1715, Saiprasad Industrial Park-II, Besides Ramol Police Station,
CTM-Ramol Road, Ramol, Ahmedabad - 382 449.
E-mail : cs@palcometals.com • Website : www.palcometals.com
CIN : L27310GJ1960PLC000998 • GSTIN : 24AAACP9154D1ZM

Palco Metals Limited

October 01, 2021

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

Dear Sir/Madam,

Sub: Submission of 60th Annual Report for the FY 2020-21.

Scrip Code: 539121

Pursuant to regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), Company has submitted the Annual Report of the Company along with the Notice of 60th AGM for the financial year 2020-21. However said copy was not finely formatted, now find attached herewith copy of Annual Report for the FY 2020-21 duly formatted and approved in the 60th AGM.

Thanking You.
Yours faithfully,

For, Palco Metals Limited

Mukesh Tiwari
Company Secretary

PALCO METALS LIMITED

60th Annual Report

2020-21

Palco Metals Limited

www.palcometals.com

60th Annual Report 2020-21

BOARD OF DIRECTORS
Shri Kailashchandra Agrawal - Chairman
Shri Kanaiyalal Agrawal - Director
Shri Kirankumar Agrawal – Managing Director
Shri Narendra Agarwal - Director
Shri Nareshchand Jain - Director
Mrs. Rakhi Jitendra Agrawal - Director

STATUTORY AUDITORS
KPSJ & Associates LLP
Chartered Accountants,
Ahmedabad

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

PALCO

Palco Metals Limited

REGISTRARS & SHARE TRANSFER AGENTS
MCS SHARE TRANSFER AGENT LIMITED
Ahmedabad Branch
201, 2nd Floor, Shatdal Complex,
Ashram Road, Ahmedabad – 380009.

Palco Metals Limited

Registered Office: 1715, Saiprasad Industrial Park-II, Besides Ramol Police Station, CTM- Ramol Road, Ramol, Ahmedabad-382449, Gujarat, India. Tele Ph No; 079-29620850

CIN: L27310GJ1960PLC000998, **E-mail:** cs@palcometals.com, **Web:** www.palcometals.com

Notice of 60th AGM of the Company

Notice is hereby given that the Sixtieth Annual General Meeting of the members of the Company will be held on Thursday, 30th September 2021 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, 2021 and the Reports of the Board of Directors and Auditors thereon.

   "**RESOLVED THAT** the Financial Statement comprising of Audited Balance Sheet of the Company as at 31st March 2021, 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 2021, 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. Kanaiyalal Agrawal (DIN: 00594240), who retires by rotation and being eligible offers himself for re-appointment.

   "**RESOLVED THAT** Mr. Mr. Kanaiyalal Agrawal (DIN: 00594240), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

By Order of the Board
For, Palco Metals Limited

SD/-
Kirankumar Agrawal
Managing Director
DIN: 00395934

Date: 5th September, 2021
Place: Ahmedabad

COVID INSTRUCTIONS:

As the pandemic of COVID-19 has been broken out it is very much important for the company to follow the guidelines issued by ministry in this regard.

In the last 10 years of AGM maximum attendance company has seen is 32 members and average attendance at AGM comes to 25 persons inclusive of Board Members and Auditors/Invitees.

As the company has enough space at the new registered office transferred before the AGM. It will be convenient for the company to arrange and conduct AGM with social distancing norms in the era of covid-19.

Further the company has applied for permission with necessary authorities for holding AGM.

Entry without mask is not permitted. Further the temperature of the member will be measured at venue and in case of fever will not be allowed to attend AGM.

Further as the company does not have email of majority of shareholders in numbers in the record so it would not be beneficial for the company to arrange AGM through VC (Video Conferencing) or OAVM (other Audio Video Visual means).

NOTES:

1. The information as prescribed under Regulation 36[3] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 of the Director and Independent seeking reappointment at the ensuing Annual General Meeting is provided at Annexure–1 to this Notice in Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013.

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 Monday, September 28, 2021 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 authorise 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 authorising 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

dematerialised 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 60th 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 60th 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: cs@palcometals.com or in writing to the Share Transfer Agent and registrar 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 of 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: cs@palcometals.com or in writing to the Share Transfer Agent and registrar of 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, upto 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 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 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 60th 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 and as the 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 Chairman 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, 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 Monday, September 27, 2021 (09:00 AM) and ends on Wednesday, September 29, 2021 (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 Thursday, September 23, 2021 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 cs@palcometals.com with a copy marked to 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 downloads section of 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, 2021.

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, 2021 may obtain the Login ID and password by sending a request at evoting@nsdl.co.in or cs@palcometals.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 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 Chairman 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 Chairman 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 and on the website of NSDL immediately after the declaration of result by the Chairman 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: 5th September, 2021
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] AND 36[5] OF THE SEBI [LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS] REGULATIONS, 2015:

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 2: To appoint a Director in place of Mr. Kanaiyalal Agrawal (DIN: 00594240), who retires by rotation and being eligible offers himself for re-appointment.

"**RESOLVED THAT** Mr. Kanaiyalal Agrawal (DIN: 00594240), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

Details of Director seeking reappointment at the 60th AGM pursuant to Regulation 36[3] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015

Name & DIN of Director	Kanaiyalal Agrawal (DIN: 00594240)
Date of Birth	17/10/1966
Date of Appointment	17/08/1996
Experience	Has 35 years of experience of in Finance, Management and Negotiation management. Promoter of the company since 1996.
Qualifications	B.Com, C.A., LLB.
Directorship held in other Public Limited Companies	Palco Recycle Exchange Limited
Member / Chairman of Committees in other Public Limited Companies	-
No. of Shares held in the company (By HUF)	186200
Inter se Relationship with any Director /KMP Director or KMP	No relationship with any Director on the Board.

By Order of the Board
For Palco Metals Limited

Sd/-
Kirankumar Agrawal
Managing Director
DIN: 00395934

Date: 5th September, 2021
Place: Ahmedabad

DIRECTORS' REPORT

To,
The Members,
Palco Metals Ltd.,
Ahmedabad

Your Directors have pleasure in presenting herewith the 60th Annual Report together with the Audited Statement of Accounts for the year ended on 31st March, 2021.

FINANCIAL RESULTS: **(Rs. In Lacs)**

Particulars	Year Ended on 31/03/2021	Year Ended on 31/03/2020
TOTAL INCOME		
Revenue from Operations (Net)	-	-
Other Income	12,13,413.00	14,73,041.00
Total revenue	**12,13,413.00**	**14,73,041.00**
TOTAL EXPENSES:		
Expenses (Employee Exps)	1,92,462.00	2,80,363.00
Other Exps	9,15,076.00	11,40,322.00
Finance Costs	1,446.00	1,071.00
Total Exps	**11,08,984.00**	**14,21,726**
Profit/(Loss) after finance costs but before exceptional Items	**1,04,429.00**	**51,315.00**
Exceptional Items	**-**	**-**
Profit before extraordinary items and tax	**1,04,429.00**	**51,315.00**
Extraordinary Items	**-**	**-**
Profit before Tax	**1,04,429.00**	**51,315.00**
Tax Expenses	30000.00	12,000.00
Prior Period Tax Adjustment	1343.00	-
Net Profit /Loss for the Period	**73,086.00**	**39315.00**
Earning Per share	**0.18**	**0.10**

STATEMENT OF COMPANY'S AFFAIRS:

The Company has not earned any revenue from Operations. Other income from interest stood at Rs. 12.13 Lacs as compared to Rs. 14.73 Lacs last year. Further Company has Subsidiary Company Palco Recycle Industries Limited in which Company holds approx. 65% of holding.

DIVIDEND:

This Year also company has not earned any 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.

TRANSFER TO RESERVE:

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

EXTRACT OF 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 and weblink for the same is http://palcometals.com/investors/

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.

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.

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:

Particulars	Year Ended on 31/03/2021	Year Ended on 31/03/2020
TOTAL INCOME		
Revenue from Operations (Net)	95,33,26,602	61,56,83,433
Other Income	20,43,035	58,38,408
Total revenue	**95,53,69,637**	**62,15,21,841**
Total Exps	**94,33,51,036**	**61,75,89,383**
Profit/(Loss) after finance costs but before exceptional Items	1,20,18,600	39,32,458
Profit before Tax	**1,20,18,600**	**39,32,458**
Tax Expenses (Deffered Tax)	29,50,400	4,43,260
Profit After Tax	**90,68,200**	**34,89,198**

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.

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.

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.

DIRECTORS RESPONSIBILITY REPORT:

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)© and 134(5) of the Companies Act, 2013 and confirm that :

(a) In the preparation of the annual accounts for the year ended 31st March, 2021, 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 31st March, 2021 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.

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.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

Particulars of loans given, investments made, guarantees given and securities provided by the Company are given under notes to the accounts of annual reports.

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. In the last AGM company has appointed KPSJ & Associates, Chartered Accountants as Statutory Auditors of the company for 5 five years.

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.

Further Auditors has not reported any fraud in the company during the year under review.

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 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 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.

RELATED PARTY TRANSACTIONS:

No Transaction as defined under section 188 of the Companies Act, 2013 as related party transactions was entered into with related parties by the company.

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, 2021. Further the transactions entered into by the company are arms 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.

Disclosure of related party transaction as required under Schedule V of SEBI LODR Regulations is given under Notes to the Standalone Financial Statements.

DIRECTORS AND KEY MANAGERIAL PERSONNEL & POLICY:

During the year, no changes in the Board were done.

The brief resume/details relating to the Directors, who are to be re-appointed/appointed at the AGM are furnished in the Annexure 1 to the Notice of the 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.

The Company has received declarations from all the Independent Directors of the Company in terms of Section 149(7) of the Act, confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 25 of SEBI Listing Regulations, 2015.

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 is attached herewith as Annexure – E to the report.

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. None of the independent directors are due for re-appointment.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman 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.

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

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

BOARD MEETINGS, COMMITTEE MEETINGS, AGM AND INFORMATION RELATING TO COMMITTEES:

The Board of Directors of the Company met 5 (Five) 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
	31/07/20	05/09/20	15/09/20	13/11/20	12/02/21	
Kirankumar Agrawal	Y	Y	Y	Y	Y	5
Kanaiyalal Agrawal	Y	Y	Y	Y	Y	5
Narendra Agrawal	Y	N	Y	N	Y	3
Kailashchandra Agrawal	Y	Y	Y	Y	Y	5
Nareshcand Jain	N	Y	N	Y	N	2
Rakhi Jitendra Agrawal	Y	Y	Y	Y	Y	5

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
	31/07/20	15/09/20	13/11/20	12/02/21	
Kailaschandra Agrawal Chairman Independent Director	Y	Y	Y	Y	4
Nareshchand Jain Member Independent Director	Y	Y	Y	Y	4
Kirankumar Babulal Agrawal Member Non Independent Director	Y	Y	Y	Y	4

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 31/07/2020
Mr. Kailaschandra Agrawal Member Independent Director	Y
Mr. Nareshchand Jain Chairman Independent Director	Y
Mr. Kirankumar Agrawal Member Non Independent Director	Y

STAKEHOLDERS RELATIONSHIP COMMITTEE

Five (5) Meetings 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:

Name of Director	Date of meeting & presence of Director		Total Meeting Attended
	31/07/20	12/02/21	
Kailaschandra Agrawal Chairman Independent Director	Y	Y	4
Nareshchand Jain Member Independent Director	Y	Y	4
Kirankumar Babulal Agrawal Member Non Independent Director	Y	Y	4

The Annual General meeting of the company was held on 30th September, 2020. Further Meeting of the Independent Directors of the company was held on 12th February, 2021.

RISK MANAGEMENT COMMITTEE

The Company has constituted a Risk Management Committee which identify, assess, monitor and mitigate various risks to its key business objectives. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. The Company has formulated a Risk Management Policy which is also available on the Company's website at www.palcometals.com.

The Risk Management Committee of the company consists of 2 Directors (Mr. Kailaschandra Babulal Agrawal, Independent director and Chairman and Mr. Kirankumar Babulal Agrawal Non Independent. No formal meeting was held during the year but general discussion was taken between members on subject in Board meetings and Committee meetings.

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.

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 is not applicable to the company.

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 Check, Secretarial Audit Report for the financial year 2020-21 does not contain any major qualification, reservation or adverse remark.

LISTING AGREEMENT WITH STOCK EXCHANGE:

Pursuant to the provisions of Listing Regulations, the Company declares that the Equity Shares of the Company are listed on the BSE Limited (BSE). The Company has entered into new Listing Agreement with BSE Ltd. in terms of provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 within the prescribed time limit.

The Company confirms that it has paid Annual Listing Fees to BSE upto the Financial Year 2020-21.

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.

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.

GENERAL DISCLOSURES:

During the year under review, there was 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 31st March, 2021 till the date of this report.

The Company has changed the registered office of the company with in the local limits of the city after the closure of financial year. The New registered office address of the company is as under:

Registered Office Address: Block No 1715, Saiprasad Industrial Park-II , Besides Ramol Police Station, CTM- Ramol Road, Ramol, Ahmedabad-382449. Tele Ph No; 9426078920.

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.

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: 5th September, 2021
Place: Ahmedabad

For and On behalf of the Board of Directors

SD/-	SD/-
Kanaiyalal Agrawal	**KiranKumar Agrawal**
Director	Managing Director
DIN: 00594240	DIN: 00395934

ANNEXURE A
MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS :

Aluminium Segment and Industry Review Global economic activity in CY 2020 was severely hit by enforcement of stringent lockdown measures as a result of the spread of the COVID-19 pandemic.

Strong fiscal support of around 20% of world's GDP coupled with vaccination powered normalisation prevented an economic catastrophe.

As the lockdown measures eased gradually in the second half of CY 2020, economic activity started to pick up. Global growth is projected to contract by 3.3% in CY 2020 (vs 2.9% in CY 2019, IMF Forecast). Except for China, the GDP in most advanced and emerging economies is expected to contract in CY 2020. Going forward, recovery will depend on the path of the pandemic, pace of roll-out of the vaccine and the extent of associated industrial activity disruptions.

While the global economy is expanding, large sectoral and regional divergences in growth trajectory exist.

The geopolitical tensions and trade frictions, deteriorating fiscal positions of governments are key downside risks to growth. According to the IMF, global growth in CY 2021 is projected to rebound to 6% on a contracted base in CY 2020.

The prolonged COVID-19 crisis dampened global economic sentiments, with most of the major economies experiencing a slowdown in economic growth.

This in turn affected aluminium consumption. In CY 2020, primary aluminium consumption fell by 3% from the decline of 1% in 2019. The world, excluding China, de-grew by -12% in 2020 on the back of 3% decline in CY 2019, owing to weakening demand in North America, Europe, and Japan. Among user industries, only packaging, including foil stock, recorded flattish growth year-on-year in CY 2020, whereas consumption growth declined in sectors like Transportation, Construction, Consumer Durables and Machinery & Equipment sectors. In CY 2019, China grew by 3% led by growth in auto, building and construction, consumer durables, packaging.

OPPORTUNITIES AND THREATS:

In CY 2021, the global macroeconomic environment is expected to recover sharply. As per the IMF, in April 2021, the global economy is expected to rise by 6% in CY 2021 compared to a contraction of 3.3% growth in CY 2020. World ex-China demand is improving due to strong stimulus measures by global fiscal support and massive vaccination drive to support economic recovery.

A strong push to global growth is from the US thanks to a massive fresh fiscal stimulus of $1.9 trn and President Biden's $2.3 trn infrastructure and jobs plan. Packaging likely to witness strong momentum, while demand in transport is likely to recover with increasing Electric vehicles sales. In CY 2021, primary demand is likely to grow by 12-13%.

In China, Strong solar, Electric Vehicles, Automotive and packaging sectors are likely to support Chinese consumption in CY 2021. In CY 2021, primary demand is likely to grow by 8-9%. Global aluminium supply is likely to increase by 6% to 68-69 Mt. Production in the world excluding China is expected to increase by 4% to around 29-30 Mt.

Primary aluminium supply in China is likely to grow marginally in the 39-40 Mt range, on the back of ramp-ups at Yunnan. In CY 2020, with an increase in supply by 6% and a sharp growth in demand by 8% to 10%, market is expected to be balanced. Consequently, the inventories are likely to remain stable at 2-13 million tons by the end of CY 2021.

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.

OUTLOOK:

The Domestic Demand for aluminium in India is expected to benefit from the Infrastructure projects prioritized by the government. The government's thrust on the power which sector is the dominant consumer of aluminium in India, augurs well for the aluminium industry. The Automobile and food packaging industries are also expected to stoke aluminium growth. Furthermore, rapid urbanization should augment consumer demand, yet another positive for the sector. Moreover the per capita aluminium consumption is far below the global average. This offers a huge potential, given our demographic and economic outlook.

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.

Date: 5th September, 2021
Place: Ahmedabad

For and On behalf of the Board of Directors

SD/-	SD/-
Kanaiyalal Agrawal	**KiranKumar Agrawal**
Director	Managing Director
DIN: 00594240	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 Rs.)

S. No.	Particulars	Details
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	31/03/2021 On 28th 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 28th October, 2013. Further Company on 30th March, 2018 further acquired the 205634 Equity Shares. Further company in FY 18-19 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	8,07,00,000/-
5.	Reserves & Surplus	11,08,58,674
6.	Total Assets	37,33,98,046
7.	Total Liabilities	37,33,98,046
8.	Investments	50,00,000.00
9.	Turnover (Net)	95,53,69,637.00
10.	Profit Before Taxation	1,20,18,600.00
11.	Provision For Taxation	29,50,400.00
12.	Profit After Taxation	90,68,200.00
13.	Proposed Dividend	Nil
14.	% of Shareholding	65% (5223134 Equity Shares)

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

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

Date: 5th September, 2021
Place: Ahmedabad

For and On behalf of the Board of Directors

SD/-	SD/-
Kanaiyalal Agrawal	**KiranKumar Agrawal**
Director	Managing Director
DIN: 00594240	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: 5th September, 2021
Place: Ahmedabad

For and On behalf of the Board of Directors

SD/-
Kanaiyalal Agrawal
Director
DIN: 00594240

SD/-
KiranKumar Agrawal
Managing Director
DIN: 00395934

ANNEXURE D
Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2021

[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 31st March, 2021.

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 31st March, 2021 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:

1. 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 31st March, 2021 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 – Provisions of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings 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 - Not applicable, as the Company has not issued any shares during the year under review;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014) - 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) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - 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) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – 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 (effective from 11th September, 2018) - Not applicable as the Company has not bought back or propose to buy-back any of its securities during the year under review.

(vi) 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 Labour 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.

2. 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 1st December, 2015).

3. 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) I further report 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. 1st 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.

4. 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.

5. 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.

6. I further report that during the audit period there was no 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.

Signature:
Punit Santosh Lath
Practicing Company Secretary
ACS No. 26238, COP No. 11139
UDIN: L27310GJ1960PLC000998

Place: Ahmedabad
Date: 18/08/2021

Please note that the Secretarial Audit Report is to be read with our letter of even date attached as Annexure A 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 31st March, 2021 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 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 and records 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 is 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.

Signature:
Punit Santosh Lath
Practicing Company Secretary
ACS No. 26238, COP No. 11139

Date: 18/08/2021
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) 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, 2021 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.

Sr. No.	Name of Director	DIN	Date of Appointment as per MCA Index of Signatory Details
1	Kirankumar Babulal Agrawal	00395934	17/08/1996
2	Narendra Agrawal	00580711	15/12/2012
3	Kanaiyalal Babulal Agrawal	00594240	17/08/1996
4	Nareshchand Jain	00594361	28/03/2006
5	Kailaschandra Babulal Agrawal	05334077	18/03/2014
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.

Signature:
Punit Santosh kumar Lath
Practicing Company Secretary
ACS No.: 26238, CoP No.: 11139

UDIN: A026238C000799868
Date: 18/08/2021
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** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and loss, the Cash Flow Statement for the year then ended, 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 is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows 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 the Companies (Indian Accounting Standard) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances,

but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

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 March 31, 2021;

b) in the case of the Profit and Loss Account, of the profit for the year ended on that date.

c) In case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

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.

Due to outbreak of COVID-19 globally and in India, the company's management has made initial assessment of likely adverse impact on business and financial risks, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

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.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2021 ("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 paragraph 3 and 4 of the Order, to the extent applicable.
2. 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 purpose of our audit;
   b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
   c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended;
   e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) 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".**

   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 Ind AS 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.

Unique Document Identification Number (UDIN) for this document is 21112900AAAAEY6473

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

SHRIRAM RAMRATAN LADDHA
PARTNER
Membership No.: 112900

Place: AHMEDABAD
Date: 05/09/2021

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 financial statements of the Company for the year ended March 31, 2021.

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 4(vi) 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, Sales tax, Service tax, Value added tax, 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, Sales-tax Wealth Tax, Custom Duty, Excise Duty, Cess which are outstanding as at 31.3.2021 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 dues to financial institution / banks / debentures:

Based on our audit procedures and on the basis of information and explanation given by the management, we are of the opinion that the company has not defaulted in the repayment of dues to financial institution and banks.

IX. 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).

According to the information and explanations given to us and based on the documents and records examined by us, on an overall basis, the term loan has been applied for the purpose for which the loans were obtained.

X. 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.

XI. In respect of Managerial Remuneration.

In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

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 Preferential Allotment/Private Placement of shares.

According to the information and explanations given to us , the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, compliance under section 42 of the Companies Act, 2013 need not complied with.

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 of Nidhi Company.

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

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

SHRIRAM RAMRATAN LADDHA
PARTNER
Membership No.: 112900

Place: AHMEDABAD
Date: 05/09/2021

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 31st March, 2021 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 31st March 2021, 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: 05/09/2021

SCHEDULES TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

Note 1: Company Background & Significance Accounting Policies

Corporate Information :

Palco Metals Limited (CIN NO: L2731OGJ1960PLC000998) 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 at 1715, , Saiprasad Industrial Park-II, Besides Ramol Police Station, CTM- Ramol Road, Ahmedabad-382449.

Significant Accounting Policies

A. Method of accounting

The accounts are prepared on the historical cost basis. The Consolidated Financial Statements have been prepared in accordance with IND AS and relevant provisions of the Companies Act.

B. Fixed assets and Depreciation

There is no fixed assets.

C. Taxes on income

Current tax is determined on the basis of the amount of tax payable on the taxable income for the year. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

D. Operational Creditor Association

Our subsidiary company Palco Recycle Industries Limited has lost a battle in supreme Court for 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

STATEMENT OF ASSETS AND LIABILITIES AS AT 31/03/2021

(In Rs.)

	Particulars	Note No.	As at 31 March, 2021	As at 31 March, 2020
A	**ASSETS**			
1	**Non Current Assets**			
	Investment in Subsidiaries &			
	Joint Vanture	2	8,77,93,000	8,77,93,000
	Financial Assets			
	Investments	3	36,94,500	36,94,500
	Loans	4	91,47,051	1,71,24,275
	Other Non - Current Assets	5	-	62,000
	Sub - Total : Non- current Assets		**10,06,34,551**	**10,86,73,775**
2	**Current Assets**			
	Financial Assets			
	Trade Receivables		-	-
	Cash and Cash Equivalents	6	3,46,549	2,76,549
	Bank Balance other than Cash and			
	Cash Equivalents above	6	24,629	8,75,886
	Other Financial Assets		-	-
	Other Current Assets	7	4,89,604	7,68,531
	Sub - Total : Current Assets		**8,60,782**	**19,20,966**
	TOTAL ASSETS		**10,14,95,333**	**11,05,94,741**
B	**EQUITY AND LIABILITIES**			
	1 Equity			
	Equity Share Capital	8	4,00,00,000	4,00,00,000
	Other Equity	9	3,92,87,393	3,92,14,307
	Sub - Total : Shareholders' Funds		**7,92,87,393**	**7,92,14,307**

2	**Liabilities**			
	Non- Current Liabilities			
	Financial Liabilities	10	2,00,00,000	3,00,00,000
	Income tax Liabilities - (Net)		-	2,00,000
	Other Non- Current Liabilities		-	-
	Sub - Total : Non- current Liabilities		**2,00,00,000**	**3,02,00,000**
3	**Current Liabilities**			
	Financial Liabilities		-	-
	Trade Payables		71,413	43,012
	Other Financial Liabilities	11	13,00,370	-
	Other Current Liabilities		7,81,657	10,44,922
	Provisions		24,500	80,500
	Current Tax Liabilities (Net)		30,000	12,000
	Sub - Total : Current Liabilities		**22,07,940**	**11,80,434**
	TOTAL- EQUITY AND LIABILITIES		**10,14,95,333**	**11,05,94,741**
	See accompanying notes forming part of the financial statements	**1**	**-**	**-**

In terms of our report attached.

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

Shriram Ramratan Laddha
Partner
M No.112900

Place : Ahmedabad
Date: 30/06/2021

For and on behalf of the Board of Directors
Palco Metals Limited

Mukesh Tiwari
CS
M No. A45237

Kanaiyalal Agrawal
Director
DIN: 00594240

Kiran Agrawal
Director
DIN:00395934

Badal Naredi
CFO

PALCO METALS LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31/03/2021 **(In Rs.)**

	Particulars	Note No.	As at 31 March, 2021	As at 31 March, 2020
1	**Revenue from operations**			
	Net Sales / Income from Operation		-	-
	Other Income	12	12,13,413	14,73,041
	Sub - Total : Total Income from Operations		**12,13,413**	**14,73,041**
2	**Expenses**			
	Cost of materials consumed		-	-
	Changes in inventories of finished goods, work-in-progress and stock-in-trade		-	-
	Employee Benefits Expense		1,92,462	2,80,363
	Depreciation and Amortisation Expenses		-	-
	Financial Expenses		1,446	1,041
	Other Expenses (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	13	9,15,076	11,40,322
	Sub - Total : Expenses		**11,08,984**	**14,21,726**
3	Profit / (Loss) before Tax (1 - 2)		1,04,429	51,315
	Current tax expense for current year		30,000	12,000
	Provision for Deferred tax		-	-
	Prior Period Tax Adjustment		1,343	-
	Sub - Total : Tax Expenses		**31,343**	**12,000**
4	Profit / (Loss) After Tax		73,086	39,315
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			

PALCO METALS LIMITED

STATEMENT OF ASSETS AND LIABILITIES AS AT 31/03/2021

(In Rs.)

	Particulars	Note No.	As at 31 March, 2021	As at 31 March, 2020
	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		-	-
	Total Other Comprehensive Income (Loss), Net of Tax			
6	**Total Comprehensive Income**		**73,086**	**39,315**
7	**Earnings per Equity share (Face value Rs.10/-each)**			
	a. Basic Earnings per share		0.18	0.10
	b. Diluted Earnings per share		0.18	0.10
	See accompanying notes forming part of the financial statements	1		

In terms of our report attached.

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

Shriram Ramratan Laddha
Partner
M No.112900

Place : Ahmedabad
Date: 30/06/2021

For and on behalf of the Board of Directors
Palco Metals Limited

Mukesh Tiwari
CS
M No. A45237

Kanaiyalal Agrawal
Director
DIN: 00594240

Kiran Agrawal
Director
DIN:00395934

Badal Naredi
CFO

Notes Forming parts of Standalone Balancesheet for the period ended on 31st March 2021

Note 2
Other Non Current Loans & Advances
Investments in subsidiaries, associates and joint ventures (At Cost)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Equity Shares of Palco Recycle Industries Ltd.		
(52,23,134 shares of Rs 10 each, Unqouted)	8,77,93,000	8,77,93,000
Total	**8,77,93,000**	**8,77,93,000**

Note 3
Other Non Current Loans & Advances
other Investments (At Cost)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Unquoted Equity Shares of Palco Recycle Exchange Ltd.	36,44,500	36,44,500
(5,92,400 shares of face value of Rs 10 each)		
Units of ANMA	50,000	50,000
Total	**36,94,500**	**36,94,500**

Note 4
Non Current loans and advances

Particulars	As at 31 March, 2021	As at 31 March, 2020
"a. Loans and advances to related parties "		
Unsecured, considered good	-	86,80,193
b. Others (specify nature)		
Unsecured, considered good	91,47,051	84,44,082
Total	**91,47,051**	**1,71,24,275**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	86,80,193
Total	**-**	**86,80,193**

*Either severally or jointly

Note 5
Other non-current assets

Particulars	As at 31 March, 2021	As at 31 March, 2020
Security Deposits	-	62,000
Total	**-**	**62,000**

Note 6
Cash and cash equivalents

Particulars	As at 31 March, 2021	As at 31 March, 2020
Balances with banks	24,629	8,75,886
Cash on hand	3,46,549	2,76,549
Total	**3,71,178**	**11,52,435**

Note 7
Other Current Assets

Particulars	As at 31 March, 2021	As at 31 March, 2020
Short term loan & Advances	21,661	-
Income Tax Paid	4,67,943	5,90,281
Balance with Govt. Authority	-	1,78,250
Total	**4,89,604**	**7,68,531**

Note 8
Share capital

	As at 31 March, 2021		As at 31 March, 2020	
Particulars	**Number of shares**	**Amount Rs.**	**Number of shares**	**Amount Rs.**
Authorised				
Equity Shares of Rs.10 each	70,00,000	7,00,00,000	70,00,000	7,00,00,000
Issued				
Equity Shares of Rs. 10 each	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Subscribed & Paid up				
Equity Shares of Rs. 10 each	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Subscribed but not fully Paid up	-	-	-	-
Total	**40,00,000**	**4,00,00,000**	**40,00,000**	**4,00,00,000**

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

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
Shares outstanding at the beginning of the year	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	40,00,000	4,00,00,000	40,00,000	4,00,00,000

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

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Krishna Capital & Securities	13,60,000	34.00%	13,60,000	34.00%
Krishna Sharebroking Ser. Pvt.Ltd.	3,38,120	8.45%	3,38,120	8.45%
Total	**16,98,120**		**16,98,120**	

Note 9
Other Equity

Particulars	As at 31 March, 2021	As at 31 March, 2020
Surplus		
Opening balance of Surplus	3,92,11,790	3,91,72,475
(+) Net Profit/(Net Loss) For the current year	73,086	39,315
(-) Transfer to Capital Redemption Reserve	1,00,00,000	
Total Surplus / Reserve	**2,92,84,876**	**3,92,11,790**
Capital Reserves	2,517	2,517
Capital Redemption Reserve		
Opening	-	-
(+) Transfer from Resereve & Surplus	1,00,00,000	-
Closing balance	**1,00,00,000**	**-**
Total	**3,92,87,393**	**3,92,14,307**

Note 10
Financial Liabilities
Other financial liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Unsecured		
20,00,000 8.5% Non- Cumulative Redeemable		
Preference Shares of Rs. 10 each	2,00,00,000	3,00,00,000
Total	**2,00,00,000**	**3,00,00,000**

Terms & Conditions of Preference Shares :-

The Company has made first trench of allotment of 8.5% redeemable preference shares, non cumulative, 10,00,000 number of shares on 12.12.2001 , which is redeemed during the finacial year 2020-21 and the second trench of allotment of 8.5% redeemable preference shares, non cumulative, 20,00,000 number of shares made on 15/06/2006 In both the cases, 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.

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

	As at 31 March, 2021		As at 31 March, 2020	
Particulars	**Number of shares**	**Amount Rs.**	**Number of shares**	**Amount Rs.**
Shares outstanding at the beginning of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000
Shares Issued during the year	-	-	-	-
Shares redeemed during the year	10,00,000	1,00,00,000	-	-
Shares outstanding at the end of the year	20,00,000	2,00,00,000	30,00,000	3,00,00,000

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

	As at 31 March, 2021		As at 31 March, 2020	
Particulars	**Number of shares held**	**% holding in that class of shares**	**Number of shares held**	**% holding in that class of shares**
Radius Global Pvt Limited (Formaly Known As Krishna Worldwide Pvt Ltd)	1,90,000	9.50%	11,90,000	39.67%
Vital Marketing Pvt.Ltd.	-	0.00%	11,20,000	37.33%
Kanaiyalal Agrawal	3,30,000	16.50%	2,30,000	7.67%
Sunita Kanaiyalal Agrawal	2,90,000	14.50%	1,90,000	6.33%
Aashutosh Agrawal	1,50,000	7.50%	-	-
Saloni Agrawal	1,50,000	7.50%	-	-
Komal Agrawal	1,50,000	7.50%	-	-
Babulal Agrawal	2,00,000	10.00%	-	-
Meena Agrawal	1,50,000	7.50%	-	-
Total	**16,10,000**		**27,30,000**	

Note 11
Other Financial Liabilities

Particulars	**As at 31 March, 2021**	**As at 31 March, 2020**
Other Current Financial Liablities	13,00,370	-
Total	**13,00,370**	**-**

Related Party Transaction as informed by the management

Particulars	**As at 31 March, 2021**	**As at 31 March, 2020**
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	13,00,370	-
Total	**13,00,370**	**-**

*Either severally or jointly

Note 12
Other Operating Income

Particulars	As at 31 March, 2021	As at 31 March, 2020
Interest income	12,13,413	14,73,041
Total	**12,13,413**	**14,73,041**

Note 13
Other Expenses

Particulars	As at 31 March, 2021	As at 31 March, 2020
Rent	1,03,992	4,11,972
Maintenance Exp.	-	39,780
Audit Fees	12,000	12,000
Professional Fees & legal Exp.	90,502	44,345
Office & Mis. Exp.	-	62,910
Repairs to others	-	10,185
Printing & Stationery, Postage, Courier Exp.	32,800	42,386
Advertisement Exp.	40,619	37,010
Custodian & other Compliance Fees	39,634	57,354
Initial Listing Fees	-	1,12,360
Listing Fees	3,54,000	3,00,000
Travelling Exp.	26,931	-
ROC Filing Fees	18,000	9,500
Miscellaneous Exp.	1,96,599	520
Total	**9,15,076**	**11,40,322**

Payment to Auditors - Detail

(I) Payments to the auditors comprises		
(net of GST, where applicable):		
As auditors - statutory audit	12,000	12,000
For other services	9,000	-
Total	**21,000**	**12,000**

NOTE - 14
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:

Name of the Party	Nature of Relation
Kirankumar Agarwal	Managing Director
Nareshchandra Jain	Independent Director
Kailashchandra Agrawal	Independent Director
Narendra Agrawal	Independent Director
Kanaiyalal Agrawal	Director
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
INCOMES				
Sales Of Goods	-	-	-	-
Service Rendered	-	-	-	-
Interest Income	-	-	4,53,445	4,53,445
Dividend Income	-	-	-	-
EXPENSES				
Purchases	-	-	-	-
Rent	-	-	-	-
Interest Expenses	-	-	-	-
Directors Remuneration :	-	-	-	-
Salaries & Allowances	-	-	-	-
Provision for Gratuity	-	-	-	-
Dividend paid	-	-	-	-
OUTSTANDINGS				
As at Beginning	-	-	-	-
Sundry Debtors	-	-	-	-
Sundry Creditors	-	-	-	-
Unsecured Loan	-	-	(86,80,193)	(86,80,193)
Loans & Advances	-	-	-	-
Provisions	-	-	-	-
As at Closing	-	-	13,00,370	13,00,370
Sundry Debtors	-	-	-	-
Sundry Creditors	-	-	-	-
Unsecured Loan	-	-	-	-
Loans & Advances	-	-	-	-
Provisions	-	-	-	-

NOTE - 15

VALUE OF IMPORTS CALCULATED ON CIF BASIS

Nature of Transactions	For the Year ended March 31, 2021	For the Year ended March 31, 2020
a) Raw Materials (included High seas purchases)	NIL	NIL
b) Stores & Spares	NIL	NIL
c) Capital Items	NIL	NIL

NOTE - 16

Expenditure In Foreign Currency (Accrual Basis) :

Nature of Transactions	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Travelling and conveyance	NIL	NIL

NOTE - 17

Earning In Foreign Currency (Accrual Basis) :

Nature of Transactions	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Exports at F.O.B. Value	NIL	NIL

NOTE - 18

IMPORTED AND INDIGENOUS RAW MATERIALS AND SPARE PARTS CONSUMED

Nature of Transactions	For the Year ended March 31, 2021		For the Year ended March 31, 2020	
	% age	Value	% age	Value
Raw Material				
a) Indigenous	NIL	NIL	NIL	NIL
b) Imported- High Sea	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL
Stores and Spares				
a) Indigenous	NIL	NIL	NIL	NIL
b) Imported	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL

NOTE - 19

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 - 20

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

NOTE - 21

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

NOTE - 22

Depreciation and amortization expense

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Depreciation of tangible assets	NIL	NIL
Amortization of intangible assets	NIL	NIL

NOTE - 23

Earnings per share (EPS)

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

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Total operations for the year		
Profit/(loss) after tax	73,086	39,315
Less : Dividends on convertible preference shares	-	-
& tax thereon	-	-
Add : Other Comprehensive Income		
Net profit/(loss) for calculation of basic EPS	73,086	39,315
Weighted average number of equity shares in calculating basic EPS	40,00,000	40,00,000
Earning per share - Basic and Diluted	0.18	0.10

Note 24

No Provision For Gratuity and Leave Encashment Is Made During The Year As No Employes Is Entitled To Get The Benefit Of The Gratuity As provided In The Condition Provided In The Payment Of Gratuity Act 1972

Note 25

Deferred Tax Liability

No Provision For Deffered Tax Liablity is made as there are no Timing Difference

Particulars	Amount
Net Block Of Fixed Assets as per Co's Act	-
Net Block Of Fixed Assets per Income Tax Act	-
Difference in Block Of Fixed Assets	-
DTA\(DTL) at end of the Year	-
Op.Balance of DTL	-
Require provision during the year	-

Note 26 :
Operational Cycle

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

Note 27

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 28

Sundry Creditors include dues to Small Scale Industrial Undertakings as informed by the management Rs. Nil (P.Y. Rs. Nil).
The Small Scale Industrial Undertakings to whom amount outstanding as informed by the management for more than 30 days where such dues exceed Rs. 1 lac are Nil (P.Y. Nil).

Note 29 : Previous Year Figures

Previous year figures have been regrouped and re -arranged as per the requirement of Ind As & revised schedule - III of the Companies Act, 2013

Note 30 :

The details required under segment reporting as per AS 17 is not furnished as the company is not having any reportable segments

Note 31 : Contingent Liabilities to the extent not provided for

Previous year figures have been regrouped and re -arranged as per the requirement of Ind As & revised schedule - III of the Companies Act, 2013

Note 32

Figures have been rounded off to the nearest rupee.

In terms of our report attached.

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

Shriram Ramratan Laddha
Partner
M No.112900

Place : Ahmedabad
Date: 30/06/2021

For and on behalf of the Board of Directors
Palco Metals Limited

Mukesh Tiwari
CS
M No. A45237

Kanaiyalal Agrawal
Director
DIN: 00594240

Kiran Agrawal
Director
DIN:00395934

Badal Naredi
CFO

PALCO METALS LIMITED

Standalone Cash Flow Statement for the year Period 01/04/2020 to 31/03/2021

Details		Year ended March 31,2021 (Amount in Rs.₹)	Year ended March 31,2020 (Amount in Rs.₹)
A	**Cash Flows From Operating Activities**		
	Net Profit before Tax	1,04,429	51,315
	Adjustments for :		
	Financial cost	1,446	1,041
	Interest Income	(12,13,413)	(14,73,041)
	Operating Profit before Working Capital Changes	(11,07,538)	(14,20,685)
	Movement in Working Capital :		
	(Increase)/Decrease in Other Non-current Assets	62,000	-
	Increase/(Decrease) in Trade Payables	28,401	(82,823)
	Increase/(Decrease) in Other Current Liabilities	(2,63,265)	10,41,489
	Increase/(Decrease) in Other Financial Liablities	13,00,370	-
	(Increase)/Decrease in Other Current Assets	2,78,927	(1,48,947)
	Increase/(Decrease) in Short Term Provisions	(56,000)	(3,85,000)
	Cash generated from/(used in) operations	2,42,895	(9,95,966)
	Direct taxes paid	(2,13,343)	-
	Net cash flow from/(used in) operating activities (A)	29,552	(9,95,966)
B	**Cash Flows From Investments Activities**		
	Purchase Of Fixed Assets	-	-
	(Increase)/Decrease in Investment of Subsidiaries, Associates	-	-
	(Increase)/Decrease in Other Investment	-	-
	Interest Received	12,13,413	14,73,041
	Net cash flow from/(used in) investing activities (B)	12,13,413	14,73,041
C	**Cash Flows From Financing Activities**		
	Proceeds from increase of Share Capital	-	-
	Increase/(Decrease)in Financial Liabilities		-
	Redemption Of Prefrence Shares	(1,00,00,000)	-
	(Increase)/Decrease in Loans Advances	79,77,224	3,56,263
	Finance Cost	(1,446)	(1,041)
	Net cash generated/ (used in) financing activities (C)	(20,24,222)	3,55,222
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(7,81,257)	8,32,297
	Cash and cash equivalents at beginning of the year	11,52,435	3,20,138
	Cash and cash equivalents at end of the year	3,71,178	11,52,435

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) Figures in brackets represent outflows.

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

In terms of our report attached.

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

Shriram Ramratan Laddha
Partner
M No.112900

Place : Ahmedabad
Date: 30/06/2021

For and on behalf of the Board of Directors
Palco Metals Limited

Mukesh Tiwari
CS
M No. A45237

Kanaiyalal Agrawal
Director
DIN: 00594240

Kiran Agrawal
Director
DIN:00395934

Badal Naredi
CFO

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, 2021, and Consolidated the Statement of Profit and loss, the Consolidated Cash Flow Statement 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 is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows 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 the Companies (Indian Accounting Standard) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether consolidated the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not

for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

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 consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2021;

b) in the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date.

c) In case of consolidated Cash Flow Statement, of the Cash Flow for the year ended on that date.

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.

Due to outbreak of COVID-19 globally and in India, the company's management has made initial assessment of likely adverse impact on business and financial risks, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

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 standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2021 ("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 paragraph 3 and 4 of the Order, to the extent applicable.
2. 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 purpose of our audit;
   b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
   c) the consolidated Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d) in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended;
   e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) 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".

   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 consolidated Ind AS 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.

Unique Document Identification Number (UDIN) for this document is 21112900AAAAEZ7285.

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

SHRIRAM RAMRATAN LADDHA
PARTNER
Membership No.: 112900

Place: AHMEDABAD
Date: 05/09/2021

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, 2021.

I. In respect of its fixed assets:

a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b. According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner which, in our opinion, is reasonable having regard to the size of the Company and nature of its business. No discrepancies of serious nature have been noticed by the management and almost all the items as appearing in the register have been physically verified at the end of the year.

c. According to the information and explanations given to us, title deeds of immovable properties are held in the name of the company.

II. In respect of its Inventories:

a. As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

c. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.

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 4(vi) 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, Sales tax, Service tax, Value added tax, 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, Wealth Tax, Sales Tax, VAT, GST, Cess which are outstanding as at 31.3.2021 for a period of more than six months from the date they became payable Except as under:

2016-2017 : CST of Rs 8,62,891

2017-2018 : VAT of Rs 5,54,457

2017-2018: CST of Rs 98,88,754

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 dues to financial institution / banks / debentures:

Based on our audit procedures and on the basis of information and explanation given by the management, we are of the opinion that the company has not defaulted in the repayment of dues to financial institution and banks.

IX. 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).

According to the information and explanations given to us and based on the documents and

records examined by us, on an overall basis, the term loan has been applied for the purpose for which the loans were obtained.

X. 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.

XI. In respect of Managerial Remuneration.

In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

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 Preferential Allotment/Private Placement of shares.

According to the information and explanations given to us , the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, compliance under section 42 of the Companies Act, 2013 need not complied with.

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 of Nidhi Company

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

SHRIRAM RAMRATAN LADDHA
PARTNER
Membership No.: 112900

Place: AHMEDABAD
Date: 05/09/2021

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 31st March, 2021 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 31st March 2021, 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: 05/09/2021

SCHEDULES TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

Note 1: Company Background & Significance Accounting Policies

Corporate Information :

Palco Metals Limited (CIN NO: L2731OGJ1960PLC000998) 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 at 1715, , Saiprasad Industrial Park-II, Besides Ramol Police Station, CTM- Ramol Road, Ahmedabad-382449. The Parent Company is currently not engaged in any manufacturing activity but in subsidiary , Palco Recycle Industries Limited is mainly engaged in the business of manufacturing and selling of Aluminum Wire rod & other Aluminum Dioxident like Aluminum Ingot, Aluminum Notchbar , Aluminum Shots, Aluminum Alloys Etc.

Significant Accounting Policies

BASIS OF PREPARATION

The Consolidated financial statements have been prepared in accordance with the IND AS and relevant provisions of the Companies Act, 2013.

The accounts are prepared on the historical cost basis.

Uses of Estimates

The financial statements have been prepared using estimates and assumptions, whenever necessary ,in conformity with the recognition and measurement principlses of IND AS . Estimates and underlying assumptions are reviewed on ongoing basis and revisions, if any, in such estimates are accounted for in the year of revision.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 01, 2016 measured as per the previous GAAP (Indian GAAP) and use that carrying value as the deemed cost of property, plant and equipment.

Fixed assets and depreciation

Fixed assets are shown at the historical cost. The value of goodwill is shown at cost price.

Taxes on Income

Current tax is determined on the basis of the amount of tax payable on the taxable income for the year. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Basis & Principles of Consolidation

Consolidation of the accounts with the subsidiary is done in accordance with the Ind AS 110. The consolidated financial statements comply in all material respects with Indian

Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. These consolidated financial statements are presented in Indian Rupees (Rs.), which is the Parent Company's functional and presentation currency. The consolidated financial statements have been prepared on a historical cost basis except Defined benefit plans - plan assets measured at fair value. The consolidated financial statements relate to its subsidiary Palco recycle Industries Limited(PRIL), proportion of Ownership is 64.72%. Subsidiary are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Manner of Consolidation

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Ind AS 12, 'Income Taxes' applies to temporary differences that arise from the elimination ofprofits and losses resulting from intercompany transactions.

Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of Property, plant and equipment are shown at cost, less accumulated depreciation and impairment, 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. Gain or losses arising on disposal of property, plant and equipment are recognized in profit or loss.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 01, 2016 measured as per the previous GAAP (Indian GAAP) and use that carrying value as the deemed cost of property, plant and equipment.

Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a written down value ("WDV") basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the schedule II to the Companies Act, 2013, whichever is higher. The details of estimated life for each category of asset are as under.

Sr. No.	Asset	Estimated useful Life (in years)
1	Factory Buildings	30
2	Other Buildings/Flat	60
3	Plant & Machineries (Rolling Mills)	30
4	Furniture & Fixtures	10
5	Vehicles / Heavy Vehicle	30/08
6	Electric Installation	10
7	Computer / Server	03/06
8	Office Equipment	05
9	Other Equipment	15
10	Laboratory Equipment	10

Inventories

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.

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.

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:

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 sales Taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of Liability arising during the year.

Foreign currency translation

Foreign currency transactions and balances

Initial recognition

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.

Retirement and other employee benefits

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

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 India and tax laws prevailing in the respective tax jurisdictions where the company operates. DT the tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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.

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.

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.

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. Provisions

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 estimateswhere 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.

Contingent liabilities

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 financial statements.

Cash and cash equivalents

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.

Operational Creditor Association

Our subsidiary company Palco Recycle Industries Limited has lost a battle in supreme Court for 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

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31/03/2021

(In Rs.)

	Particulars	Note No.	As at 31 March, 2021	As at 31 March, 2020
A	**ASSETS**			
1	**Non Current Assets**			
	Property Plant & Equipment	2	6,65,06,021	6,98,22,939
	Financial Assets			
	Investments	3	86,94,500	36,94,500
	Loans	4	2,15,64,888	2,01,41,857
	Sub - Total : Non- current Assets		**9,67,65,408**	**9,36,59,296**
2	Current Assets			
	Inventories	5	10,24,42,330	8,90,13,525
	Financial Assets			
	Loans	6	3,52,89,883	96,61,904
	Trade Receivables	7	5,33,86,385	6,04,71,791
	Cash and Cash Equivalents	8	3,09,85,646	15,79,039
	Bank Balance other than Cash and			
	Cash Equivalents above	9	18,38,262	17,30,481
	Other Current Assets	10	6,50,70,433	4,74,38,040
	Sub - Total : Current Assets		28,90,12,939	20,98,94,780
	TOTAL ASSETS		**38,57,78,347**	**30,35,54,076**
B	**EQUITY AND LIABILITIES**			
	1 Equity			
	Equity Share Capital	11	4,00,00,000	4,00,00,000
	Other Equity	12	7,54,71,166	6,95,27,657
	Sub - Total : Shareholders' Funds		**11,54,71,166**	**10,95,27,657**
	Minority Interest		6,75,81,900	6,43,81,830
	Total : Shareholders' Funds		**18,30,53,066**	**17,39,09,487**
2	**Liabilities**			
	Non- Current Liabilities			
	Financial Liabilities	13	6,61,74,883	7,41,36,831
	Provisions	14	17,56,435	13,85,648
	Income tax Liabilities - (Net)	-	2,00,000	
	Deferred tax Liabilities (Net)		26,96,575	26,51,939
	Sub - Total : Non- current Liabilities		**7,06,27,893**	**7,83,74,418**

3	Current Liabilities			
	Financial Liabilities	15	11,42,13,084	3,87,45,145
	Trade Payables	16	1,11,68,717	76,41,156
	Other Current Liabilities	17	16,65,861	18,56,339
	Provisions	18	21,27,422	24,15,531
	Current Tax Liabilities (Net)	19	29,22,305	6,12,000
	Sub - Total : Current Liabilities		**13,20,97,389**	**5,12,70,171**
	TOTAL- EQUITY AND LIABILITIES		**38,57,78,347**	**30,35,54,076**
	See accompanying notes forming part of the financial statements	**1**	**-**	**-**

In terms of our report attached.

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

Shriram Ramratan Laddha
Partner
M No.112900

Place : Ahmedabad
Date: 30/06/2021

For and on behalf of the Board of Directors
Palco Metals Limited

Mukesh Tiwari
CS
M No. A45237

Kanaiyalal Agrawal
Director
DIN: 00594240

Kiran Agrawal
Director
DIN:00395934

Badal Naredi
CFO

PALCO METALS LIMITED

Consolidated Statement of Profit & Loss For the year ended on 31/03/2021 **(In Rs.)**

	Particulars	Note No.	As at 31 March, 2021	As at 31 March, 2020
1	**Revenue from operations**			
	Net Sales / Income from Operation	20	95,33,26,602	61,56,83,433
	Other Income	21	28,37,011	73,11,449
	Sub - Total : Total Income from Operations		**95,61,63,613**	**62,29,94,882**
2	**Expenses**			
	Cost of materials consumed	22	89,88,70,023	55,92,50,813
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	-50,26,281	1,05,51,752
	Employee Benefits Expense	24	1,63,17,331	1,86,99,610
	Depreciation and Amortisation Expenses	2	42,01,371	46,87,018
	Financial Expenses	25	99,54,381	1,12,14,491
	Other Expenses	26	1,97,23,760	1,46,07,425
	Sub - Total : Expenses		**94,40,40,584**	**61,90,11,109**
3	**Profit / (Loss) before Tax (1 - 2)**		**1,21,23,028**	**39,83,773**
	Current tax expense for current year		29,22,305	6,12,000
	Provision for Deferred tax	27	44,632	2,07,040
	Prior Period Tax Adjustment		14,807	(3,63,780)
	Sub - Total : Tax Expenses		**29,81,744**	**4,55,260**
4	**Profit / (Loss) After Tax**		**91,41,285**	**35,28,513**
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		2,294	(1,93,462)
	Total Other Comprehensive Income (Loss), Net of Tax		**2,294**	**(1,93,462)**

PALCO METALS LIMITED

Consolidated Statement of Profit & Loss For the year ended on 31/03/2021 **(In Rs.)**

	Particulars	Note No.	As at 31 March, 2021	As at 31 March, 2020
6	**Total Comprehensive Income**		**91,43,579**	**33,35,051**
7	**Earnings per Equity share**			
	(Face value Rs.10/-each)			
	A. Basic Earnings per share		2.29	0.83
	B. Diluted Earnings per share		2.29	0.83
	See accompanying notes forming part of the financial statements	**1**		

In terms of our report attached.

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

Shriram Ramratan Laddha
Partner
M No.112900

Place : Ahmedabad
Date: 30/06/2021

For and on behalf of the Board of Directors
Palco Metals Limited

Mukesh Tiwari
CS
M No. A45237

Kanaiyalal Agrawal
Director
DIN: 00594240

Kiran Agrawal
Director
DIN:00395934

Badal Naredi
CFO

PALCO METALS LIMITED

Notes forming part of the financial statements (Balance-Sheet Items)

Note : 2 Fixed Assets

Particulars	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	Opening Balance	Addition	Deduction	As on 31-03-2021	Opening Balance		During the year	Deduction	As on 31-03-2021	As on 31-03-2021	As on 31-03-2020
Tangible Assets											
Land & land development	2,88,92,412	-	-	2,88,92,412	-		-	-	-	2,88,92,412	2,88,92,412
Factory Building	1,99,67,252	-	-	1,99,67,252	1,08,96,197	0	8,48,144	-	1,17,44,340	82,22,912	90,71,055
Plant & Machinery	9,44,98,149	4,70,753	87,68,478	8,62,00,424	6,38,22,302	0	30,24,211	85,08,402	5,83,38,112	2,78,62,312	3,06,75,847
Electrical Installation	88,68,747	-	66,36,857	22,31,890	83,53,532	0	57,975	63,45,571	20,65,937	1,65,953	5,15,215
Laboratory Equipments	2,29,529	-	1,88,953	40,576	2,06,043	0	3,071	1,82,434	26,680	13,896	23,486
Office Equipment	5,03,028	74,160	-	5,77,188	2,81,082	0	50,138	-	3,31,220	2,45,968	2,21,946
Computer	4,70,399	-	2,02,033	2,68,366	3,50,132	1	74,003	2,00,715	2,23,421	44,945	1,20,267
Furniture & Fitings	7,89,586	-	-	7,89,586	6,82,208	1	27,800	-	7,10,008	79,578	1,07,378
Vehicles	13,92,429	9,53,040	7,26,507	16,18,962	11,96,693	1	1,16,029	6,71,808	6,40,913	9,78,049	1,95,736
TOTAL RS	**15,56,11,531**	**14,97,953**	**1,65,22,828**	**14,05,86,656**	**8,57,88,190**		**42,01,371**	**1,59,08,930**	**7,40,80,631**	**6,65,06,021**	**6,98,23,341**
PREVIOUS YEAR	**15,54,87,085**	**1,24,446**	**0**	**15,56,11,531**	**8,11,01,175**		**46,87,015**	**0**	**8,57,88,190**	**6,98,23,341**	**7,43,85,910**

Notes forming part of the financial statements (Balance-Sheet Items)

Note 3 : Investments

Particulars	As at 31 March, 2021	As at 31 March, 2020
SBI Saving Mutual Fund	50,00,000	-
Unquoted Equity Shares of Palco Recycle Exchange Ltd. (5,92,400 shares of face value of Rs 10 each)	36,44,500	36,44,500
Units of ANMA	50,000	50,000
Total	**86,94,500**	**36,94,500**

Note 4 : Non Current Loans & Advances

Particulars	As at 31 March, 2021	As at 31 March, 2020
a. Security Deposits		
Unsecured, considered good	84,14,850	84,57,256
b. Other loans and advances		
Unsecured, considered good	1,31,50,038	1,16,84,601
Total	**2,15,64,888**	**2,01,41,857**

Note 5: Inventories

Particulars	As at 31 March, 2021	As at 31 March, 2020
a. Raw Materials and components	8,21,43,496	7,45,05,585
b. Finished goods	1,83,72,506	1,33,46,225
c. Stores and spares	19,26,328	11,61,715
Total	**10,24,42,330**	**8,90,13,525**

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

Note 6: Current loans and advances

Particulars	As at 31 March, 2021	As at 31 March, 2020
a. Others (specify nature)		
Unsecured, considered good	3,52,89,883	96,61,904
Total	**3,52,89,883**	**96,61,904**

Note 7 Trade Receivables

Particulars	As at 31 March, 2021	As at 31 March, 2020
Trade receivables outstanding for a period less than six months from the date they are due for payment.		
Secured, considered good	-	-
Unsecured, considered good	4,90,62,419	5,59,82,580
Unsecured, considered doubtful	-	-
	4,90,62,419	5,59,82,580
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	43,23,966	44,89,211
Total	**5,33,86,385**	**6,04,71,791**

Note 8 : Cash and cash equivalents

Particulars	As at 31 March, 2021	As at 31 March, 2020
Balances with banks	3,01,17,792	9,90,112
Cash on hand	8,67,854	5,88,927
Total	**3,09,85,646**	**15,79,039**

Note 9 : Other Bank Balances

Particulars	As at 31 March, 2021	As at 31 March, 2020
Fixed Deposit and accrued interest thereon	18,38,262	17,30,481
Total	**18,38,262**	**17,30,481**

Balances in banks in deposit accounts includes deposits under bank lien towards margin for bank guarantees.

Note 10 : Other Current Assets

Particulars	As at 31 March, 2021	As at 31 March, 2020
Advance to Creditors (Goods)	1,54,76,355	79,60,752
Advance to Creditors (Exps)	90,895	52,472
Advance to Employees	1,42,489	62,561
Advance with Revenue Authorities	4,85,72,287	3,84,80,326
prepaid Expenses	6,47,854	8,31,929
Misllenous Advance	1,40,553	50,000
Total	**6,50,70,433**	**4,74,38,040**

Note 11 : Share Capital

	As at 31 March, 2021		As at 31 March, 2020	
Particulars	**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	7,00,00,000	70,00,000	7,00,00,000
8.50% Non- Cumulative Redeemable Prefrence Shares of Rs. 10 each	30,00,000	3,00,00,000	30,00,000	3,00,00,000
	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
(b) Issued & Subscribed and fully paid up Equity shares of Rs.10 each with voting right	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Total	**40,00,000**	**4,00,00,000**	**40,00,000**	**4,00,00,000**

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.

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

Particulars	Opening Balance	Fresh issue	Buy back	Closing Balance
Equity shares with voting rights				
For the Year ended 31 March, 2021				
- Number of shares	40,00,000	-	-	40,00,000
- Amount (Rs.)	4,00,00,000	-	-	4,00,00,000
For the Year ended 31 March, 2020				
- Number of shares	40,00,000	-	-	40,00,000
- Amount (Rs.)	4,00,00,000	-	-	4,00,00,000

2. Details of shares held by each shareholder holding more than 5% shares:

	As at 31 March, 2021		As at 31 March, 2020	
Particulars	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
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%
Total	**17,08,120**		**17,08,120**	

Note 12 : Other Equity

Particulars	As at 31 March, 2021	As at 31 March, 2020
Capital Reserves	3,61,83,774	3,03,13,350
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance of Surplus	3,92,14,307	3,91,74,992
(+) Net Profit/(Net Loss) For the current year	91,43,579	33,35,051
Less : Transfer Capital Reserve	58,70,424	21,33,001
Less : Transfer Minority Interest	32,00,070	11,62,735
Net profit transfer Reserve	73,085	39,315
Less : Transfer to Capital Redemption Reserve	1,00,00,000	-
Total Surplus / Reserve	**2,92,87,392**	**3,92,14,307**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Capital Redemption Reserve		
Opening balance	-	-
Addition during the year	1,00,00,000	-
Deduction during the year	-	-
Closing balance	1,00,00,000	-
Total	**7,54,71,166**	**6,95,27,657**

Note 13 : Non Current Financial Liabilities (Borrowings)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Secured		
(a) Term loans		
Corporate Loan from Bank (See Note 13.1)	2,51,57,123	-
	2,51,57,123	-
Unsecured		
(a) Loans and advances from related parties		
Loans are repayable on demand	1,98,97,760	1,96,84,356
(b) Other loans and advances		
Loans are repayable on demand	11,20,000	2,44,54,081
(c) Non Current Financial Liabilities		
Preference Share Capital (Note 13.2)		
(20,00,000 (30,00,000) , 8.50% Non cumulative		
Redeemable Rs. 10 each)	2,00,00,000	3,00,00,000
	4,10,17,760	7,41,38,437
Total	**6,61,74,883**	**7,41,38,437**

Note 13.1 :

The Company has availed fund based facilities Cash Credit, Term Loan etc. and Non fund based. The company has created primary Hypothecation of assets of the company created out of bank finance. and created Equitable mortagage over land and building at Kadi, Ahmedabad bearing Plot No. 18 to 25, RS. No. 418 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. Interest at the rate of Present Card Rate 8.55% is for Working Capital and 8.55% for the Term Loan.

Note 13.2 : Non Current Financial Liabilities

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
Shares outstanding at the beginning of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000
Shares Issued during the year	-	-	-	-
Shares redeemed during the year	10,00,000	1,00,00,000	-	-
Shares outstanding at the end of the year	20,00,000	2,00,00,000	30,00,000	3,00,00,000

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

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Radius Global Pvt Limited (Formaly Known As Krishna Worldwide Pvt Ltd)	1,90,000	9.50%	11,90,000	39.67%
Vital Marketing Pvt.Ltd.	-	0.00%	11,20,000	37.33%
Kanaiyalal Agrawal	3,30,000	16.50%	2,30,000	7.67%
Sunita Kanaiyalal Agrawal	2,90,000	14.50%	1,90,000	6.33%
Aashutosh Agrawal	1,50,000	7.50%	-	-
Saloni Agrawal	1,50,000	7.50%	-	-
Komal Agrawal	1,50,000	7.50%	-	-
Babulal Agrawal	2,00,000	10.00%	-	-
Meena Agrawal	1,50,000	7.50%	-	-
Total	**16,10,000**		**27,30,000**	

Note 14 : Non Current Provisions

Particulars	As at 31 March, 2021	As at 31 March, 2020
(a) Provision for employee benefits		
Gratuity (unfunded) (Note No. 37)	17,56,435	13,85,648
Total	**17,56,435**	**13,85,648**

Note 15 : Current Financial liabilities (Current Borrowings)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Secured		
(a) Working Capital loans (i)Cash Credit from banks (SBI CC) (Secured By hypothecation of entire stock of Raw material, WIP, Finished goods, consumables stores and spares book debts mortagage factory & building and alongwith irrevocable unconditional guarantee of directors.) (Note No. 12.1)	11,42,13,084	3,87,45,145
Total	**11,42,13,084**	**3,87,45,145**

Note 16 : Trade Payable

Particulars	As at 31 March, 2021	As at 31 March, 2020
Total Outstanding dues of :		
Micro Enterprises and Small Enterprises		
Others	1,11,68,717	76,41,156
Total	**1,11,68,717**	**76,41,156**

Note 17 : Other Current Liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
(a) Current Maturities of Long term Debt		
Term Loan Installments from Banks repayble within next		
12 Months (Secured)	-	-
(b) Other payables		
Statutory Liabilties	7,78,893	7,52,913
(c) Advance received from customers	8,86,968	11,03,426
Total	**16,65,861**	**18,56,339**

Note 18 : Short Term Provisions

Particulars	As at 31 March, 2021	As at 31 March, 2020
(a) Provision for employee benefits		
Salary & Reimbursements	9,92,913	10,18,178
Contribution to PF	21,519	25,248
Contribution to ESI	5,314	6,177
Bonus to employees	8,93,827	3,62,867
labour welfare Exp Payable	1,848	1,260
(b) Others		
Unpaid Audit Fees	52,500	98,500
Unpaid Electricity Exp	1,58,584	47,894
Unpaid Telephone Exp	917	1,808
Unpaid Bank Interest Exp	-	3,72,721
Unpaid Expenses	-	30,000
Unpaid foreign Fluctuation Exp.	-	4,50,878
Total	**21,27,422**	**24,15,531**

Note 19 : Non Current Income tax liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Provision for Taxation	29,22,305	6,12,000
Total	**29,22,305**	**6,12,000**

Note 20 : Revenue from operations

Particulars	As at 31 March, 2021	As at 31 March, 2020
(a) Sale of Goods- Local	95,16,48,637	61,56,83,433
(b) Sale of Goods- Export	16,77,965	-
Total	**95,33,26,602**	**61,56,83,433**

Note 21 : Other income

Particulars	As at 31 March, 2021	As at 31 March, 2020
Interest Income	21,16,847	23,01,065
Other non-operating income	7,20,164	50,10,384
Total	**28,37,011**	**73,11,449**

Note 21.1 :

Particulars	As at 31 March, 2021	As at 31 March, 2020
Interest Income Comprises :		
a) Interest from Banks on Bank Deposit	1,15,871	1,19,088
b) Interest on loans and advances	9,30,508	21,28,031
c) Other Interest	14,89,905	53,946
Total	**25,36,284**	**23,01,065**
Other non-operating income Comprises :		
Insurance Claim	-	1,51,723
Dr/Cr. Balance W/off	-	11,274
Bad Debt Recovered	-	48,47,387
Igst Refund	3,02,033	-
Income Tax Refund AY 18-19	82,095	-
Other Income	1,23,640	-
Profit on sale of Asset	2,12,396	-
Total	**7,20,164**	**50,10,384**

Note 22 : Cost of materials consumed

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening Stock of Raw Materials	7,56,67,300	12,11,02,836
Purchase of Raw Materials and Stores	85,74,08,719	47,33,72,476
DIRECT/MANUFACTURING EXPENSE		
Job work/ Labour Charges	16,86,982	7,20,885
Power & Fuel	3,99,24,108	3,51,82,965
Production & Factory Exp.	81,09,104	44,41,461
Freight & Octroi Exp.	1,43,634	97,490
Less:		
Closing Stock of Raw Materials	8,40,69,824	7,56,67,300
Total	**89,88,70,023**	**55,92,50,813**

Note 23 : Change in Inventories of Finished Goods, WIP & Stock-in-Trade

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening Stock :		
Finished Goods	1,33,46,225	2,38,97,977
Closing Stock :		
Finished Goods	1,83,72,506	1,33,46,225
Increase In Stock	**-50,26,281**	**1,05,51,752**

Note 24 : Employee benefits expense

Particulars	As at 31 March, 2021	As at 31 March, 2020
(a) Salaries and incentives	1,27,00,077	1,56,74,487
(b) Contributions to -		
(i) Provident fund & ESIC Scheme	1,96,361	2,09,132
(ii) Gratuity and Leave Salary	4,71,694	3,91,296
(c) Staff welfare expenses	11,49,199	6,24,695
(d) Director's remuneration	18,00,000	18,00,000
Total	**1,63,17,331**	**1,86,99,610**

Notes 25 : Financial Expenses

Particulars	As at 31 March, 2021	As at 31 March, 2020
Interest expense	91,22,800	1,03,14,007
Bank Charges	2,42,081	3,25,926
Bank Processing Fees	5,71,466	5,74,558
L/C Discounting Charges	18,034	-
Total	**99,54,381**	**1,12,14,491**

Note 26 : Other expenses

Particulars	As at 31 March, 2021	As at 31 March, 2020
(i) Administrative Expenses		
Audit Fees	57,000	57,000
Government Charges & Fee	46,500	15,500
Indirect Tax Expense	82,982	1,30,307
Repair & Maintenance Exp. - Other	7,25,229	1,84,684
Repair & Maintenance Exp. - Building	3,87,619	11,80,533
Legal & Professional Fee Expense	8,50,697	5,21,407
Membership and Subscription, Seminar/Conference	82,355	1,17,590
Office Expense	19,600	1,99,475
Postage ,Telegram & Telephone	63,897	82,880
Printing & Stationery	96,708	1,00,355
Asset Written Off	5,59,199	-
Insurance Expenses	3,13,445	3,22,287
Rates and taxes, excluding, taxes on income.	1,65,414	4,92,950
ROC Expense	44,600	45,500
Travelling & Conveyance Expense	5,91,325	11,66,822
Website Development & Software Expense	14,151	14,980
Penalty on Excise Duty Exp.	5,700	14,222
Miscellaneous expenses	3,01,873	99,081
Listing Fees	3,54,000	3,00,000
Custodian & other Compliance Fees	39,634	57,354
Initial Listing Fees	-	1,12,360
Donation	20,100	6,001
Total (A)	**48,22,027**	**52,21,288**
(ii) Selling & Distribution Expenses		
Advertisment & Publicity	40,619	42,010
Freight & Octroi (Sales) - Kadi	1,11,86,924	93,44,127
Packing Exp. - Kadi	11,02,575	-
Sales Commision	25,71,615	-
Total [B]	**1,49,01,733**	**93,86,137**
Total (A+B)	**1,97,23,760**	**1,46,07,425**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Payment to Auditors - Detail		
(I) Payments to the auditors comprises		
(net of GST, where applicable):		
As auditors - statutory audit	57,000	57,000
For other services	15,000	-
Total	**72,000**	**57,000**

Note 27 : Provision for Deferred Tax Liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Provision for Deferred Tax Liabilities-	44,632	2,07,040
Total	**44,632**	**2,07,040**

NOTE - 28
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:

Name of the Party	Nature of Relation
Kirankumar Agarwal	Managing Director
Nareshchandra Jain	Independent Director
Kailashchandra Agrawal	Independent Director
Narendra Agrawal	Independent Director
Kanaiyalal Agrawal	Director
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
INCOMES				
Sales Of Goods	-	-	-	-
Service Rendered	-	-	-	-
Interest Income	-	-	-	-
Dividend Income	-	-	-	-
EXPENSES				
Purchases	-	-	-	-
Rent	-	-	-	-
Interest Expenses	-	-	12,57,469	12,57,469
Directors Remuneration :	-	18,00,000	-	18,00,000
Salaries & Allowances	-	-	-	-
Provision for Gratuity	-	-	-	-
Dividend paid	-	-	-	-
OUTSTANDINGS				
As at Beginning	-	-	-	-
Sundry Debtors	-	-	-	-
Sundry Creditors	-	-	-	-
Unsecured Loan	-	-	1,96,84,356	1,96,84,356
Loans & Advances	-	-	-	-
Provisions	-	-	-	-
As at Closing	-	-	-	-
Sundry Debtors	-	-	-	-
Sundry Creditors	-	-	-	-
Unsecured Loan	-	-	1,98,97,760	1,98,97,760
Loans & Advances	-	-	-	-
Provisions	-	-	-	-

NOTE - 29

VALUE OF IMPORTS CALCULATED ON CIF BASIS

Nature of Transactions	For the Year ended March 31, 2021	For the Year ended March 31, 2020
a) Raw Materials (included High seas purchases)	NIL	NIL
b) Stores & Spares	NIL	NIL
c) Capital Items	NIL	NIL

NOTE - 30

Expenditure In Foreign Currency (Accrual Basis) :

Nature of Transactions	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Travelling and conveyance	NIL	NIL

NOTE - 31

Earning In Foreign Currency (Accrual Basis) :

Nature of Transactions	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Exports at F.O.B. Value	16,77,965	49,60,415

NOTE - 32

IMPORTED AND INDIGENOUS RAW MATERIALS AND SPARE PARTS CONSUMED

Nature of Transactions	For the Year ended March 31, 2021		For the Year ended March 31, 2020	
	% age	Value	% age	Value
Raw Material				
a) Indigenous	42%	35,49,61,862	29%	13,32,71,964
b) Imported- High Sea	58%	49,82,04,523	71%	33,42,16,767
Total	100%	85,31,66,385	100%	46,74,88,731
Stores and Spares				
a) Indigenous	100%	63,41,541	100%	43,96,711
b) Imported	0%	-	0%	-
Total	100%	63,41,541	100%	43,96,711

NOTE - 33

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 - 34

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

NOTE - 35

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

NOTE - 36

Depreciation and amortization expense

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Depreciation of tangible assets	42,01,371	42,01,371
Amortization of intangible assets	NIL	NIL

NOTE - 37

Earnings per share (EPS)

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

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Total operations for the year		
Profit/(loss) after tax	91,41,285	35,28,513
Less : Dividends on convertible preference shares & tax thereon	-	-
Add : Other Comprehensive Income	2,294	(1,93,462)
Net profit/(loss) for calculation of basic EPS	91,43,579	33,35,051
Weighted average number of equity shares in calculating basic EPS	40,00,000	40,00,000
Earning per share - Basic and Diluted	2.29	0.83

NOTE - 38

Diclosures related to retirement benfits : (As per Actuarial Report)

Funded status of the plan

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Present value of unfunded obligations	8,00,890	8,00,890
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Net Liability (Asset)	**8,00,890**	**8,00,890**
Bifurcation Of Liability		-
Current Liability	1,34,070	1,13,070
Non-Current Liability	16,22,365	12,72,578
Net Liability(Asset)	**17,56,435**	**13,85,648**

Profit and loss account for the period

Service cost:		
Current service cost	3,88,624	338131
Past service cost and loss/(gain) on curtailments and settlement		
Net interest cost	**83,070**	**53165**
Total included in 'Employee Benefit Expense'	**4,71,694**	**391296**
Total Charge to P&L	**4,71,694**	**391296**

Reconciliation of defined benefit obligation	**Gratuity**	
Opening defined benefit obligation	13,85,648	800890
Current service cost	3,88,624	338131
Interest cost	83,070	53165
Benefits paid	(98,613)	-
Components of actuarial gain/losses on obligations	(2,294)	193462
Past Service Cost	-	-
Closing defined benefit obligation	**17,56,435**	**1385648**

Other Comprehensive Income for the current period

Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	24,953	61462
Due to change in demographic assumption	-	-197
Due to experience adjustments	(27,247)	132197
Return on plan assets excluding amounts included in interest income	-	-
Amounts recognized in Other Comprehensive Income	**(2,294)**	193462

Particulars	**Gratuity**	
Discount rate	6.25%	7.35%
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

Note 39

Deferred Tax Liability

During the year company has created and adjusted deferred tax asset against deferred tax liability of Rs.44,632 on account of timing difference of depreciation as per Income Tax Act, 1961 & depreciation debited in the books of accounts as per the Company's act 2013.

Calculation of DTA\DTL :

Particulars	Amount
Net Block Of Fixed Assets as per Co's Act	3,76,13,610
Net Block Of Fixed Assets per Income Tax Act	2,72,42,169
Difference in Block Of Fixed Assets	1,03,71,441
DTA\(DTL) at end of the Year	26,96,575
Op.Balance of DTL	26,51,943
Require provision during the year	44,632

Note 40 : Operational Cycle

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

Note 41

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 42

Sundry Creditors include dues to Small Scale Industrial Undertakings as informed by the management Rs. Nil (P.Y. Rs. Nil). The Small Scale Industrial Undertakings to whom amount outstanding as informed by the management for more than 30 days where such dues exceed Rs. 1 lac are Nil (P.Y. Nil).

Note 43 : Previous Year Figures

Previous year figures have been regrouped and re -arranged as per the requirement of Ind As & revised schedule - III of the Companies Act, 2013

Note 44 : Contingent Liabilities to the extent not provided for

GST / CST / VAT assessment for the financial year 2015-16 and subsequent years are pending.

Note 45

Figures have been rounded off to the nearest rupee.

In terms of our report attached.

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

Shriram Ramratan Laddha
Partner
M No.112900

Place : Ahmedabad
Date: 30/06/2021

For and on behalf of the Board of Directors
Palco Metals Limited

Mukesh Tiwari
CS
M No. A45237

Kanaiyalal Agrawal
Director
DIN: 00594240

Kiran Agrawal
Director
DIN:00395934

Badal Naredi
CFO

PALCO METALS LIMITED

Consolidated Cash Flow Statement for the year ended on March 31,2021

Details		Year ended March 31,2021 (Amount in Rs.₹)	Year ended March 31,2020 (Amount in Rs.₹)
A	**Cash Flows From Operating Activities**		
	Net Profit before Tax	1,21,23,028	39,83,773
	Adjustments for :		
	Depreciation & Amortisation	42,01,371	46,87,018
	Asset Written Off	5,59,199	-
	Profit on sale of Asset	(1,95,699)	-
	Finance Costs	99,54,381	1,10,46,751
	Interest Income	(21,16,847)	(23,01,065)
	Operating Profit before Working Capital Changes	2,45,25,433	1,74,16,478
	Movement in Working Capital :		
	(Increase)/Decrease in Inventories	(1,34,28,805)	5,59,87,288
	(Increase)/Decrease in Trade Receivables	70,85,406	2,05,96,364
	(Increase)/Decrease in Short Term Loans and Advances	(2,56,27,979)	-
	(Increase)/Decrease in Other Non-Current Assets	-	(57,21,233)
	(Increase)/Decrease in Other Current Assets	(1,76,32,393)	1,03,19,695
	Increase/(Decrease) in Trade Payables	35,27,561	(27,69,406)
	Increase/(Decrease) in Other Current Liabilities	(1,90,478)	(2,24,509)
	Increase/(Decrease) in Long Term Provisions	3,73,081	3,91,296
	Increase/(Decrease) in Short Provisions	(2,88,109)	(5,85,450)
	Cash generated from/(used in) operations	(2,16,56,282)	9,54,10,523
	Direct taxes paid	(8,26,807)	36,50,000
	Net cash flow from/(used in) operating activities (A)	**(2,24,83,089)**	**9,17,60,523**
B	**Cash Flows From Investments Activities**		
	Purchase of Fixed Assets	(14,97,949)	(1,24,446)
	Purchase of Long term Investment	(50,00,000)	-
	Sale of Fixed Assets	2,50,000	-
	Interest Received	21,16,847	23,01,065
	Net cash flow from/(used in) investing activities (B)	**(41,31,102)**	**21,76,619**

PALCO METALS LIMITED

Consolidated Cash Flow Statement for the year ended on March 31,2021

Details		Year ended March 31,2021 (Amount in Rs.₹)	Year ended March 31,2020 (Amount in Rs.₹)
C	**Cash Flows From Financing Activities**		
	Proceeds from Long Term Borrowings	(79,61,948)	1,37,85,191
	Proceeds from Short Term Borrowings	7,54,67,939	(11,85,15,722)
	(Increase)/Decrease in Long Term Loans and Advances	(14,23,031)	16,64,097
	Finance Cost	(99,54,381)	(1,10,46,751)
	Net cash generated/ (used in) financing activities (C)	**5,61,28,579**	**(11,41,13,185)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	2,95,14,388	(2,01,76,043)
	Cash and cash equivalents at beginning of the year	33,09,520	2,34,85,563
	Cash and cash equivalents at end of the year	3,28,23,908	33,09,520

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) Figures in brackets represent outflows.

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

In terms of our report attached.

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

Shriram Ramratan Laddha
Partner
M No.112900

Place : Ahmedabad
Date: 30/06/2021

For and on behalf of the Board of Directors
Palco Metals Limited

Mukesh Tiwari
CS
M No. A45237

Kiran Agrawal
Director
DIN:00395934

Kanaiyalal Agrawal
Director
DIN: 00594240

Badal Naredi
CFO

ATTENDANCE SLIP

I/We.....R/o..... hereby record my/our presence at the 60th Annual General Meeting of the Company on Thursday, 30th day of September, 2021 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 2013 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 2013 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 ld:
	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:

Sr.	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 60th Annual General Meeting of the Company to be held on Thursday, 30th September 2021 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.	Resolution		
1	To receive, consider and adopt the audited financial statements [including consolidated financial statements] of the Company for the year ended on March 31, 2021 and the Reports of the Board of Directors and Auditors thereon.		
2	To appoint a Director in place of Mr. Kanaiyalal Babulal Agrawal (DIN: 00594240), who retires by rotation and being eligible offers himself for re-appointment.		

** 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..... 2021
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

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 60th Annual General Meeting.
6. Please complete all details including details of member(s) in above box before submission.

Google Maps SalPrasad Industrial Park





Palco Metals Limited

www.palcometals.com