

**PALCO METALS LIMITED**

(Amount in Lacs Rs. )

Particular	Carrying amount For the Year ended 31st March, 2024	Fair Value		
		Level 1	Level 2	Level 3
<b>Financial Assets at Amortized Cost</b>				
Investment in Subsidiaries & Joint Vanture	877.93	0.00	877.93	0.00
Current Investment	36.95	0.00	36.95	0.00
Loans	27.40	0.00	27.40	0.00
Trade Receivable	31.74	0.00	31.74	0.00
Cash and Cash Equivalents	3.38	0.00	3.38	0.00
Bank Balance other than Cash and Cash Equivalents above	1.47	0.00	1.47	0.00
<b>Total</b>	<b>978.86</b>	<b>0.00</b>	<b>978.86</b>	<b>0.00</b>
Financial Assets at Fair Value through Other Comprehensive Income	0.00	0.00	0.00	0.00
Investments (Current)	0.00	0.00	0.00	0.00
Investments (Non-Current)	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Financial Liabilities at Amortized Cost</b>				
Preference Share	0.00	0.00	0.00	0.00
Trade Payables	0.00	0.00	0.00	0.00
Other Non Current Liabilities	192.33	0.00	192.33	0.00
Other Current Liabilities	7.77	0.00	7.77	0.00
<b>Total</b>	<b>200.09</b>	<b>0.00</b>	<b>200.09</b>	<b>0.00</b>

Particular	Carrying amount For the Year ended 31st March, 2023	Fair Value		
		Level 1	Level 2	Level 3
<b>Financial Assets at Amortized Cost</b>				
Investment in Subsidiaries & Joint Vanture	877.93	0.00	877.93	0.00
Current Investment	36.95	0.00	36.95	0.00
Loans	66.56	0.00	66.56	0.00
Trade Receivable	5.65	0.00	5.65	0.00
Cash and Cash Equivalents	3.38	0.00	3.38	0.00
Bank Balance other than Cash and Cash Equivalents above	3.23	0.00	3.23	0.00
<b>Total</b>	<b>993.69</b>	<b>0.00</b>	<b>993.69</b>	<b>0.00</b>
Financial Assets at Fair Value through Other Comprehensive Income	0.00	0.00	0.00	0.00
Investments (Current)	0.00	0.00	0.00	0.00
Investments (Non-Current)	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Financial Liabilities at Amortized Cost</b>				
Preference Share	200.00	0.00	200.00	0.00
Trade Payables	0.06	0.00	0.06	0.00
Other Non Current Liabilities	7.04	0.00	7.04	0.00
Other Current Liabilities	0.90	0.00	0.90	0.00
<b>Total</b>	<b>208.00</b>	<b>0.00</b>	<b>208.00</b>	<b>0.00</b>

The carrying amounts of financial assets and financial liabilities measured at amortized cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**Note 32 : Financial Risk Management Objectives and Policies**

The Company's activities are exposed to variety of financial risks. The key financial risks include market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors reviews and approves policies for managing risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**Market Risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Company manages market risk through its treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by the Senior Management. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

**Interest rate Risk**

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Refer Note 13.1 for interest rate profile of the Company's interest-bearing financial instrument at the reporting date.

**Exposure to Interest Rate Risk**

Particular	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Borrowings Bearing Fixed Rate of Interest	192.33	7.04
Borrowings Bearing Variable Rate of Interest (In Rupees)	0.00	0.00
<b>Total</b>	<b>192.33</b>	<b>7.04</b>

**PALCO METALS LIMITED**

(Amount in Lacs Rs. )

**Interest Rate Sensitivity**

A change of 0.50% in interest rate would have following impact on profit before tax

Particular	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
50 bps Increase -Decrease in Profits	- 0.96	- 0.04
50 bps Increase -Decrease in Profits	0.96	0.04

**Market Risk - Foreign Currency**

The Company operates locally, however, the nature of its operations requires it to transact in several currencies and consequently the Company is exposed to foreign exchange risk in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies.

**Other Price Risk**

The Company is not exposed to any kind of price risk arising as at March 31, 2024.

**CREDIT RISK**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable . Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is significant increase in credit risk, the company compares the risk of a default occurring on the asset at the reporting date with the risk of default on the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- (i)Actual or expected significant adverse changes in business,
- (ii)Actual or expected significant changes in the operating results of the counterparty,
- (iii)Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to mere its obligation.
- (iv)Significant increase in credit risk on other financial instruments of the same counterparty, and
- (v)Significant changes in the value of the collateral supporting the obligation or in the quality of third- party guarantees or credit enhancements

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

**LIQUIDITY RISK**

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows

**PALCO METALS LIMITED**

(Amount in Lacs Rs. )

**Maturity Profile of Financial Liabilities**

The below table provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	As At March 31, 2024		
	Less than 1 year	1 to 5 years	Total
Non-Current Financial Liabilities - Borrowings	0.00	192.33	192.33
Non-Current Financial Liabilities - Others	0.00	0.00	0.00
Current Financial Liabilities - Borrowings	0.00	0.00	0.00
Current FinancialLiabilities - Trade Payables	0.00	0.00	0.00
Current Financial Liabilities - Others	7.77	0.00	7.77

Particulars	As At March 31, 2023		
	Less than 1 year	1 to 5 years	Total
Non-Current Financial Liabilities - Borrowings	0.00	7.04	7.04
Non-Current Financial Liabilities - Others	0.00	0.00	0.00
Current Financial Liabilities - Borrowings	0.00	0.00	0.00
Current FinancialLiabilities - Trade Payables	0.06	0.00	0.06
Current Financial Liabilities - Others	0.90	0.00	0.90

**Note 33 : Capital Management**

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholders' value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Particular	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Total Debt	192.33	7.04
Less: Cash and Cash Equivalent	3.38	3.38
Less: Bank Balances Other than Cash and Cash Equivalents Net Debt	1.47	3.23
Net Debt (A)	187.47	0.43
Equity Share Capital & Other Equity (B)	798.98	796.17
Total Equity and Net Debt (C=A+B)	986.45	796.60
Gearing Ratio: (A/C)	0.19	0.00

**Note 34 : Operational Cycle**

The current assets and liabilities have been reflected in the Balance Sheet as per the operating cycle confirmed by the management.

**Note 35 :**

The Company has not received any intimation from "Suppliers" regarding their status under the Micro, Small and Medium enterprises Development Act, 2006 and hence disclosure, if any, relating to the amount un-paid as the end of year together with interest paid/ payable as required under the said Act have not been furnished.

**Additional Regulatory Information**

- (i) The Company Has No Transactions With Companies, struck off under section 248 of the Companies Act 2013
- (ii) The Company has not disclosed or surrendered any income during the year in the Income tax assessments.
- (iii) All The Title Deeds Of Immovable Property Are In The Name Of The Company
- (iv) The Company has not made any investment in virtual currency or Crypto currency during the year
- (v) The Company has not Revalued its fixed assets during the year.
- (vi) The Company does not have any intangible assets under development.
- (vii) No proceedings have been initiated against the company for holding any Benami property.
- (viii) The Company is not declared a wilful Defaulter by any bank or financial institution.
- (ix) No Charge or Satisfaction or Charge is pending to be registered with Registrar of Companies
- (x) The Company has not made investment in any company beyond the number of layers of company permitted.
- (xi) The Company has not advanced any loan or provided any guarantee or security to any person for the purpose of investing or granting loan to any other person(ultimate beneficiary)

**Note 37 :**

**Other Disclosure**

- (i) Previous year figures have been regrouped and re -arranged as required
- (ii) The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 30th May, 2024, there are no subsequent events to be recognized or reported that are not already disclosed.

UDIN:24112900BKADMX2020

For K P S J & ASSOCIATES LLP  
Chartered Accountants  
FRN: 124845W/W100209

For and on behalf of the Board of Directors  
PALCO METALS LIMITED

Shriram Ramratan Laddha  
Partner  
M. N. 112900

Mukesh Tiwari  
Company Secretary  
M No. A45237

Naman Naredi  
Director  
DIN: 06943536

Kirankumar Agrawal  
Director  
DIN:00395934

Place: Ahmedabad  
Date: 13.07.2024

Badal Naredi  
CFO

Place: Ahmedabad  
Date: 13.07.2024

## **Independent Auditor's Report**

To the Members of

**PALCO METALS LIMITED**

Ahmedabad.

### **Report on the Consolidated Financial Statements**

We have audited the accompanying Consolidated IND AS financial statements of **PALCO METALS LIMITED** ("the Company"), which comprise the Consolidated Balance Sheet as at March 31, 2024, and Consolidated the Statement of Profit and loss, the Consolidated Cash Flow Statement and statement of changes in equity for period ended on 31st march, 2024, for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Consolidated Ind AS financial statements**

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation and presentation of these Consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended. This responsibility also includes 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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. The board of directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, and we also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error.

- Obtain an understanding of the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
- 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.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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 those charged with governance 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 those charged with governance, we determine those matters that were of most significance in the audit of the 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.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2024;
- b) In the case of the Statement of Profit and Loss, the Profit of the Company for the period ended 31st March, 2024.
- c) In the case of the Statement of Cash Flow, Cash Flows of the Company for the period ended 31st March, 2024.
- d) In the case of the statement of change in equity of the Company for period ended on 31st march, 2024.

## **Basis for Opinion**

We conducted our audit in accordance with the standards on auditing 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 Ind AS 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 Ind AS financial statements under the provisions of the Act and the rules there under, 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 Consolidated financial statements of the current period. These



matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined no matters to be the key audit matters to be communicated in our report.

### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, 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 during the course of our 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

### **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 of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order; and

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

- a) We have 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 Balance Sheet and the Statement of Profit and Loss, Cash Flow Statement and statement of change in equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Financial Statement comply with the Ind Accounting Standards specified under section 133 of the Act, read with Rule 7 of Companies (Accounts) Rule, 2014.
- e) We do not have any observation or comment on the financial statements or matters which have any adverse effect on the functioning of the company.
- f) We do not have any qualification, reservations or adverse remarks relating to the maintenance of accounts and other matters connected herewith.
- g) on the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act; and
- h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting;
- i) The Company being a limited company, 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 respect of whether the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- j) 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, 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 financial statements
- ii) the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii) There has been no delay in transferring amounts, 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 (which are material either individually or in the aggregate) 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;  
  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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;  
  
(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) The Company has neither declared nor paid any dividend during the year.  
Therefore, Section 123 of the Act is not applicable

Unique Document Identification Number (UDIN) for this document is  
**24112900BKADMY1874.**

For, K P S J & ASSOCIATES LLP  
Chartered Accountants  
FRN:124845W/W100209

SHRIRAM RAMRATAN LADDHA  
PARTNER

Membership No.: 112900

Place: AHMEDABAD

Date: 13/07/2024

## **Annexure to the Auditors' Report**

Referred to in the Paragraph 3 under the heading 'Report on the Other Legal and Regulatory Requirements' of our report of even date on the consolidated financial statements of the Company for the year ended March 31, 2024.

### **I. In respect of its fixed assets:**

- a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- B. The Company does not have any Intangible Assets, hence no disclosure of Intangible Assets is to be given.
- b. According to the information and explanations as given to us, physical verification of Property, Plant and Equipments has been carried on by the management during the year and no material discrepancies were noticed on such verification.
- c. According to the information and explanations as given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.  
In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
- d. According to the information and explanations as given to us , the Company has not revalued its Property, Plant & Equipment or Intangible Assets during the year, hence paragraph 3(i)(d) of the order is not applicable.
- e. According to the information and explanations as given to us , no proceedings have been initiated against the company for holding any benami property under the Benami Transactions(Prohibition) Act, 1988 and rules made there under.

### **II. In respect of its Inventories:**

- (a) The Inventory being stock-in-trade has been physically verified by the Management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable.

(b) In our opinion and according to information & explanations given to us the procedures of physical verification of inventories followed by the Management is reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The Company has maintained proper records of Inventories and no material discrepancies were noticed on physical verification.

(d) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. According to information and explanation are given to us, the quarterly statements is require file by the company with such banks or financial institutions.

### **III. In respect of loans granted and taken to / from parties covered in the register maintained u/s 189 of the Companies Act, 2013**

The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

- (i) the terms and conditions of the grant of such loans are not prejudicial to the company's interest.
- (ii) the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular.
- (iii) according to the information and explanations given to us , overdue amount is more than rupees five lakhs, reasonable steps have been taken by the company for recovery of the principal and interest.

### **IV. In respect of loans, investments and guarantees u/s. Section 185 and 186 of the Companies Act, 2013.**

In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, with respect to the Loans given, investment made , guarantees and securities given.

## **V. In respect of deposits from public :**

In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year. Therefore the provisions of clause paragraph 3 (v ) of CARO are not applicable to the Company.

## **VI. In respect of maintenance of cost records:**

Pursuant to rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013 in respect of certain manufacturing activities, as informed to us, the Company is not required to maintain cost records.

## **VII. In respect of statutory dues:**

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Income tax, Wealth tax, VAT, CST,GST, cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Employees' State Insurance, Custom Duty and Excise duty.

According to the information and explanations given to us, there are no undisputed statutory dues payable in respect of Provident Fund, Employees State Insurance, Income tax, VAT, CST, Wealth Tax, GST, Cess which are outstanding as at 31.3.2024 for a period of more than six months from the date they became payable.

According to the information and explanations given to us, there are no dues of Wealth tax, Customs duty and Cess which have not been deposited with the appropriate authorities on account of any dispute.

## **VIII. In respect of surrendered or disclosed any income**

According to the information and explanations provided to us, the company has not surrendered or disclosed any income in the tax assessments under Income Tax Act, 1961, hence paragraph 3(viii) of the order is not applicable.

**IX. In respect of dues to financial institution / banks / debentures:**

In our opinion and according to the information and explanations are given to us,

a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders during the year.

b) The company is not declared a willful defaulter by any bank or financial institution or other lender.

c) All the term loans were applied for the purpose for which the loans were obtained.

d) No funds raised on short term were utilised for long term purposes.

e) No funds have been borrowed by the holding company for the purpose of discharging obligations of group.

**X. In respect of application of money raised by Initial public offer , further public offer (including debt instruments) and term loans.**

According to the information and explanations given to us, company has not raised any money from initial public offer, further public offer (including debt instruments).

The Company has not made any preferential allotment or private placement of shares or convertible debentures. Accordingly, paragraph 3 (x)(b) of the order is not applicable.

**XI. In respect of fraud:**

To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

No report has been filed by us under 143(12) with the Central government.

No whistle-blower complaints were received during the year.

**XII. In respect of Nidhi Company**

In our opinion and according to the information and explanations given to us, Company is not Nidhi Company . Hence Compliance related to Net owned fund is not applicable to company.



### **XIII. In Respect of Related parties Transactions**

In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013, where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.

### **XIV. In respect of Internal Audit System:**

(a)Based on our examination of the records of the company, the company has an internal audit system commensurate with the size and nature of its business.

### **XV. In Respect of Non Cash transactions with Directors**

According to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him and so compliance under section 42 of the Companies Act, 2013 need not complied with.

### **XVI. In respect of registration under section 45-IA of RBI:**

According to the information and explanations as given to us and based on our examination of the records of the company,

1. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
2. The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
3. The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, Hence paragraph 3(xvi)(c) is not applicable.

### **XVII. In Respect of Cash Losses :**

According to the information and explanations are given to us and based on our examination of the records of the company, the company has not incurred cash losses in the financial year and immediately preceding financial year. Accordingly, paragraph 3(xvii) of the order is not applicable.

**XVIII. In Respect of change in Statutory Auditor.**

There has been no change in the Statutory Auditors of the company. Accordingly, paragraph 3(xviii) of the order is not applicable

**XIX. In Respect of material uncertainty exists on date of audit report:**

According to the information and explanations given to us and based on our examination 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, no material uncertainty exists as on the date of the audit report that company is not 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.

**XX. In Respect of unspent amount under section 135(5):**

- 1) According to the information and explanations are given to us and based on our examination of the records of the company.
  - a) The company has complied with the provisions of section 135 of the Companies Act 2013 in respect of other than ongoing projects. The Company has spent Rs 5.40 Lacs (Rupees Five Lacs Forty Thousand only) towards CSR contribution for the FY ending 31st March, 2024.
  - b) The company do not have any ongoing project for CSR Activities. Hence, clause (b) of paragraph 3(xx) is not applicable.

**XXI. In Respect of qualifications and adverse remarks:**

Based on our examination of the Companies (Auditor's Report) Order CARO reports of the holding/subsidiary/joint venture/associate companies, there are no qualifications or adverse remarks by the respective auditors in those reports.

For, K P S J & ASSOCIATES LLP  
Chartered Accountants  
FRN:124845W/W100209

SHRIRAM RAMRATAN LADDHA  
PARTNER  
Membership No.: 112900

Place: AHMEDABAD  
Date: 13/07/2024

**Annexure-B to the Auditors' Report referred:**

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

We have audited the internal financial controls over financial reporting of Palco Metals Limited ("the Company") as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 Companies Act, 2013.

## **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 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 Company's internal financial controls system over financial reporting.

## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 financial statements 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 financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2024, based on the internal control over financial reporting 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.

For, K P S J & ASSOCIATES LLP

Chartered Accountants

FRN:124845W/W100209

SHRIRAM RAMRATAN LADDHA

PARTNER

Membership No.: 112900

Place: AHMEDABAD

Date: 13/07/2024

Particulars		Note No.	As at 31st March, 2024	As at 31st March, 2023
A	<b>ASSETS</b>			
1	Non Current Assets			
	Property, Plant and Equipment and Intangible Assets	(2)	1678.35	1024.42
	Capital Work in Progress	(2)	14.69	684.93
	Financial Assets			
	Investments	(3)	36.95	36.95
	Deposit & Advance	(4)	88.91	113.56
	Loans	(5)	117.26	122.61
	<b>Sub - Total : Non- current Assets</b>		<b>1936.16</b>	<b>1982.46</b>
2	Current Assets			
	Inventories	(6)	1753.37	1131.92
	Financial Assets			
	Loans	(7)	1212.13	0.00
	Trade Receivables	(8)	724.28	1194.90
	Cash and Cash Equivalents	(9)	13.04	24.56
	Bank Balance other than Cash and Cash Equivalents above	(10)	548.79	634.86
	Others		29.91	0.00
	Other Current Assets	(11)	557.38	449.73
	<b>Sub - Total : Current Assets</b>		<b>4838.88</b>	<b>3435.96</b>
	<b>TOTAL ASSETS</b>		<b>6775.04</b>	<b>5418.42</b>
B	<b>EQUITY AND LIABILITIES</b>			
1	Equity			
	Equity Share Capital	(12)	400.00	400.00
	Other Equity	(13)	1484.23	1157.80
	<b>Sub - Total : Shareholders' Funds</b>		<b>1884.23</b>	<b>1557.80</b>
	Minority Interest		1070.17	893.75
	<b>Total : Shareholders' Funds</b>		<b>2954.40</b>	<b>2451.55</b>
2	Liabilities			
	Non- Current Liabilities			
	Financial Liabilities			
	Loan	(14)	2093.96	523.21
	Provisions	(15)	27.66	21.65
	Deferred tax Liabilities ( Net )	(21)	0.00	27.83
	<b>Sub - Total : Non- current Liabilities</b>		<b>2121.62</b>	<b>572.69</b>
3	Current Liabilities			
	Financial Liabilities			
	Loan	(16)	1304.29	2159.58
	Trade Payables	(17)	142.14	99.03
	Other Current Liabilities	(18)	217.95	107.39
	Provisions	(19)	30.18	30.65
	Current Tax Liabilities ( Net )	(20)	4.45	- 2.47
	<b>Sub - Total : Current Liabilities</b>		<b>1699.02</b>	<b>2394.18</b>
	<b>TOTAL- EQUITY AND LIABILITIES</b>		<b>6775.04</b>	<b>5418.42</b>
	See accompanying notes forming part of the financial statements	(1)		

In terms of our report attached.

In terms of our report attached.

For and on behalf of the Board of Directors

UDIN : 24112900BKADMY1874  
For K P S J & ASSOCIATES LLP  
Chartered Accountants  
FRN: 124845W/W100209

PALCO METALS LIMITED

Shriram Ramratan Laddha  
(Partner)

M No.112900

Place : Ahmedabad  
Date: 13/07/2024

Mukesh Tiwari  
(Company Secretary)

Badal Kailash Naredi

Kirankumar Agrawal  
(DIN No.: 00395934)  
Dt.13-07-24 A'bad

Naman Naredi  
(DIN No. 06943536)

**PALCO METALS LIMITED**  
**Consolidated Statement of Profit & Loss For the year ended on 31st March, 2024**

(Amount in Rs. Lacs)

	Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
1	Revenue from operations			
	Net Sales / Income from Operation	(22)	19407.71	15967.63
	Other Income	(23)	37.47	76.37
	<b>Sub - Total Income</b>		<b>19445.18</b>	<b>16044.01</b>
2	Expenses			
	Cost of materials consumed	(24)	18245.13	15038.94
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(25)	- 26.96	98.21
	Employee Benefits Expense	(26)	231.99	235.40
	Depreciation and Amortisation Expenses	(2)	108.83	44.05
	Financial Expenses	(27)	224.94	157.77
	Other Expenses	(28)	241.89	253.43
	<b>Sub - Total : Expenses</b>		<b>19025.82</b>	<b>15827.80</b>
3	<b>Profit / (Loss) before Tax (1 - 2 )</b>		<b>419.36</b>	<b>216.21</b>
	Profit / (Loss) before Tax and after exceptional items (3+4 )		<b>575.09</b>	
	Current tax expense for current year		92.00	62.58
	Provision for Deferred tax	(29)	- 27.83	0.66
	Prior Period Tax Adjustment		7.57	13.19
	<b>Sub - Total : Tax Expenses</b>		<b>71.74</b>	<b>76.43</b>
4	<b>Profit / (Loss) After Tax</b>		<b>503.35</b>	<b>139.78</b>
5	Other Comprehensive Income			
	a Items that will not be reclassified subsequently to profit or loss			
	1.Items that will not be reclassified subsequently to profit or loss			
	2. Equity instruments through other comprehensive income, net			
	b Items that will be reclassified subsequently to profit or loss			
	1.Fair value changes on derivatives designated as cash flow hedge, net			
	2.Fair value changes on investments, net			
	3.Defined benefit recognised in comprehensive income		- 0.51	2.65
	Total Other Comprehensive Income ( Loss), Net of Tax		- 0.51	2.65
6	Total Comprehensive Income		502.84	142.43
7	Earnings per Equity share (Face value Rs.10/-each )			
	a Basic Earnings per share		0.00	0.00
	b Diluted Earnings per share		0.00	0.00
	See accompanying notes forming part of the financial statements	(1)		

In terms of our report attached.

For and on behalf of the Board of Directors

UDIN : 24112900BKADMY1874  
For K P S J & ASSOCIATES LLP  
Chartered Accountants  
FRN: 124845W/W100209

PALCO METALS LIMITED

Shriram Ramratan Laddha  
(Partner)  
M No.112900

Mukesh Tiwari  
(Company Secretary)

Badal Kailash Naredi

Place : Ahmedabad  
Date: 12/07/2024

Kirankumar Agrawal  
(DIN No.: 00395934)  
Date: 12/07/24

Naman Naredi  
(DIN No. 06943536)

**PALCO METALS LIMITED**  
**Consolidated Cash Flow Statement for the year ended on March 31,2024**

(Amount in Lacs Rs. ` )

	<b>Year ended March 31,2024</b>	<b>Year ended March 31,2023</b>
<b>A Cash Flows From Operating Activities</b>		
Net Profit before Tax	419.36	216.21
Adjustments for :		
Depreciation & Amortisation	108.83	44.05
Profit on sale of Asset	- 155.73	0.00
Badebts / written off	0.00	- 24.28
Finance Costs	224.94	157.77
Interest Income	- 28.37	- 33.40
Operating Profit before Working Capital Changes	569.03	360.35
Movement in Working Capital :		
(Increase)/Decrease in Inventories	- 621.44	40.98
(Increase)/Decrease in Trade Receivables	470.62	179.31
(Increase)/Decrease in Other Financial Assets	- 29.91	0.00
(Increase)/Decrease in Other Current Assets	- 106.82	158.90
Increase/(Decrease) in Trade Payables	43.11	2.68
Increase/(Decrease) in Other Current Liabilities	4.88	- 29.21
Increase/(Decrease) in Long Term Provisions	6.01	9.17
Increase/(Decrease) in Short Provisions	- 0.46	5.30
Cash generated from/(used in) operations	335.03	727.48
Direct taxes paid	- 14.49	- 250.34
<b>Net cash flow from (A)</b>	<b>320.54</b>	<b>477.14</b>
<b>B Cash Flows From Investments Activities</b>		
(Purchase) / Sale of Property, Plant and Equipment Including Capital Work in Progress	139.42	- 1093.66
Advance (Given) / Advance Taken	- 1212.13	538.80
Interest Received	28.37	33.40
<b>Net cash flow from (B)</b>	<b>- 1044.34</b>	<b>- 521.46</b>
<b>C Cash Flows From Financing Activities</b>		
Proceeds/(Repayment) from Long Term Borrowings	1876.44	- 99.37
Proceeds/(Repayment) from Short Term Borrowings	- 855.29	861.15
Redemption of Preference Share	- 200.00	0.00
(Increase)/Decrease in Long Term Advances	24.65	65.91
(Increase)/Decrease in Long Term Loans	5.35	0.00
Finance Cost	- 224.94	- 157.77
<b>Net cash generated (C)</b>	<b>626.21</b>	<b>669.92</b>
Net increase/(decre: (A+B+C)	- 97.59	625.60
Cash and cash equivalents at beginning of the year	659.42	33.82
Cash and cash equivalents at end of the year	561.83	659.42

**Notes:**

- (i) The cash flow statement has been prepared under indirect method as per Accounting Standard -3 "Cash Flow Statement" notified in Companies (Accounting Standards) Rules, 2006.  
(ii) Previous year figures have been recast/restated wherever necessary.

In terms of our report attached.

UDIN : 24112900BKADMY1874  
For K P S J & ASSOCIATES LLP  
Chartered Accountants  
FRN: 124845W/W100209

Shriram Ramratan Laddha  
(Partner)  
M No.112900

Place : Ahmedabad  
Date: 13/07/2024

For and on behalf of the Board of Directors

PALCO METALS LIMITED

Mukesh Tiwari  
(Company Secretary)

Kirankumar Agrawal  
(DIN No.: 00395934)  
Dt.13-07-24 A'bad

Badal Kailash Naredi

Naman Naredi  
(DIN No. 06943536)



**PALCO METALS LIMITED**  
Statement of Changes in Equity for the year ended 31 March, 2024 (SOCIE)

(Amount in Lacs Rs. )

**A: Equity Share Capital**

Particulars	As at 31st March, 2024			As at 31st March, 2023	
	Number of shares	Amount	Rs.	Number of shares	Amount Rs.
Shares outstanding at the beginning of the year	40,00,000		400.00	40,00,000	400.00
Shares Issued during the year	-		-	-	-
Shares bought back during the year	-		-	-	-
Shares outstanding at the end of the year	40,00,000		400.00	40,00,000	400.00

**B: Other Equity :**

Particulars	Other Equity				Total Other Equity [a + b + c + d]
	Retained earnings	Capital Reserve	Minority Interest	Capital Redemption Reserve	
	(a)	(b)	(c)	(d)	(e)
Balance as at 31 March, 2022	294.13	670.77	844.23	100.00	1909.13
Profit for the year ended 31 March, 23	2.04		0.00	-	2.04
Transfer from Retained Earning to Capital Reserve	-	90.86	-	-	90.86
Transfer from Retained Earning to Minority	-	-	49.53	-	49.53
Transfer from Retained Earning to Capital Reserve	-	-	-	-	-
	-	-	-	-	-
Balance as at 31 March, 2023	296.17	761.63	893.76	100.00	2051.56
Profit for the year ended 31 March, 24	2.81			0.00	2.81
Transfer from Retained Earning to Capital Reserve	-	323.62	-	-	323.62
Transfer from Retained Earning to Minority	-	-	176.41	-	176.41
Transfer from Retained Earning to Capital Reserve	-200.00	0.00	0.00	200.00	0.00
	-	-	-	-	-
Balance as at 31 March, 2024	98.98	1085.25	1070.17	300.00	2554.40

**C: Preference Share Capital**

Particulars	As at 31st March, 2024			As at 31st March, 2023	
	Number of shares	Amount	Rs.	Number of shares	Amount Rs.
Shares outstanding at the beginning of the year	20,00,000		200.00	20,00,000	200.00
Shares Issued during the year	-		-	-	-
Shares bought back during the year	- 20,00,000		200.00	-	-
Shares outstanding at the end of the year	-		-	20,00,000	200.00

This is the Statement of Changes in Equity referred to in our report of even date.

In terms of our report attached.

For and on behalf of the Board of Directors

UDIN : 24112900BKADMY1874  
For K P S J & ASSOCIATES LLP  
Chartered Accountants  
FRN: 124845W/W100209

PALCO METALS LIMITED

Shriram Ramratan Laddha  
(Partner)  
M No. 112900

Mukesh Tiwari  
(Company Secretary)

Badal Kailash Naredi

Place : Ahmedabad  
Date: 13/07/2024

Kirankumar Agrawal  
(DIN No.: 00395934)  
Dt. 13-07-24 A'bad

Naman Naredi  
(DIN No. 06943536)

PALCO METALS LIMITED

<p><b>A</b></p>	<p><b>CORPORATE INFORMATION</b></p> <p>Palco Metals Limited ( CIN NO: L2731OGJ1960PLC000998, “the Company”) is Public Company Limited by Shares domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The equity shares of the Parent Company are listed on the BSE Limited in India. The Registered office of the company is located 1715, Saiprasad Industrial Park-II, Besides Ramol Police Station, CTM-Ramol Road, Ramol Ahmedabad Ahmedabad GJ 382449 IN. The Company and its subsidiary Company (together referred to as “the Group”) is incorporated to carry on the business of manufacturing and selling of Aluminum Wire rod &amp; other Aluminum Dioxident like Aluminum Ingot, Aluminum Notchbar , Aluminum Shots, Aluminum Alloys Etc.</p> <p>The company has integrated facility to manufacture wire rods of various grades, Deoxident in the form of Aluminium substance, notchbar and cables &amp; has laboratory to test all types of wire rod and cables at <b>Survey</b> No. 72,73,75, Opp British Super Alloys, Nr Jalaram Temple Ankhol, Chhatral, Kadi Rd, Kadi, Gujarat 382715.</p>
<p><b>B</b></p>	<p><b>BASIS OF PREPARATION</b></p> <p><b>Statement of Compliance</b></p> <p>The Consolidated Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2017 notified under Section 133 of Companies Act, 2013, (the ‘Act’) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) (as amended from time to time).</p> <p><b>Basis of preparation and presentation</b></p> <p>The Consolidated Financial Statements are prepared under the historical cost convention on the "Accrual Concept" of accountancy in accordance with the accounting principles generally accepted in India and they comply with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 and other pronouncement issued by the Institute of Chartered Accountants of India [ICAI], to the extent applicable, and with the applicable provisions of the Companies Act, 2013 except for the following:</p> <ul style="list-style-type: none"> <li>(i) Certain financial assets and liabilities that are measured at fair value or amortized cost;</li> <li>(ii) Defined benefit plans - plan assets are measured at fair value less present value of defined benefit obligations.</li> </ul> <p>The Function currency of the Company is Indian Rupee (INR). The Consolidated Financial Statements are presented in INR and all values are rounded to the nearest Lakhs, unless otherwise indicated.</p>

**Principles of consolidation**

The Consolidated Financial Statements comprise the Consolidated Financial Statements of the Company and subsidiaries as at March 31, 2024. 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:

- has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

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 Consolidated Financial Statements in preparing the Consolidated Financial Statements to ensure conformity with the group's accounting policies.

**Consolidation procedure:**

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup 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 recognised in assets, such as inventory and property, plant and equipment, 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.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary

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	<p>acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the noncontrolling interests having a deficit balance.</p> <p>All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.</p> <p>The Consolidated Financial Statements relate to its subsidiary Palco recycle Industries Limited (PRIL), proportion of Ownership is 64.72% (previous year 64.72%).</p> <p><b>Current and Non-Current Classification</b></p> <p>All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in Schedule III to the Act.</p>
1	<p><b>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</b></p>
A	<p><b>Use of Judgements Estimates</b></p> <p>The estimates and judgements used in the preparation of the Consolidated Financial Statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known / materialized. The said estimates are based on the facts and events that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.</p> <p><b>Critical accounting judgements and key sources of estimation uncertainty: Key assumptions</b></p> <p>(i) <b>Useful lives of Property, Plant and Equipment:</b> This involves determination of the estimated useful life of property, plant and equipment and the assessment as to which components of the cost may be capitalized. The useful life of these assets is based on the life prescribed in Schedule II to the Companies Act, 2013. Management reviews its estimate of the useful lives of depreciable / amortizable assets at each reporting date, based on the expected utility of the assets.</p> <p>(ii) <b>Allowances for doubtful debts:</b> The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.</p>

PALCO METALS LIMITED

	<p>(iii) <b>Allowances for inventories:</b> Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the fs for any obsolete and slow-moving items.</p> <p>(iv) <b>Defined benefit plans:</b> The cost of the defined benefit plan includes gratuity and the present value of the gratuity obligation are determined using actuarial valuations using projected unit credit method. 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.</p> <p>(v) <b>Recognition and measurement of provisions and contingencies:</b> The certain key assumptions about the likelihood and magnitude of an outflow of resources. Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies, if any, in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for</p>
<p><b>B</b></p>	<p><b>Current &amp; Non-Current Classification:</b></p> <p>Any asset or liability is classified as current if it satisfies any of the following conditions:</p> <ul style="list-style-type: none"> <li>(i) The asset/liability is expected to be realized/ settled in the Company's normal operating cycle.</li> <li>(ii) The asset is intended for sale or consumption;</li> <li>(iii) The asset/liability is held primarily for the purpose of trading;</li> <li>(iv) The asset/liability is expected to be realized/ settled within twelve months after the reporting period;</li> <li>(v) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;</li> <li>(vi) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.</li> </ul> <p>All other assets and liabilities are classified as noncurrent. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.</p>

PALCO METALS LIMITED

	For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months.									
<b>C</b>	<p><b>Property, Plant and Equipment:</b></p> <p>Freehold land is carried at historical cost. Property, Plant and Equipment, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises its cost of acquisition inclusive of inward freight, import duties, and other non-refundable taxes or levies and any cost directly attributable to the acquisition / construction of those items; any trade discounts and rebates are deducted in arriving at the cost of acquisition.</p> <p><b>Capital Work-in-Progress and Capital Advances</b></p> <p>Cost of assets not ready for intended use, as on the Balance Sheet date is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at Balance Sheet date are disclosed as Other Current Assets.</p> <p>Borrowing cost relating to acquisition/construction of Property, Plant and Equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.</p> <p><b>Derecognition</b></p> <p>An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of asset. Any gain or loss arising on the disposal or retirement of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognized in Statement of Profit and Loss.</p>									
<b>D</b>	<p><b>Depreciation/Amortisation</b></p> <p>Depreciation and amortisation for the year is recognised in the Statement of Profit and Loss. Depreciation on fixed assets are provided on straight line method over the useful lives of assets, at the rates and in the manner specified in Part C of Schedule II of the Act. The rates of depreciation as prescribed in Part C of Schedule II of the Act are considered as the minimum rates. Freehold land is not depreciated. Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.</p> <p>The details of estimated life for each category of asset are as under.</p>									
<b>Sr. No.</b>	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;"></th> <th style="width: 80%;"><b>Asset</b></th> <th style="width: 10%;"><b>Estimated useful Life (in years)</b></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Factory Buildings</td> <td style="text-align: center;">30</td> </tr> <tr> <td>2</td> <td>Other Buildings/Flat</td> <td style="text-align: center;">60</td> </tr> </tbody> </table>		<b>Asset</b>	<b>Estimated useful Life (in years)</b>	1	Factory Buildings	30	2	Other Buildings/Flat	60
	<b>Asset</b>	<b>Estimated useful Life (in years)</b>								
1	Factory Buildings	30								
2	Other Buildings/Flat	60								

PALCO METALS LIMITED

3	Plant & Machineries (Rolling Mills)	30
4	Furniture & Fixtures	10
5	Vehicles / Heavy Vehicle	10 / 08
6	Electric Installation	10
7	Computer / Server	03 / 06
8	Office Equipment	05
9	Other Equipment	15
10	Laboratory Equipment	10
<b>E</b>	<p><b>Borrowing Costs</b></p> <p>Borrowing Costs includes Interest, amortization of ancillary costs incurred in connection with the arrangement of borrowing and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing Costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of item to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.</p>	
<b>F</b>	<p><b>(i) Impairment of tangible and intangible assets.</b></p> <p>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 assets recoverable amount. An asset's recoverable amount is the higher of Asset's cash generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows those 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.</p> <p><b>(ii) Impairment of Financial Assets</b></p> <p>The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.</p>	

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<b>G</b>	<p><b>Inventories</b></p> <p>Raw materials, components, 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.</p> <p>Costs of inventories are determined on a First in First Out (FIFO) basis. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.</p> <p>Work-in-progress and finished goods are valued at lower of cost and net realizable value. Net realizable value is derived at market rate. Cost includes direct materials and labour and a proportion of manufacturing overheads but excluding excise duty and sales tax paid thereon. Inventory of raw material, Work in Process and Finished goods have been valued and certified by the management.</p>
<b>H</b>	<p><b>Revenue recognition</b></p> <p>Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:</p> <p><b>Sale of goods</b></p> <p>Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects GST on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.</p> <p><b>Income from services</b></p> <p>Revenues from job contracts are recognized as and where services are rendered. The company collects Goods &amp; service tax on behalf of the government and therefore, it is not an economic benefit flowing to the company; hence, it is excluded from revenue.</p> <p><b>Interest</b></p> <p>Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.</p> <p><b>Dividends</b></p> <p>Dividend income if any is recognized when the company's right to receive dividend is established by the reporting date.</p>



PALCO METALS LIMITED

<p><b>I</b></p>	<p><b>Foreign currency translation</b></p> <p>The Consolidated Financial Statements are presented in Indian Rupee (INR), which is entity's functional and presentation currency.</p> <p><b>Initial recognition</b></p> <p>Foreign currency transactions are recorded in the reporting currency, by applying to the foreign Currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.</p> <p><b>Measurement of Foreign Currency Items at the Balance Sheet Date</b></p> <p>All foreign currency denominated monetary assets and liabilities are transacted at the exchange rates on the reporting date. Exchange differences arising on settlement or translated of monetary items are recognized in Statement of Profit and Loss. Nonmonetary items that are measured in terms of historical cost in a foreign currency are not retranslated.</p>
<p><b>J</b></p>	<p><b>Retirement and other employee benefits</b></p> <p><b>Defined Contribution Plans</b></p> <p>Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation other than the contribution payable to the provident fund.</p> <p><b>Defined Benefit Plans</b></p> <p>The company operates defined benefit plans for its employees, viz, gratuity . The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.</p> <p>For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses , of defined benefit plan in respect of post- employment are charged to the Other Comprehensive Income. The Company has an Employee Gratuity Fund managed by the Life Insurance Corporation of India. Liability with regards to long term employee benefits is provided for on the basis of actuarial valuation at the Balance sheet date.</p> <p>The Company does not have policy of leave encashment and hence there is no liability on this account.</p>
<p><b>K</b></p>	<p><b>Income taxes</b></p> <p>Tax expense comprises current and deferred tax. Current income-tax is measured at the amount Expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted In</p>

PALCO METALS LIMITED

	<p>India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.</p> <p>Deferred income taxes reflect the impact of timing differences between taxable income and Accounting income originating during the current year and reversal of timing differences for the Earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or Substantively enacted at the reporting date. Deferred income tax relating to items recognized Directly in equity is recognized in equity and not in the statement of profit and loss.</p> <p>Deferred tax liabilities are recognized for all taxable timing difference deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.</p>
<p><b>L</b></p>	<p><b>Segment reporting</b></p> <p>As the company's business activity, in the opinion of the management, falls within a single primary segment subject to the same risks and returns, the disclosure requirements of IND Accounting Standard (AS) – 108 “Segment Reporting” notified under the Companies (Accounting Standards) Rules, 2006 are not applicable.</p>
<p><b>M</b></p>	<p><b>Earnings per Share</b></p> <p>Basic earnings per share are calculated by dividing the net profit or loss for the period attributable To equity shareholders (after deducting preference dividends and attributable taxes) by the Weighted average number of equity shares outstanding during the period. Partly paid equity shares Are treated as a fraction of an equity share to the extent that they are entitled to participate in Dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, Bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that has changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.</p>

PALCO METALS LIMITED

<p><b>N</b></p>	<p><b>Provisions</b></p> <p>A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates where the company expects some or all of a provision to be reimbursed, for example under an Insurance contract, the reimbursement is recognized as a separate asset but only when the Reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.</p>
<p><b>O</b></p>	<p><b>Contingent liabilities</b></p> <p>A contingent liability is a possible obligation that arises from past events whose existence will be Confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond The control of the company or a present obligation that is not recognized because it is not Probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the Consolidated Financial Statements.</p>
<p><b>P</b></p>	<p><b>Government Grants</b></p> <p>Government grants are recognized on systematic basis when there is reasonable certainty of realization of the same. Revenue grants including subsidy / rebates are credited to the Statement of Profit and Loss under "Other Income" or deducted from the related expenses for the period to which these are related. Grants which are meant for purchase, construction or otherwise acquired through non-current assets are recognized as deferred income and disclosed under non-current liabilities and transferred to the Statement of Profit and Loss on a systematic basis over the useful life of the respective asset. Grants relating to non-depreciable assets are transferred to the Statement of Profit and Loss over the periods that bear the cost of meeting the obligations related to such grants.</p>
<p><b>P</b></p>	<p><b>Cash and cash equivalents</b></p> <p>Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of 12 months or more and also includes margins against borrowing, guarantees.</p>

**Q Financial Instruments****(i) Initial Recognition and Measurement**

The Company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way of purchase and sale of financial assets are recognized on the trade date.

**(ii) Subsequent Measurement****A. Non-Derivative Financial Instrument****(a) Financial Assets Carried at Amortized Cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(b) Financial Assets at Fair Value through Other Comprehensive Income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

**(c) Financial Assets at Fair Value through Profit or Loss**

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

**(d) Financial Liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**B. Derivative Financial Instruments**

PALCO METALS LIMITED

	<p>The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.</p> <p><b>Financial Assets or Liabilities, at Fair Value through Profit or Loss</b></p> <p>This category has derivative financial assets or liabilities which are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated as hedge or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.</p> <p>Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.</p> <p><b>C. De-recognition of Financial Instruments</b></p> <p>The Company derecognizes a financial asset when the contractual right to receive the cash flows from the financial asset expires or it transfers the financial asset.</p> <p>A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired.</p>
<b>R</b>	<p><b>Cash Flow Statement</b></p> <p>Cash flows are reported using the indirect method whereby the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.</p>

Notes forming part of the financial statements ( Balance-Sheet Items )

Note : 2 Property, Plant and Equipment

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Opening Balance	Addition	Deduction	As at 31st March, 2024	Opening Balance	During the year	Deduction	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023.
Tangible Assets :										
Land & land development	630.75	0.00	288.92	341.83	0.00	0.00	0.00	0.00	341.83	630.75
Factory Building	239.67	376.85	199.67	416.85	132.63	26.50	133.90	25.24	391.61	107.04
Plant & Machinery	901.42	714.29	533.32	1082.39	644.43	51.98	414.04	282.37	800.02	256.99
Electrical Installation	22.32	120.59	22.32	120.59	21.20	21.43	21.20	21.43	99.16	1.12
Laboratory Equipments	0.41	1.03	0.00	1.43	0.31	0.16	0.00	0.47	0.96	0.09
Office Equipment	11.97	3.19	0.00	15.16	5.04	1.59	0.00	6.63	8.53	6.93
Computer	4.09	2.07	0.00	6.16	3.35	0.92	0.00	4.27	1.90	0.75
Furniture & Fittings	21.66	1.40	7.76	15.31	8.55	3.35	7.35	4.54	10.76	13.12
Vehicles	13.32	18.84	0.00	32.16	5.69	2.90	0.00	8.59	23.57	7.63
<b>TOTAL RS . . . . .</b>	<b>1845.62</b>	<b>1238.25</b>	<b>1051.99</b>	<b>2031.88</b>	<b>821.20</b>	<b>108.83</b>	<b>576.49</b>	<b>353.53</b>	<b>1678.35</b>	<b>1024.42</b>
WIP Fixed Asset (Ankhol) :										
WIP Plant & Machinery	146.39	0.00	146.39	0.00	0.00	0.00	0.00	0.00	0.00	146.39
WIP Electric Installation (Ankhol)	31.88	88.71	120.22	0.37	0.00	0.00	0.00	0.00	0.37	31.88
WIP Factory Building(Ankhol)	240.96	140.56	374.85	6.68	0.00	0.00	0.00	0.00	6.68	240.96
WIP Plant & Machineries - Anakhol	239.54	169.15	401.05	7.64	0.00	0.00	0.00	0.00	7.64	239.54
WIP Electricity Consumption	26.16	0.00	26.16	0.00	0.00	0.00	0.00	0.00	0.00	26.16
<b>TOTAL RS . . . . .</b>	<b>684.93</b>	<b>398.42</b>	<b>1068.66</b>	<b>14.69</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>14.69</b>	<b>684.93</b>
<b>GROSS TOTAL RS . . . . .</b>	<b>2530.55</b>	<b>1636.68</b>	<b>2120.65</b>	<b>2046.58</b>	<b>821.20</b>	<b>108.83</b>	<b>576.49</b>	<b>353.53</b>	<b>1693.04</b>	<b>1709.35</b>

**Note:**

During the year, the Company has sale parcel of land situated at Plot no 18-25, Lucky Industrial Estate, Survey No 418 at Kadi. Due to this event, the Company has discarded some of the depreciable assets situated on this land. With respect to this transaction, the Company has net gain of Rs. 155.72 lacs and the same has been disclosed in Exceptional item in Statement of Profit and Loss.

**PALCO METALS LIMITED**

(Amount In Lacs )

As at 31st March, 2024	As at 31st March, 2023
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Notes forming part of the financial statements ( Balance-Sheet Items )

**Note 3 : Investments**

Particulars	Rs.	Rs.
Unquoted Equity Shares of Palco Recycle Exchange Ltd. (5,92,400 shares of face value of Rs 10 each)	36.45	36.45
Units of ANMA	0.50	0.00
<b>Total</b>	<b>36.95</b>	<b>36.95</b>

**Note 4 : Deposit & Advance**

Particulars	Rs.	Rs.
a. Security Deposits Unsecured, considered good	88.75	97.02
b. Income Tax Receivable	0.16	16.54
<b>Total</b>	<b>88.91</b>	<b>113.56</b>

**Note 5: Loans**

Particulars	Rs.	Rs.
a. Others (specify nature) Unsecured, considered good	117.26	122.61
<b>Total</b>	<b>117.26</b>	<b>122.61</b>

**Note 6: Inventories**

Particulars	Rs.	Rs.
a. Raw Materials and components	1580.37	985.88
b. Finished goods	172.99	146.04
c. Stores and spares	0.00	0.00
<b>Total</b>	<b>1753.37</b>	<b>1131.92</b>

- a) Stock of Raw Materials and Stores Material : At cost or net realisable value whichever is lower
- b) Stock of Finished Goods: At cost or net realisable value, whichever is lower
- c) Stock of Raw material consist of Main Raw material Aluminum Scrap and Loose Stores Item
- d) Inventories certified by the management .

**PALCO METALS LIMITED**

(Amount In Lacs )

As at 31st March, 2024	As at 31st March, 2023
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**Note 7: Loans**

Particulars	Rs.	Rs.
a. Others (specify nature) Unsecured, considered good	1212.13	0.00
<b>Total</b>	<b>1212.13</b>	<b>0.00</b>

**Note 8 : Trade Receivables**

Particulars	Rs.	Rs.
Secured	0.00	0.00
Unsecured	724.28	
Trade Receivables ageing schedule		1194.90
<b>As at 31st March, 2024</b>		
<b>Amount outstanding for following periods from due date 31st March, 2024</b>		
	Not due for payment	Unbilled
	Less than 6 months	6 months-1 year
	1-2 years	2-3 years
	More than 3 years	Total
Undisputed trade Receivables- considered good		0.00
Trade Receivables- considered doubtful	0.00	0.00
Disputed Trade Recivables- considered good	0.00	0.00
Disputed trade Receivables- considered doubtful	0.00	0.00
Trade Receivable - Related parties	0.00	0.00
Trade Receivables ageing schedule		
<b>As at 31st March, 2023</b>		
<b>Amount outstanding for following periods from due date 31st March, 2023</b>		
	Not due for payment	Unbilled
	Less than 6 months	6 months-1 year
	1-2 years	2-3 years
	More than 3 years	Total
Undisputed trade Receivables- considered good	0.00	0.00
Trade Receivables- considered doubtful	0.00	0.00
Disputed Trade Recivables- considered good	0.00	0.00
Disputed trade Receivables- considered doubtful	0.00	0.00
Trade Receivable - Related parties	0.00	0.00
<b>Total</b>	<b>724.28</b>	<b>1194.90</b>

**Note 9 : Cash and Cash Equivalents**

Particulars	Rs.	Rs.
Balances with banks	3.26	11.47
Cash on hand	9.78	13.09
<b>Total</b>	<b>13.04</b>	<b>24.56</b>



**PALCO METALS LIMITED**

(Amount In Lacs )

As at 31st March, 2024	As at 31st March, 2023
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**Note 10 : Bank Balance other than Cash and Cash Equivalents above**

Particulars	Rs.	Rs.
Fixed Deposit and accrued interest thereon	548.79	634.86
Total	548.79	634.86

Balances in banks in deposit accounts includes deposits under bank lien towards margin for bank guarantees etc.

**Note 11 : Other Current Assets**

Particulars	Rs.	Rs.
Advance to Creditors (Goods)	192.84	82.05
Advance to Creditors (Exps)	17.77	3.87
Advance to Creditor for Capital Goods	1.49	20.49
Advance to Employees	1.31	0.24
Advance with Revenue Authorities	318.77	332.57
Prepaid Expenses	3.17	9.98
Miscellaneous Advance	22.02	0.53
Total	557.38	449.73

**Note 12 : Share Capital**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
(a) Authorised Capital				
Equity shares of Rs.10 each with voting rights	70,00,000	700.00	70,00,000	700.00
8.50% Non- Cumulative Redeemable Preference Shares of Rs. 10 each	30,00,000	300.00	30,00,000	300.00
	1,00,00,000	1000.00	1,00,00,000	1000.00
(b) Issued & Subscribed and fully paid up				
Equity shares of Rs.10 each with voting right	40,00,000	400.00	40,00,000	400.00
Total	40,00,000	400.00	40,00,000	400.00

**Rights, preferences and restrictions attached to equity shares**

The Company has one class of equity shares having a par value of Rs 10/- each. Each shareholder

**1. Reconciliation of the number of shares outstanding at the beginning and at the end of**

Particulars	Opening Balance	Fresh issue	Buy back	Closing Balance
Equity shares with voting rights				
For the Year ended 31 March, 2024				
- Number of shares	40,00,000	-	-	40,00,000
- Amount (Rs.)	400.00	0.00	0.00	400.00
For the Year ended 31 March, 2023				
- Number of shares	40,00,000	-	-	40,00,000
- Amount (Rs.)	400.00	0.00	0.00	400.00

**PALCO METALS LIMITED**

(Amount In Lacs )

As at 31st March, 2024	As at 31st March, 2023
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**2. Details of shares held by each shareholder holding more than 5% shares:**

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<i>Equity shares with voting rights</i>				
Krishna Capital & Securities Limited	13,60,000	34.00%	13,60,000	34.00%
Krishna Share Broking Services Private Limited	3,48,120	8.70%	3,48,120	8.70%
<b>Total</b>	<b>17,08,120</b>		<b>17,08,120</b>	<b>45,016</b>

**3. Shareholding of Promoters**

Promoters Name	As at 31st March, 2024		
	Number of shares held	% total shares	% Change during the year
<i>Equity shares with voting rights</i>			
Kirankumar Babulal Agrawal	4,000	0.10%	-
Rajkumari Ashokkumar Agrawal	88,720	2.22%	-
Krishna Capital & Securities Ltd	13,60,000	34.00%	-
Krishna Sharebroking Ser. Pvt.Ltd.	3,38,120	8.45%	-
Vital Marketing & Finance Pvt. Ltd.	1,90,000	4.75%	-
Thakkar Financial Service Pvt Ltd	1,90,000	4.75%	-
Kanaiyalal Babulal Agrawal	1,86,200	4.66%	-
Narendra Agarwal	1,90,000	4.75%	-
Lalit Kumar Naredi	1,80,000	4.50%	-

**Shareholding of Promoters**

Promoters Name	As at 31st March, 2023		
	Number of shares held	% total shares	% Change during the year
<i>Equity shares with voting rights</i>			
Kirankumar Babulal Agrawal	4,000	0.10%	-
Rajkumari Ashokkumar Agrawal	88,720	2.22%	-
Krishna Capital & Securities Ltd	13,60,000	34.00%	-
Krishna Sharebroking Ser. Pvt.Ltd.	3,38,120	8.45%	-
Vital Marketing & Finance Pvt. Ltd.	1,90,000	4.75%	-
Thakkar Financial Service Pvt Ltd	1,90,000	4.75%	-
Kanaiyalal Babulal Agrawal	1,86,200	4.66%	-
Narendra Agarwal	1,90,000	4.75%	-
Lalit Kumar Naredi	1,80,000	4.50%	-

**Note 13 : Other Equity**

Particulars	Rs.	Rs.
Capital Reserves	1085.25	761.63
<u>Surplus / (Deficit) in Statement of Profit and Loss / Retained Earnings</u>		
Opening balance of Surplus	296.17	294.13

**PALCO METALS LIMITED**

(Amount In Lacs )

	As at 31st March, 2024	As at 31st March, 2023
(+) Net Profit/(Net Loss) For the current year	502.84	142.43
Less : Transfer Capital Reserve	323.62	90.86
Less : Transfer Minority Interest	176.41	49.53
Less : Transfer to Capital Redemption Reserve	200.00	0.00
Net profit transfer Reserve	2.81	2.04
Total Surplus / Reserve	98.98	296.17
<u>Capital Redemption Reserve</u>		
Opening balance	100.00	100.00
Addition during the year	200.00	0.00
Deduction during the year	0.00	0.00
Closing balance	300.00	100.00
Total	1484.23	1157.80

**Note 13.1 Nature and Purpose of Reserves**

(a) **Capital Reserve**

It has been created on account of consolidated financial statement with subsidiary companies

(b) **Retained Earnings**

Retained Earnings are the profits that the Company has earned till date, less any transfer to general reserve, dividends or other distribution paid to the shareholders

(c) **Capital Redemption Reserve**

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

**Note 14 : Financial Liabilities**

Particulars	Rs.	Rs.
<u>Secured</u>		
(a) Term loans Corporate Loan from Bank (See Note 13.1)	643.29	248.33
Less: Term Loan Installments from Banks repayble within next 12 Months (Secured)	189.02	83.33
	454.27	164.99
<u>Unsecured</u>		
(a) Loans and advances from related parties, Loans are repayable on demand	1491.97	141.68
(b) Other loans and advances, Loans are repayable on demand	147.71	16.54
(c ) Non Current Financial Liabilities Preference Share Capital ( See Note 13.2 ) (Nil (20,00,000) , 8.50% Non cumulative Redeemable Rs. 10 each)	0.00	200.00
	1639.69	358.21
<b>Total</b>	<b>2093.96</b>	<b>523.21</b>

The Company has availed fund based facilities Cash Credit, Term Loan etc. and Non fund based of Total Rs. 2,378 Lacs. The company has created Equitable mortgage over land and building at Chhatral - Kadi Highway, Ankhol, Mehsana bearing Plot No. 72,73 and 75, in the name of M/s Palco Recycle Industries Ltd. These All these facilities are further guaranteed by Shri Kiran Agrawal, Shri Kanaiyalal Agrawal , M/s Palco Metals Ltd. , M/s Palco Recycle Exchange Ltd and Alpha Realtors. Interest at the rate of Present Card Rate 9.15% is for the Term Loan. The Term loan is repayable

**Note 14.1** The Company has availed fund based facilities Cash Credit, Term Loan etc. and Non fund based of Total Rs. 1,000 Lacs. This Loan facility is secured by First Pari passu charges with another bank on immovable assets situated at Chhatral - Kadi Highway, Ankhol, Mehsana bearing Plot No. 72,73 and 75, in the name of M/s Palco Recycle Industries Ltd. These All these facilities are further guaranteed by Shri Kiran Agrawal, Shri Kanaiyalal Agrawal , M/s Palco Metals Ltd. , M/s Palco Recycle Exchange Ltd and Alpha Realtors. Interest at the rate of Present Card Rate 9.15% to 9.75% is for the Term Loan. The loan is payable in 60 instalments starting from month following the month of first disbursement of term loan.

The Company has availed financial assistance for setting up of Solar roof Plant of Rs. 132.32 lacs. This facility is secured by exclusive first charge on all existing and future movable assets and lien marked of fixed deposit of Rs. 39.80 lacs in favor of Bank. Further, Corporate Guarantee of the Parent and personal guarantee from Shri Ashok kumar Agrawal,

**Note 14.2 Preference Share Capital**

**PALCO METALS LIMITED**

(Amount In Lacs )

Particulars	As at 31st March, 2024	As at 31st March, 2023
	Rs.	Rs.
Non Current Financial Liabilities Preference Share Capital ( See Note 13.2 ) (Nil (20,00,000) , 8.50% Non cumulative Redeemable Rs. 10 each)	-	200.00
<b>Total</b>	<b>-</b>	<b>200.00</b>

**Terms & Conditions of Preference Shares :-**

The Company has made the second trench of allotment of 8.5% redeemable preference shares, non cumulative, 20,00,000 number of shares made on 15/06/2006 , shares are issued at Rs. 10 each to such persons or investors as board of directors deem fit under the private placement basis in compliance of section 80 of companies act 1956 along with guidelines or other provision of the law as may be prevailing at that time and which shall be redeemable within the period of 20 years from the date of allotment. The Preference Shareholders carry a preferential right for repayment of capital in priority to the equity shares, on liquidation of the Company or repayment of capital. However, the preference

**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
Shares outstanding at the beginning of the year	2000000	200.00	2000000	200.00
Shares Issued during the year	0	0.00	0	0.00
Shares redeemed during the year	2000000	200.00	0	0.00
Shares outstanding at the end of the year	0	0.00	2000000	200.00

**Shares in the company held by each shareholder holding more than 5 percent shares**

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares held	% holding in that class	Number of shares held	% holding in that class of shares
Radius Global Pvt Limited	-	0%	190000	12%
Kanaiyalal Agrawal	-	0%	330000	20%
Sunita Kanaiyalal Agrawal	-	0%	290000	18%
Aashutosh Agrawal	-	0%	150000	9%
Saloni Agrawal	-	0%	150000	9%
Komal Agrawal	-	0%	150000	9%
Babulal Agrawal	-	0%	200000	12%
Meena Agrawal	-	0%	150000	9%
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1610000</b>	

**Note 15 : Provisions**

Particulars	Rs.	Rs.
(a) Provision for employee benefits, Gratuity (unfunded) (Note No. 40)	27.66	21.65
Total	27.66	21.65

**Note 16 : Financial Liabilities**

Particulars	Rs.	Rs.

**PALCO METALS LIMITED**

(Amount In Lacs )

	As at 31st March, 2024	As at 31st March, 2023
<u>Secured</u>		
(a) Working Capital loans (i) Cash Credit from banks (Secured by hypothecation charge on all existing and future current assets and movable fixed assets and alongwith irrevocable unconditional	1076.49	1431.35
(ii) Overdraft Facility from Bank (Secured By first pari passu hypothecation charge on all existing and future current assets and movable fixed assets and alongwith irrevocable unconditional guarantee of directors.) (Note No. 13.1)	227.80	0.00
<u>Unsecured</u>		
(a) Loans from related parties, Loans are repayable on demand	0.00	550.12
(b) Other loans , Loans are repayable on demand	0.00	178.10
<b>Total</b>	<b>1304.29</b>	<b>2159.58</b>

**Note 17 : Trade Payables**

Particulars							Rs.	Rs.
Trade Payables:								
Trade Payables ageing schedule							142.14	
<b>As at 31st March, 2024</b>								
Particulars	Not Due for payment	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total		
MSME	0.00	0.00	0.00	0.00	0.00	0.00		
Others	0.00	141.89	0.25	0.00	0.00	142.14		
Due in Foreign Currency	0.00	0.00	0.00	0.00	0.00	0.00		
Disputed dues-MSME	0.00	0.00	0.00	0.00	0.00	0.00		
Disputed dues-Others	0.00	0.00	0.00	0.00	0.00	0.00		
Trade Payables ageing schedule								99.03
<b>As at 31st March, 2023</b>								
Particulars	Not Due for payment	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total		
MSME	0.00	0.00	0.00	0.00	0.00	0.00		
Others	0.00	98.65	0.13	0.00	0.25	99.03		
Due in Foreign Currency	0.00	0.00	0.00	0.00	0.00	0.00		
Disputed dues-MSME	0.00	0.00	0.00	0.00	0.00	0.00		
Disputed dues-Others	0.00	0.00	0.00	0.00	0.00	0.00		
<b>TOTAL</b>							<b>142.14</b>	<b>99.03</b>

**PALCO METALS LIMITED**

(Amount In Lacs )

As at 31st March, 2024	As at 31st March, 2023
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**Note 18 : Other Current Liabilities**

Particulars	Rs.	Rs.
(a) Current Maturities of Long term Debt	189.02	83.33
Term Loan Installments from Banks repayable within next 12 Months (Secured) See Note : 13.1		
(b) Interest accrued and due	4.41	
(c) Other payables Statutory Liabilities	20.81	10.11
(d) Advance received from customers	3.71	13.95
<b>Total</b>	<b>217.95</b>	<b>107.39</b>

**Note 19 : Provisions**

Particulars	Rs.	Rs.
(a) Provision for employee benefits		
Salary & Reimbursements	13.95	11.80
Director Remuneration Payable	1.29	
Contribution to PF	0.19	0.11
Contribution to ESI	0.04	0.03
Bonus to employees	9.48	9.50
labour welfare Exp Payable	0.00	0.01
	0.00	0.00
(b) Others	0.00	0.00
Unpaid Audit Fees	0.53	0.53
Unpaid Electricity Exp	3.16	4.36
Unpaid Exp	0.89	0.16
Unpaid Telephone Exp	0.00	0.00
Unpaid Travelling Expenses	0.00	0.41
Unpaid Bank Interest Exp	0.00	0.00
Unpaid foreign Fluctuation Exp.	0.67	3.75
<b>Total</b>	<b>30.18</b>	<b>30.65</b>

**Note 20 : Current Tax Liabilities ( Net )**

Particulars	Rs.	Rs.
Provision for Taxation	92.00	62.58
Income Tax Paid FY 2022-23	0.00	- 45.00
TCS Receivable FY 2022-23	0.00	- 2.30
TDS Receivable FY 2022-23	0.00	- 17.75
Advance Tax FY 2023-24	- 55.00	0.00
TCS Receivable FY 2023-24	- 2.80	0.00
TDS Receivable FY 2023-24	- 29.75	0.00
<b>Total</b>	<b>4.45</b>	<b>- 2.47</b>

**Note 21 : Deferred Tax Assets / (Liabilities)**

Particulars	Rs.	Rs.
Deferred Tax Liabilities	-	- 27.83
Deferred Tax Assets	-	-

Note: Deferred tax is not recognised to the extent of deferred tax asset

**Component of Deferred Tax as at March 31, 2024**

PALCO METALS LIMITED

(Amount In Lacs )

Particulars	As at April 01, 2023	Charge/(Credit) in Profit and Loss	As at 31st March, 2024	As at 31st March, 2023
			As at March 31, 2024	
Timing Difference with respect to Property, Plant & Equipment	27.17	- 27.83	0.00	

**Component of Deferred Tax as at March 31, 2024**

Particulars	As at April 01, 2022	Charge/(Credit) in Profit and Loss	As at March 31, 2023
Timing Difference with respect to Property, Plant & Equipment	27,17,233.00	0.66	27.17



**CONSOLIDATED PALCO METALS LIMITED**

(Amount In Lacs )

As at 31st March, 2024	As at 31st March, 2023
Amount Rs.	Amount Rs.

**Note 22 : Net Sales / Income from Operation**

Particulars	RS.	RS.
(a) Sale of Goods- Domestic - Net	19407.71	15967.63
(b) Sale of Goods- Export	0.00	0.00
<b>Total</b>	<b>19407.71</b>	<b>15967.63</b>

**Note 23 : Other income**

Particulars	RS.	RS.
Interest Income	28.37	33.40
Other non-operating income	9.10	42.97
<b>Total</b>	<b>37.47</b>	<b>76.37</b>

**Note 23.1 :**

Particulars	RS.	RS.
<b>Interest Income Comprises :</b>		
a) Interest from Banks on Bank Deposit	2.39	1.34
b) Interest on loans and advances	22.84	27.88
c) Other Interest	0.80	4.19
<b>Total</b>	<b>26.03</b>	<b>33.40</b>
Particulars	RS.	RS.
<b>Other non-operating income Comprises :</b>		
Interest Income Tax Refund AY 20-21	1.43	0.45
Other Income	7.45	42.40
Kasar Account	0.22	0.00
Profit on sale of Asset	0.00	0.12
<b>Total</b>	<b>9.10</b>	<b>42.97</b>

**Note 24 : Cost of materials consumed**

Opening Stock of Raw Materials	985.88	928.66
Purchase of Raw Materials and Stores	18068.31	14304.22
<b>DIRECT/MANUFACTURING EXPENSE</b>	<b>0.00</b>	<b>0.00</b>
Job work/ Labour Charges	45.06	5.72
Power & Fuel	669.11	645.07
Production & Factory Exp.	57.09	79.88
Freight Exp.	0.05	0.80
MEIS Licence	0.00	59.18
Commission Exps A/c	0.00	1.28
<b>Less:</b>	<b>0.00</b>	<b>0.00</b>

**CONSOLIDATED PALCO METALS LIMITED**

(Amount In Lacs )

	As at 31st March, 2024	As at 31st March, 2023
	Amount Rs.	Amount Rs.
Closing Stock of Raw Materials	1580.37	985.88
Total	18245.13	15038.94

**CONSOLIDATED PALCO METALS LIMITED**

(Amount In Lacs )

As at 31st March, 2024	As at 31st March, 2023
Amount Rs.	Amount Rs.

**Note 25 : Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	RS.	RS.
Opening Stock : Finished Goods	146.04	244.25
Closing Stock : Finished Goods	172.99	146.04
Increase In Stock	- 26.96	98.21

**Note 26 : Employee Benefits Expense**

Particulars	RS.	RS.
(a) Salaries and incentives	194.60	199.07
(b) Contributions to -	0.00	0.00
(i) Provident fund & ESIC Scheme	1.36	1.08
(ii) Gratuity and Leave Salary	5.95	5.30
(c) Staff welfare expenses	12.08	11.95
(d) Director's remuneration	18.00	18.00
Total	231.99	235.40

**Notes 27 : Financial Expenses**

Particulars	RS.	RS.
Interest expense	222.41	140.33
Bank Charges	2.05	7.37
Bank Processing Fees	0.48	6.32
Interest on Tds	0.00	0.00
LC Discounting Charges	0.00	3.75
Total	224.94	157.77

**CONSOLIDATED PALCO METALS LIMITED**

(Amount In Lacs )

As at 31st March, 2024	As at 31st March, 2023
Amount Rs.	Amount Rs.

**Note 28 : Other Expenses**

(i)	<b>Administrative Expenses</b>	(Amount In Lacs )	
		RS.	RS.
	Audit Fees	0.57	0.59
	Bad Debts Written off	0.00	0.89
	Custom Penalty	1.15	0.00
	Gst expenses	1.99	0.01
	Electric Consumption - Ahmedabad	1.10	1.01
	Indirect Tax Expense		
	Repair & Maintenance Exp. - Other	1.37	3.65
	Repair & Maintenance Exp. - Building	0.03	1.03
	Legal & Professional Fee Expense	27.88	26.97
	Membership and Subscription exp	1.40	1.27
	CSR Activity Expenditure	0.00	5.40
	Office Expense	0.44	2.18
	Postage ,Telegram & Telephone	0.41	0.37
	Printing & Stationery	1.73	0.37
	Insurance Expenses	5.83	3.39
	Rates and taxes,	0.64	0.80
	ROC Expense	0.39	1.37
	Security Expenses	2.99	7.33
	Travelling & Conveyance Expense	7.51	8.27
	Website Development & Software Exps	0.69	0.88
	Miscellaneous expenses	3.94	0.59
	Custodian & other Compliance Fees	0.22	0.55
	Listing Fees	3.94	3.54
	Donation	0.21	0.10
	<b>Total (A)</b>	<b>64.44</b>	<b>70.57</b>
(ii)	<b>(ii) Selling &amp; Distribution Expenses</b>		
		RS.	RS.
	Advertisement & Publicity	0.53	0.29
	Freight & Octroi (Sales) - Kadi	156.98	159.14
	Packing Exp. - Kadi	13.98	10.86
	Sales Commision	5.83	12.14
	Sales Promotion Exp.	0.12	0.42
	<b>Total [B]</b>	<b>177.45</b>	<b>182.85</b>
	<b>Total (A+B)</b>	<b>241.89</b>	<b>253.43</b>

**Payment to Auditors - Detail**

(i) Payments to the auditors comprises (net of GST, where applicable):		
As auditors - statutory audit	0.45	0.59

**CONSOLIDATED PALCO METALS LIMITED**

(Amount In Lacs )

	As at 31st March, 2024	As at 31st March, 2023
	Amount Rs.	Amount Rs.
For other services		0.09
Total	0.45	0.69

**Note 29 : Provision for Deferred tax**

Provision for Deferred Tax Liabilities-	- 27.83	0.66
Total	- 27.83	0.66

NOTE - 30 : Ratio Analysis

Sr. No.	Ratio	Numerator	Denominator	As at 31st March, 2024	As at 31st March, 2023	% Variance	Reason for variance
(1)	Current ratio	Current Assets	Current Liabilities	2.85	1.44	1.41	-
(2)	Debt equity ratio	Total Debt	Shareholder's Equity	1.80	1.72	0.08	-
(3)	Debt service coverage ratio	Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc	Interest & Lease Payments + Principal Repayments	-4.43	4.02	-8.45	-
(4)	Return on Equity	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	1.26	0.35	0.91	-
(5)	Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory (Opening + Closing balance / 2)	13.45	15.80	-2.35	-
(6)	Trader receivable turnover ratio	Net Credit Sales (gross credit sales minus sales return)	Average Accounts Receivable (Opening + Closing balance / 2)	20.23	18.18	2.05	-
(7)	Trade payable turnover ratio	Net Credit Purchases (gross credit purchases minus purchase return )	Average Accounts payable(Opening + Closing balance / 2)	149.84	132.20	17.64	-
(8)	Net capital turnover ratio	Net Sales (total sales minus sales returns)	Average Working Capital	9.28	9.79	-0.51	-
(9)	Net profit ratio	Net Profit	Net Sales	0.03	0.01	0.02	-
(10)	Return on capital employed	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	0.34	0.24	0.10	-
(11)	Return on investment	Return	Investment	0.27	0.09	0.18	-

(Amount In Lacs )

For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
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**NOTE - 31 : RELATED PARTY DISCLOSURES****A. Where Control Exists**

Name of the Party	Nature of Relation
Palco Recycles Industries Limited.	Subsidiary Company

**B. Name of Related Parties and Description of Relationship, Where Transaction Have Taken Place During The Year:**

Key Management Personnel	
Name of the Party	Nature of Relation
Kirankumar Agarwal	Managing Director
Kanaiyalal Agrawal	Director
Nareshchandra Jain	Independent Director
Narendra Agrawal	Independent Director (Resigned w.e.f. 12/02/2024)
Gauravkumar Pushkarri Jani	Independent Director
Naman Naredi	Director (w.e.f. 12/02/2024)
Badal Naredi	Chief Financial officer
Rakhi Agrawal	Independent Women Director
Mukesh Tiwari	Company Secretary
Enterprises on Which Key Management Personnel and their Relative have Significant Influence	
Name of the Party	Nature of Relation
Krishna Share broking and securities Ltd.	Common Director
Palco Recycle Exchange Ltd.	Common Director
Krishna Capital & Securities Ltd.	Associate of Parent Company

(Related party relationship is as identified by the management of the company)

**C. Disclosures For Transactions and closing balance With Related Parties During The Year:**

Nature of Transactions	Key Management Personnel.	Enterprises on which Key Management personnel and their Relatives have significant influence.	Total
<b>EXPENSES</b>			
Interest Expenses	0.00	64.69	<b>64.69</b>
Salaries & Allowances	78.00	0.00	<b>78.00</b>
<b>OUTSTANDINGS</b>			
<b>As at Beginning</b>			
Sundry Debtors	0.00	0.00	<b>0.00</b>
Sundry Creditors	0.00	0.00	<b>0.00</b>
Unsecured Loan		691.80	<b>691.80</b>
Loans & Advances	0.00	0.00	<b>0.00</b>
Provisions	0.00	0.00	<b>0.00</b>
<b>As at Closing</b>			
Sundry Debtors	0.00	0.00	<b>0.00</b>
Sundry Creditors			
Unsecured Loan	0.00	1491.97	<b>1491.97</b>

## Disclosures For Transactions and closing balance With Related Parties During The Previous Year:

Nature of Transactions	Key Management Personnel.	Enterprises on which Key Management personnel and their Relatives have significant influence.	Total
<b>EXPENSES</b>			
Purchase of Immovable Asset	0.00	40.00	<b>40.00</b>
Interest Expenses	0.00	11.72	<b>11.72</b>
<b>Directors Remuneration :</b>			
Salaries & Allowances	78.00	0.00	<b>78.00</b>
<b>OUTSTANDINGS</b>			
<b>As at Beginning</b>			
Unsecured Loan	0.00	199.59	<b>199.59</b>
<b>As at Closing</b>			
Unsecured Loan	0.00	691.80	<b>691.80</b>

(Amount In Lacs )

	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
<b>NOTE - 32 : Value Of Imports Calculated On Cif Basis</b>		
Nature of Transactions	Rs.	Rs.
a) Raw Materials ( included High seas purchases)	5701.54	6307.40
b) Stores & Spares	0.00	0.00
c) Capital Items	0.00	0.00

**NOTE - 33 : Expenditure In Foreign Currency (Accrual Basis) :**

Nature of Transactions	Rs.	Rs.
Import - Purchases	5701.54	6307.40
Travelling and conveyance	0.00	0.00
Others	0.00	0.00

**NOTE - 34 : Earning In Foreign Currency (Accrual Basis) :**

Nature of Transactions	Rs.	Rs.
Exports at F.O.B. Value	-	-

**NOTE - 35 : Imported And Indigenous Raw Materials And Spare Parts Consumed**

Nature of Transactions	% age	Value	% age	Value
<b>Raw Material</b>				
a) Indigenous	68%	12350.21	56%	7972.23
b) Imported- High Sea	32%	5701.54	44%	6307.40
<b>Total</b>	<b>100%</b>	<b>18051.75</b>	<b>100%</b>	<b>14279.62</b>
<b>Stores and Spares</b>				
a) Indigenous	100%	0.00	100%	0.00
b) Imported	0%	0.00	0%	0.00
<b>Total</b>	<b>100%</b>	<b>0.00</b>	<b>100%</b>	<b>0.00</b>

**NOTE - 36 :**

In the opinion of the Board, 'Sundry Debtors', 'Loans and Advances' and 'Other current Assets' are approximately of the value stated if realised in the ordinary course of business. Confirmation Letters have not been obtained in respect of debtors, creditors, loans taken and loans/advances given. Accordingly such balances are subject to confirmation, reconciliation and consequent adjustments, if any.

**NOTE - 37 :**

In the opinion of the Board, provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.

**NOTE - 38 :**

Claims, Late payment charges etc have been accounted for in the books as and when confirmed with the respective parties.

**NOTE - 39 : Depreciation and amortization expense**

Particulars	Rs.	Rs.
Depreciation of tangible assets	108.83	44.05
Amortization of intangible assets	NIL	NIL

**NOTE - 40 : Earnings per share (EPS)**

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	Rs.	Rs.
Total operations for the year		
Profit/(loss) after tax	503.35	139.78
Less : Dividends on convertible preference shares & tax thereon	0.00	0.00
Add : Other Comprehensive Income	- 0.51	2.65
Net profit/(loss) for calculation of basic EPS	502.84	142.43
Weighted average number of equity shares in calculating basic EPS	40.00	40.00
Earning per share Rs. - Basic and Diluted	12.57	3.56

**NOTE - 41 : Disclosures related to retirement benefits : (As per Actuarial Report)**

## a) Defined Contribution Plans

Contribution to Defined Contribution Plan, recognized for the year are as under:

Particulars	Rs.	(Rs. In Lakh)
Employers' Contribution to Provident Fund	1.08	0.79

## b) Defined Benefit Plans

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan based on the following assumptions.

## Economic Assumptions

The discount rate and salary increases assumed are the key financial assumptions and should be considered together. It is the difference or gap between these rates which is more important than the individual rates in isolation.

## Discount Rate

The discounting rate is based on the gross redemption yield on medium to long term risk free investments. The estimated term of the benefits / obligations works out to zero years. For the current valuation a discount rate of 7.30% p.a. (Previous Year 6.40% p.a.) compound has been used.

## Salary Escalation Rate

The salary escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again a long-term view as to trend in salary increase rates has to be taken rather than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.



(Amount In Lacs )

For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
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**Funded status of the plan**

Particulars	Rs.	Rs.
Present value of unfunded obligations	27.66	0.00
Present value of funded obligations	0.00	0.00
Fair value of plan assets	0.00	0.00
<b>Net Liability (Asset)</b>	<b>27.66</b>	<b>0.00</b>
<b>Bifurcation Of Liability</b>		
Current Liability	5.88	0.00
Non-Current Liability	21.78	0.00
<b>Net Liability(Asset)</b>	<b>27.66</b>	<b>0.00</b>

**Profit and loss account for the period**

<i>Service cost:</i>		
Current service cost	4.49	0.00
Past service cost and loss/(gain) on curtailments and settlement	0.00	0.00
Net interest cost	1.46	0.00
<b>Total included in 'Employee Benefit Expense'</b>	<b>5.95</b>	<b>0.00</b>
<b>Total Charge to P&amp;L</b>	<b>5.95</b>	<b>0.00</b>

Reconciliation of defined benefit obligation	Gratuity	
Opening defined benefit obligation	21.65	0.00
Current service cost	4.49	0.00
Interest cost	1.46	0.00
Benefits paid	- 0.45	0.00
Components of actuarial gain/losses on obligations	0.51	0.00
Past Service Cost	0.00	0.00
<b>Closing defined benefit obligation</b>	<b>27.66</b>	<b>0.00</b>

**Other Comprehensive Income for the current period**

<b>Components of actuarial gain/losses on obligations:</b>		
Due to Change in financial assumptions	0.18	0.00
Due to change in demographic assumption	0.00	0.00
Due to experience adjustments	0.33	0.00
Return on plan assets excluding amounts included in interest income	0.00	0.00
<b>Amounts recognized in Other Comprehensive Income</b>	<b>0.51</b>	<b>0.00</b>

Particulars	Gratuity	
Discount rate	7.15%	7.30%
Withdrawal Rates	25.00% p.a at younger ages reducing to 5.00% p.a% at older ages	25.00% p.a at younger ages reducing to 5.00% p.a% at older ages
Salary Growth Rate	6.00% p.a	6.00% p.a

(Amount In Lacs )

For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
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**Sensitivity analysis**

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

Particulars	Rs.	Rs.
<b>Discount rate Sensitivity</b>		
Increase by 0.5% (% change)	27.07 -2.13%	21.18 -2.18%
Decrease by 0.5% (% change)	28.27 2.23%	22.14 2.28%
<b>Salary growth rate Sensitivity</b>		
Increase by 0.5% (% change)	28.27 2.23%	22.15 2.28%
Decrease by 0.5% (% change)	27.06 -2.15%	21.17 -2.20%
<b>Withdrawal rate (W.R.) Sensitivity</b>		
W.R. x 110% (% change)	27.67 0.04%	21.59 -0.27%
W.R. x 90% (% change)	27.63 -0.09%	21.70 0.21%

**NOTE - 42 : Disclosures related to Segment Reporting**

In the opinion of the management, the Company is mainly engaged in a single segment of manufacturing and trading of non-ferrous metals and all other activities revolve around the main activity, therefore there are no separate reportable segments as per Ind AS 108 "Segment Reporting".

**NOTE - 43 : Contingent Liability and Capital Commitment**

Particular	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
<b>Contingent Liability</b>		
Bank Guarantee given by the Company on behalf of Subsidiary Company	0.00	0.00
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance)	Nil	Nil

**NOTE - 44 : Corporate Social Responsibility (CSR)**

As per section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The funds are utilized on the activities which are specified in Schedule VII of the Companies Act, 2013. The utilisation is done by way of contribution towards various activities

a) Gross amount as per the limits of Section 135 of the Companies Act, 2013 : Rs 0.00 lacs (Previous year : Rs 5.40 Lacs)

(b) Amount spent and paid during the year ended 31st March, 2024 : Rs 0.00 lacs (Previous year : Rs 5.40 Lacs)

**Details of Corporate Social Responsibilities**

Particular	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
(i) Amount required to be spent by the company during the year	-	5.40
(ii) Amount of expenditure incurred	-	5.40
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
<b>Total amount contributed during the year</b>	-	<b>5.40</b>

(v) Reason for shortfall : NA

(vi) Nature of CSR activities : During the year Nil (Previous year - Rs. 5.40), company has donated to Various CSR registered entities to spent on Health & Medical care in Ahmedabad District of Gujarat State

(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard

	0	0
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(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year

	N.A.	N.A.
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**Note 45 : Financial Instruments - Accounting Classifications and Fair Value Measurements**

The fair values of the financial assets and liabilities are 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. The following methods and assumptions were used to estimate the fair values.

1. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique :

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effects on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effects on the recorded fair value that are not based on observable market data.

(Amount In Lacs )

Particular	Carrying amount For the Year ended	Fair Value		
		Level 1	Level 2	Level 3
<b>Financial Assets at Amortized Cost</b>				
Investments	36.95	0.00	36.95	0.00
Deposit & Advance	88.91	0.00	88.91	0.00
Loans	1329.39	0.00	1329.39	0.00
Trade Receivables	724.28	0.00	724.28	0.00
Cash and Cash Equivalents	13.04	0.00	13.04	0.00
Bank Balance other than Cash and Cash Equivalents above	548.79	0.00	548.79	0.00
Others	29.91	0.00	29.91	0.00
<b>Total</b>	<b>2771.26</b>	<b>0.00</b>	<b>2771.26</b>	<b>0.00</b>
Financial Assets at Fair Value through Other Comprehensive Income	0.00	0.00	0.00	0.00
Investments (Current)	0.00	0.00	0.00	0.00
Investments (Non-Current)	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Financial Liabilities at Amortized Cost</b>				
Loans	3587.27	0.00	3587.27	0.00
Trade Payables	142.14	0.00	142.14	0.00
Other Current Liabilities	28.93	0.00	28.93	0.00
<b>Total</b>	<b>3758.35</b>	<b>0.00</b>	<b>3758.35</b>	<b>0.00</b>

Particular	Carrying amount For the Year ended 31st March, 2023	Fair Value		
		Level 1	Level 2	Level 3
<b>Financial Assets at Amortized Cost</b>				
Investments	36.95	0.00	36.95	0.00
Deposit & Advance	113.56	0.00	113.56	0.00
Loans	122.61	0.00	122.61	0.00
Trade Receivables	1194.90	0.00	1194.90	0.00
Cash and Cash Equivalents	24.56	0.00	24.56	0.00
Bank Balance other than Cash and Cash Equivalents above	634.86	0.00	634.86	0.00
Others	0.00	0.00	0.00	0.00
<b>Total</b>	<b>2127.43</b>	<b>0.00</b>	<b>2127.43</b>	<b>0.00</b>
Financial Assets at Fair Value through Other Comprehensive Income	0.00	0.00	0.00	0.00
Investments (Current)	0.00	0.00	0.00	0.00
Investments (Non-Current)	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Financial Liabilities at Amortized Cost</b>				
Loans	2766.12	0.00	2766.12	0.00
Trade Payables	99.03	0.00	99.03	0.00
Other Current Liabilities	24.05	0.00	24.05	0.00
<b>Total</b>	<b>2889.21</b>	<b>0.00</b>	<b>2889.21</b>	<b>0.00</b>

During the reporting periods ended March 31, 2024 and March 31, 2023, there were no transfers between Level 1 and Level 2 fair value measurements.

The carrying amounts of financial assets and financial liabilities measured at amortized cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

#### Note 46 : Financial Risk Management Objectives and Policies

The Company's activities are exposed to variety of financial risks. The key financial risks include market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors reviews and approves policies for managing risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

##### Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Company manages market risk through its treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by the Senior Management. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

(Amount In Lacs )

For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
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**Interest rate Risk**

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Refer Note 13.1 for interest rate profile of the Company's interest-bearing financial instrument at the reporting date.

**Exposure to Interest Rate Risk**

Particular	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Borrowings Bearing Fixed Rate of Interest	1639.69	1086.44
Borrowings Bearing Variable Rate of Interest (In Rupees)	1947.58	1679.68
<b>Total</b>	<b>3587.27</b>	<b>2766.12</b>

**Interest Rate Sensitivity**

A change of 0.50% in interest rate would have following impact on profit before tax

Particular	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
50 bps Increase -Decrease in Profits	- 8.20	- 5.43
50 bps Increase -Decrease in Profits	8.20	5.43

**Market Risk - Foreign Currency**

The Company operates locally, however, the nature of its operations requires it to transact in several currencies and consequently the Company is exposed to foreign exchange risk in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies.

**Other Price Risk**

The Company is not exposed to any kind of price risk arising as at March 31, 2024.

**CREDIT RISK**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable (Refer note no. 7). Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is significant increase in credit risk, the company compares the risk of a default occurring on the asset at the reporting date with the risk of default on the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty,
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation.
- (iv) Significant increase in credit risk on other financial instruments of the same counterparty, and
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

**LIQUIDITY RISK**

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows

**Maturity Profile of Financial Liabilities**

The below table provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	As At March 31, 2024		
	Less than 1 year	1 to 5 years	Total
Non-Current Financial Liabilities - Borrowings	189.02	2093.96	2282.98
Non-Current Financial Liabilities - Others	0.00	0.00	0.00
Current Financial Liabilities - Borrowings	1304.29	0.00	1304.29
Current Financial Liabilities - Trade Payables	142.14	0.00	142.14
Current Financial Liabilities - Others	28.93	0.00	28.93

Particulars	As At March 31, 2023		
	Less than 1 year	1 to 5 years	Total
Non-Current Financial Liabilities - Borrowings	83.33	523.21	606.54
Non-Current Financial Liabilities - Others	0.00	0.00	0.00
Current Financial Liabilities - Borrowings	2159.58	0.00	2159.58
Current Financial Liabilities - Trade Payables	99.03	0.00	99.03
Current Financial Liabilities - Others	24.05	0.00	24.05

(Amount In Lacs )

For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
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**Note 47 : Capital Management**

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholders' value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Particular	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Total Debt	3587.27	2766.12
Less: Cash and Cash Equivalent	13.04	24.56
Less: Bank Balances Other than Cash and Cash Equivalents Net Debt	548.79	634.86
Net Debt (A)	3025.44	2106.70
Equity Share Capital & Other Equity (B)	1884.23	1557.80
Total Equity and Net Debt (C=A+B)	4909.67	3664.51
Gearing Ratio: (A/C)	0.00	0.00

**Note 48 : Operational Cycle**

The current assets and liabilities have been reflected in the Balance Sheet as per the operating cycle confirmed by the management.

**Note 49 :**

The Company has not received any intimation from "Suppliers" regarding their status under the Micro, Small and Medium enterprises Development Act, 2006 and hence disclosure, if any, relating to the amount un-paid as the end of year together with interest paid/ payable as required under the said Act have not been furnished.

**Note 50 :****Additional Regulatory Information**

- (i) The Company Has No Transactions With Companies, struck off under section 248 of the Companies Act 2013
- (ii) The Company has not disclosed or surrendered any income during the year in the Income tax assessments.
- (iii) All The Title Deeds Of Immovable Property Are In The Name Of The Company
- (iv) The Company has not made any investment in virtual currency or Crypto currency during the year
- (v) The Company has not Revalued its fixed assets during the year.
- (vi) The Company does not have any intangible assets under development.
- (vii) No proceedings have been initiated against the company for holding any Benami property.
- (viii) The Company is not declared a wilful Defaulter by any bank or financial institution.
- (ix) No Charge or Satisfaction or Charge is pending to be registered with Registrar of Companies
- (x) The Company has not made investment in any company beyond the number of layers of company permitted.
- (xi) The Company has not advanced any loan or provided any guarantee or security to any person for the purpose of investing or granting loan to any other person(ultimate beneficiary)

**Note 51 : Other Disclosure**

- (i) Previous year figures have been regrouped and re -arranged as required
- (ii) The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 30th May, 2024, there are no subsequent events to be recognized or reported that are not already disclosed.

In terms of our report attached.

UDIN : 24112900BKADMY1874  
For K P S J & ASSOCIATES LLP  
Chartered Accountants  
FRN: 124845W/W100209

Shriram Ramratan Laddha  
(Partner)  
M No.112900

Place : Ahmedabad  
Date: 13/07/2024

For and on behalf of the Board of Directors

PALCO METALS LIMITED

Mukesh Tiwari  
(Company Secretary)

Badal Kailash Naredi

Kirankumar Agrawal  
(DIN No.: 00395934)  
Dt.13-07-24 A'bad

Naman Naredi  
(DIN No. 06943536)

**ATTENDANCE SLIP**

I/We.....R/o..... hereby record my/our presence at the 63<sup>rd</sup> Annual General Meeting of the Company on Monday, 30<sup>th</sup> day of September, 2024 at 11.00 A.M at Block No 1715, Saiprasad Industrial Park-II, Besides Ramol Police Station, CTM- Ramol Road, Ramol, Ahmedabad-382449

DPID *:	Folio No.:
Client Id *:	No. of Shares:

\* Applicable for investors holding shares in electronic form.

Signature of shareholder(s)/proxy

Note:

1. Please fill this attendance slip and hand it over at the entrance of the hall.
2. Please complete the Folio / DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
3. Electronic copy of the Annual Report for FY. 2023-2024 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
4. Physical copy of the Annual Report for FY. 2023-2024 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

## PROXY FORM

Name of the member (s):	E-mail Id:
	No. of shares held
Registered address:	Folio No.
	DP ID*.
	Client ID*.

\* Applicable for investors holding shares in electronic form.

I/We being the member(s) of the above-named Company hereby appoint:

S.No.	Name	Address	Email address	
1				or failing him
2				or failing him
3				

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 63<sup>rd</sup> Annual General Meeting of the Company to be held on Monday, 30<sup>th</sup> September 2024 at 11:00 AM, at Registered Office of the Company at Block No 1715, Saiprasad Industrial Park-II, Besides Ramol Police Station, CTM- Ramol Road, Ramol, Ahmedabad-382449 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

Sr.No.	Resolution	For	Against
1	To receive, consider and adopt the audited financial statements [including consolidated financial statements] of the Company for the year ended on March 31, 2024 and the Reports of the Board of Directors and Auditors thereon.		
2	To appoint a director in place of Mr. Kirankumar Babulal Agrawal (DIN: 00395934), who retires by rotation and being eligible offers himself for re-appointment.		
3	To re-appoint M/s KPSJ & Associates LLP (124845W/W100209), Chartered Accountants as Statutory Auditors of the Company for a second term of five years.		
4	To appoint Mr. Naman Naredi (DIN: 06943536) as a Non-Executive Director		
5	To appoint Mrs. Meenu Maheshwari (DIN: 07113136) as an Independent Director of the Company		
6	Giving an authorization to Board of Directors under section 180(1)(c) of the Companies Act, 2013 up to Borrow money upto an aggregate limit of Rs. 75 crores.		
7	Giving an authorization to Board of Directors under section 180(1)(a) of the Companies Act, 2013 to raise funds by creating Charge on the assets of the Company, up-to an aggregate limit of Rs. 75 crores.		
8	Giving an authorization to Board of Directors to advance any loan, give any guarantee or to provide any security to all such person specified under section 185 of the Companies Act, 2013 up to an aggregate limit of Rs. 75 crores.		
9	Giving an authorization to Board of Directors under section 186 of the Companies Act, 2013 up to invest, to advance loan, to provide security or guarantee in connection with loan upto the aggregate limit of Rs.75 crores to any Body Corporate, Company or any other Person.		

10	Adoption of new set of Articles of Association		
11	Reclassification of Authorised Share Capital and Consequent Alteration of Memorandum of Association and Articles of Association		
12	To consider re-appointment of Mr. Kirankumar Babulal Agrawal (Din: 00395934) as the Managing Director of the Company for a further period of 3 (Three years).		

\*\* It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Signed this ..... day of..... 2024

Signature of shareholder.....

Signature of Proxy holder(s) (1) .....

Signature of Proxy holder(s) (2) .....

Signature of Proxy holder(s) (3) .....

Affix Revenue Stamp not less than Re.0.15
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**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
5. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 63<sup>rd</sup> Annual General Meeting.
6. Please complete all details including details of member(s) in above box before submission.



