



Palco Metals Limited

www.palcometals.com

57th
Annual
Report
2017-18

BOARD OF DIRECTORS

Shri Kailashchandra Agrawal - Chairman
Shri Kanaiyalal Agrawal - Director
Shri Kirankumar Agrawal – Whole Time Director
Shri Narendra Agarwal - Director
Shri Nareshchand Jain - Director
Mrs. Rakhi Jitendra Agrawal - Director

STATUTORY AUDITORS

Rahul Kakani & Associates
Chartered Accountants,
Ahmedabad

COMPANY SECRETARY

Mr. Mukesh Tiwari

BANKERS

State Bank of India

REGD. OFFICE

B-209, 2nd Floor, Mondeal Square,
Nr. Prahaladnagar Garden, Prahaladnagar,
Ahmedabad-380015.

LISTING

Bombay Stock Exchange
ISIN : INE239L01013
CIN : L27310GJ1960PLC000998

REGISTRARS & SHARE TRANSFER AGENTS

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



Palco Metals Limited

Notice is hereby given that the Fifty-Seventh Annual General Meeting of the members of the Company will be held on Friday, September 28, 2018 at 11:00 AM, at Registered Office of the Company at B-209, Mondeal Square, Prahaladnagar, Satellite, Ahmedabad-380015, Gujarat, INDIA 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, 2018 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 2018, 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 2018, 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 Babulal Agarwal (DIN: 00594240), who retires by rotation and being eligible offers himself for re-appointment.

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

3. To ratify the appointment of M/s. Rahul Kakani & Associates, Chartered Accountants [Firm Registration No. 130198W] as Statutory Auditors of the Company, who hold office from the conclusion of 53rd Annual General Meeting until the conclusion of 58th Annual General Meeting and fix their remuneration.

“RESOLVED THAT the appointment of auditor, M/s. Rahul Kakani & Associates, Chartered Accountants [Firm Registration No. 130198W], be and is hereby ratified as the Statutory Auditor of the Company, for Financial Year 2018-2019 and to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company”.

SPECIAL BUSINESS:

4. TO APPOINT MR KIRANKUMAR AGRAWAL (DIN 00395934) AS THE MANAGING DIRECTOR OF THE COMPANY:

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other application provisions, if any, read with Schedule – V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or reenactment thereof, for the time being in force), and as approved and or recommended by Nomination and Remuneration

Committee, consent of the members be and is hereby accorded to the appointment of Mr. Kirankumar Babulal Agrawal (DIN : 00395934) as an Managing Director and Key Managerial Personnel of the Company for a further period of 3 (Three) years with effect from 14th, 2018 upto 13th August, 2021, upon terms and conditions to be recommended by Nomination and Remuneration Committee and mentioned hereunder:-

Salary: Rs. Nil per month

Perquisites: Perquisites not allowed.

Housing – House Rent Allowance as may be decided by the Board or Committee.

Reimbursement of expenses on gas, electricity, water and furnishings. Not Allowed

Reimbursement of medical expenses incurred for self and members of his family as per Rules of the Company.

Leave travel concession for self and members of his family as per Rules of the Company.

Fees of clubs : Not Allowed

Personal Accident Insurance and Mediclaim Insurance premium as per Rules of the Company.

Provision of car and telephone at residence. The expenditure on use of car for company purpose and long distance calls on telephone for company purpose shall be reimbursed by the Company.

Company's contribution to Provident Fund, Superannuation fund or Annuity Fund, Gratuity and Encashment of Leave, as per Rules of Company.

Reimbursement of entertainment expenses actually and properly incurred for the business of the Company.

(x) Minimum Remuneration: In the event of any loss, absence or inadequacy of profits of the Company in any financial year during the period of 3 years from 14 August, 2018 upto 13th August, 2021 the remuneration as above shall be paid to Mr. Kirankumar Babulal Agrawal as minimum remuneration subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013.

(B) The terms and conditions of appointment and payment of remuneration, perquisites and allowances specified herein above may be enhanced, enlarged, widened, altered or varied from time to time by Nomination and Remuneration Committee and Board of Directors as they may in their discretion, deem fit, within the maximum amount payable in accordance with Schedule V to the Act and in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made thereunder from time to time in future and/or such guidelines as may be announced by the Central Government from time to time.

The MD shall subject to the supervision, direction and control of the Board of Directors of the Company be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to him.

“RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “Board”) be and is hereby authorized to vary and/or modify the terms and conditions of the appointment including remuneration payable to Mr. Kirankumar Babulal Agrawal in such manner as recommended by Nomination and Remuneration Committee and as may be agreed between the Board and Mr. Kirankumar Babulal Agrawal and within the limits as prescribed in Schedule V of the Companies Act, 2013 including any amendment, modification, variation or re-enactment thereof.”

“RESOLVED FURTHER THAT in the event of any loss, absence or inadequacy of the profits of the Company in any financial year during the period of 3 (three) years with effect from 14th August, 2018 upto 13th August, 2021 the NIL remuneration mentioned shall be paid to Mr. Kirankumar Babulal Agrawal as minimum remuneration and the same shall be subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013 and as may be amended from time to time.”

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

Mr. Kirankumar Agrawal	Managing Director
Mr. Kailashchandra Agrawal	Director
Mr. Mukesh Tiwari	CS

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

**SD/-
Kanaiyalal Babulal Agrawal
Whole-Time Director
DIN: 00594240**

Date: 14th August, 2018
Place: Ahmedabad

NOTES:

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

2. The Register of Members and Share Transfer Books shall remain closed from September, 22 2018 [Saturday] to September, 28, 2018 [Friday] [both days inclusive].

3. 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 10:00 AM on Wednesday, September 26, 2018. A 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.

4. 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.

5. Electronic copy of the Notice of the 57th 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 57th 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.

6. 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.

7. 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.

8. 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.

9. 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.

10. 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.

11. 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. Further a procedure for dematerialisation is uploaded on the website of the company , www.Palcometals.com

12. 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.

13. 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.

14. 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.

15. 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 57th AGM is given in the Annual Report as per the requirement of the Secretarial Standards-2 on "General Meetings".

16. 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.

17. 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 Tuesday, September 25, 2018 (09:00 AM) and ends on Thursday, September 27, 2018 (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 Saturday, September 22, 2018 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 ‘E-voting Particulars’ overleaf.

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) 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 22, 2018.

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 22, 2018 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/-
Kanaiyalal Babulal Agrawal
Whole-time Director
DIN: 00594240

Date: 14th August, 2018
Place: Ahmedabad

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”) :

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

ITEM No 4:

Mr. Kirankumar Babulal Agrawal, 55, is the Director and promoter of our Company. He is a commerce graduate from Rajasthan University and passed his Chartered Accountant course with very good rank and marks.

After completing his Chartered Accountant certification, Mr. Kirankumar Babulal Agrawal started his practice as Chartered Accountant.

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

At the Board Meeting dated 14th August, 2018 Mr. Kirankumar Babulal Agrawal, on recommendation of NRC committee, Board has, subject approval by members by special resolution appointed him as Managing Director & key Managerial Person for a period of 3 (Three) years from 14th August, 2018 to 13th August, 2021 on a Nil remuneration .

As Mr. Kirankumar Babulal Agrawal does not hold position of Managing Director in any other company except subsidiary company Palco Recycle Industries Limited and henceforth as required by proviso to section 203(3) of the companies act, 2013, his resolution for appointment as Managing Directors was considered and approved by Board of Directors in their meeting dated 14th August, 2018 in presence of all Directors present in India and with consent of all the Directors present in meeting.

His remuneration along with the terms and condition of his appointment was approved by the NR Committee in its meeting dated 14th August, 2018.

The terms & conditions of his appointment are as follows:

Salary: Rs. Nil per month

Perquisites: Perquisites not allowed.

Housing – House Rent Allowance as may be decided by the Board or Committee.

Reimbursement of expenses on gas, electricity, water and furnishings. Not Allowed

Reimbursement of medical expenses incurred for self and members of his family as per Rules of the Company.

Leave travel concession for self and members of his family as per Rules of the Company.
Fees of clubs. Not Allowed

Personal Accident Insurance and Mediclaim Insurance premium as per Rules of the Company.

Provision of car and telephone at residence. The expenditure on use of car for company purpose and long distance calls on telephone for company purpose shall be reimbursed by the Company.

Company's contribution to Provident Fund, Superannuation fund or Annuity Fund, Gratuity and Encashment of Leave, as per Rules of Company.

Reimbursement of entertainment expenses actually and properly incurred for the business of the Company.

(x) Minimum Remuneration: In the event of any loss, absence or inadequacy of profits of the Company in any financial year during the period of 3 years from 14 August, 2018 upto 13th August, 2021 the remuneration as above shall be paid to Mr. Kirankumar Babulal Agrawal as minimum remuneration subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013.

(B) The terms and conditions of appointment and payment of remuneration, perquisites and allowances specified herein above may be enhanced, enlarged, widened, altered or varied from time to time by Nomination and Remuneration Committee and Board of Directors as they may in their discretion, deem fit, within the maximum amount payable in accordance with Schedule V to the Act and in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made thereunder from time to time in future and/or such guidelines as may be announced by the Central Government from time to time.

The MD shall subject to the supervision, direction and control of the Board of Directors of the Company be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to him.

ANNEXURE A

Details of Director seeking reappointment at the 57th AGM pursuant to Regulation 36[3] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015

Name & DIN of Director	Kirankumar Babulal Agrawal DIN 00395934
Date of Birth	23/10/1964
Date of Appointment	17/08/1996
Experience	He has got the rich and vast experience of 10 Years Practicing Chartered Accountants in area of Finance and Taxation. 22 Years of Experience as promoter of Palco Metals Limited an aluminum recycle company.
Qualifications	B.Com CA
Directorship held in other Public Limited Companies	Palco Recycle Industries Limited Palco Recycle Exchange Limited
Member / Chairman of Committees in other Public Limited Companies	Palco Recycle Industries Limited
No. of Shares held in the company & Subsidiary Company	4000 & 7500 Equity shares respectively.
<i>Inter se</i> Relationship with any Director /KMP Director or KMP	No relationship with any Director on the Board.

Name & Din of Director	Kanaiyalal Babulal Agrawal DIN 00594240
Date of Birth	13/03/1965
Date of Appointment	17/08/1996
Experience	Has experienced and Expertise in Finance, Taxation and Management.
Qualifications	B.Com, C.A., MBA
Directorship held in other Public Limited Companies	Palco Recycle Exchange Limited.
Member / Chairman of Committees in other Public Limited Companies	Nil

No. of Shares held in the company & Subsidiary Company	186200 (as karta of HUF) & 7500 respectively.
Interse 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/-
Kanaiyalal Babulal Agrawal
Whole-time Director
DIN: 00594240

Date: 14th August, 2018
Place: Ahmedabad

DIRECTORS' REPORT

To,
The Members,
Palco Metals Ltd.,
Ahmedabad

Your Directors have pleasure in presenting herewith the 57th Annual Report together with the Audited Statement of Accounts for the year ended on 31st March, 2018.

FINANCIAL RESULTS:

(Rs. In Lacs)

Particulars	Year Ended on 31/03/2018	Year Ended on 31/03/2017
TOTAL INCOME		
Revenue from Operations (Net)	-	-
Other Income	0	23.47
Total revenue	16.39	23.47
Expenses:		
Expenses (Employee Exps)	1.54	1.75
Other Exps	12.24	10.10
Finance Costs	0.01	9.25
Total Exps	13.79	21.09
Profit/(Loss) after finance costs but before exceptional Items	2.60	2.38
Exceptional Items	-	-
Profit before extraordinary items and tax	2.60	2.38
Extraordinary Items	-	-
Profit before Tax	2.60	2.38
Tax Expenses	0.83	12.50
Net Profit /Loss for the Period	1.77	(10.12)
Earning Per share	0.04	(0.25)

STATEMENT OF COMPANY'S AFFAIRS:

The Company has not earned any revenue from Operations. Other income from interest stood at Rs. 16.39 Lacs as compared to Rs.23.47 Lacs last year. Further Company has invested the funds in the Subsidiary Company Palco Recycle Industries Limited in which Company holds 64% of holding.

The performance of subsidiary is as follows:

(Rs. In Lakh)

Particulars	Year Ended on 31/03/2018	Year Ended on 31/03/2017
Revenue from Operations (Net)	11220.87	7830.32
Other Income	95.54	163.37
Total revenue	11316.64	7993.70
Total Exps	11213.52	7925.73
Profit/(Loss) after finance costs but before exceptional Items	102.88	67.96
Profit before Tax	102.88	67.96
Tax Expenses	38.84	21.55
Profit After Tax	64.04	46.41

DIVIDEND:

This Year also company has not earned any 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 amount is proposed to be retained as the Surplus in the Statement of Profit and Loss.

EXTRACT OF ANNUAL RETURN:

Extract of 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-9, is annexed herewith as **Annexure - A**, to this Report.

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 – B** 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. As such, 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 within the meaning of 2(87) of the Companies Act, 2013. Palco Recycle Industries Limited has performed stable during the year. Total Revenue during the year stood at Rs. 1122087341/- as compared to last year of Rs. 783032162/-. Profit after Tax stood at Rs.6404231/- as compared to Rs. 4641284/-.

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 C** 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 be prepared.

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)(C) 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, 2018, 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, 2018 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.

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 under Section 186 of the Companies Act, 2013 are given under Note no 23 - Related Party Disclosure as per AS-18 under Part notes to the accounts of annual reports.

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 **Note No. 23** of the Notes to the Standalone Financial Statements for the year ended on 31st March, 2018. 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, 2018.

DIRECTORS AND KEY MANAGERIAL PERSONNEL & POLICY:

During the year, no changes in Key managerial Personnel or Board of Directors were done in the company.

However after the expiry of Financial Year in the Board Meeting dated 14th August, 2018 Mr. Kanaiyalal Agrawal (DIN: 00594240) resigned as the Whole Time Director of company and continued as the Non executive Director of the company w.e.f 1st September, 2018.

Further Board in its Meeting dated 14th August, 2018 appointed Mr. Kirankumar Babulal Agrawal (DIN 00395934) as the Managing Director of the company subject to passing of Special Resolution in the ensuing AGM of the company.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Rules made there under, Mr. Kanaiyalal Babulal Agrawal (DIN: 00594240), Director of the Company, shall retire by rotation at this Annual General Meeting and being eligible, offer himself for re-appointment, for which necessary resolution has been incorporated in the notice of the meeting. The Board of Directors recommends re-appointment of Mr. Kanaiyalal Babulal Agrawal as a Non Executive Director of the Company.

The brief resume/details relating to the said Directors, who are to be re-appointed/appointed are furnished in the Annexure A 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 company is exempted under regulation 15(2) of the Listing Regulations from holding Familiarization program for independent Directors.

BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance and that of its Committees and Directors 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) is not applicable to the company.

BOARD MEETINGS:

The Board of Directors of the Company met 7 (Seven) 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 and SS-2 in respect of General Meeting.

Details of the Board Meeting and present of Directors thereat 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 there at.							Total meeting Attended
	08/05/17	29/05/17	11/08/17	21/09/17	14/11/17	14/02/18	21/03/18	
Kirankumar Agrawal	Y	Y	Y	Y	Y	Y	N	6
Kanaiyalal Agrawal	Y	Y	Y	Y	Y	Y	Y	7
Narendra Agrawal	Y	Y	N	N	Y	Y	Y	5
Kailashchandra Agrawal	Y	Y	Y	N	Y	Y	Y	6
Nareshchand Jain	Y	Y	N	Y	Y	N	N	4
Smt. Rakhi Jitendra Agrawal	Y	Y	Y	Y	Y	Y	Y	7

AUDIT COMMITTEE:

During the Year under the 6 Six meeting of the audit committee is 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
	06/05/17	29/05/17	11/08/17	21/09/17	14/11/17	14/02/18	
Kailaschandra Agrawal	Y	Y	Y	N	Y	Y	5
Nareshchand Jain	Y	Y	Y	Y	Y	Y	6
Kirankumar Babulal Agrawal	Y	Y	Y	Y	Y	N	5

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
Mr. Kailaschandra Agrawal	No meeting was held during the year.
Mr. Nareshchand Jain	
Mr. Kirankumar Agrawal	

STAKEHOLDERS RELATIONSHIP COMMITTEE

Four Meetings of the Stake Holders Relationship Committee were duly held during the year under review as on 29/05/2017, 11/08/2017, 14/11/2017, 14/02/2018. 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
	29/05/17	11/08/17	14/11/17	14/02/18	
Kailaschandra Agrawal	Y	Y	Y	Y	4
Nareshchand Jain	Y	Y	Y	Y	4
Kirankumar Babulal Agrawal	Y	Y	Y	N	3

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.

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 thereunder, details relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in the **Annexure – D** attached herewith and forming part of the Directors' Report.

CORPORATE SOCIAL RESPONSIBILITY:

In terms of provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder, 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.

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.

The Company has appointed M/s. Rahul Kakani & Associates as the Statutory Auditor for the 1st term of Five years from the conclusion of 53rd Annual General Meeting to conclusion of 58th Annual General Meeting subject to their ratification at every Annual General Meeting.

-The Board has considered the ratification for the Financial Year 17-18 and From 57th AGM to the 58th AGM in the notice of the 57th AGM for member's approval.

The Auditors' Report for the financial year 2017-18 does not contain any major qualification, reservation or adverse remark. All the qualifications and observations are general and self explanatory in nature.

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 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as **Annexure –E** to this Report.

The Secretarial Audit Report for the financial year 2017-2018 does not contain any major qualification, reservation or adverse remark. All the qualifications and observations are general and self explanatory in nature.

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 2017-2018.

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 operations and employees on its pay roll (or on contract basis) except Board and 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:

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, 2018 till the date of this report.

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

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

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 : 14, August, 2018

For and On behalf of the Board of Directors

Place : Ahmedabad

**SD/-
Kanaiyalal Agrawal
Whole Time Director**

**SD/-
Kirankumar Agrawal
Managing Director**

**SD/-
Badal Naredi
(CFO)**

**SD/-
Mukesh Tiwari
(CS)**

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on Financial Year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L27310GJ1960PLC000998
2	Registration Date	21-11-1960
3	Name of the Company	Palco Metals Limited
4	Category / Sub-category of the Company	Category: Company Limited by Shares Sub-category: Non-government Company
5	Address of the Registered Office & Contact details	B-209, 2nd Floor, Mondeal Square, Near Prahladnagar Garden, Prahladnagar, Ahmedabad-380015, Gujarat, INDIA. *Tele. No.: +91-48900690/1, *E-mail Id: cs1@palcorecycle.com
6	Whether listed company	Yes
7	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	MCS Share Transfer Agent Limited 101, Shatdal Complex, 1st floor, Opp. Bata Showroom, Shreyas Colony, Ashram Road, Ahmedabad- 380009, Gujarat, INDIA. *Tele. No.: (079) 26582878/79/80, (079) 26584027. *Fax No.: (079) 26581296 *E-mail Id: mcsstaahmd@gmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:			
(All the Business Activities contributing 10 % or more of the Total Turnover of the Company shall be stated.)			
S. No	Name and Description of Main Products / Services	NIC Code of the Product / Service	% to Total Turnover of the Company
1	In the Current Year Company has not done any operating activities.		
2			
3			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:					
S. N.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Palco Recycle Industries Limited	U27209GJ2007PLC051853	Subsidiary	64%	2(87)

IV. SHAREHOLDING PATTERN:									
(Equity Share Capital breakup as percentage of Total Equity)									

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	77,520	-	77,520	1.94%	77,520	-	77,520	1.94%	0.00%
b) Central Govt.			-	0.00%			-	0.00%	0.00%
c) State Govt.(s)			-	0.00%			-	0.00%	0.00%
d) Bodies Corp.	20,93,320	-	20,93,320	52.33%	20,93,320	-	20,93,320	52.33%	0.00%
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other (Director & Relatives)	5,56,200	-	5,56,200	13.91%	5,56,200	-	5,56,200	13.91%	0.00%
Sub Total (A) (1)	27,27,040	-	27,27,040	68.18%	27,27,040	-	27,27,040	68.18%	0.00%
(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	27,27,040	-	27,27,040	68.18%	27,27,040	-	27,27,040	68.18%	0.00%

B. Public Shareholding									
1. Institutions									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI			-	0.00%			-	0.00%	0.00%
c) Central Govt.			-	0.00%			-	0.00%	0.00%
d) State Govt.(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian			-	0.00%			-	0.00%	0.00%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	8,342	1,90,651	1,98,993	4.97%	8,468	1,90,531	1,98,999	4.97%	0.00%
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	3,80,681	6,93,149	10,73,830	26.85%	3,80,681	6,93,149	10,73,830	26.85%	0.00%
c) Others (specify)									
Non Resident Indians			-	0.00%			-	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members			-	0.00%			-	0.00%	0.00%
Trusts			-	0.00%			-	0.00%	0.00%
HUF	21	-	21	0.00%	21	0	21	0.00%	0.00%
Other Bodies Corporate	116	-	116	0.00%	110	0	110	0.00%	-5.17%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
Sub-total (B)(2):-	3,89,160	8,83,800	12,72,960	31.82%	3,89,280	8,83,680	12,72,960	31.82%	0.00%
Total Public (B)	3,89,160	8,83,800	12,72,960	31.82%	3,89,280	8,83,680	12,72,960	31.82%	0.00%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%			-	0.00%	0.00%
Grand Total (A+B+C)	31,16,200	8,83,800	40,00,000	100.00%	31,16,320	8,83,680	40,00,000	100.00%	0.00%

(ii) Shareholding of Promoter

S.N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / Encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / Encumbered to Total Shares	
1	Krishna Capital & Securities Limited	13,60,000	34.00%		13,60,000	34.00%		0.00%
2	Narendra Agarwal	1,90,000	4.75%		1,90,000	4.75%		0.00%
3	Thakkar Financial Services Private Limited	1,90,000	4.75%		1,90,000	4.75%		0.00%
4	Vital Marketing & Finance Private Limited	1,90,000	4.75%		1,90,000	4.75%		0.00%
5	Kanaiyalal Agrawal HUF	1,86,200	4.66%		1,86,200	4.66%		0.00%
6	Lalitkumar Naredi	1,80,000	4.50%		1,80,000	4.50%		0.00%
7	Krishna Sharebroking Services Private Limited	3,48,120	8.70%		3,48,120	8.70%		0.00%
8	Rajkumari Ashokkumar Agrawal	73,520	1.84%		73,520	1.84%		0.00%
9	Radius Global Private Limited (Formerly known as Krishna Worldwide Private Limited)	5,200	0.13%		5,200	0.13%		0.00%
10	Kirankumar Babulal Agrawal	4,000	0.10%		4,000	0.10%		0.00%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

NO CHANGES IN PROMOTERS SHAREHOLDING TOOKPLACE DURING YEAR UNDER REVIEW

S. N.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1							
	At the beginning of the year	01-04-2017			0.00%		0.00%
	Changes during the year				0.00%		0.00%
					0.00%		0.00%
					0.00%		0.00%
	At the end of the year	31-03-2018			0.00%		0.00%
2							
	At the beginning of the year	01-04-2017			0.00%		0.00%
	Changes during the year				0.00%		0.00%
					0.00%		0.00%
					0.00%		0.00%
	At the end of the year	31-03-2018			0.00%		0.00%

(iv) Shareholding Pattern of Top Ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. N.	For each of the Top 10 Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	Manoj Gopichand Agrawal						
	At the beginning of the year	01-04-2017		1,90,000	4.75%	1,90,000	4.75%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31-03-2018		1,90,000	4.75%	1,90,000	4.75%
2	Sachin Dinesh Agrawal						
	At the beginning of the year	01-04-2017		1,90,000	4.75%	1,90,000	4.75%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31-03-2018		1,90,000	4.75%	1,90,000	4.75%
3	Sumit Gupta						
	At the beginning of the year	01-04-2017		1,90,000	4.75%	1,90,000	4.75%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31-03-2018		1,90,000	4.75%	1,90,000	4.75%
4	Pramod Agrawal						
	At the beginning of the year	01-04-2017		1,88,000	4.70%	1,88,000	4.70%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31-03-2018		1,88,000	4.70%	1,88,000	4.70%
5	Niranjan Khemka						
	At the beginning of the year	01-04-2017		1,80,000	4.50%	1,80,000	4.50%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31-03-2018		1,80,000	4.50%	1,80,000	4.50%
6	Manish Patel						
	At the beginning of the year	01-04-2017		83,830	2.10%	83,830	2.10%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31-03-2018		83,830	2.10%	83,830	2.10%
7	Ramanlal Shambhulal Agrawal						
	At the beginning of the year	01-04-2017		40,000	1.00%	40,000	1.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31-03-2018		40,000	1.00%	40,000	1.00%
8	Bansilal Ramkishan Shah						
	At the beginning of the year	01-04-2017		12,000	0.30%	12,000	0.30%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31-03-2018		12,000	0.30%	12,000	0.30%

9	Pankaj Agrawal						
	At the beginning of the year	01-04-2017		13,851	0.35%	13,851	0.35%
	Changes during the year				0.00%		0.00%
	At the end of the year	31-03-2018		13,851	0.35%	13,851	0.35%
10	Neeta Nilesh Shah						
	At the beginning of the year	01-04-2017		2,688	0.07%	2,688	0.07%
	Changes during the year			-	0.00%		0.00%
	At the end of the year	31-03-2018		2,688	0.07%	2,688	0.07%

(v) Shareholding of Directors and Key Managerial Personnel

S. N.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	Narendra Agarwal						
	At the beginning of the year	01-04-2017		1,90,000	4.75%	1,90,000	4.75%
	Changes during the year				0.00%		0.00%
	At the end of the year	31-03-2018		1,90,000	4.75%	1,90,000	4.75%
2	Kanaiyalal Agrawal - H.U.F.						
	At the beginning of the year	01-04-2017		1,86,200	4.66%	1,86,200	4.66%
	Changes during the year				0.00%		0.00%
	At the end of the year	31-03-2018		1,86,200	4.66%	1,86,200	4.66%
3	Kirankumar Babulal Agrawal						
	At the beginning of the year	01-04-2017		4,000	0.10%	4,000	0.10%
	Changes during the year				0.00%		0.00%
	At the end of the year	31-03-2018		4,000	0.10%	4,000	0.10%

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in ₹)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition				-
* Reduction				-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. Remuneration to Managing Director, Whole-time Directors and / or Manager:**

S.N	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount (in ₹)
	Name			
	Designation			
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			-
2	Stock Option			-
3	Sweat Equity			-
4	Commission			-
	- as % of profit			-
	- others, specify			-
5	Others, please specify			-
	Total (A)	-	-	-
	Ceiling as per the Act			

B. Remuneration to other Directors:

S.N	Particulars of Remuneration	Name of Directors			Total Amount (in ₹)
1	Independent Directors				
	Fee for attending Board Committee Meetings				-
	Commission				-
	Others, please specify				-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors / Executive Directors				-
	Fee for attending Board Committee Meetings				-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				-
	Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD:

S.N	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (in ₹)
	Name	Badal Naredo	Mukesh Tiwari		
	Designation	CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	1,20,000.00	1,20,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total	-	Nil	1,20,000.00	1,20,000.00

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:	NOT APPLICABLE
---	-----------------------

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

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

Sd/-

(Wholetime Director)
Kanaiyalal B. Agrawal
DIN: 00594240

Sd/-

(CFO)
Badal K. Naredi

Sd/-

(Director)
Kirankumar B. Agrawal
DIN: 00395934

Sd/-

(Company Secretary)
Mukesh R. Tiwari

Date: August 14, 2018
Place: Ahmedabad

ANNEXURE B MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Financial Year 2017-18 was a mixed year for the Global Economy.

China was the major contributor in both production and consumption, having 54.9% share in production and 57.5% share in consumption of Alumina.

World Metallurgical Grade Alumina (MGA) demand is expected to reach 129.2 Million Tonnes in 2018, representing a year-on-year increase of 4.3%. Outside China, Alumina demand is expected to rise in 2018 as disrupted capacity in Oman, Australia and Bahrain returns to full output. US restarts are also slated for 2018. Chinese MGA demand is expected to reach 74.3 Million Tonnes in 2018, up 4.4% year-on-year. Despite China focusing on reducing air pollution, smelter adherence to winter closures has been lax. Only 7,05,000 tpy of operation capacity has been closed in smelters due to winter cuts. Meanwhile, ramp-ups remain ongoing for new capacities. Still, this annual growth is down from the double-digit growth seen in recent years, as China becomes stricter in controlling capacity growth and lifting domestic smelter utilisation rates. In the Middle East, Emirates Global Aluminium's 2M tpy Shaheen refinery in the UAE is expected to come on stream in Q4 2018 and lessen the company's dependence on third party alumina. Although the project has appeared on schedule, the company is taking additional steps to secure stable operations once the refinery comes on stream. In India, total Alumina production during the Financial Year 2017-18 was 62 lakh Tonnes, to which your Company's contribution was 21.11 lakh Tonnes (34%).

OPPORTUNITIES AND THREATS:

Company is looking for various growth avenues and opportunities and tries to seize the opportunities and is continuously working hard towards it. Fluctuating Currency rates, Volatile commodity prices and Depressing macro economics conditions in the world market are threats for the company.

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 long-term fundamentals of the Indian economy which is expected to remain strong. Key fundamentals generally include demographics, rising income and purchasing power of population and large investment in pipeline. The growth of the economy is being driven primarily by domestic investment and consumption, with limited dependence on exports or the demand situation in other economies. At the same time, there are some concerns, particularly with regard to inflation.

Inflationary pressures emerging from commodity prices have shown signs of becoming more generalized.

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: 14th August, 2018
Place: Ahmedabad

For and On behalf of the Board of Directors

Sd/-
Kanaiyalal Agrawal
Whole Time Director

Sd/-
KiranKumar Agrawal
Director

Sd/-
Badal Naredi
(CFO)

Sd/-
Mukesh Tiwari
(CS)

ANNEXURE C**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 (Rs.) in lakh)

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	31/03/2018 On 28 th September, 2010 29,47,500 Equity shares acquired by way of subscription to preferential allotment and 2000000 Shares acquired by way of subscription to preferential allotment on 28 th October, 2013. Further Company on 30 th March, 2018 further acquired the 205634 Equity Shares.
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/- (Reduced from 107500000/- to 8,07,00,000/- pursuant to Buyback exercised.
5.	Reserves & Surplus	1043.27205
6.	Total Assets	920.07664
7.	Total Liabilities	2204.50364/-
8.	Investments	0
9.	Turnover	11220.87341/-
10.	Profit Before Taxation	102.88715
11.	Provision For Taxation	38.84484/-
12.	Profit After Taxation	64.04231
13.	Proposed Dividend	Nil
14.	% of Shareholding	64%

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: 14th August, 2018

Place: Ahmedabad

For and On behalf of the Board of Directors

Sd/-

Sd/-

Kanaiyalal Agrawal

KiranKumar Agrawal

Whole Time Director

Director

Sd/-

Sd/-

Badal Naredi

Mukesh Tiwari

(CFO)

(CS)

ANNEXURE D

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:

- * Replacement of HPMV lightings by 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: 14th August, 2018

Place: Ahmedabad

For and On behalf of the Board of Directors

Sd/-

Kanaiyalal Agrawal
Whole Time Director

Sd/-

Badal Naredi
(CFO)

Sd/-

KiranKumar Agrawal
Director

Sd/-

Mukesh Tiwari
(CS)

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2018

[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)
B-209, Mondeal Square,
Nr. Prahaladnagar Garden
Prahaladnagar, Ahmedabad - 380015

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, 2018.**

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, 2018 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, 2018 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, 2009 - 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, 1998 - Not applicable as the Company has not bought back or propose to buy-back any of its securities during the year under review.

- (vi)** Looking to the nature of the business of the company and that also in non operative stage with no plant and machinery and also as informed to us, I also said that there are no laws which have specific applicability to the Company. I have relied on the management representations made by the company and its officers for systems formed by the company for compliances under the general laws and regulations applicable to the company.

3. 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).

4. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

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.

5. 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.

6. I have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company. 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.
7. 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.
8. I further report that during the audit period there was following specific events actions having major bearing on the company's affairs.
 - (a) Palco Recycle Industries Limited Associate company, become the subsidiary of the company pursuant to increase in Shareholding of the company (due to reduction of Capital pursuant to Buyback of Equity Shares completed by Palco Recycle Industries Limited and acquisition 205634 Equity Shares) from 46% to 64%.
 - (b) Palco Recycle Industries Limited became the material subsidiary of the company.

Signature :

Punit Santosh Lath

Practicing Company Secretary

ACS No. 26238, COP No. 11139

Date : 04/08/2018

Place : Ahmedabad

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)
B-209, Mondeal Square,
Nr. Prahaladnagar Garden
Prahaladnagar, Ahmedabad - 380015

Dear Sir,

Our Secretarial Audit Report of even date for the Financial Year ended on 31st March, 2018 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: 04/08/2018

Place: Ahmedabad



Rahul Kakani & Associates

Chartered Accountants

Office Address: - 401, M.V. House, Opp. Hatisingh Jain Temple, Shahibaug Road, Shahibaug, Ahmedabad - 380 004. (Mo. No. - 80004 35262), **E-mail ID**— carahulkakani@gmail.com

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, 2018, 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, 2018;
- 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.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2018 ("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 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, 2014;
- e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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”.
- g) 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.

For RAHUL KAKANI & ASSOCIATES
(CHARTERED ACCOUNTANTS)

[RAHUL KAKANI]
PARTNER
M.NO.: - 132796
F.R.No. 130198W

Place: - Ahmedabad
Date: - 29/05/2018

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, 2018.

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. 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, In respect of loans, investments and guarantees, whether provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.

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 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 31.3.2018 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 RAHUL KAKANI & ASSOCIATES
(CHARTERED ACCOUNTANTS)**

[RAHUL KAKANI]

Partner

M.NO.: - 132796

Place: -Ahmedabad

Date: - 29/05/2018

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, 2018 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) error or fraud may occur and not 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 2018, 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 RAHUL KAKANI & ASSOCIATES
(CHARTERED ACCOUNTANTS)

[RAHUL KAKANI]

Partner

M.NO.: - 132796

Place: - Ahmedabad

Date: - 29/05/2018

PALCO METALS LIMITED
STATEMENT OF ASSETS AND LIABILITIES AS AT 31.03.2018

(Rs. In lakh)

Particulars		Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
A ASSETS					
1 Non-current assets					
Property, plant and equipment					
Capital work-in-progress					
Other intangible assets	2	0.17	0.17	0.17	
Investments in subsidiaries, associates and joint ventures	3	842.93	794.75	794.75	
Financial assets					
Investments	4	36.95	85.13	85.13	
Loans	5	198.54	123.38	130.55	
Other financial assets		-	-	-	
Income Tax assets (net)		-	-	-	
Deferred tax assets (net)		-	-	-	
Other non-current assets	6	0.62	0.62	0.62	
Sub-total - Non-Current Assets			1,079.20	1,004.05	1,011.22
2 Current assets					
Inventories		-	-	-	
Financial assets					
Investments		-	-	-	
Trade receivables		-	-	-	
Cash and cash equivalents	7	2.85	2.85	1.41	
Bank balances other than Cash and Cash equivalents above	7	0.22	5.67	0.04	
Other financial assets		-	-	-	
Other current assets	8	6.41	165.42	177.60	
Assets classified as held for sale		-	-	-	
Sub-total - Current Assets			9.47	173.94	179.06
TOTAL - ASSETS			1,088.67	1,177.99	1,190.28
B EQUITY AND LIABILITIES					
1 Equity					
Equity Share capital	9	400.00	400.00	400.00	
Other equity	10	382.55	380.77	390.53	
Sub-total - Shareholders' funds			782.55	780.77	790.53
2 LIABILITIES					
Non-current liabilities					
Financial liabilities					
Other financial liabilities	11	300.00	300.00	300.00	
Provisions		-	-	-	
Income tax liabilities (net)	12	4.72	15.70	17.90	
Other non-current liabilities					
Sub-total - Non-current liabilities			304.72	315.70	317.90
3 Current liabilities					
Financial liabilities		-	-	-	
Trade payables		0.93	80.42	81.56	
Other financial liabilities		-	-	-	
Other current liabilities		0.47	1.10	0.29	
Provisions		-	-	-	
Current tax liabilities (net)					
Sub-total - Current liabilities			1.40	81.51	81.85
TOTAL - EQUITY AND LIABILITIES			1,088.67	1,177.99	1,190.28

For Rahul Kakani & Associates
Chartered Accountants

For Palco Metals Limited

(Rahul Kakani)
Partner
Mem No. 132796

Kanaiyalal Agrawal
Director

Kiran Agrawal
Director

Place : Ahmedabad
Date : 29/05/2018

Mukesh Tiwari
CS

Badal Naredi
CFO

PALCO METALS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31.03.2018

(Rs. In lakh)

Particulars		Note No.	As at 31st March, 2018	As at 31st March, 2017
1	Income from operations			
(a)	Net Sales / Income from Operation (Net of duty)		-	-
(b)	Other Operating Income	13	16.39	23.47
	Sub-total - Total income from operations (net) :		16.39	23.47
2	Expenses			
(a)	Cost of materials consumed		-	-
(b)	Purchases of stock-in-trade		-	-
(c)	Changes in inventories of finished goods, work-in-progress and stock-intrade		-	-
(d)	Employees benefits expense		1.54	1.75
(e)	Depreciation and amortisation expense		-	-
(f)	Finance Expenses		0.01	9.24
(g)	Other expenses(Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	14	12.24	10.10
	Sub-total - Expense		13.79	21.09
3	Profit before tax		2.60	2.38
	Tax expense:			
	Current tax		0.83	-
	Earlier year Income Tax		-	12.50
	Deferred tax			
	Profit after tax		1.77	(10.12)
4	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		-	-
	Total other comprehensive income/ (loss), net of tax		-	-
5	Total comprehensive income		1.77	(10.12)
6	Earning per equity share			
	[Face Value Rs. 10 each (2017 : Rs. 10 each)]			
	Basic Earnings per share		0.04	(0.25)
	Diluted Earnings per share		0.04	(0.25)

For Rahul Kakani & Associates
Chartered Accountants

For Palco Metals Limited

(Rahul Kakani)
Partner
Mem No. 132796

Kanaiyalal Agrawal
Director

Kiran Agrawal
Director

Place : Ahmedabad
Date : 29/05/2018

Mukesh Tiwari
CS

Badal Naredi
CFO

SCHEDULES TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

Note 1: Significant Accounting Policies

A. Method of accounting

The accounts are prepared on the historical cost basis adjusted by revaluation of fixed assets.

B. Fixed assets and Depreciation

The value of goodwill is shown at cost price.

C. Foreign currency transactions

All foreign currency transactions have been accounted at the rate prevailing on the date of the transaction. As per AS 11, all outstanding foreign currency transactions are valued at appropriate exchange rate prevalent on the close of financial year and any fluctuations are provided for in the Profit and Loss Account.

D. 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.

PALCO METALS LIMITED

Note 2 : Fixed Asset

As on 31/03/2018

Sr. No	Gross Block				Depreciaton				Net Block		
	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2018	WDV as on 31.03.2017	WDV as on 31.03.2016
<u>I Tangible Assets</u>											
1		-	-	-	-	-	-	-	-	-	-
Total - I	-	-	-	-	-	-	-	-	-	-	-
<u>II Intangible Assets</u>	0.17	-	-	0.17	-	-	-	-	0.17	0.17	0.17
Total - II	0.17	-	-	0.17	-	-	-	-	0.17	0.17	0.17
Total [I + II] (Current Year)	0.17	-	-	0.17	-	-	-	-	0.17	0.17	0.17
(Previous Year)	0.17	-	-	0.17	-	-	-	-	0.17	0.17	0.17

PALCO METALS LIMITED

Notes Forming parts of Balancesheet for the period ended on 31st March 2018

Note 3

Other Non Current Loans & Advances

Investments in subsidiaries, associates and joint ventures

Particulars	2017-18	2016-17	2015-16
Equity Shares of Palco Recycle Industries Ltd. (5153134 shares of Rs 10 each)	842.93	794.75	794.75
	842.93	794.75	794.75

Note 4

Other Non Current Loans & Advances

other Investments

Particulars	2017-18	2016-17	2015-16
Equity Shares of Palco Recycle Exchange Ltd.	36.45	84.63	84.63
Units of ANMA			
	36.95	85.13	85.13

Note 5

Current loans and advances

Particulars	2017-18	2016-17	2015-16
a. Loans and advances to related parties			
Unsecured, considered good	51.72	-	-
b. Others (specify nature)			
Unsecured, considered good	146.82	123.38	130.55
	198.54	123.38	130.55

Related Party Transaction as informed by the management

Particulars	2017-18	2016-17	2015-16
Directors *	51.72	-	-
Other officers of the Company *	-	-	-
Firm in which director is a partner *	-	-	-
Private Company in which director is a member	-	-	-
	51.72	-	-

*Either severally or jointly

Note 6

Other non-current assets

Particulars	2017-18	2016-17	2015-16
Security Deposits	0.62	0.62	0.62
	0.62	0.62	0.62

Note 7

Cash and cash equivalents

Particulars	2017-18	2016-17	2015-16
Balances with banks	0.217	5.67	0.04
Cash on hand	2.85	2.85	1.41
	3.07	8.522	1.45

Note 8**Other Current Assets**

Particulars	2017-18	2016-17	2015-16
Advance to Creditors (Exps)	-	0.08	-
Income Tax Paid	3.98	14.98	26.11
Balance with Govt. Authority	0.18	-	-
Mis.Exp. (Initial Listing Fees)	2.25	3.37	4.49
Compensation for surrender of lease	-	147.00	147.00
	6.41	165.42	177.60

Note 9**Share capital**

(in Rs.)

Particulars	2017-18		2016-17		2015-16	
	Number	Amount	Number	Amount	Number	Amount
Authorised						
Equity Shares of Rs.10 each	70.00	700.00	70.00	700.00	70.00	700.00
Issued						
Equity Shares of Rs. 10 each	40.00	400.00	40.00	400.00	40.00	400.00
Subscribed & Paid up						
Equity Shares of Rs. 10 each	40.00	400.00	40.00	400.00	40.00	400.00
Subscribed but not fully Paid up	-	-	-	-	-	-
Total	40.00	400.00	40.00	400.00	40.00	400.00

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

Particulars	2017-18		2016-17		2015-16	
		Amount	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	40.00	400.00	40.00	400.00	40.00	400.00
Shares Issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	40.00	400.00	40.00	400.00	40.00	400.00

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

Name of Shareholder	2017-18		2016-17		2015-16	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Krishna Capital & Securities	13.600	34.00%	13.600	34.00%	15.600	39.00%
Krishna Sharebroking Ser. Pvt.Ltd.	3.481	8.70%	3.481	8.70%	0.000	0.00%

Note 10**Other Equity**

Particulars	2017-18	2016-17	2015-16
Surplus			
Opening balance of Surplus	380.75	390.87	364.34
(+) Net Profit/(Net Loss) For the current year	1.77	(10.12)	26.16
Total Surplus / Reserve	382.52	380.75	390.50
	-	-	-
Capital Reserve	0.03	0.03	0.03
Closing Balance	382.55	380.77	390.53

Note 11**Financial Liabilities****Other financial liabilities**

Particulars	2017-18	2016-17	2015-16
Unsecured			
3000000 8.5% Non- Cumulative Redeemable Preference Shares of Rs. 10 each	300.00	300.00	300.00
Total	300.00	300.00	300.00

Note 12**Income tax Liabilities**

Particulars	2017-18	2016-17	2015-16
Provision for Income Tax AY 2015-16	-	-	2.20
Provision for Income Tax AY 2016-17	3.90	15.70	15.70
Provision for Income Tax AY 2018-19	0.82	-	-
Total	4.72	15.70	17.90

Note 13

Particulars	2017-18	2016-17
Interest income	16.34	23.47
Interest income on income Tax Refund	0.05	-
Total	16.39	23.47

Note 14**Other Expenses**

Particulars	2017-18	2016-17
Rent, Rates & Taxes	4.51	3.98
Audit Fees	0.09	0.09
Professional Fees & legal Exp.	1.05	1.51
Office & Mis. Exp.	0.70	0.13
Printing & Stationery, Postage, Courier Exp.	0.45	0.28
Advertisement Exp.	0.28	0.27
Custodian & CDSL Fees	0.21	0.31
Income Tax Exp.	0.83	-
Initial Listing Fees	1.12	1.12
Listing Fees	2.88	2.29
ROC Filing Fees	0.13	0.13
Total	12.24	10.10

15. Earnings per share

Basic earning per share is computed by dividing the net profit after tax by the weighted average number of shares outstanding for the period. As on the reporting date, there are no potential equity shares outstanding which may have a diluting impact on the earnings per share.

The calculation of EPS as per AS 20 is as under:

Particulars	Year ended 31-03-2018	Year ended 31-03-2017
Profit attributable to equity share holders (Rs in lacs)	1.7	(10.12)
Basic/weighted number of equity shares (in lacs)	40	40
Nominal value of equity share(in Rs)	10	10
Basic/diluted earnings per share(in Rs)	0.04	(0.253)

17. Payment to auditors

Particulars	31-03-2018 (Rupees in lacs)	31-03-2017 (Rupees in lacs)
i. Audit fees	0.084	0.084
ii. Tax Audit fees	0.00	0.00
Total	0.084	0.084

18. Licensed and installed capacity and production: Not Applicable

19. Foreign Traveling expenditure of Directors

31-03-2018	31-03-2017
Rs.NIL	Rs.NIL

20. Foreign exchange earning Nil during the current year and Nil during the previous year.

21. No provision for gratuity and leave encashment is made during the year.

As no employees is entitled to get the benefit of the Gratuity as condition provided in the payment of Grauity Act 1972 is not complied with.

22. Deferred tax working as per AS-22

Particulars	31-03-2018 Rupees in lacs	31-03-2017 Rupees in lacs
Deferred tax Liability(A)	NIL	NIL
Deferred tax Asset on account of depreciation (B)	NIL	NIL
Total (A)+(B)	NIL	NIL

No provision for deferred tax liability is made as there are no timing differences.

23. Related Party Disclosure as per AS-18

Names of Related Parties where control exists irrespective of whether transactions have occurred or not: :

Associate : Palco Recycle Industries Ltd.

Names of Related Parties with whom transactions have occurred during the period

- i. Palco Recycle Industries Ltd.
- ii. Palco Recycle Exchange Limited,
- iii. India Metals Works & Steel Fabs Corporation

Key Management Personnel:

- i. Kiran B Agrawal
- ii. Kanaiyalal B. Agrawal

3. The following transactions with related parties took place in the ordinary course of business:

(Rupees in lacs)

Sr No.	Particulars of transactions	For the year ended March 2018	For the year ended March 2017
1.	Sales - Palco Recycle Industries Ltd. - Palco Recycle Exchange Ltd. - India Metals Works & Steel Fabs Corporation	NIL NIL NIL	NIL NIL NIL
2.	Purchases -Palco Recycle Industries Ltd. - Palco Recycle Exchange Ltd. - India Metals Works & Steel Fabs Corporation	NIL NIL NIL	NIL NIL NIL
3.	Rent Income -Palco Recycle Industries Ltd. - Palco Recycle Exchange Ltd. - India Metals Works & Steel Fabs Corporation	NIL NIL NIL	NIL NIL NIL

4.	Inter- Corporate Deposit taken during the year -Palco Recycle Industries Ltd. - Palco Recycle Exchange Ltd. - India Metals Works & Steel Fabs Corporation	13.79 NIL NIL	NIL NIL NIL
5.	Inter- Corporate Deposit repaid during the year -Palco Recycle Industries Ltd. - Palco Recycle Exchange Ltd. - India Metals Works & Steel Fabs Corporation	NIL NIL NIL	NIL NIL NIL
6.	Inter- Corporate Deposit given during the year -Palco Recycle Industries Ltd. - Palco Recycle Exchange Ltd. - India Metals Works & Steel Fabs Corporation	65.50 NIL NIL	NIL NIL NIL

24. The details required under segment reporting as per Ind AS 108 is not furnished as the company is not having any reportable segments.

25. The previous year figures have been regrouped and reworked wherever necessary.

26. Contingent liabilities:-

The Company is contingently liable as it has given corporate guarantee for Rs. 22.31 crores for loan borrowed by Palco Recycle Industries Ltd.

For, Rahul Kakani & Associates
Chartered Accountants

For Palco Metals Ltd.

Rahul Kakani
Partner
M. No. 132896

Kailashchandra Agrawal
Chairman

Kiran B Agrawal
Director

Kanaiyalal B Agrawal
Director

Place: Ahmedabad
Date: 29-05-2018

Badal Naredi
CFO

Mukesh Tiwari
CS

**Cash Flow Statement of Palco Metals Ltd. Annexed to the stand alone balance sheet
for the financial year ended 31st March 2018**

Details	Year Ended 31-03-2018	Year Ended 31-03-2017
	Amt. Rs in lacs	Amt. Rs in lacs
(A) Cash flow from operating activities		
Net Profit before tax and extra ordinary items	1.77	(10.12)
Adjustment:		
Debit/Credit balance w/off	0	-0.85
Revaluation Reserve adjustment	0	0
Depreciation	0	0
Interest paid	0.01	9.25
Interest income	16.39	23.47
Operating Profit before working capital changes	-14.61	-23.50
(Increase)/Decrease in debtors	0	0
(Increase)/Decrease in stock	0	0
(Increase)/Decrease in Loans and Advances	84.32	-
(Increase)/Decrease in other Current Assets	-	0
Increase/(Decrease) in Current Liabilities and Provisions	(91.56)	-2.5429
Cash generated from operations	(21.85)	(26.04)
Net cash flow from operating activities	-21.85	-26.04
(B) Cash flow from investing activities		
Interest received	16.39	23.47
Dividend received	0	0
Net cash flow from investing activities	16.39	23.47
(C) Cash flow from financing activities		
Interest paid	0.01	9.25
Issue of new shares	0	0
Redemption of share capital	0	0
Net cash flow from financing activities	0.01	9.25
Net increase/(decrease) in cash & cash equivalents	-5.45	6.68
Cash and cash equivalents at the beginning of the year	8.52	1.84
Cash and cash equivalents at the end of the year	3.07	8.52

As per our report of even date attached herewith

For Rahul Kakani & Associates
Chartered Accountants

Rahul Kakani
Partner
M.No. 132796

Kailashchandra Agrawal
Chairman

For Palco Metals Limited

Kiran B.Agrawal
Director

Kanaiyalal B. Agarwal
Director

Date : 29/05/2018
Place : Ahmedabad

Badal Naredi
CFO

Mukesh Tiwari
CS



Rahul Kakani & Associates

Chartered Accountants

Office Address: - 401, M.V. House, Opp. Hatisingh Jain Temple, Shahibaug Road, Shahibaug,
Ahmedabad - 380 004. (Mo. No. - 80004 35262), E-mail ID- carahulkakani@gmail.com

Independent Auditor's Report

To the Members of
PALCO METALS LIMITED
Ahmedabad.

Report on the CONSOLIDATED Financial Statements

We have audited the accompanying Consolidated financial statements of **PALCO METALS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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 consolidated 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 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 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 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 Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- 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.
- d) changes in equity for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2018 ("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 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 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, 2014;
- e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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”.
- g) 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.

For RAHUL KAKANI & ASSOCIATES
(CHARTERED ACCOUNTANTS)

[RAHUL KAKANI]
PARTNER
M.NO.: - 132796
F.R.No. 130198W

Place: - Ahmedabad
Date: - 29/05/2018

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, 2018.

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 fixed assets of the Holding Company and Associate:

- a. The respective entities have 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. During the year, The Holding Company has not disposed of any substantial/major part of fixed assets.

III. In respect of its Inventories of the Holding Company and Associate:

- 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.

IV. In respect of loans granted and taken to / from parties covered in the register maintained u/s 189 of the Companies Act, 2013 by Holding Company and Associate

The Holding Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of sub-clause (a) and (b) of paragraph 3(iii) of the Order are not applicable to the Company for the current year.

V. In respect of internal control of the Holding Company and Associate:

In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weakness in internal control.

VI. In respect of deposits from public :

In our opinion and according to the information and explanations given to us, the Holding Company and Associate has not accepted deposits from the public during the year. Therefore the provisions of clause 4(vi) of CARO are not applicable to the Company.

VII. 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 Holding Company and Associate is not required to maintain cost records.

VIII. In respect of statutory dues of the Holding Company and Associate:

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 31.3.2018 for a period of more than six months from the date they became payable.

(b) 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.

(c) According to the records of the Holding Company and Associate, there has not been an occasion in case of the company during the year under report to transfer any sum to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956).

IX. In respect of accumulated losses and cash losses:

The Holding Company and Associate does not have accumulated losses as at the end of the year and the Holding Company and Associate has not incurred any cash losses during current and the immediately preceding financial year.

X. In respect of dues to financial institution / banks / debentures of the Holding Company and Associate:

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.

XI. In respect of guarantee given for loans taken by others:

According to the information and explanations given to us, the Holding Company has given guarantee for loans taken by Associate company from banks and financial institutions.

XII. In respect of application of term loans of the Holding Company and Associate:

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.

XIII. In respect of fraud:

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

**FOR RAHUL KAKANI & ASSOCIATES
(CHARTERED ACCOUNTANTS)**

[RAHUL KAKANI]

Partner

M.NO.: - 132796

Place: -Ahmedabad

Date: - 29/05/2018

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, 2018 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) error or fraud may occur and not 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 2018, 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 RAHUL KAKANI & ASSOCIATES
(CHARTERED ACCOUNTANTS)

[RAHUL KAKANI]

Partner

M.NO.: - 132796

Place: - Ahmedabad

Date: - 29/05/2018

PALCO METALS LIMITED
CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31.03.2018

(Rs. In lakh)

	Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
A	ASSETS				
1	Non-current assets				
	Property, plant and equipment	2	920.08	-	-
	Capital work-in-progress		-	-	-
	Other intangible assets	2	0.17	0.17	0.17
	Investments in subsidiaries, associates and joint ventures	3	-	1,092.05	1,059.25
	Financial assets				
	Investments	4	36.95	85.13	85.13
	Loans	5	292.91	-	-
	Other financial assets		-	-	-
	Income Tax assets (net)		-	-	-
	Deferred tax assets (net)		-	-	-
	Other non-current assets	6	0.62	0.62	0.62
	Sub-total - Non-Current Assets		1,250.72	1,177.96	1,145.17
2	Current assets				
	Inventories	7	749.72	-	-
	Financial assets				
	Investments		-	-	-
	Loans	8	38.66	-	-
	Trade receivables	9	1,663.59	-	-
	Cash and cash equivalents	10	12.44	8.52	1.83
	Bank balances other than Cash and Cash equivalents above	11	15.47	-	-
	Other financial assets		-	-	-
	Other current assets	12	518.20	288.78	308.15
	Assets classified as held for sale				
	Sub-total - Current Assets		2,998.08	297.31	309.98
	TOTAL - ASSETS		4,248.80	1,475.27	1,455.14
B	EQUITY AND LIABILITIES				
1	Equity				
	Equity Share capital	13	400.00	400.00	400.00
	Other equity	14	818.06	678.05	655.39
	Sub-total - Shareholders' funds		1,218.06	1,078.05	1,055.39
	Minority Interest		571.83	-	-
	total - Shareholders' funds		1,789.89	1,078.05	1,055.39
2	LIABILITIES				
	Non-current liabilities				
	Financial liabilities	15	528.69	300.00	300.00
	Other financial liabilities		-	-	-
	Provisions	16	6.51	-	-
	Income tax liabilities (net)	17	59.72	-	-
	Deferred tax liabilities (net)		23.04	-	-
	Other non-current liabilities		-	-	-
	Sub-total - Non-current liabilities		617.96	300.00	300.00
3	Current liabilities				
	Financial liabilities	18	965.84	-	-
	Trade payables		705.02	96.12	81.57
	Other financial liabilities		-	-	-
	Other current liabilities	19	147.26	0.96	0.12
	Provisions	20	22.82	-	-
	Current tax liabilities (net)		-	-	-
	Sub-total - Current liabilities		1,840.95	97.08	81.69
	TOTAL - EQUITY AND LIABILITIES		4,248.80	1,475.13	1,437.08

For Rahul Kakani & Associates
Chartered Accountants

For Palco Metals Limited

(Rahul Kakani)
Partner
Mem No. 132796

Kanaiyalal Agrawal
Director

Kiran Agrawal
Director

Place : Ahmedabad
Date : 29/05/2018

Mukesh Tiwari
CS

Badal Naredi
CFO

PALCO METALS LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31.03.2018
(Rs. In lakh)

		Note No.	Consolidated year Ended	
Particulars			31st March, 2018	31st March, 2017
1	Income from operations			
(a)	Net Sales / Income from Operation	21	11,220.87	-
(b)	Other Operating Income	22	111.93	23.47
	Sub-total - Total income from operations :		11,332.80	23.47
2	Expenses			
(a)	Cost of materials consumed	23	8,975.08	-
(b)	Purchases of stock-in-trade		-	-
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(10.11)	-
(d)	Employees benefits expense	25	101.88	1.75
(e)	Excise duty / GST recovered on sales		1,648.09	-
(f)	Depreciation and amortisation expense		56.05	-
(g)	Finance Expenses	26	155.28	9.24
(h)	Other expenses(Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	27	301.03	10.10
	Sub-total - Expense		11,227.32	21.09
3	Profit before tax		105.48	2.38
	Tax expense:			
	Current tax		37.33	-
	Earlier year Income Tax		-	12.50
	Deferred tax		2.34	-
	Profit after tax		65.81	(10.12)
4	Other comprehensive income			
a.	Items that will not be reclassified subsequently to profit or loss			
	1.Items that will not be reclassified subsequently to profit or loss		-	-
	2. Equity instruments through other comprehensive income, net		-	-
b.	Items that will be reclassified subsequently to profit or loss			
	1.Fair value changes on derivatives designated as cash flow hedge, net		-	-
	2.Fair value changes on investments, net		-	-
	3. Defined Benefit recognised in comprehensive income		(0.64)	-
	Total other comprehensive income/ (loss), net of tax		(0.64)	-
5	Total comprehensive income		65.17	(10.12)
6	Paid Up Equity share Capital (F.V. Rs. 10 each)		400	400
7	Earning per equity share			
	[Face Value Rs. 10 each (2017: Rs. 10 each)]			
	Basic Earnings per share		0.16	(0.025)
	Diluted Earnings per share		0.16	(0.025)

For Rahul Kakani & Associates
Chartered Accountants

For Palco Metals Limited

(Rahul Kakani)
Partner
Mem No. 132796

Kanaiyalal Agrawal
Director

Kiran Agrawal
Director

Place : Ahmedabad
Date : 29/05/2018

Mukesh Tiwari
CS

Badal Naredi
CFO

SCHEDULES TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

Note 1: Significant Accounting Policies

A. Basis of Preparation and Method of accounting

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

The accounts are prepared on the historical cost basis adjusted by revaluation of fixed assets.

B. Use of estimates

These financial statements have been prepared using estimates and assumptions, wherever necessary, in conformity with the recognition and measurement principles of Ind AS. Estimates and underlying assumptions are reviewed on an ongoing basis and revisions, if any, in such estimates are accounted for in the year of revision.

C. 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

D. Fixed assets and Depreciation

The value of goodwill is shown at cost price. No depreciation is provided on the leasehold hand.

E. 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.

F. Principles of Consolidation

The consolidated financial statements relate to its subsidiary Palco recycle Industries Limited (PRIL), proportion of Ownership is 63.86%

The consolidated financial statements have been prepared on the following basis:

Palco Metals Limited (PML) holds stake of 46% in the Palco Recycle Industries Limited (PRIL) in the previous year. Henceforth Previous Year accounts are consolidated in accordance with the AS-23. However during the current year, after Buyback of Equity shares completed by the PRIL, and due to other acquisition, stake of PML in PRIL is increased to 63.86 % in the company and PRIL has become the subsidiary of PML and as a result current year accounts are consolidated in accordance of Ind AS - 110 & the figures for the year ended on March 2018 are the consolidated figures of Palco Metals Limited and Palco Recycle Industries Limited. Therefore the due to change in consolidation method, current year consolidated figure are strictly not comparable with those of previous year Consolidated figure.

PALCO RECYCLE INDUSTRIES LIMITED

As on 31/03/2018

Note 2 : Fixed Asset

Sr. No	Particulars	Gross Block			Depreciation			Net Block		
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	WDV as on 31.03.2018	WDV as on 31.03.2017
I	<u>Tangible Assets</u>									
1	Land	431.72	-	-	431.72	-	-	-	431.72	431.72
2	Factory Building	199.67	-	-	199.67	77.90	11.39	89.28	110.39	121.77
3	Flat	20.72	-	20.72	-	10.97	0.23	11.21	0.00	9.75
4	Plant & Machineries	924.34	4.75	-	929.09	528.48	38.87	-	361.73	396.34
5	Electric Installation	88.69	-	-	88.69	77.86	2.46	-	80.32	10.83
6	Laboratory Equipments	2.30	-	-	2.30	1.83	0.10	-	0.37	0.47
7	Office Equipments	2.59	0.08	-	2.66	1.36	0.23	-	1.07	1.23
8	Computer	2.79	0.82	-	3.61	1.82	0.36	-	1.43	0.98
9	Furniture & Fixture	7.76	-	-	7.76	5.45	0.59	-	1.72	2.31
10	Other Equipments	1.29	-	-	1.29	1.19	0.01	-	0.08	0.10
11	Vehicles	19.81	0.47	6.35	13.92	12.96	1.81	4.03	3.19	6.85
	Total - I	1,701.67	6.11	27.07	1,680.71	719.82	56.05	15.24	920.08	982.34
II	<u>Capital Work-in-progress</u>									
	Total - II	-	4.10	4.10	-	-	-	-	-	-
	Total [I + II] (Current Year)	1,701.67	10.21	31.17	1,680.71	719.82	56.05	15.24	920.08	982.34
	(Previous Year)	1,730.54	22.46	51.32	1,701.67	681.56	63.00	24.74	982.34	982.34

Sr. No	Particulars	Gross Block				Depreciation				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2018	WDV as on 31.03.2017
III	<u>Intangible Assets</u>	0.17	-	-	0.17	-	-	-	-	0.17	0.17
	Total - II	0.17	-	-	0.17	-	-	-	-	0.17	0.17

Note 3**Investments in subsidiaries, associates and joint ventures**

Particular	2017-18	2016-17	2015-16
Equity Shares of Palco Recycle Industries Ltd. (4947500 shares of Rs 10 each)	-	1,092.05	1,059.25
Total	-	1,092.05	1,059.25

Note 4**Non-current investments****Investments in Equity instruments (Unquoted)**

Particular	2017-18	2016-17	2015-16
Investments in Equity instruments (Unquoted) (Valued at cost)			
592400 Equity Shares of Rs10/- each fully paid up in Palco Recycle Exchange Ltd	36.45	84.63	84.63
Unit : ANMA (A'bad Non-Metal Association)	0.50	0.50	0.50
Total	36.95	85.13	85.13

Note 5**Non-current Loans**

Particulars	2017-18	2016-17	2015-16
a. Security Deposits			
Unsecured, considered good	83.65	-	-
b. Loans and advances to related parties			
Unsecured, considered good	-	-	-
c. Other loans and advances			
Unsecured, considered good	209.26	-	-
Total	292.91	-	-

Note 6**Other non-current assets**

Particulars	2017-18	2016-17	2015-16
Secured considered good		-	-
Other loans and advances			
Sub Total		-	-
Unsecured considered good			
Loans and advances to related parties		-	-
Other loans and advances,Deposits	0.62	0.62	0.62
Sub Total	0.62	0.62	0.62
Total	0.62	0.62	0.62

Note 7**Inventories**

Particulars	2017-18	2016-17	2015-16
a. Raw Materials and components	597.41	-	-
	597.41	-	-
b. Work-in-progress (Goods lying with Job Worker)	-	-	-
	-	-	-
c. Finished goods	132.30	-	-
	132.30	-	-
d. Stock-in-trade	-	-	-
	-	-	-
e. Stores and spares	20.02	-	-
	20.02	-	-
Total	749.72	-	-

Note 8**Current loans and advances**

Particulars	2017-18	2017-18	2015-16
a. Loans and advances to related parties			-
Unsecured, considered good	-	-	-
b. Others (specify nature)			-
Unsecured, considered good	38.66	-	-
Total	38.66	-	-

Note 9**Trade Receivables**

Particulars	2017-18	2016-17	2015-16
Trade receivables outstanding for a period less than six months from the date they are due for payment.			
Secured, considered good	-	-	-
Unsecured, considered good	1,427.72	-	-
Unsecured, considered doubtful	-	-	-
Less: Provision for doubtful debts	-	-	-
	1,427.72	-	-
Trade receivables outstanding for a period exceeding six months	235.87	-	-
	235.87	-	-
Total	1,663.59	-	-

Note 10**Cash and cash equivalents**

Particulars	2017-18	2016-17	2015-16
Balances with banks	1.93	5.67	0.42
Cheques, drafts on hands	-	-	-
Cash on hand	10.51	2.85	1.41
Others- Fixed Deposits	-	-	-
Total	12.44	8.52	1.83

Note 11**Other Bank Balances**

Particulars	2017-18	2016-17	2015-16
Fixed Deposit and accrued interest thereon (Bank Deposits due to mature after 3 months of original maturity but within 12 months of the reporting date)	15.47	-	-
Total	15.47	-	-

Note 12**Other Current Assets**

Particulars	2017-18	2016-17	2015-16
Advance to Creditors (Goods)	178.37	-	-
Advance to Creditors (Exps)	0.58	-	-
Advance to Employees	0.55	-	-
Advance with Revenue Authorities	324.08	-	-
Earnest Money Deposit - (RINL)	7.50	-	-
prepaid Expenses	0.90	-	-
prepaid Income tax	3.98	14.98	26.11
Compensation for surrender of lease receivable	-	147.00	147.00
Misc. Expenses	2.25	3.37	4.49
Other Current advances	-	123.44	130.54
Total	518.20	288.78	308.15

Note 13
Share Capital

Particulars	2017-18	2016-17	2015-16
Share Capital			
Equity Share Capital			
Authorised Share capital			
70,00,000 Equity Shares of Rs. 10/- each	700.00	700.00	700.00
30,00,000 8.50% Non- Cumulative Redeemable of Rs. 10 each	300.00	300.00	300.00
	1,000.00	1,000.00	1,000.00
Issued, subscribed & fully paid share capital			
40,00,000 Equity Shares of Rs. 10/- each fully paid in cash (40,00,000 Equity Shares of Rs. 10/- each)	400.00	400.00	400.00
Total	400.00	400.00	400.00

(b) Reconciliation of the number of Shares in outstanding of the company.

Particulars	Equities Shares					
	As at 31 March 2018		As at 31 March 2017		As at 31 March 2016	
	Number	Amount in lakh	Number	Amount in lakh	Number	Amount in lakh
Shares outstanding at the beginning of the year	40,00,000.00	400.00	40,00,000.00	400.00	40,00,000.00	400.00
Shares Issued during the year (Bonus Share)	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Any other movement (please specify)	-	-	-	-	-	-
Shares outstanding at the end of the year	40,00,000.00	400.00	40,00,000.00	400.00	40,00,000.00	400.00

(C) Shares in the company held by each shareholder holding more than 5 percent shares(Regroup)

Name of Shareholder	2017-18	2016-17	2015-16
Krishna Capital & Securities Ltd. (Shares in No.)	1360000	1360000	1520000
(Percentage of Share holding)	34%	34%	38%
Krishna Sharebroking Services Private Limited (Shares in No.)	348120	348120	-
(Percentage of Share holding)	8.70%	8.70%	0%

Reconciliation of the number of Shares in outstanding of the company.

Particulars	Preference Shares					
	As at 31 March 2018		As at 31 March 2017		As at 31 March 2016	
	Number	Amount	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	30,00,000.00	300.00	30,00,000.00	300.00	30,00,000.00	300.00
Shares Issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Any other movement (please specify)	-	-	-	-	-	-
Shares outstanding at the end of the year	30,00,000.00	300.00	30,00,000.00	300.00	30,00,000.00	300.00

Note 14
Reserves and Surplus

Capital Reserves			
Balance at the beginning of the year	297.32	264.53	260.20
Addition(deduction)during the year	138.23	-	-
Consolidation Adjustment	-	32.79	4.33
Balance at the end of the year	435.55	297.32	264.53
Revaluation Reserves	-	(0.00)	969.04
Balance at the beginning of the year	-	-	(969.04)
Addition(deduction)during the year	-	(0.00)	(0.00)
Balance at the end of the year			
Surplus in the Statement of Profit & Loss A/c.			
Balance at the beginning of the year	380.74	390.86	364.70
Addition(deduction)during the year	1.77	(10.12)	26.16
Balance at the end of the year	382.51	380.74	390.86
Total	818.06	678.06	655.39

Note 15
Non Current Financial Liabilities
Borrowings

Particulars	2017-18	2016-17	2015-16
<u>Secured</u>			
(a) Term loans			
Corporate Loan from Bank (Rs- 70,00,008 treated as current liabilities)	24.13		
Asset backed Loan (Secured by EM of Land & Building located at Ramol survey no 636/A/P, AHmedabad Rs- 60,00,000 treated as current liabilities)	197.22		
	221.35	-	-
<u>Unsecured</u>			
(a) Loans and advances from related parties	1.34	-	-
Loans are repayable on demand			
(b) Other loans and advances	-	-	-
Loans are repayable on demand	6.00	-	-
(c) Non Current Financial Liabilities			
Preference Share Capital (30,00,000 , 8.50% Non cumulative Redeemable Rs. 10 each)	300.00	300.00	300.00
	307.34	300.00	300.00
Total	528.69	300.00	300.00

Note 16**Non Current Provisions**

Particulars	2017-18	2016-17	2015-16
(a) Provision for employee benefits			
Gratuity (unfunded)	6.51		
Total	6.51	-	-

Note 17**Non Current Income tax liabilities**

Particulars	2017-18	2016-17	2015-16
Provision for Taxation	59.72	-	-
Total	59.72	-	-

Note 18**Current Financial liabilities****Current Borrowings**

Particulars	2017-18	2016-17	2015-16
<u>Secured</u>			
(a) Working Capital loans			
Cash Credit from banks	965.84	-	-
(Secured By hypothecation of entire stock of Raw material, WIP, Finished)			
Total	965.84	-	-

Note 19**Other Current Liabilities**

Particulars	2017-18	2017-18	2017-18
Current Maturities of Long term Debt	143.24		
(a) Interest accrued and due on borrowings	-	-	-
(b) Other payables			
Statutory Liabilities	3.60		
(d) Advance received from customers	0.00		
(e) Provision for expenses	0.42	0.96	0.12
Total	147.26	0.96	0.12

Note 20**Short Term Provisions**

Particulars	2017-18	2016-17	2015-16
(a) Provision for employee benefits			
Salary & Reimbursements	11.89	-	-
Contribution to PF	0.23	-	-
Contribution to ESI	0.09	-	-
Bonus to employees	10.24	-	-
(b) Others			
Unpaid Audit Fees	0.36	-	-
Other Unpaid Expenses	-	-	-
Total	22.82	-	-

Note 21**Revenue from operations**

Particulars	2017-18	2016-17
Sale of products	11,220.87	-
Total	11,220.87	-

Note 22**Other income**

Particulars	2017-18	2016-17
Interest Income	93.30	23.47
Other non-operating income	3.27	-
Profit from Sale of Assets	11.49	-
Profit from redemption of Mutual Fund	3.88	-
Total	111.93	23.47

Note 23**Cost of materials consumed**

Particulars	2017-18	2016-17
Opening Stock of Raw Materials	150.15	-
Purchase of Raw Materials and Stores	8,954.39	-
<u>DIRECT/MANUFACTURING EXPENSE</u>		
Job work/ Labour Charges	-	-
Power & Fuel	396.89	-
Production & Factory Exp.	89.93	-
Freight & Octroi Exp.	1.15	-
sub total	9,592.51	-
Less:		
Closing Stock of Raw Materials	617.42	-
Total	8,975.08	-

Note 24**Changes in inventories of finished goods work-in-progress and Stock-in-Trade**

Particulars	2017-18	2016-17
Opening Stock :		
Finished Goods	49.05	-
Traded Items	73.14	-
Building Stock Generated	-	-
	122.19	-
Closing Stock :		
Finished Goods	132.30	-
Traded Items	-	-
Stock Adjustment trans. of fixed asset	-	-
	132.30	-
Total	(10.11)	-

Note 25**Employee Benefits Expense**

Particulars	2017-18	2016-17
(a) Salaries and incentives	87.47	1.75
(b) Contributions to -		
(i) Provident fund & ESIC Scheme	2.34	-
(ii) Gratuity and Leave Salary	1.97	-
(c) Staff welfare expenses	1.70	-
(d) Director's remuneration	8.40	-
Total	101.88	1.75

Note 26**Finance costs**

Particulars	2017-18	2016-17
Interest expense	144.51	9.23
Bank Charges	7.48	0.02
Bank Processing Fees	3.30	-
Applicable net gain/loss on foreign currency transactions and translation	-	-
Total	155.28	9.24

Note 27**Other expenses**

Particulars	2017-18	2016-17
Audit Fees	0.49	0.09
Advertisement & Publicity	0.28	0.27
Government Charges & Fee	0.09	-
Loss on sale of car	0.42	-
Indirect Tax Expense	12.87	-
Repair & Maintenance Exp.	2.57	-
Legal & Professional Fee Expense	8.95	1.51
Membership and Subscription, Seminar/Conference	0.62	-
Office Expense	4.11	1.26
Packaging & Forwarding & Sales Exp.	217.99	-
Postage ,Telegram & Telephone	1.51	0.01
Printing & Stationery	0.68	0.27
CDSL & Custody Fees	0.21	0.31
Insurance Expenses	3.98	-
Rent , Rates and taxes, excluding, taxes on income.	5.07	3.98
Listing Fees	2.88	2.29
ROC Expense	0.38	0.13
Income Tax Exp.	24.13	-
Travelling & Conveyance Expense	6.56	-
Website Development & Software Expense	0.37	-
Miscellaneous expenses,	0.71	-
Tax on Distributed income	6.18	-
Total	301.03	10.10

28. Earnings per share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of shares outstanding for the period. As on the reporting date, there are no potential equity shares outstanding which may have a diluting impact on the earnings per share.

The calculation of EPS as per AS 20 is as under:

Particulars	Year ended 31-03-2018	Year ended 31-03-2017
Profit attributable to equity share holders (Rs in lacs)	65.17	(10.12)
Basic/weighted number of equity shares (in lacs)	40	40
Nominal value of equity share(in Rs)	10	10
Basic/diluted earnings per share(in Rs)	1.63	(0.253)

29. Payment to auditors

Particulars	Year ended 31-03-2018	Year ended 31-03-2017
i. Audit fees	0.084	0.084
ii. Tax Audit fees	0.00	0.00
Total	0.084	0.084

30 Licensed and installed capacity and production: Not Applicable**31 Foreign Traveling expenditure of Directors**

31-03-2018	31-03-2017
Rs.NIL	Rs.NIL

32 Foreign exchange earning Nil during the current year and Nil during the previous year.**33 No provision for gratuity and leave encashment is made during the year.****34 Remuneration to Directors**

31-03-2018	31-03-2017
Rs. Nil	Rs. Nil

35 Related Party Disclosure as per AS-18

Names of Related Parties where control exists irrespective of whether transactions have occurred or not: :

Associate : Palco Recycle Industries Ltd.

Names of Related Parties with whom transactions have occurred during the period

- i. Palco Recycle Industries Ltd.
- ii. Palco Recycle Exchange Limited,
- iii. India Metals Works & Steel Fabs Corporation

Key Management Personnel:

- i. Kiran B Agrawal
- ii. Kanaiyalal B. Agrawal

3. The following transactions with related parties took place in the ordinary course of business:

(Rupees in lacs)

Sr No.	Particulars of transactions	For the year ended March 2018	For the year ended March 2017
1.	Sales - Palco Recycle Industries Ltd. - Palco Recycle Exchange Ltd. - India Metals Works & Steel Fabs Corporation	NIL NIL NIL	NIL NIL NIL
2.	Purchases -Palco Recycle Industries Ltd. - Palco Recycle Exchange Ltd. - India Metals Works & Steel Fabs Corporation	NIL NIL NIL	NIL NIL NIL
3.	Rent Income -Palco Recycle Industries Ltd. - Palco Recycle Exchange Ltd. - India Metals Works & Steel Fabs Corporation	NIL NIL NIL	NIL NIL NIL
4.	Inter- Corporate Deposit taken during the year -Palco Recycle Industries Ltd. - Palco Recycle Exchange Ltd. - India Metals Works & Steel Fabs Corporation	NIL NIL NIL	NIL NIL NIL
5.	Inter- Corporate Deposit repaid during the year -Palco Recycle Industries Ltd. - Palco Recycle Exchange Ltd. - India Metals Works & Steel Fabs Corporation	NIL NIL NIL	NIL NIL NIL

6.	Inter- Corporate Deposit given during the year		
	-Palco Recycle Industries Ltd.	NIL	NIL
	- Palco Recycle Exchange Ltd.	NIL	NIL
	- India Metals Works & Steel Fabs Corporation	NIL	NIL

36 The details required under segment reporting as per AS 108 is not furnished as the company is not having any reportable segments.

37 The previous year figures have been regrouped and reworked wherever necessary.

For, Rahul Kakani & Associates
Chartered Accountants

For Palco Metals Ltd.

Rahul Kakani
Partner
M. No. 132896
Place: Ahmedabad
Date: 29-05-2018

Kailashchandra Agrawal
Chairman

Kiran B Agrawal
Director

Kanaiyalal B Agrawal
Director

Badal Naredi
CFO

Mukeshkumar Tiwari
CS

Attendance Slip

PALCO METALS LIMITED

(CIN: L27310GJ1960PLC000998)

Regd. Office: B-209, 2nd Floor, Mondeal Square, Nr. Prahladnagar Garden,
Prahaladnagar, Ahmedabad-380015, Gujarat, INDIA.

ATTENDANCE SLIP FOR 57TH ANNUAL GENERAL MEETING **(To be handed over at the Registration Counter)**

Folio No. / DP ID and Client ID: _____

Name: _____

Address: _____

I / We hereby record my / our presence at the 57th Annual General Meeting of the Company on Friday, 28th September, 2018 at 11:00 AM, at B-209, 2nd Floor, Mondeal Square, Nr. Prahaladnagar Garden, Prahaladnagar, Ahmedabad-380015, Gujarat, INDIA.

First / Sole / Proxy holder

Second holder

PALCO METALS LIMITED

(CIN: L27310GJ1960PLC000998)

Regd. Office: B-209, 2nd Floor, Mondeal Square, Nr. Prahaladnagar Garden,
Prahaladnagar, Ahmedabad-380015, Gujarat, INDIA.

FORM NO. MGT-11**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

Name of the Member(s):

Registered Address:

E-Mail ID:

Folio DP ID-Client ID:

I / We being the member(s) holding shares of the above named Company hereby appoint:

(1) Name: _____ Address: _____

E-mail ID: _____ Signature: _____

or failing him / her;

(2) Name: _____ Address: _____

E-mail ID: _____ Signature: _____

or failing him / her;

(3) Name: _____ Address: _____

E-mail ID: _____ Signature: _____

or failing him / her; as my / our proxy to attend and vote (on a poll) for me / us and on my / our
behalf at the AGM, to be held on Friday, 28th September, 2018 at 11:00 AM, at B-209, 2nd Floor,
Mondeal Square, Nr. Prahaladnagar Garden, Prahaladnagar, Ahmedabad-380015, Gujarat, INDIA
and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolu tion No.	Particulars of Resolution	Optional	
ORDINARY BUSINESS: (ORDINARY RESOLUTION)		For	Agains t
1.	To adopt the Financial Statements [including Consolidated Financial Statements] for the year ended on 31 st March, 2018.		
2.	To appoint a Director in place of Mr. Kanaiyalal Agrawal who retires by rotation and offers himself for reappointment.		
3.	To ratify the appointment of M/s. Rahul Kakani & Associates, Chartered Accountant as a Statutory Auditor.		
SPECIAL BUSINESS: (SPECIAL RESOLUTION)			
4.	To appoint Mr. Kirankumar Agrawal (Din 00395934) as the Managing Director of the company		

Signed _____ this _____ day of _____, 2018.

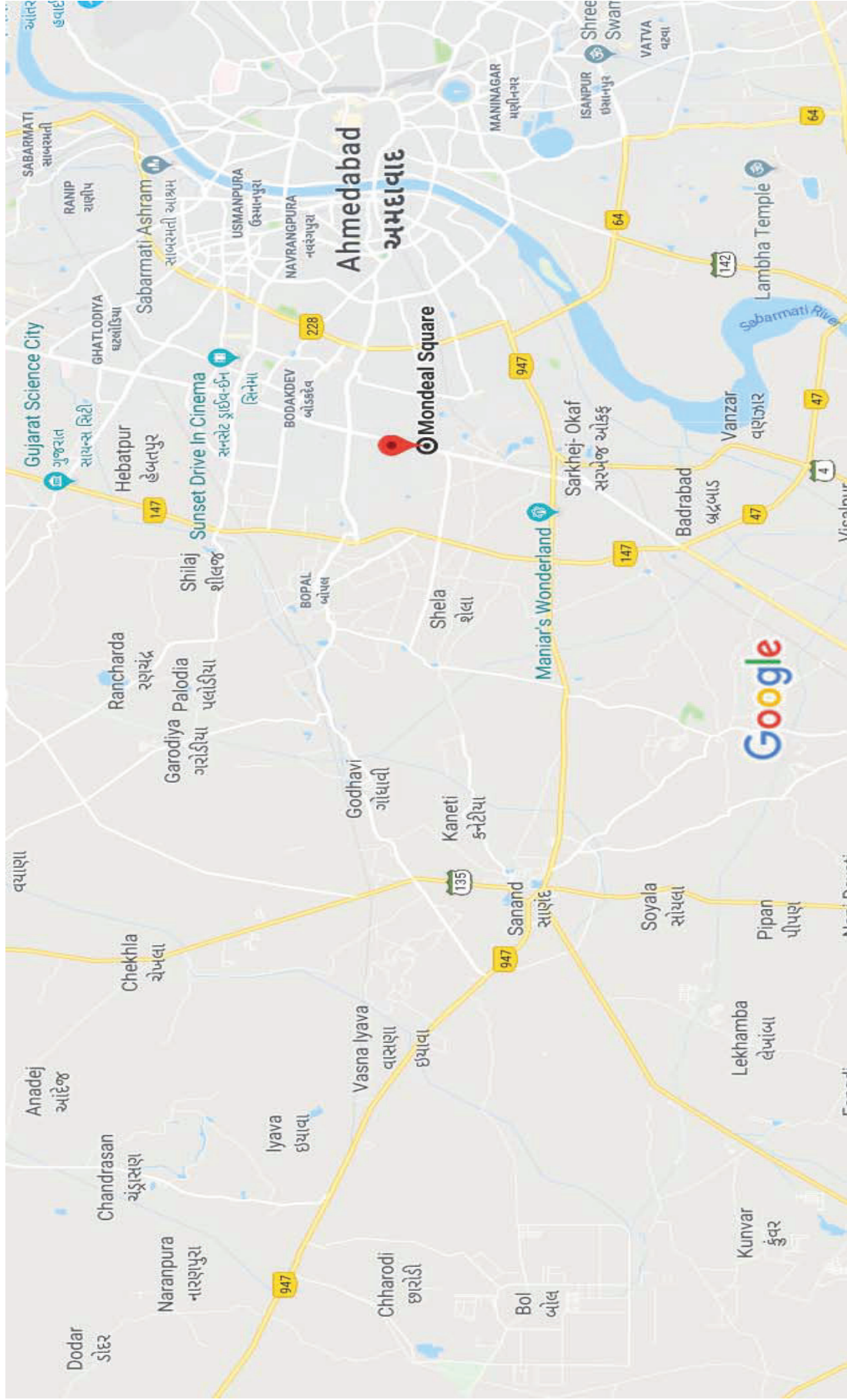
Signature of Shareholder _____

Affix Revenue
Stamp of Rs. 1

Signature of Proxy holder(s) _____

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. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 56th Annual General Meeting.
3. It is optional to put '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.
4. Please complete all details including details of member(s) in above box before submission.



[illegible]

[illegible]



Palco Metals Limited

www.palcometals.com