

ANNEXURE 3

Details of the promoters of the Transferor Company (PRIL) along with their addresses:

Sr. No.	Name of the Promoter &	No of Shares Held	Address
1.	Palco Metals Limited	80,34,000	1715, Saiprasad Industrial Park-II, Besides Ramol Police Station, CTM- Ramol Road, Ramol, Ahmedabad, Gujarat, 382449
2.	Kirankumar Babulal Agrawal (holding on behalf of Palco Metals Limited)	7,500	A/601, Ratnakar, Opp. loc Petrol Pump, Shivranjani Road, Satellite, Ahmedabad, Gujarat- 380015
3.	Kanaiyalal Babulal Agrawal (holding on behalf of Palco Metals Limited)	7,500	B-2 Riddhi Siddhi Bungalows, Behind Court Yard Marriot, Ramdevnagar, Ahmedabad City Gujarat 380015
4.	Ashokkumar Babulal Agrawal (holding on behalf of Palco Metals Limited)	7,500	A 301, Ratnaakar, Opp. loc Petrol Pump, Satellite Ahmedabad Gujarat, India 380015.
5.	Jitendra Ashokkumar Agrawal (holding on behalf of Palco Metals Limited)	3,000	A 301, Ratnaakar, Opp. loc Petrol Pump, Satellite Ahmedabad Gujarat, India 380015.
6.	Urmila Kirankumar Agrawal (holding on behalf of Palco Metals Limited)	3,000	A/601, Ratnakar, Opp. loc Petrol Pump, Shivranjani Road, Satellite, Ahmedabad, Gujarat- 380015
7.	Sunita Kanaiyalal Agrawal (holding on behalf of Palco Metals Limited)	7,500	B-2 Riddhi Siddhi Bungalows, Behind Court Yard Marriot, Ramdevnagar, Ahmedabad City Gujarat - 380015

The details of the directors of the Transferor Company as on date of this Notice are as follows:

Sr. No.	Name of the Director	DIN	Designation	Address
1.	Kirankumar Babulal Agrawal	00395934	Managing Director	A/601, Ratnakar, Opp. loc Petrol Pump, Shivranjani Road, Satellite Ahmedabad, Gujarat- 380015
2.	Gauravkumar Pushkarrai Jani	07573106	Independent Director	13-A, Krushna Row House, Nr. Adinath Society, T. B. Road, Mahesana, Gujarat-384002
3.	Kanaiyalal Babulal Agrawal	00594240	Director	B-2 Riddhi Siddhi Bungalows Behind Court Yard Marriot, Ramdev nagar Ahmadabad City Gujarat 380015



Details of the promoters & their Shareholding of the Transferee Company (PML) along with their addresses:

Sr. No.	Name of the Promoter	No. of shares held	Address
1.	Rajkumari Ashokkumar Agrawal	88,720	A-301, Ratnaakar Opp. Ioc Petrol Pump, Satellite Ahmedabad Gujarat, India 380015.
2.	Kirankumar Babulal Agrawal	4,000	A/601, Ratnakar, Opp. IOC Petrol Pump, Shivranjani Road, Satellite, Ahmedabad, Gujarat-380015
3.	Kanaiyalal Babulal Agrawal HUF	1,86,200	B-2 Riddhi Siddhi Bunglows Behind Court Yard Marriot, Ramdevnagar, Ahmadabad City, Gujarat-380015
4.	Krishna Capital & Securities Private Limited	13,60,000	403, Mauryansh Elanza, B/h. Parekh Hospital, Shyamal Cross Road, Satellite, Ahmedabad 380015
5.	Krishna Sharebroking Services Private Limited	3,38,120	403, Mauryansh Elanza, B/h. Parekh Hospital, Shyamal Cross Road, Satellite, Ahmedabad 380015
6.	Thakkar Financial Service Private Limited	1,90,000	4/1, Tejendra Park Society, Opp. Parshottam Nagar, Viratnagar, Odhav, Ahmedabad, Gujarat-382415, India
7.	Vital Marketing & Finance Private Limited	1,90,000	B 10 Sarita Darshan Society opp. Jaihind Press Ashram Road, Ahmedabad, Gujarat, India - 380009
8.	Badal Kailash Naredi	Nil	A-1602, Oberoi Garden, Thakur Village, Kandivali East, Mumbai Maharashtra, 400101
9.	Lalit Kumar Naredi	Nil	C-248 Vaishali Nagar, Gokul Path, Jaipur, Rajasthan -302021
10.	Radha Devi Agarwal	Nil	D-253, Malviya Nagar, Jaipur-302017, Rajsthan, India
11.	Narendra Agrawal	Nil	D-253, Malviya Nagar, Jaipur-302017, Rajsthan, India
12.	Manju Naredi	Nil	A-1602, Oberoi Garden, Thakur Village, Kandivali East, Mumbai Maharashtra, 400101
13.	Saloni Agrawal	1	B-2 Riddhi Siddhi Bunglows Behind Court Yard Marriot, Ramdevnagar, Ahmadabad City, Gujarat-380015
14	Aashutosh Kanaiyalal Agrawal	1	B-2 Riddhi Siddhi Bunglows Behind Court Yard Marriot, Ramdevnagar, Ahmadabad City, Gujarat-380015



15	Kanaiyalal Babulal Agrawal	1	B-2 Riddhi Siddhi Bunglows Behind Court Yard Marriot, Ramdevnagar, Ahmadabad City, Gujarat-380015
16	Aashutosh K Agrawal HUF	1	B-2 Riddhi Siddhi Bunglows Behind Court Yard Marriot, Ramdevnagar, Ahmadabad City, Gujarat-380015
17	Sunita Agrawal	1	B-2 Riddhi Siddhi Bunglows Behind Court Yard Marriot, Ramdevnagar, Ahmadabad City, Gujarat-380015

The details of the directors & Key Managerial Personnels (KMPs) of the Transferee Company as on date of this Notice are as follows:

Sr. No.	Name of the Director	DIN	Designation	Address
1.	Kirankumar Babulal Agrawal	00395934	Managing Director	A/601, Ratnakar, Opp. loc Petrol Pump, Shivranjani Road, Satelite Ahmedabad, Gujarat-380015
2.	Gauravkumar Pushkarrai Jani	07573106	Non-Executive, Independent Director	13-A, Krushna Row House, Nr. Adinath Society, T. B. Road, Mahesana, Gujarat-384002
3.	Meenu Maheshwari	07113136	Non-Executive, Independent Director	K-004 Shilalekh Opp Police Stadium Shahibaug, Ahmedabad, Gujarat-380004
4.	Naman Naredi	06943536	Promoter- Director	C-248 Vaishali Nagar, Gokul Path, Jaipur, Rajasthan - 302021
5.	Mukesh Tiwari	NA	Company Secretary & Compliance Officer	E-526, Part-1, Parshwanath Township, New Naroda, Ahmedabad, Gujarat-382346
6.	Badal Kailash Naredi	NA	Chief Financial Officer (C.F.O.)	A-1602, Oberoi Garden, Thakur Village, Kandivali East, Mumbai Maharashtra, 400101



Annexure-4

Rationale of the Scheme of Amalgamation

The Board of Directors (defined herein) of Transferor Company, and Transferee Company believes that the following benefits will accrue, pursuant to the amalgamation of the Transferor Company into the Transferee Company:

- a) Streamlining of the corporate structure and consolidation of assets and liabilities of the Transferor Company within the Transferee Company;
- b) Availing easier financial support for the businesses of the Transferor Company;
- c) More efficient utilization of capital for enhanced development and growth of the consolidated business in one entity;
- d) Maximizing shareholder value;
- e) Easier implementation of corporate actions through simplified compliance structure;
- f) Improve management oversight and bring in operational efficiencies;
- g) Cost savings through legal entity rationalization and consolidation of support functions;
- h) business processes, elimination of duplicate expenses, etc.; and
- i) Reduction of administrative responsibilities, multiplicity of records and legal & regulatory compliances.

The Scheme being in the interest of the Transferor Company, the Transferee Company, their respective shareholders and all other stakeholders of the companies, the Board of Directors of the Transferee Company and the Board of Directors of the Transferor Company have considered the Scheme, where under, the entire Undertaking (defined herein) and business of the Transferor Company would be transferred and vested with and into the Transferee Company pursuant to Sections 230 and 232 of the Companies Act, 2013.



PALCO METALS LIMITED
STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2026

(Amount in Lacs Rs.)

	Particulars	As at 31st March, 2026	As at 31st March 2025
A	<u>ASSETS</u>		
1	Non Current Assets		
	Investment in Subsidiaries & Joint Vanture	3302.22	3302.22
	Financial Assets		
	Investments	36.95	36.95
	Loans	0.00	0.00
	Sub - Total : Non- current Assets	3339.17	3339.17
2	Current Assets		
	Financial Assets		
	Trade Receivable	0.00	0.00
	Cash and Cash Equivalents	3.06	3.12
	Bank Balance other than Cash and Cash	1.39	5.48
	Other Current Assets	0.05	0.05
	Sub - Total : Current Assets	4.50	8.65
	TOTAL ASSETS	3343.67	3347.82
B	<u>EQUITY AND LIABILITIES</u>		
1	Equity		
	Equity Share Capital	400.00	400.00
	Other Equity	327.02	366.33
	Sub - Total : Shareholders' Funds	727.02	766.33
2	Non- Current Liabilities		
	Financial Liabilities		
	Loans	83.89	77.60
	Other Non Current Liabilities	241.51	216.28
	Sub - Total : Non- current Liabilities	325.40	293.88
3	Current Liabilities		
	Financial Liabilities		
	Trade Payables	0.00	0.01
	Other Current Liabilities	2290.66	2287.11
	Provisions	0.60	0.49
	Current Tax Liabilities (Net)	0.00	0.00
	Sub - Total : Current Liabilities	2291.26	2287.61
	TOTAL- EQUITY AND LIABILITIES	3343.67	3347.82
	See accompanying notes forming part of the financial statements		



PALCO METALS LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED ON 31ST MARCH, 2026

	Particulars	As at 31st March, 2026	As at 31st March, 2025
		Rs.	Rs.
1	Revenue from operations		
	Net Sales / Income from Operation	0.00	0.00
	Other Income	0.00	0.00
	Sub - Total : Total Income from Operations	0.00	0.00
2	Expenses		
	Cost of materials consumed	-	-
	Changes in inventories	-	-
	Employee Benefits Expense	4.98	3.59
	Depreciation and Amortisation Expenses		
	Financial Expenses	26.69	20.18
	Other Expenses (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	7.64	7.11
	Sub - Total : Expenses	39.31	30.87
3	Profit / (Loss) before Tax (1 - 2)	- 39.31	- 30.87
	Current tax expense for current year	0.00	0.00
	Provision for Deferred tax		
	Prior Period Tax Adjustment	0.00	1.78
	Sub - Total : Tax Expenses	0.00	1.78
4	Profit / (Loss) After Tax	- 39.31	- 32.65
5	Other Comprehensive Income		
	a Items that will not be reclassified subsequently to profit or loss		
	1.Items that will not be reclassified subsequently to profit or loss		-
	2. Equity instruments through other comprehensive income, net		-
	b Items that will be reclassified subsequently to profit or loss		
	1.Fair value changes on derivatives designated as cash flow hedge, net		-
	2.Fair value changes on investments, net		-
	3.Defined benefit recognised in comprehensive income		-
	Total Other Comprehensive Income (Loss), Net of Tax		-
6	Total Comprehensive Income	- 39.31	- 32.65
7	Earnings per Equity share (Face value Rs.10/-each)		
	a Basic Earnings per share Rs.	-9.83	- 8.16
	b Diluted Earnings per share Rs.	-9.83	- 8.16
	See accompanying notes forming part of the financial		



PALCO METALS LIMITED
Standalone Cash Flow Statement for the year ended on March 31,2026

(Amount in Lacs)

Particulars	Year ended March 31,2026	Year ended March 31,2025
A Cash Flows From Operating Activities		
Net Profit before Tax	- 39.31	- 30.87
Adjustments for :		
Finance Costs	26.69	20.18
Interest Income		-
Operating Profit before Working Capital Changes	- 12.62	- 10.70
Movement in Working Capital :		
(Increase)/Decrease in Other Current Assets	0.00	27.40
Increase/(Decrease) in Trade Payables	- 0.01	0.01
Increase/(Decrease) in Other Current Liabilities	3.55	2279.34
(Increase)/Decrease in Other Financial Liabilities	6.29	77.60
(Increase)/Decrease in Non Current Liabilities	25.23	216.28
Increase/(Decrease) in Trade Receivables	0.00	31.74
(Increase)/Decrease in Other Current Assets	0.00	21.54
Increase/(Decrease) in Short term Provisions	0.11	0.11
Cash generated from/(used in) operations	22.53	2643.32
Direct taxes paid	0.00	- 2.78
Net cash flow from/(used in) ope (A)	22.53	2640.55
B Cash Flows From Investments Activities		
Increase/Decrease in Investment of Subsidiaries,Associates	0.00	- 2424.29
Interest Received	-	-
Net cash flow from/(used in) inv (B)	0.00	- 2424.29
C Cash Flows From Financing Activities		
Redemption of Preference Shares	-	-
(Increase)/Decrease in Long Term Loans and advances	-	-
Finance Cost	- 26.69	- 20.18
Net cash generated/ (used in) fir (C)	- 26.69	- 20.18
Net increase/(decrease) in cash ar. (A+B+C)	- 4.16	196.08
Cash and cash equivalents at beginning of the year	8.61	4.85
Cash and cash equivalents at end of the year	4.45	200.93

Notes:

- (i) The cash flow statement has been prepared under indirect method as per Accounting Standard -3 "Cash Flow Statement" notified in Companies (Accounting Standards) Rules, 2006.
- (ii) Previous year figures have been recast/restated wherever necessary.



PALCO RECYCLE INDUSTRIES LIMITED
STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31,2026

Particulars		Note No.	As at 31st March, 2026	As at 31st March 2025
A	ASSETS			
1	Non Current Assets			
	Property, Plant and Equipment	(2)	1668.57	1718.37
	Intangible Assets			
	Capital Work in Progress	(2)	0.00	0.00
	Financial Assets			
	Deposit & Advance	(3)	337.13	314.15
	Loans	(4)	164.50	151.18
	Sub - Total : Non- current Assets		2170.20	2183.69
2	Current Assets			
	Inventories	(5)	3401.82	2210.41
	Financial Assets			
	Loans	(6)	1811.30	2117.06
	Trade Receivables	(7)	2284.86	950.25
	Cash and Cash Equivalents	(8)	6.24	10.00
	Bank Balance other than Cash and Cash Equivalents above	(9)	55.16	51.83
	Others		0.00	0.00
	Other Current Assets	(10)	254.43	371.80
	Sub - Total : Current Assets		7813.82	5711.35
	TOTAL ASSETS		9984.02	7895.04
B	EQUITY AND LIABILITIES			
1	Equity			
	Equity Share Capital	(11)	807.00	807.00
	Other Equity	(12)	3569.70	2890.71
	Sub - Total : Shareholders' Funds		4376.70	3697.71
2	Liabilities			
	Non- Current Liabilities			
	Financial Liabilities			
	Loans	(13)	1290.72	1692.30
	Provisions	(14)	36.99	31.39
	Deferred tax Liabilities (Net)	(20)	27.56	16.62
	Sub - Total : Non- current Liabilities		1355.26	1740.30
3	Current Liabilities			
	Financial Liabilities			
	Loans	(15)	1361.33	1795.39
	Trade Payables	(16)	2446.06	207.00
	Other Current Liabilities	(17)	198.02	216.50
	Provisions	(18)	27.59	29.29
	Current Tax Liabilities (Net)	(19)	219.05	208.84
	Sub - Total : Current Liabilities		4252.06	2457.03
	TOTAL- EQUITY AND LIABILITIES		9984.02	7895.04



PALCO RECYCLE INDUSTRIES LIMITED
PROFIT & LOSS FOR THE PERIOD ENDED ON MARCH 31,2026

	Particulars	As at 31st March, 2026	As at 31st March 2025
1	Revenue from operations		
	Net Sales / Income from Operation	29318.14	24595.79
	Other Income	180.01	155.54
	Sub - Total Income	29498.15	24751.33
2	Expenses		
	Cost of materials consumed	27584.41	23249.12
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	19.34	- 308.48
	Employee Benefits Expense	333.96	246.96
	Depreciation and Amortisation Expenses	157.53	159.12
	Financial Expenses	328.56	294.50
	Other Expenses	164.25	219.15
	Sub - Total : Expenses	28588.05	23860.38
3	PROFIT BEFORE EXCEPTIONAL ITEM AND TAX	910.09	890.95
4	Exceptional Item	0.00	0.00
4	Profit / (Loss) before Tax after Exceptional Item (1 - 2)	910.09	890.95
	Current tax expense for current year	219.05	208.84
	Provision for Deferred tax	10.95	16.62
	Prior Period Tax Adjustment	2.36	1.81
	Sub - Total : Tax Expenses	232.36	227.27
5	Profit / (Loss) After Tax	677.73	663.69
6	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	1.25	0.68
	Total Other Comprehensive Income (Loss), Net of Tax	1.25	0.68
7	Total Comprehensive Income	678.98	664.37
8	Earnings per Equity share (Face value Rs.10/-each)		
	a Basic Earnings per share Rs.	8.41	8.23
	b Diluted Earnings per share Rs.	8.41	8.23
	See accompanying notes forming part of the financial statements		



PALCO RECYCLE INDUSTRIES LIMITED
Cash Flow Statement for the year ended on March 31,2026

(Amount in Lacs)

	Year ended March 31,2026	Year ended March 31,2025
A Cash Flows From Operating Activities		
Net Profit before Tax	910.09	890.95
Adjustments for :		
Depreciation & Amortisation	157.53	159.12
Profit on sale of Asset	0.00	0.00
Badebts / written off	0.00	0.00
Finance Costs	328.56	294.50
Interest Income	- 180.01	- 153.83
Operating Profit before Working Capital Changes	1216.17	1190.74
Movement in Working Capital :		
(Increase)/Decrease in Inventories	- 1191.41	- 457.04
(Increase)/Decrease in Trade Receivables	- 1334.61	- 225.97
(Increase)/Decrease in Other Financial Assets	0.00	29.91
(Increase)/Decrease in Other Current Assets	117.37	167.49
Increase/(Decrease) in Trade Payables	2239.06	33.12
Increase/(Decrease) in Other Current Liabilities	- 18.48	4.62
Increase/(Decrease) in Long Term Provisions	5.60	3.73
Increase/(Decrease) in Other Provisions	8.51	203.72
Cash generated from/(used in) operations	1042.21	950.30
Direct taxes paid	- 220.16	- 210.65
Net cash flow from/(used in) operating activities (A)	822.05	739.65
B Cash Flows From Investments Activities		
Purchase of Fixed Assets	- 107.74	- 184.25
Sale of Fixed Assets	0.00	0.00
Advance (Given) / Advance Taken	305.76	- 712.61
Interest Received	180.01	153.83
Net cash flow from/(used in) investing activities (B)	378.03	- 743.02
C Cash Flows From Financing Activities		
Proceeds from Long Term Borrowings	- 401.58	- 401.66
Proceeds from Short Term Borrowings	- 434.06	491.10
(Increase)/Decrease in Long Term Advances	- 22.98	- 225.40
(Increase)/Decrease in Long Term Loans	- 13.33	- 61.32
Finance Cost	- 328.56	- 294.50
Net cash generated/ (used in) financing activities (C)	- 1200.51	- 491.78
Net increase/(decrease) in cash and cash equivalents (A+B+C)	- 0.43	- 495.15
Cash and cash equivalents at beginning of the year	61.83	556.98
Cash and cash equivalents at end of the year	61.40	61.83

Notes:

- (i) The cash flow statement has been prepared under indirect method as per Accounting Standard -3 "Cash Flow Statement" notified in Companies (Accounting Standards) Rules, 2006.
- (ii) Figures in brackets represent outflows.
- (iii) Previous year figures have been recast/restated wherever necessary.



Annexure-6

INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
PALCO METALS LIMITED
(CIN: L27310GJ1960PLC009998)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone financial statements of PALCO METALS LIMITED ("the Company"), which comprise the Standalone balance sheet as at March 31, 2025, the Standalone statement of Profit and Loss, and Standalone statement of cash flows for the year then ended, and notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Total Income during the year 31st March 2025 of the financial statements, which shows that there is no Operating revenue generated during the year ended 31st March 2025. Our opinion is not modified in respect of this matter.

Key Audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined no matters to be the key audit matters to be communicated in our report.



Information other than the Standalone financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from



fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management, as well as evaluating the overall presentation of the Standalone financial statements.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) To evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



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

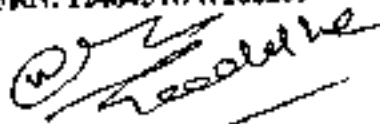
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Standalone 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 March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (h) 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 Standalone financial statements
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief that, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented, that, to the best of its knowledge and belief that, no funds have been received by the company from any person(s) or entity(ies), including foreign entities



("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- v. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility. However, the same has operated throughout the year for all the relevant transactions recorded in the software. Further during the course of our audit we could not establish the systematic and chronological order of transactions recorded during the year.

For, KPSJ & ASSOCIATES LLP
(Chartered Accountants)
FRN: 124645W/W100209



Kedar Ram Laddha
(Partner)
MNO: 101836
UDIN: 25101886BMIFRF3153
Place: Ahmedabad
Date: 30/05/2025



Annexure "A" to the Independent Auditor's Report (Continued)

(Referred to paragraph under 'Report on other legal and regulatory requirements' section of the Independent Auditors' Report of even date to the members of **PALCO METALS LIMITED** on the Standalone financial statements for the year ended March 31, 2025)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i.	<p>In respect of the Company's Property, Plant & Equipment and Intangible assets: (a) The Company does not have any Fixed assets. Thus, paragraph 3(ii) of the order is not applicable to the company.</p>
ii.	<p>In respect of the Company's 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.</p>
iii.	<p>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 made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, in respect of which:</p> <p>(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted any loans to subsidiaries. (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, not prejudicial to the interest of the Company. (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has not been stipulated and the repayments or receipts have been irregular. (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdue of existing loans given to the same party. (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given loans repayable on demand which was without specifying any terms or period of repayment.</p>
iv.	<p>In respect of loans, investments and guarantees u/s. Section 185 and 186 of the Companies Act, 2013. In our opinion and according to information and explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of sections 185 and section 186 of the Companies Act, 2013.</p>



v.	<p>In respect of deposits from public: In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.</p>
vi.	<p>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.</p>
vii.	<p>In respect of statutory dues:</p> <p>(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end 31st March 2025 for a period of more than six months from the date they became payable.</p> <p>(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.</p>
viii.	<p>In respect of tax assessments under Income Tax Act, 1961: According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.</p>
ix.	<p>In respect of dues to financial institution / banks / debentures: According to information and explanation given to us,</p> <p>(a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.</p> <p>(b) The company has not been declared wilful defaulter by any bank or financial institution or other lender;</p> <p>(c) All the term loans were applied for the purpose for which the loans were obtained.</p> <p>(d) The company has not raised funds on short term basis which have been utilized for long term purposes.</p> <p>(e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.</p> <p>(f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.</p>
x.	<p>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,</p> <p>a) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the order is not applicable.</p> <p>b) The company has not made any preferential allotment or private placement of shares or</p>



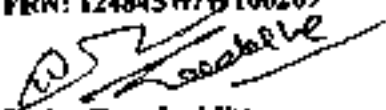
	convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the order is not applicable.
xi.	<p>In respect of fraud:</p> <p>(a) According to the information available with us, no fraud by the company and no fraud on the company has been noticed or reported during the year.</p> <p>(b) According to the information available with us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as proscribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government; during the year and up to the date of this report.</p> <p>(c) As represented to us by the management, there were no whistle-blower complaints received during the year and hence reporting under clause 3(xi)(c) of the order is not applicable.</p>
xii.	<p>In respect of Nidhi Company</p> <p>The Company is not a Nidhi Company has complied and hence reporting under clause (xii) of the order is not applicable.</p>
xiii.	<p>In Respect of Related parties Transactions</p> <p>In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the Standalone financial statements as required by the applicable Indian Accounting Standards.</p>
xiv.	<p>In respect of Internal Audit System:</p> <p>(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business;</p> <p>(b) We have considered the internal audit reports of the Company issued till date for the period under audit.</p>
xv.	<p>In Respect of Non-Cash transactions with Directors:</p> <p>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.</p>
xvi.	<p>In respect of registration under section 45-IA of RBI:</p> <p>According to the information given to us and based on our examination of the records of the company,</p> <p>a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 . Hence reporting under this clause not applicable to the company.</p> <p>b) According to the information given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Hence reporting under this clause not applicable to the company.</p> <p>c) According to the information given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence reporting under this clause not applicable to the company.</p>



	d) According to the information given to us, there is no Core Investment Company (CIC) within the Group (as defined in the core investment companies (Reserve Bank of India) Directions, 2016) and accordingly reporting under this clause not applicable to the company.
xvii.	In Respect of Cash Losses : According to the information and explanations given to us and based on our examination of the records of the company, the company has incurred cash losses in the current financial year whereas no cash loss in the immediately preceding financial year. The cash losses for the current year amounted to Rs. 30.87 Lacs
xviii.	In Respect of change in Statutory Auditor: There has been no change in the Statutory Auditors of the company. Accordingly, paragraph 3(xviii) of the order is not applicable.
xix.	In Respect of material uncertainty exists on date of audit report: According to the information and explanations given to us and based on our examination of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone financial statements, our knowledge of the Board of Directors and management plans, no material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
xx.	In Respect of unpaid amount under section 135(5): According to the information and explanations given to us, the Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.
xxi.	In Respect of qualifications and adverse remarks: Based on our examination of the Companies (Auditor's Report) Order CARO reports of the holding/subsidiary/joint venture/associate companies, there are no qualifications or adverse remarks by the respective auditors in those reports.

For: KPSJ&ASSOCIATES LLP
(Chartered Accountants)

FRN: 124845W/W100209


Kedar Ram Laddha
(Partner)

M.NO: 101886

UDIN: 25101886BMIERF3153

Place: Ahmedabad

Date: 30/05/2025



Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of PALCO METALS LIMITED of even date)

Report on the internal financial controls over financial reporting under clause (f) 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 at March 31, 2025, 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 board of directors of the Company 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. 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, the safeguarding of its assets, the prevention and detection of fraud 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were 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 in the Standalone 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 control 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 Standalone 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

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone 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

(iii) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management or override of controls, material misstatements due to 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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: KPSJ&ASSOCIATES LLP

(Chartered Accountants)

FRN: 124845W/W100209



Kedar Ram Laddha

(Partner)

M.NO: 101886

UDIN: 25101886BMLERF3153

Place: Ahmedabad

Date: 30/05/2025



PALCO METALS LIMITED
STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2025
 (Amount in Lacs Rs.)

Particulars		Note No.	As at 31st March, 2025	As at 31st March, 2024
A ASSETS				
1 Non Current Assets				
	Investment in Subsidiaries & Joint Venture	(2)	3302.22	877.93
Financial Assets				
	Investments	(3)	36.95	36.95
	Loans	(4)	0.00	27.40
	Sub-Total Non-current Assets		3339.17	942.27
2 Current Assets				
Financial Assets				
	Trade Receivable	(5)	0.00	31.74
	Cash and Cash Equivalents	(6)	3.12	3.38
	Bank Balance other than Cash and Cash	(6)	6.48	1.47
Other Current Assets				
		(7)	0.05	21.59
	Sub-Total Current Assets		9.65	59.18
TOTAL ASSETS			3347.82	1000.45
B EQUITY AND LIABILITIES				
1 Equity				
	Equity Share Capital	(8)	400.00	400.00
	Other Equity	(9)	366.33	398.98
	Sub-Total Shareholders' Funds		766.33	798.98
2 Non-Current Liabilities				
Financial Liabilities				
	Preference Share Capital			0.00
	Loans	(10)	77.60	0.00
Other Non Current Liabilities				
		(11)	216.28	192.33
	Sub-Total Non-current Liabilities		293.88	192.33
3 Current Liabilities				
Financial Liabilities				
	Trade Payables	(12)	0.01	0.00
	Other Current Liabilities	(13)	2287.11	7.77
Provisions				
		(14)	0.48	0.38
Current Tax Liabilities (Net)				
		(15)	0.00	1.00
	Sub-Total Current Liabilities		2287.61	9.15
TOTAL EQUITY AND LIABILITIES			3347.82	1000.45
See accompanying notes forming part of the financial statements		(1)		

As per our report of even date

For and on behalf of the Board of Directors

UDIN : 25101686BMUERFD153

For K P S J & ASSOCIATES LLP

Chartered Accountants

PRN: 124845W/WA00209

Kedar Ram Laddha

Partner

M No. 101886

Place : Ahmedabad

Date: 30/05/2025



(Signature)

Naman Naredi

Director

DIN: 06943336

(Signature)

Parul Naredi

CFO

For, PALCO METALS LIMITED

(Signature)

Kirankumar Agrawal

Director

DIN: 04395934

(Signature)

Mukesh Trani

Company Secretary

M.No. A45237



Place : Ahmedabad

Date: 30/05/2025

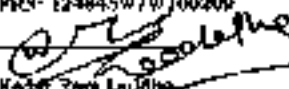
FALCO METALS LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED ON 31ST MARCH, 2025

(Amount in Lacs Rs.)

	Particulars	Note No.	As at 31st March, 2025	As at 31st March, 2024
			Rs.	Rs.
1	Revenue from operations			
	Net Sales / Income from Operation		0.00	26.08
	Other Income	(16)	0.00	2.84
2	Expenses:			
	Cost of materials consumed		-	-
	Changes in inventories		-	-
	Employee Benefits Expense		3.58	3.48
	Depreciation and Amortisation Expenses		-	0.00
	Financial Expenses		20.18	10.11
	Other Expenses (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	(17)	7.11	6.86
3	Profit / (Loss) before Tax (1 - 2)		-30.87	9.98
	Current tax expense for current year		0.00	1.00
	Provision for Deferred tax		-	-
	Prior Period Tax Adjustment		1.78	6.18
4	Profit / (Loss) After Tax		-32.65	2.90
5	Other Comprehensive Income			
	a. Items that will not be reclassified subsequently to profit or loss			
	1. Items that will not be reclassified subsequently to profit or loss		-	-
	2. Equity instruments through other comprehensive income, net		-	-
	b. Items that will be reclassified subsequently to profit or loss			
	1. Fair value changes on derivatives designated as cash flow hedge, net		-	-
	2. Fair value changes on investments, net		-	-
	3. Defined benefit recognised in comprehensive income		-	-
	Total Other Comprehensive Income / (Loss), Net of Tax		-	-
6	Total Comprehensive Income		-32.65	2.90
7	Earnings per Equity share (Face value Rs.10/-each)			
	a. Basic Earnings per share Rs.		-8.16	0.70
	b. Diluted Earnings per share Rs.		-8.16	0.70
	See accompanying notes forming part of the financial	(1)		

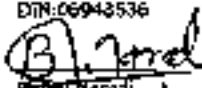
As per our report of even date

For and on behalf of the Board of Directors

UDIN- 25101286BMIGRP3153
 For K. P. S. J. & ASSOCIATES LLP
 Chartered Accountants
 PRN- E248457/W/100209

 Kedar Ram Ladhani
 Partner


 Narsim Naredi

Director
 DIN:06943536


 Narsim Naredi
 CFO

Rec. FALCO METALS LIMITED


 Shankar Agrawal

Director
 DIN:00396934


 Madath Tivari

Company Secretary
 M.No: 245237

Place : Ahmedabad
 Date: 30/05/2025

M No. LD1186
 Place : Ahmedabad
 Date: 30/05/2025



FALCO METALS LIMITED
Standalone Cash Flow Statement for the year ended on March 31, 2025

(Amount in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A Cash Flows From Operating Activities		
Net Profit before Tax	- 30.87	9.98
Adjustments for :		
Finance Costs	20.18	10.11
Interest Income	-	-2.34
Operating Profit before Working Capital Changes	- 10.70	17.75
Movement in Working Capital :		
(Increase)/Decrease in Other Current Assets	27.40	185.29
Increase/(Decrease) in Trade Payables	0.01	0.06
Increase/(Decrease) in Other Current Liabilities	2279.34	6.87
(Increase)/Decrease in Other Financial Liabilities	77.60	-
(Increase)/Decrease in Non Current Liabilities	23.96	-
Increase/(Decrease) in Trade Receivables	31.74	-26.09
(Increase)/Decrease in Other Current Assets	21.54	-9.93
Increase/(Decrease) in Short term Provisions	0.11	-0.09
Cash generated from/(used in) operations	2451.00	173.74
Direct taxes paid	- 2.78	-6.89
Net cash flow from/(used in) operati (A)	2448.22	166.85
B Cash Flows From Investments Activities		
Increase/Decrease in Investment of Subsidiaries, Associates	- 2424.20	-
Interest Received	-	2.34
Net cash flow from/(used in) investiti (B)	- 2424.20	2.34
C Cash Flows From Financing Activities		
Redemption of Preference Shares	-	-200
(Increase)/Decrease in Long Term Loans and advances	-	39.16
Finance Cost	- 20.18	-10.11
Net cash generated/ (used in) financ (C)	- 20.18	-170.95
Net increase/(decrease) in cash and ca (A+B+C)	3.75	-1.76
Cash and cash equivalents at beginning of the year	4.85	6.61
Cash and cash equivalents at end of the year	8.61	4.85

Notes:

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

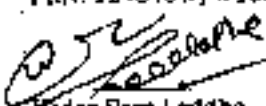
(ii) Previous year figures have been recast/restated wherever necessary.

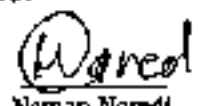
As per our report of even date

For and on behalf of the Board of Directors

UDIN: 25101886BM1ERF3153
 For: K.P.S.J. & ASSOCIATES LLP
 Chartered Accountants
 PRN: 124845W/W100200

For: FALCO METALS LIMITED



 Medar Ram Laddha
 Partner


 Naman Naredi
 Director


 Karankumar Agrawal
 Director


 Mukesh Tiwari
 Company Secretary

M.No.101886
 Place : Ahmedabad
 Date: 30/05/2025

DIN:06943536

 Naman Naredi
 CPO

DIN:0039934

M.No: A95237

Place : Ahmedabad
 Date: 30/05/2025



PALCO METALS LIMITED

SCHEDULES TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

Note 1: Company Background & Significant Accounting Policies

Corporate Information :

Palco Metals Limited ("the Company") is a public limited Company incorporated in India having CIN NO. L27310GJ1960PLC000998 and its registered office of the company is located at 1715, Saiprasad Industrial Park-II, Besides Ramol Police Station, CTM-Ramol Road, Ramol, Ahmedabad, Gujarat 382449 India. The Company has its primary listings on the BSE Limited, in India.

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

Significant Accounting Policies

BASIS OF PREPARATION

A. Statement of Compliance

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

B. Basis of preparation and presentation

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

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

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



1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Use of Estimates

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

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

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

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



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- (iii) **Allowances for inventories:** Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items.
- (iv) **Defined benefit plans:** The cost of the defined benefit plan includes gratuity and the present value of the gratuity obligation are determined using actuarial valuations using projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- (v) **Recognition and measurement of provisions and contingencies:** The certain key assumptions about the likelihood and magnitude of an outflow of resources. Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies, if any, in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for

B. Current & Non-Current Classification:

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

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

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

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



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C. Property, Plant and Equipment

There is no Property, Plant and Equipment.

D. Depreciation/amortisation:

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

E. Foreign Currency

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

Exchange Differences:

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

F. Revenue recognition

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

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



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G. Taxation

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

(i) Current Tax:

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and revises the provisions where appropriate

(ii) Deferred Tax

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

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

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

H. Intangible assets

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



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I. Impairment of tangible and intangible assets

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

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

J. Borrowing Cost

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

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

K. Inventories

Inventories are stated at the lower of weighted average cost or net realisable value. Costs include all non-refundable duties and all charges incurred in bringing the goods to their present



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location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

L. Retirement and other employee benefits

Defined Contribution Plans

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

Defined Benefit Plans

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

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

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

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

M. Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.



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An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity Instruments Issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

(A) Financial assets

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

1) Classification of financial assets

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

- (a) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- (b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

2) Effective Interest method

The effective interest method is a method of calculating the amortised cost of a financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

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

3) Financial assets at cost

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

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

Investments in equity instruments other than investments in subsidiaries are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.



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

5) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

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

6) Impairment of financial assets

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

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

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

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

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has



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not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

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

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

7) Foreign exchange gains and losses

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

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

(B) Financial liabilities and equity instruments

1) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

3) Financial liabilities

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



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4) Financial liabilities at FVTPL

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

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

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

5) Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and costs paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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

6) Foreign exchange gains and losses

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

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



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7) Derecognition of Financial Liability

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

N. Cash & Cash Equivalents

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

O. Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated

P. Provision, Contingent Liabilities and Contingent Assets

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

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



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

Contingent liability

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

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

Q. Earnings Per Share

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

R. Segment reporting

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



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5. Operational Creditor Association

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



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Notes Forming parts of Standalone Balance Sheet for the period ended on 31st March, 2025
(Amount in Lacs)

As at 31st March, 2025	As at 31st March, 2024
Amount Rs.	Amount Rs.

Note 2 : Other Non Current Loans & Advances

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

Equity Shares of Palco Recycle Industries Ltd (20,70,000 shares of Rs 10 each, Unquoted) (Fr 82,28,134 shares of Rs 10 each, Unquoted)	3302.22	877.68
Total	3302.22	877.93

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

Unquoted Equity Shares of Palco Recycle Exchange Ltd. (5,82,000 shares of face value of Rs 10 each)	85.45	36.15
Units of ABIA	0.50	0.50
Total	85.95	36.65

Note 4 : Non Current loans and advances

a. Loans and advances to related parties Unsecured, considered good	-	-
b. Others (specify nature) Unsecured, considered good	0.00	27.40
Total	0.00	27.40

Note 5 : Trade Receivable

Secured		
Unsecured		
Undisputed Trade receivables - considered good		
Trade Receivable - Related parties	0.00	31.74
Trade Receivable Less than 6 months		
Trade Receivable between 6 months - 1 Year		
Trade Receivable between 1 Year - 2 years		
Trade Receivable between 2 Year - 3 years		
Trade Receivable more than 3 years		
Trade Receivable - Others		
Unbilled dues		
Total	0.00	31.74

Note 6 : Cash and cash equivalents

Balances with banks	5.48	1.47
Cash on hand	3.12	3.38
Total	8.61	4.85

Note 7 : Other Current Assets

Short term loan & Advances - Others	0.05	19.78
Short term loan & Advances - Related Party	-	-
Income Tax Paid	0.00	1.80
Balance with Govt. Authority	0.00	0.00
Total	0.05	21.58

Related Party Transaction as informed by the management

Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	0.00
Subsidiary Company	-	-
Private Company in which director is a member	-	-
Total	-	0.00

* Either severally or jointly



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Notes Forming parts of Standalone Balance Sheet for the period ended on 31st March, 2025
(Amount in Lacs)

As at 31st March, 2025	As at 31st March, 2024
Amount Rs.	Amount Rs.

Note B : Share capital

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
Authorized				
Equity Shares of Rs. 10 each	10,00,000	1000.00	70,00,000	700.00
8.90% Non-Cumulative Redeemable Preference Shares of Rs. 10 each	-	-	30,00,000	300.00
Issued				
Equity Shares of Rs. 10 each	40,00,000	400.00	40,00,000	400.00
Subscribed & Paid up				
Equity Shares of Rs. 10 each	40,00,000	400.00	40,00,000	400.00
Subscribed but not fully Paid up	-	-	-	-
Total	40,00,000	400.00	40,00,000	400.00

Rights, preferences and restrictions attached to equity shares

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

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

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
Shares outstanding at the beginning of the year	40,00,000	400.00	40,00,000	400.00
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	40,00,000	400.00	40,00,000	400.00

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

Name of Shareholder	As at 31st March, 2025		As at 31st March, 2024	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Krishna Capital & Securities	13,60,000	34%	13,60,000	34%
Krishna Shareholding Ser. Pvt.Ltd.	3,28,120	8%	3,28,120	8%
Total	16,88,120		16,88,120	



PALCO METALS LIMITED
 Notes Forming parts of Standalone Balance Sheet for the period ended on 31st March, 2025
 (Amount in Lacs)

As at 31st March, 2025	As at 31st March, 2024
Amount Rs.	Amount Rs.

Shareholding of Promoters

Promoters Name	As at year ended 31st March, 2025		
	Number of shares held	% total shares	% Change during the year
Equity shares with voting rights			
Kirankumar Babulal Agrawal	4,000	0.1%	0%
Rajkumar Ashokkumar Agrawal	28,720	2.2%	0%
Krishna Capital & Securities Ltd	13,60,000	34.0%	0%
Krishna Sharebroking Bar. Pvt.Ltd.	3,38,120	8.5%	0%
Vital Marketing & Finance Pvt. Ltd.	1,90,000	4.8%	0%
Thakkar Financial Service Pvt Ltd	1,90,000	4.8%	0%
Kanayyal Babulal Agrawal HUF	1,86,200	4.7%	0%
Badal Naredi	1,90,000	4.8%	0%
Leel Kumar Naredi	1,80,000	4.5%	0%

Shareholding of Promoters

Promoters Name	As at year ended 31st March, 2024		
	Number of shares held	% total shares	% Change during the year
Equity shares with voting rights			
Kirankumar Babulal Agrawal	4,000	0.1%	0%
Rajkumar Ashokkumar Agrawal	28,720	2.2%	0%
Krishna Capital & Securities Ltd	13,60,000	34.0%	0%
Krishna Sharebroking Bar. Pvt.Ltd.	3,38,120	8.5%	0%
Vital Marketing & Finance Pvt. Ltd.	1,90,000	4.8%	0%
Thakkar Financial Service Pvt Ltd	1,90,000	4.8%	0%
Kanayyal Babulal Agrawal	1,86,200	4.7%	0%
Naredi Agrawal	1,90,000	4.8%	0%
Leel Kumar Naredi	1,80,000	4.5%	0%

Note 9 : Other Equity

Surplus	88.95	286.16
Opening balance of Surplus	-32.65	2.90
(+) Net Profit/(Net Loss) For the current year	0.00	200.00
(-) Transfer to Capital Redemption Reserve	88.35	88.95
Total Surplus / Reserve		
	0.00	0.00
Capital Reserve		
Capital Redemption Reserve	300.00	100.00
Opening	0.00	200.00
(-) Transfer from Reserve & Surplus	300.00	200.00
Closing balance		
Total	886.33	398.98



PALCO METALS LIMITED

Statement of Changes in Equity for the year ended 31 March, 2025 (SOCIE)

(Amount in Lacs Rs.)

A: Equity Share Capital

Particulars	As at 31st March, 2025			As at 31st March, 2024	
	Number of shares	Amount	Rs.	Number of shares	Amount Rs.
Shares outstanding at the beginning of the year	40,00,000	400.00		40,00,000	400.00
Shares issued during the year	-	-		-	-
Shares bought back during the year	-	-		-	-
Shares outstanding at the end of the year	40,00,000	400.00		40,00,000	400.00

B: Other Equity :

Particulars	Other Equity				Total Other Equity (a + b + c + d)
	Retained earnings	Capital Reserve	Capital Redemption Reserve	Equity Instruments through Other Comprehensive Income	
	(a)	(b)	(c)	(d)	(e)
Balance as at 31 March, 2023	298.15	0.03	100.00	-	398.17
Profit for the year ended 31 March, 24	2.80	-	-	-	2.80
Other comprehensive income for the year ended 31 March, 2023	-	-	-	-	-
Dividend Paid	-	-	-	-	-
Tax on Dividend Paid	-	-	-	-	-
Balance as at 31 March, 2024	298.95	0.03	100.00	-	398.98
Profit for the year ended 31 March, 25	- 32.65	-	-	-	- 32.65
Other comprehensive income for the year ended 31 March, 2025	-	-	-	-	-
Redemption during the year	0.00	-	200.00	-	-
Dividend Paid	-	-	-	-	-
Tax on Dividend Paid	-	-	-	-	-
Balance as at 31 March, 2025	266.30	0.03	300.00	-	366.33

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



PALCO METALS LIMITED

Notes forming parts of Standalone Balance Sheet for the period ended on 31st March, 2025
(Amount in Lakhs)

As at 31st March, 2025	As at 31st March, 2024
Amount Rs.	Amount Rs.

Note 10: Loans

Unsecured	77.60	0.00
(Unsecured Loan and Related Parties)		
Total	77.60	0.00

Note 11: Other Non Current Liabilities

Other Non Current Liabilities-Related Parties	192.95	192.33
Other Non Current Liabilities	23.34	0.00
Total	216.29	192.33

Related Party Transaction as informed by the management

Directors*	-	-
Other officers of the Company*	-	0.00
Firm in which director is a partner*	192.95	192.33
Subsidiary Company	-	-
Private Company in which director is a member	-	-
Total	192.95	192.33

*Either severally or jointly

Note 12: Trade Payables

Trade Payable Less than 1 Year		
Total outstanding dues of micro enterprises and small enterprises: Unsecured, Billed and Due		
Creditors for Goods	-	-
Creditors for Services	-	-
Total outstanding dues other than micro enterprises and small enterprises: Unsecured, Billed and Due		
Creditors for Goods	1,186.06	0.00
Creditors for Services	-	-
Trade Payable Between 1 - 2 Years	-	-
Trade Payable Between 2 - 3 Years	-	-
Trade Payable more than 3 Years	-	-
Total outstanding dues other than micro enterprises and small enterprises: Unsecured, Billed and Due		
Creditors for Goods	-	-
Creditors for Services	-	-
Trade Payable: Unbilled Dues	-	-
Trade Payable in Foreign Currency	-	-
Total	1,186.06	0.00

Related Party Transaction as informed by the management

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

*Either severally or jointly

Note 13: Other Current Liabilities

Other Current Liabilities	6.90	1.70
Other Current Liabilities for share acquisition	2284.38	9.00
Provision Liabilities	0.00	5.06
GST Payable	2.42	1.01
TDS Payable	-	-
Total	2293.70	7.77

Related Party Transaction as informed by the management

Directors*	-	-
Other officers of the Company*	-	-
Firm in which director is a partner*	0.89	-
Subsidiary Company	-	-
Private Company in which director is a member	-	-
Total	0.89	-

Note 14: Short Term Provisions

Office & Factory Staff Salary Payable	0.37	0.29
Unpaid Audit Fees	0.12	0.12
Unpaid Expenses	0.00	0.00
Total	0.49	0.41

Note 15: Non Current Income tax liabilities

Provision for Income Tax FY 22-23	0.00	1.40
Total	0.00	1.40



PALCO METALS LIMITED

(Amount in Lacs)

	As at 31st	As at 31st
	March, 2025	March, 2024
	Amount Rs.	Amount Rs.
Note 16 :		
Other Income		
Interest Income	0.00	2.34
Other Income	-	-
Rounded	-	-
Total	0.00	2.34

Note 17 :		
Other Expenses		
Audit Fees	0.12	0.12
Professional Fees & legal Exp.	1.61	1.06
Repairs to others	0.02	0.11
Printing & Stationery Exp.	0.47	0.70
Advertisement Exp.	0.18	0.28
Custodian & other Compliance Fees	0.35	0.22
Listing Fee Expenses	4.13	3.94
ROC Filing Fees	0.17	0.24
Software Expenses	0.04	-
Misc. Exp.	0.02	0.18
Total	7.11	6.86

Payment to Auditors - Detail

(i) Payments to the auditors comprises (net of GST, where applicable):	As at 31st	As at 31st
	March, 2025	March, 2024
As auditors - statutory audit	0.12	0.12
For other services	0.00	0.06
Total	0.12	0.18



PALCO METALS LIMITED

Note 18 : Ratio Analysis

Sr. No.	Ratio	Numerator	Denominator	By at 31st March, 2025	As at 31st March, 2024	Service	Reason for variance
1	Current ratio	Current Assets	Current Liabilities	0.00	6.36	-636%	Due to increase in investment in subsidiaries & Joint Ventures
2	Debt equity ratio	Total Debt	Shareholder's Equity	0.36	0.00	36%	-
3	Debt service coverage ratio	Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc	Interest & Lease Payments + Principal Repayments	-	-	-	-
4	Return on Equity	Net Profit after taxes - Preference Dividend (if any)	Average Shareholder's Equity	0.04	0.03	-8%	-
5	Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory (Opening + Closing balance / 2)	-	-	-	-
6	Trade receivable turnover ratio	Net Credit Sales (gross credit sales minus sales return)	Average Accounts Receivable (Opening + Closing balance / 2)	0.00	0.18	-18%	-
7	Trade payable turnover ratio	Net Credit Purchases (gross credit purchases minus purchase return)	Average Accounts payable (Opening + Closing balance / 2)	-	-	-	-
8	Net capital turnover ratio	Net Sales (total sales minus sales returns)	Average Working Capital	0.00	0.04	-4%	-
9	Net profit ratio	Net Profit	Net Sales	0.00	0.10	-10%	-
10	Return on capital employed	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	-0.01	0.03	-4%	-
11	Return on investment	Return	Investment	-0.08	0.01	-9%	-



PALCO METALS LIMITED

(Amount in Lacs Rs.)

Note - 19 : RELATED PARTY DISCLOSURES

A. WHERE CONTROL EXISTS

Name of the Party	Nature of Relation
Palco Recycle Industries Limited	Wholly owned Subsidiary Company

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

> KEY MANAGEMENT PERSONNEL

Name of the Party	Nature of Relation
Kaankumar Agarwal	Managing Director
Chauhan Kumar Pushkarant Jant	Independent Director
Roman Handal	Non-Executive Non-Independent Director
Deepa Marud	Chief Financial Officer
Deepu Maheshwari	Independent Women Director
Rakesh Tiwari	Company Secretary

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

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

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

C. DISCLOSURES FOR TRANSACTIONS WITH RELATED PARTIES DURING THE YEAR

Nature of Transactions	Enterprise on which Control Exists	Key Management Personnel	Enterprise on which Key Management personnel and their Relatives	Total
INCOME				
Sales Of Goods	.	.	.	.
Service Revenue	.	.	.	.
Interest Income	.	.	.	.
Dividend Income	.	.	.	.
EXPENSES				
Purchases	.	.	.	.
Rent	.	.	.	.
Interest Expended	20.16	.	.	20.16
Directors Remuneration :	.	.	.	.
Salaries & Allowances	.	.	.	.
Provision for Gratuity	.	.	.	.
Dividend paid	.	.	.	.
OUTSTANDINGS				
As at Beginning	.	.	.	.
Sundry Debtors	.	.	.	.
Loans & Advances	1.70	.	.	1.70
Sundry Creditors	192.83	.	.	192.83
Unsecured Loan	.	.	.	.
Loans & Advances	.	.	.	.
Provisions	.	.	.	.
As at Closing	.	.	.	.
Sundry Debtors	0.80	.	.	0.80
Sundry Creditors	192.96	.	.	192.96
Unsecured Loan	.	.	.	.
Loans & Advances	.	.	.	.
Provision	.	.	.	.

Note - 20 : VALUE OF IMPORTS CALCULATED ON CIF BASIS

	For the Year ended March 31, 2025	For the Year ended March 31, 2024
a) Raw Materials (included High seas purchases)	NIL	NIL
b) Stores & Spares	NIL	NIL
c) Capital Goods	NIL	NIL



PALCO METALS LIMITED

(Amount in Lacs Rs.)

Note - 21: Expenditure in Foreign Currency (Accrual Basis):

Nature of Transactions	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Travelling and conveyance	NIL	NIL

Note - 22: Earnings in Foreign Currency (Accrual Basis):

Nature of Transactions	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Exports at F.O.B. Value	NIL	NIL

Note - 23: IMPORTED AND INDIGENOUS RAW MATERIALS AND SPARE PARTS CONSUMED

Nature of Transactions	For the Year ended March 31, 2025		For the Year ended March 31, 2024	
	% age	Value	% age	Value
Raw Materials				
a) Indigenous	NIL	NIL	NIL	NIL
b) Imported- High Sea	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL
Spare and Spares				
a) Indigenous	NIL	NIL	NIL	NIL
b) Imported	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL

Note - 24:

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

Note - 25:

During the year, Palco Metals Limited ('the Company') has entered into the Share purchase Agreement with Shareholders of Subsidiary company Palco Recycle Industries Limited to raise the further stake in said Subsidiary company from existing 54.72 to 100.00%.

Note - 26:

During the year, the Board of Directors of the Company, has decided the merger between Palco Metals Limited with Subsidiary company Palco Recycle Industries Limited subject to requisite approvals/consents, read with the Company and (its) respective shareholders under section 230 and other applicable provisions of the Companies Act, 2013. However later the Board decided to withdraw the said application to Regional Director for approval Merger of Palco Metals Limited (Transferor Company) with Wholly Owned Subsidiary Palco Recycle Industries Limited (Transferee Company) due to non-completion of Condition prescribed in 233(1)(b) of the Act read with rule 25(3) i.e. approval of at least 90% of total no. of shares for the scheme.

Further the Board has decided to approved merger by absorption of Palco Recycle Industries Limited (the 'Transferee Company' or 'PRIL'), a wholly owned subsidiary of the Company, with Palco Metals Limited (the 'Company' or the 'Transferor Company' or 'PML'), and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 ('the 'Scheme'), subject to requisite statutory/regulatory approvals including the approval of the Honorable National Company Law Tribunal, Ahmedabad Bench ('NCLT').

Note - 27:

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

Note - 28:

Claims, Losses, physical changes etc have been accounted for in the books as and when confirmed with the respective parties.

Note - 29:

Depreciation and amortisation expenses

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Depreciation of tangible assets	NIL	NIL
Amortisation of intangible assets	NIL	NIL

Note - 30:

Earnings per share (EPS)

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

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Total operations for the year Profit/(Loss) after tax	-32,64,623.00	2,80,427.00
Less - Dividends on convertible preferred shares & tax thereon	-	-
Add - Other Comprehensive Income	-	-
Net profit/(loss) for calculation of basic EPS	-32,64,623.00	2,80,427.00
Weighted average number of equity shares in calculating basic EPS	40,00,000	40,00,000
Earnings per share - Basic and Diluted	[0.82]	0.07



PALCO METALS LIMITED

(Amount in Lacs Rs.)

Note 31 : No Provision For Gratuity and Leave Encashment is Made During The Year As No Employee is Entitled To Get The Benefit Of The Gratuity As provided in The Condition Provided in The Payment Of Gratuity Act 1972

Note 32 : **Deferred Tax Liability**
No Provision For Deferred Tax Liability is made as there are no Timing Differences

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

Note 33 : **Operational Cycle**
The current assets and liabilities have been reflected in the Balance Sheet as per the operating cycle confirmed by the management.

Note 34 : The Company has not received any intimation from "Suppliers" regarding their status under the Micro, Small and Medium enterprises Development Act, 2008 and hence disclosure, if any, relating to the amount unpaid as the end of year together with interest paid payable as required under the said Act have not been furnished

Note 35 : Sundry Creditors include dues to Small Scale Industrial Undertakings as informed by the management Rs. Nil (P.Y. Rs. Nil).
The Small Scale Industrial Undertakings to whom amount outstanding as informed by the management for more than 30 days where such dues exceed Rs. 1 lac are Nil (P.Y. Nil).

Note 36 : **Previous Year Figures**
Previous year figures have been regrouped and re-arranged as per the requirement of Ind As & revised schedule - II of the Companies Act, 2013

Note 37 : The details required under segment reporting as per AS 17 is not furnished as the company is not having any reportable segments

Additional Regulatory Information

- (i) The Company has No Transactions With Companies, struck off under section 249 of the Companies Act 2013
- (ii) The Company has not disclosed or surrendered any income during the year in the income tax assessments.
- (iii) All The Title Deeds Of Immovable Property Are in The Name Of The Company
- (iv) The Company has not made any investment in virtual currency or Crypto-currency during the year
- (v) The Company has not Revalued its fixed assets during the year.
- (vi) The Company does not have any intangible assets under development.
- (vii) No proceedings have been initiated against the company for holding any Benami property
- (viii) The Company is not declared a writal Defaulter by any bank or financial institution.
- (ix) No Charge or Satisfaction or Charge as pending to be registered with Registrar of Companies
- (x) The Company has not made investment in any company beyond the number of layers of company permitted.
- (xi) The Company has not advanced any loan or provided any guarantee or security to any person for the purpose of investing or granting loan to any other person (ultimate beneficiary)

Note 38 : **Contingent Liabilities** to the extent not provided for
The Company is contingently liable as it has given corporate guarantee for Rs. 3164 Lacs for loan borrowed by Palco Recycling India Pvt. Ltd.

UDIN: 25101886MHP3102

As per our report of even date attached

For K P S J & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

FRN: 124845W/100204

Kumar Kanti Lodha

Partner

M.No. 104885

For and on behalf of the Board of Directors

PALCO METALS LIMITED

Ward
Namini Naredi

Director

DIRN:00943638

Aravind Kumar Agrawal
Aravind Kumar Agrawal

Director

DIRN:00989234

Prakash Tiwari
Prakash Tiwari

Company Secretary

M.No. A45257

B. J. Jarda
B. J. Jarda

CEO

CEO

Place: AHMEDABAD

Date: 30/05/2023

Place: AHMEDABAD

Date: 30/05/2023





INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
PALCO RECYCLE INDUSTRIES LIMITED
(CIN: U27209GJ2007PLC051853)

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of PALCO RECYCLE INDUSTRIES LIMITED ("the Company"), which comprise the balance sheet as at March 31, 2025, the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined no matters to be the key audit matters to be communicated in our report.

Information other than the Ind AS financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.



Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Act with respect to the preparation of these 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. We are also evaluating the overall presentation of the Ind AS financial statements.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- Planning the scope of our audit work and in evaluating the results of our work; and
- To evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- In our opinion, the aforesaid 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;
- We do not have any observation or comment on the Ind AS financial statements or matters which have any adverse effect on the functioning of the company.



- (f) We do not have any qualification, reservations or adverse remarks relating to the maintenance of accounts and other matters connected herewith.
- (g) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its 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.
 - iv. a) The management has represented that, to the best of its knowledge and belief that, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented, that, to the best of its knowledge and belief that, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.



- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility. However, the same has operated throughout the year for all the relevant transactions recorded in the software. Further during the course of our audit we could not establish the systematic and chronological order of transactions recorded during the year.

For KPSJ&ASSOCIATES LLP
(Chartered Accountants)
FRN: 124845W/W100209



Kedar Ram Laddha
(Partner)
MLNO:101886
UDIN: 15101886BMIERJ3191
Place: Ahmedabad
Date: 31/05/2025



Annexure "A" to the Independent Auditor's Report (Continued)

(Referred to paragraph under 'Report on other legal and regulatory requirements' section of the Independent Auditors' Report of even date to the members of **FALCO RECYCLE INDUSTRIES LIMITED** on the Ind AS financial statements for the year ended **March 31, 2025**)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i.	<p>In respect of the Company's Property, Plant & Equipment and Intangible assets:</p> <p>(a) (i) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use. (ii) The company has no intangible assets present for the period under review;</p> <p>(b) According to the information and explanations as given to us, physical verification of Property, Plant and Equipments has been carried on by the management during the year and no material discrepancies were noticed on such verification.</p> <p>(c) According to the information and explanations as given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the Ind AS financial statements, the lease agreements are in the name of the Company.</p> <p>(d) According to the information and explanations as given to us, the Company has not revalued its Property, Plant & Equipment or Intangible Assets during the year, hence paragraph 3(i)(d) of the order is not applicable.</p> <p>(e) According to the information and explanations as given to us, no proceedings have been initiated against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made there under.</p>
ii.	<p>In respect of its Inventories:</p> <p>(a)</p> <p>(a) The Inventory being stock-in-trade has been physically verified by the Management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable.</p> <p>(b) In our opinion and according to information & explanations given to us the procedures of physical verification of inventories followed by the Management is reasonable and adequate in relation to the size of the company and the nature of its business.</p> <p>(c) The Company has maintained proper records of inventories and no material discrepancies were noticed on physical verification.</p> <p>(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned a working capital limit in excess of Rs 5 crore by bank or financial institution based on the security of current assets during the year. Accordingly, reporting under clause 3(ii)(b) of the Order are not applicable.</p>



iii.	<p>In respect of loans granted and taken to / from parties covered in the register-maintained u/s 189 of the Companies Act, 2013</p> <p>The Company has not made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, in respect of which:</p> <p>(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted any loans to subsidiaries.</p> <p>(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, not prejudicial to the interest of the Company.</p> <p>(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has not been stipulated and the repayments or receipts have been irregular.</p> <p>(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.</p> <p>(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdue of existing loans given to the same party.</p> <p>(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given loans repayable on demand which was without specifying any terms or period of repayment.</p>
iv.	<p>In respect of loans, investments and guarantees u/s. Sections 185 and 186 of the Companies Act, 2013:</p> <p>In our opinion and according to information and explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of sections 185 and section 186 of the Companies Act, 2013.</p>
v.	<p>In respect of deposits from public :</p> <p>In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.</p>
vi.	<p>In respect of maintenance of cost records:</p> <p>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 has maintained cost records.</p>
vii.	<p>In respect of statutory dues:</p> <p>(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end 31st March 2025 for a period of more than six months from the date they became payable.</p> <p>(b) According to the information and explanations given to us, there are no statutory</p>



	referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
viii	In respect of tax assessments under Income Tax Act, 1961: According to the information and explanations provided to us, the company has not surrendered or disclosed any income in the tax assessments under Income Tax Act, 1961, hence paragraph 3(viii) of the order is not applicable.
ix.	In respect of dues to financial institution / banks / debentures: According to information and explanation given to us, (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. (b) The company has not been declared wilful defaulter by any bank or financial institution or other lender; (c) All the term loans were applied for the purpose for which the loans were obtained. (d) The company has not raised funds on short term basis which have been utilized for long term purposes. (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. (f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
x.	In respect of application of money raised by Initial public offer, further public offer (including debt instruments) and term loans: (a) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the order is not applicable. (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the order is not applicable.
xi.	In respect of fraud: (a) According to the information available with us, no fraud by the company and no fraud on the company has been noticed or reported during the year. (b) According to the information available with us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report. (c) As represented to us by the management, there were no whistle-blower complaints received during the year and hence reporting under clause 3(xi)(c) of the order is not applicable.
xii.	In respect of Nidhi Company: The Company is not a Nidhi Company has complied and hence reporting under clause (xii) of the order is not applicable.
xiii.	In respect of Related parties Transactions: In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions are disclosed in the Ind AS financial statements as required by the applicable Indian Accounting Standards.



xxi.

In Respect of qualifications and adverse remarks:

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

For: KPSJ&ASSOCIATES L.P

(Chartered Accountants)

FRN: 124845W/W100209



Kedar Ram Laddha

(Partner)

MLNO: 101886

UDIN: 25101386BMIERJ3191

Place: Ahmedabad

Date: 31/08/2025



Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of PALCO RECYCLE INDUSTRIES LIMITED of even date)

Report on the internal financial controls over financial reporting under clause (d) of sub – section 3of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of PALCO RECYCLE INDUSTRIES LIMITED ("the Company") as at March 31, 2025, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The board of directors of the Company 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. 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, the safeguarding of its assets, the prevention and detection of fraud 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were 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 in the Ind AS 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 control 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 Ind AS 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

(i) pertain to the maintenance of records that, in reasonable detail, accurately reflect the transactions and dispositions of the assets of the company;



(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS 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

(iii) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

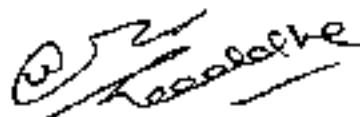
Limitations of Internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of override of controls, material misstatements due to 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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: KPSJ&ASSOCIATES LLP
(Chartered Accountants)
FRN: 124845W/W100209



Kedar Rani Laddha
(Partner)
M.NO: 101886
UDIN: 25101886BMERT3191
Place: Ahmedabad
Date: 31/05/2025



PALCO RECYCLE INDUSTRIES LIMITED
STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2025

(Amount in Rs Lacs)

	Particulars	Note No.	As at 31st March 2025	As at 31st March, 2024
A	ASSETS			
1	Non Current Assets			
	Property, Plant and Equipment	(2)	1718.37	1678.35
	Intangible Assets			
	Capital Work in Progress	(2)	0.00	14.69
	Financial Assets			
	Deposit & Advance	(3)	314.15	68.75
	Loans	(4)	151.18	89.86
	Sub-Total Non-current Assets		2183.68	1871.66
2	Current Assets			
	Inventories	(5)	2210.41	1753.37
	Financial Assets			
	Loans	(6)	2117.06	1404.46
	Trade Receivables	(7)	950.25	724.28
	Cash and Cash Equivalents	(8)	10.00	8.19
	Bank Balance other than Cash and Cash Equivalents above	(9)	51.83	548.79
	Others		0.00	29.91
	Other Current Assets	(10)	371.80	539.29
	Sub-Total Current Assets		6741.35	6008.27
	TOTAL ASSETS		7895.04	6879.92
B	EQUITY AND LIABILITIES			
1	Equity			
	Equity Share Capital	(11)	807.00	807.00
	Other Equity	(12)	2890.71	2226.34
	Sub-Total Shareholders Funds		3697.71	3033.34
2	Liabilities			
	Non- Current Liabilities			
	Financial Liabilities			
	Loans	(13)	1692.30	2093.96
	Provisions	(14)	31.39	27.66
	Deferred tax Liabilities (Net)	(20)	16.62	0.00
	Sub-Total Non-current Liabilities		1740.30	2121.62
3	Current Liabilities			
	Financial Liabilities			
	Loans	(15)	1795.39	1304.29
	Trade Payables	(16)	207.00	173.68
	Other Current Liabilities	(17)	316.50	211.38
	Provisions	(18)	29.39	29.81
	Current Tax Liabilities (Net)	(19)	208.84	5.09
	Sub-Total Current Liabilities		2457.03	1724.96
	TOTAL EQUITY AND LIABILITIES		7895.04	6879.92
	See accompanying notes forming part of the financial statements	(1)		

In terms of our report attached.

UDIN: 25101836EMERJ3191
 For K P S J & ASSOCIATES LLP
 Chartered Accountants
 FIRM: 124845W/1002019

Kedar Ram Laddha
 Kedar Ram Laddha
 Partner

M No.101286

Place: Ahmedabad
 Date: 31/05/2025



For and on behalf of the Board of Directors

PALCO RECYCLE INDUSTRIES LIMITED

Kiran Kumar Agrawal
 Kiran Kumar Agrawal
 Director
 DIN: 00395934

Kanaiyaji Agarwal
 Kanaiyaji Agarwal
 Director
 DIN: 00594040

Place: Ahmedabad
 Date: 31/05/2025

Place: Ahmedabad
 Date: 31/05/2025



PALCO RECYCLE INDUSTRIES LIMITED
Profit & Loss For the Period ended on 31/03/2025

(Amount in Rs. Lacs)

	Particulars	Note No.	As at 31st March 2025	As at 31st March, 2024
1	Revenue from operations			
	Net Sales / Income from Operation	(21)	24595.79	19407.71
	Other Income	(22)	155.54	45.23
	Sub-Total Income		24751.33	19452.94
2	Expenses			
	Cost of materials consumed	(23)	21249.12	18273.22
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(24)	(308.43)	(26.56)
	Employee Benefit Expenses	(25)	246.96	228.51
	Depreciation and Amortisation Expenses	(2)	159.12	102.83
	Financial Expenses	(26)	294.50	224.93
	Other Expenses	(27)	219.15	225.03
	Sub-Total Expenses		21867.28	18881.07
3	PROFIT BEFORE EXCEPTIONAL ITEM AND TAX		2884.05	409.38
4	Exceptional Item	(2)	0.00	155.73
4	Profit / (Loss) before Tax after Exceptional Item (1 - 2)		2884.05	665.11
	Current tax expense for current year		208.84	91.00
	Provision for Deferred tax	(20)	16.62	(27.83)
	Prior Period Tax Adjustment		1.81	1.39
	Sub-Total Tax Expenses		227.27	64.56
5	Profit / (Loss) After Tax		663.69	500.54
6	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		0.68	(0.51)
	Total Other Comprehensive Income / (Loss), Net of Tax		0.68	(0.51)
7	Total Comprehensive Income		664.37	500.03
8	Earnings per Equity share (Face value Rs.10/-each)			
a	Basic Earnings per share Rs.		6.23	6.20
b	Diluted Earnings per share Rs.		6.23	6.20
	See accompanying notes forming part of the financial statements	(1)		

In terms of our report attached

For and on behalf of the Board of Directors

UDIN : 25101886BMIR.13191
 For K P S J & ASSOCIATES LLP
 Chartered Accountants
 FRN: 124845W/W100205

Kedar Ram Laddha
 Partner
 M No.101886

Place : Ahmedabad
 Date: 31/05/2025



PALCO RECYCLE INDUSTRIES LIMITED

Kiran Kumar Agrawal
 Director
 DIN:00395934

Place : Ahmedabad
 Date: 31/05/2025

Kaushyab Agarwal
 Director
 DIN:00504240

Place : Ahmedabad
 Date: 31/05/2025



PALCO RECYCLE INDUSTRIES LIMITED
Cash Flow Statement for the year ended on March 31, 2025

(Amount in Lacs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A Cash Flows From Operating Activities		
Net Profit before Tax	890.95	565.11
Adjustments for :		
Depreciation & Amortisation	159.12	108.83
Profit on sale of Asset	0.00	(155.73)
Bad debts / written off	0.00	0.00
Finance Costs	294.50	224.93
Interest Income	(153.83)	(36.14)
Operating Profit before Working Capital Changes	1190.74	707.01
Movement In Working Capital :		
(Increase)/Decrease in Inventories	(457.04)	(621.44)
(Increase)/Decrease in Trade Receivables	(225.97)	470.62
(Increase)/Decrease in Other Financial Assets	29.91	(29.91)
(Increase)/Decrease in Other Current Assets	167.49	(89.86)
Increase/(Decrease) in Trade Payables	33.12	64.95
Increase/(Decrease) in Other Current Liabilities	4.63	(0.84)
Increase/(Decrease) in Long Term Provisions	3.73	6.01
Increase/(Decrease) in Other Provisions	203.72	(0.36)
Cash generated from/(used in) operations	950.30	506.10
Direct taxes paid	(210.65)	8.79
Net cash flow from/(used in) operating activities (A)	739.65	514.95
B Cash Flows From Investments Activities		
Purchase of Fixed Assets	(184.25)	(1298.25)
Sale of Fixed Assets	0.00	1207.71
Advance (Given) / Advance Taken	(712.61)	(1404.46)
Interest Received	153.83	36.14
Net cash flow from/(used in) investing activities (B)	(743.02)	(1398.86)
C Cash Flows From Financing Activities		
Proceeds from Long Term Borrowings	(401.66)	1857.21
Proceeds from Short Term Borrowings	491.10	(855.29)
(Increase)/Decrease in Long Term Advances	(225.40)	18.63
(Increase)/Decrease in Long Term Loans	(61.32)	(7.54)
Finance Cost	(294.50)	(224.93)
Net cash generated/ (used in) financing activities (C)	(491.78)	788.08
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(495.15)	(95.83)
Cash and cash equivalents at beginning of the year	556.98	652.81
Cash and cash equivalents at end of the year	61.83	556.98

Notes:

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

(ii) Figures in brackets represent outflows.

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

As per our report of even date

For and on behalf of the Board of Directors

UDIN : 25101886BMERJ3191
For K P S J & ASSOCIATES LLP
Chartered Accountants
FRN : 124845U/W/100209



Kedar Ram Laddha
Partner
At No. 101886

Place : Ahmedabad
Date: 31/03/2025



PALCO RECYCLE INDUSTRIES LIMITED

Kurenkumar Agrawal
Director
DIN:00395934

Place : Ahmedabad
Date: 31/03/2025

Kansiyal Agarwal
Director
DIN:0000594240

Place : Ahmedabad
Date: 31/03/2025

A CORPORATE INFORMATION

Palco Recycle Industries Limited ("the Company") is a public company incorporated in India vide CIN U27209GJ2007PLC051853 on 28/09/2007 and having registered office at Survey No. 72,73,75, Opp British Super Alloys, Nr Jalaram Temple Ankhoh, Chhatral, Kadi Rd, Kadi, Gujarat 382715.

The Company is primarily engaged in the manufacturing of Aluminium Wire & Aluminium Deoxidant (Ingot, Notchbar, Cubes, Shots, Alloys) and trading and selling of the same.

The company has integrated facility to manufacture wire rods of various grades, Deoxidant in the form of Aluminium substance, notchbar and cables & has laboratory to test all types of wire rod and cables.

B BASIS OF PREPARATION**Statement of Compliance**

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

Basis of preparation and presentation

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

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

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

Current and Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in Schedule III to the Act.



1	SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
A	<p>Use of Judgements Estimates</p> <p>The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known / materialized. The said estimates are based on the facts and events that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.</p> <p>Critical accounting judgements and key sources of estimation uncertainty: Key assumptions</p> <p>(i) Useful lives of Property, Plant and Equipment: This involves determination of the estimated useful life of property, plant and equipment and the assessment as to which components of the cost may be capitalized. The useful life of these assets is based on the life prescribed in Schedule II to the Companies Act, 2013. Management reviews its estimate of the useful lives of depreciable / amortizable assets at each reporting date, based on the expected utility of the assets.</p> <p>(ii) Allowances for doubtful debts: The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.</p> <p>(iii) Allowances for inventories: Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items.</p> <p>(iv) Defined benefit plans: The cost of the defined benefit plan includes gratuity and the present value of the gratuity obligation are determined using actuarial valuations using projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.</p>



	<p>(v) Recognition and measurement of provisions and contingencies: The certain key assumptions about the likelihood and magnitude of an outflow of resources. Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies, if any, in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for</p>
<p>B</p>	<p>Current & Non-Current Classification: Any asset or liability is classified as current if it satisfies any of the following conditions:</p> <ul style="list-style-type: none"> (i) The asset/liability is expected to be realized/ settled in the Company's normal operating cycle. (ii) The asset is intended for sale or consumption; (iii) The asset/liability is held primarily for the purpose of trading; (iv) The asset/liability is expected to be realized/ settled within twelve months after the reporting period; (v) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date; (vi) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. <p>All other assets and liabilities are classified as noncurrent. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.</p> <p>For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months.</p>
<p>C</p>	<p>Property, Plant and Equipment: Freehold land is carried at historical cost. Property, Plant and Equipment, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises its cost of acquisition inclusive of inward freight, import duties, and other non-refundable taxes or levies and any cost directly attributable to the acquisition / construction of those items; any trade discounts and rebates are deducted in arriving at the cost of acquisition.</p> <p>Capital Work-in-Progress and Capital Advances Cost of assets not ready for intended use, as on the Balance Sheet date is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at Balance Sheet date are disclosed as Other Current Assets.</p>



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Borrowing cost relating to acquisition/construction of Property, Plant and Equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of asset. Any gain or loss arising on the disposal or retirement of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognized in Statement of Profit and Loss.

D Depreciation/Amortisation

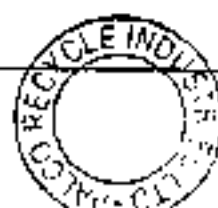
Depreciation and amortisation for the year is recognised in the Statement of Profit and Loss. Depreciation on fixed assets are provided on straight line method over the useful lives of assets, at the rates and in the manner specified in Part C of Schedule II of the Act. The rates of depreciation as prescribed in Part C of Schedule II of the Act are considered as the minimum rates. Freehold land is not depreciated. Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.

The details of estimated life for each category of asset are as under.

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

E Borrowing Costs

Borrowing Costs includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowing and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing Costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of item to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.



<p>F</p>	<p>(i) Impairment of tangible and intangible assets. The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the assets recoverable amount. An asset's recoverable amount is the higher of Asset's cash generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows those are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.</p> <p>(ii) Impairment of Financial Assets The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.</p>
<p>G</p>	<p>Inventories Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Costs of inventories are determined on a First in First Out (FIFO) basis. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Work-in-progress and finished goods are valued at lower of cost and net realizable value. Net realizable value is derived at market rate. Cost includes direct materials and labour and a proportion of manufacturing overheads but excluding excise duty and sales tax paid thereon. Inventory of raw material, Work in Process and Finished goods have been valued and certified by the management</p>
<p>H</p>	<p>Revenue recognition Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized: Sale of goods Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects GST on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.</p>



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	<p>Income from services</p> <p>Revenues from job contracts are recognized as and where services are rendered. The company collects Goods & service tax on behalf of the government and therefore, it is not an economic benefit flowing to the company; hence, it is excluded from revenue.</p> <p>Interest</p> <p>Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.</p> <p>Dividends</p> <p>Dividend income if any is recognized when the company's right to receive dividend is established by the reporting date.</p>
<p>I</p>	<p>Foreign currency translation</p> <p>The financial statements are presented in Indian Rupee (INR), which is entity's functional and presentation currency.</p> <p>Initial recognition</p> <p>Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.</p> <p>Measurement of Foreign Currency Items at the Balance Sheet Date</p> <p>All foreign currency denominated monetary assets and liabilities are translated at the exchange rates on the reporting date. Exchange differences arising on settlement or translated of monetary items are recognized in Statement of Profit and Loss. Nonmonetary items that are measured in terms of historical cost in a foreign currency are not retranslated.</p>
<p>J</p>	<p>Retirement and other employee benefits</p> <p>Defined Contribution Plans</p> <p>Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation other than the contribution payable to the provident fund.</p> <p>Defined Benefit Plans</p> <p>The company operates defined benefit plans for its employees, viz, gratuity. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.</p>



Notes forming part of the financial statements (Balance-Sheet Annex)
 Note : 2 Property, Plant and Equipment

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Opening Balance	Addition	Deduction	As at 31st March, 2025	Opening Balance	During the year	Deduction	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2025
Factory Buildings	341.83	0.00	0.00	341.83	0.00	0.00	0.00	341.83	341.83	
Land & Development	116.86	179.85	0.00	296.71	0.00	0.00	0.00	296.71	296.71	
Plant & Machinery	125.30	0.00	0.00	125.30	0.00	0.00	0.00	125.30	125.30	
Office Equipments	15.12	0.00	0.00	15.12	0.00	0.00	0.00	15.12	15.12	
Transportation	13.11	0.00	0.00	13.11	0.00	0.00	0.00	13.11	13.11	
Leasehold Intangible	33.16	0.00	0.00	33.16	0.00	0.00	0.00	33.16	33.16	
TOTAL RB	2581.86	199.19	0.00	2781.05	388.88	189.13	0.00	578.01	1678.88	
WIP Fixed Asset (Anukhet)	0.37	5.42	0.00	5.79	0.00	0.00	0.00	5.79	5.79	
WIP Electric Installation (Anukhet)	6.63	44.02	0.00	50.65	0.00	0.00	0.00	50.65	50.65	
WIP Factory Building (Anukhet)	7.34	193.03	0.00	200.37	0.00	0.00	0.00	200.37	200.37	
WIP Plant & Machinery - Anukhet	14.89	182.44	167.87	129.46	0.00	0.00	0.00	129.46	129.46	
TOTAL RB	386.03	325.01	167.87	543.17	0.00	0.00	0.00	543.17	543.17	
GROSS TOTAL RB	2967.89	524.20	167.87	3324.22	388.88	189.13	0.00	578.01	1693.04	
PREVIOUS YEAR	2530.55	1636.68	2120.65	2046.78	821.20	108.83	878.49	353.53	1709.38	



As at 31st March 2021	As at 31st March 2020
Rs.	Rs.

Note 1: **Trade Receivables**

As at 31st March 2021	As at 31st March 2020
Rs.	Rs.
Trade receivables	Trade receivables
Provision for doubtful debts	Provision for doubtful debts
Total	Total

Note 2: **Loans**

As at 31st March 2021	As at 31st March 2020
Rs.	Rs.
Loans	Loans
Total	Total

Note 3: **Investments**

As at 31st March 2021	As at 31st March 2020
Rs.	Rs.
Investments	Investments
Total	Total

As at 31st March 2021, the Company has provided a provision for doubtful debts of Rs. 1,00,000/- against the trade receivables of Rs. 1,50,00,000/-.

Note 4: **Loans**

As at 31st March 2021	As at 31st March 2020
Rs.	Rs.
Loans	Loans
Total	Total

Note 5: **Trade Payables**

As at 31st March 2021	As at 31st March 2020
Rs.	Rs.
Trade payables	Trade payables
Provision for doubtful debts	Provision for doubtful debts
Total	Total

Note 6: **Cash and Cash Equivalents**

As at 31st March 2021	As at 31st March 2020
Rs.	Rs.
Cash and cash equivalents	Cash and cash equivalents
Total	Total

Note 7: **Other Current Assets**

As at 31st March 2021	As at 31st March 2020
Rs.	Rs.
Other current assets	Other current assets
Total	Total

Note 8: **Other Current Liabilities**

As at 31st March 2021	As at 31st March 2020
Rs.	Rs.
Other current liabilities	Other current liabilities
Total	Total

Note 9: **Share Capital**

As at 31st March 2021	As at 31st March 2020
Rs.	Rs.
Share capital	Share capital
Total	Total

Note 10: **Other Current Liabilities**

As at 31st March 2021	As at 31st March 2020
Rs.	Rs.
Other current liabilities	Other current liabilities
Total	Total

Note 11: **Other Current Liabilities**

As at 31st March 2021	As at 31st March 2020
Rs.	Rs.
Other current liabilities	Other current liabilities
Total	Total



Note 14: Prepayments

Particulars	Rs.	Pk.
Prepayment for employee benefits - On account of Provident (Note No. 18)	31.38	27.60
Total	31.38	27.60

Note 15: Loans

Particulars	Rs.	Pk.
Secured		
(a) Working Capital Loan	953.83	1006.70
(b) Cash Credit from Banks	0.00	0.00
(Secured by hypothecation charge on all existing and future current assets and movable fixed assets and charge on freehold/leasehold premises of directors) (Note No. 18.1)		
(c) Secured Facility from Bank	611.36	217.00
(Secured by first part party hypothecation charge on all existing and future current assets and movable fixed assets and charge on freehold/leasehold premises of directors) (Note No. 18.1)		
Unsecured		
(a) Loans from related parties. Loans are repayable as demanded	2.00	0.00
(b) Other loans. Loans are repayable as demanded	2.00	0.00
Total	1572.19	1223.70

Note 16: Trade Payables

Particulars							Rs.	Pk.
Trade Payables - normal schedule							307.00	
As at 31st March, 2024								
Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total		
MSME	-	0.00	0.00	0.00	0.00	0.00		
Others	-	291.42	5.37	0.00	0.21	297.00		
Due to Director/ Officers	-	0.00	0.00	0.00	0.00	0.00		
Unsecured from MSME	-	0.00	0.00	0.00	0.00	0.00		
Secured from Others	-	0.00	0.00	0.00	0.00	0.00		
Total							307.00	
Trade Payables - normal schedule								
Particulars								
As at 31st March, 2024								
Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total		
MSME	-	0.00	0.00	0.00	0.00	0.00		
Others	-	173.60	0.00	0.00	0.00	173.60		
Due to Director/ Officers	-	0.00	0.00	0.00	0.00	0.00		
Unsecured from MSME	-	0.00	0.00	0.00	0.00	0.00		
Secured from Others	-	0.00	0.00	0.00	0.00	0.00		
Total							173.60	

Note 17: Other Current Liabilities

Particulars	Rs.	Pk.
(a) Current Liabilities of Long Term Debt	172.00	1,00.00
(b) Income tax payable and due	4.84	4.84
(c) Other payable - Secondary Liabilities	37.30	18.74
(d) Interest accrued from 2023-24	7.86	3.71
Total	222.00	127.29

Note 18: Provisions

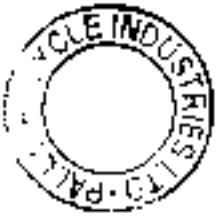
Particulars	Rs.	Pk.
Provision for employees benefits		
Salary & Bonus Provision	10.00	3.80
Gratuity Provision	0.00	4.49
Commission to PP	0.19	0.10
Bonus to employees	0.00	0.00
Short-term Employee	11.57	9.45
Other Liabilities		
Unpaid Audit Fees	0.00	0.00
Unpaid Electricity Exp	2.71	5.10
Unpaid Insurance	1.11	0.60
Unpaid Telephone Exp	0.00	0.00
Unpaid Transport Expenses	0.00	0.00
Unpaid Bank Interest Exp	0.00	0.00
Unpaid Income Tax Provision Exp	1.60	2.60
Total	25.58	22.55

Note 19: Current Tax Liabilities (Net)

Particulars	Rs.	Pk.
Provision for Income Tax	306.84	91.00
Income Tax Paid FY 2024-25	0.00	0.00
TDS Recoverable FY 2024-25	0.00	0.00
Self Assessment Tax	0.00	0.00
TDS Recoverable FY 2024-25	0.00	0.00
Income Tax FY 2023-24	0.00	35.80
TDS Recoverable FY 2023-24	0.00	3.80
TDS Recoverable FY 2023-24	0.00	25.11
Total	306.84	5.00

Note 20: Deferred Tax Assets / (Liabilities)

Particulars	Rs.	Pk.
Deferred Tax Liabilities	16.23	0.00
Deferred Tax Assets	0.00	0.00



PALCO RECYCLE INDUSTRIES LIMITED

(Amount in Lacs)

	As at 31st March 2025	As at 31st March, 2024
	Amount Rs.	Amount Rs.
Note 21: Net Sales / Income from Operation		
(a) Sale of Goods- Domestic - Net	24595.79	19407.71
(b) Sale of Goods- Export	0.00	0.00
Total:	24595.79	19407.71

Note 22: Other Income		
Interest Income	153.83	36.14
Other non-operating income	1.70	9.10
Total	155.54	45.23

Note 22.1:		
Interest Income Comprises:		
a) Interest from Banks on Bank Deposit	3.39	2.39
b) Interest on loans and advances	149.58	32.95
c) Other Interest	0.85	0.80
Total	153.83	36.14
Other non-operating income Comprises:		
Interest Income Tax Refund AY 20-21	0.00	1.43
Income Tax Refund FY 23-24	0.00	0.00
Other Income	0.00	7.45
Kaest A/c	0.20	0.22
Subsidy received on E-vehicle	1.50	
Total	1.70	9.10

Note 23: Cost of materials consumed		
Opening Stock of Raw Materials	1580.37	980.88
Purchase of Raw Materials and Stores	22674.39	18068.01
DIRECT/MANUFACTURING EXPENSES		
Job work/ Labour Charges		
Power & Fuel	0.15	45.05
Production & Factory Exp.	648.56	669.11
Commission Exps A/c	74.12	57.09
Freight Exp.	0.35	28.09
MIS Licence	0.12	0.05
Less:	0.00	0.00
Closing Stock of Raw Materials	1728.94	1580.37
Total	23249.12	18273.22

Note 24: Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Opening Stock : Finished Goods	172.99	146.04
Closing Stock : Finished Goods	481.47	172.99
Increase in Stock	- 308.48	- 26.96

Note 25: Employee Benefits Expense		
(a) Salaries and incentives	205.88	191.13
(b) Contributions to -		
(i) Provident Fund & ESIC Scheme	1.52	1.38
(ii) Gratuity and Leave Salary	6.17	5.95
Labour Welfare Exps- Co. Contr Kad	0.01	0.00
(c) Staff welfare expenses	15.39	12.08
(d) Director's remuneration	18.00	18.00
Total	246.96	228.51



Notes 26 : Financial Expenses

Interest expense		
Bank Charges	278.76	222.41
Bank Processing Fees	1.69	2.04
Interest on Tds	13.98	0.48
Stamp Duty Exps	0.06	0.00
LC Discounting Charges	0.00	0.00
	0.00	0.00
Total:	294.50	224.93

Note 27 : Other Expenses

(i) Administrative Expenses		
Audit Fees		
Bad Debts Written off	0.45	0.45
Custom Penalty	0.00	0.00
Out expenses	0.00	1.15
Electric Consumption - Ahmedabad	3.60	1.99
Repair & Maintenance Exp. - Other	0.94	1.10
Repair & Maintenance Exp. - Building	25.96	1.26
Legal & Professional Fee Expense	0.00	0.03
Membership and Subscription exp	30.86	26.82
CSR Activity Expenditure	0.82	1.40
Office Expense	0.00	0.00
Postage Telegram & Telephone	2.06	0.44
Printing & Stationery	0.47	0.41
Insurance Expenses	0.46	1.02
Rates and taxes,	4.41	5.83
ROC Expense	1.22	0.64
Security Expenses	0.00	0.15
Travelling & Conveyance Expense	6.48	2.99
Website Development & Software Exps	7.84	7.51
Miscellaneous expenses	0.20	0.69
Donation	0.23	3.76
	0.10	0.21
Total (A)	87.10	57.86
(ii) Selling & Distribution Expenses		
Advertisement & Publicity		
Freight & Octroi (Sales) - Kadi	0.10	0.25
Packing Exp. - Kadi	121.02	156.98
Sales Commission	9.25	13.98
Sales Promotion Exp.	1.35	5.83
	0.32	0.12
Total (B)	132.03	177.17
Total (A+B)	219.15	235.03

Payment to Auditors - Detail

(a) Payments to the auditors comprises (net of GST, where applicable):		
As auditors - statutory audit		
For other services	0.45	0.45
	0.00	0.01
Total	0.45	0.46



PALCO RECYCLE INDUSTRIES LIMITED

(Amount in Lacs)

For the Year ended 31st March, 2023	For the Year ended 31st March, 2024
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NOTE - 28 : RELATED PARTY DISCLOSURES

A. Where Control Exists

Name of the Party	Nature of Relation
Palco Metals Ltd.	Holding Company

B. Name of Related Parties and Description of Relationship, Where Transactions Have Taken Place During The Year

Key Management Personnel & others

Name of the Party	Nature of Relation
Rajakumar Agarwal	Managing Director
Kanishk Agarwal	Director
Gaurav Kumar Pushkaraj Jind	Independent Director
Saloni Agrawal	A/c. Executive - Relative of Director
Balraj Naredi	CMO of Parent Company

Enterprises in Which Key Management Personnel and their Relatives have Significant Influence

Name of the Party	Nature of Relation
Krishna Share broking and securities Ltd.	Common Director
India Metal Works & Steel Pipe Corporation	Relative of Director
Palco Recycle Exchange Ltd.	Common Director
Krishna Capital & Securities Ltd.	Associate of Parent Company

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

C. Disclosures For Transactions and closing balance With Related Parties During The Year

Nature of Transactions	Parent Company	Key Management Personnel	Enterprises in which Key Management personnel and their Relatives have	Total
INCOMES				
Interest Income	16.43	-	-	16.43
EXPENSES				
Purchases	-	-	-	-
Contribution Exp	0.00	-	-	0.00
Interest Expenses	-	-	111.29	111.29
Salaries & Allowances	-	82.28	-	82.28
Dividend paid	-	-	-	-
OUTSTANDING				
As at Beginning				
Unsecured Loan	0.00	-	191.97	191.97
As at Closing				
Sundry Creditors	0.00	-	-	0.00
Unsecured Loan	-	-	126.80	126.80
Loans & Advances	192.95	-	-	192.95

Disclosures For Transactions and closing balance With Related Parties During The Previous Year:

Nature of Transactions	Parent Company	Key Management Personnel	Enterprises in which Key Management personnel and their Relatives have significant influence.	Total
INCOMES				
Interest Income	10.10	0.00	0.00	10.10
EXPENSES				
Contribution Exp	28.09	0.00	0.00	28.09
Interest Expenses	0.00	0.00	64.69	64.69
Salaries & Allowances	-	78.00	0.00	78.00
OUTSTANDING				
As at Beginning				
Unsecured Loan	26.27	0.00	591.80	718.07
Prepayments	0.30	0.00	0.00	0.30
Sundry Creditors	31.74	0.00	0.00	31.74
Unsecured Loan	0.00	0.00	1451.97	1451.97
Loans & Advances	192.33	0.00	0.00	192.33



PALCO RECYCLE INDUSTRIES LIMITED

(Amount in Rupee)

	For the Year ended 31st March, 2025	For the Year ended 31st March, 2024
NOTE - 29 : Value Of Imports Calculated On CIF Basis		
Nature of Transactions	Rs.	Rs.
a) Raw Materials (included High seas purchases)	4117.53	5701.54
b) Stores & Spares		
c) Capital Goods		

	Rs.	Rs.
NOTE - 30 : Expenditure in Foreign Currency (Accrual Basis) :		
Nature of Transactions		
Import - Purchases	4117.53	5701.54
Travelling and conveyance		
Others		

	Rs.	Rs.
NOTE - 31 : Earning in Foreign Currency (Accrual Basis) :		
Nature of Transactions		
Export at F.O.B. Value		

NOTE - 32 : Imported And Indigenous Raw Materials And Spare Parts Consumed				
Nature of Transactions	% age	Value	% age	Value
Raw Material				
a) Indigenous	82%	18512.09	68%	12350.21
b) Imported - High Sea	18%	4117.55	32%	5701.54
Total	100%	22629.64	100%	18051.75
Stores and Spares				
a) Indigenous	100%	0.00	100%	0.00
b) Imported	0%	0.00	0%	0.00
Total	100%	0.00	100%	0.00

NOTE - 33 : In the opinion of the Board, 'Sundry Debtors', 'Loans and Advances' and 'Other Current Assets' are approximately of the value stated if realized in the ordinary course of business. Confirmation letters have not been obtained in respect of debtors, creditors, loans taken and loans/borrowings given. Accordingly such balances are subject to confirmation, reconciliation and consequent adjustments, if any.

NOTE - 34 : In the opinion of the Board, provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.

NOTE - 35 : Claims, late payment charges etc have been accounted for in the books as and when confirmed with the respective parties.

NOTE - 34 : Depreciation and amortization expense			
Particulars	Rs.	Rs.	
Depreciation of tangible assets	199.12		199.12
Amortisation of Intangible assets	NIL		NIL

NOTE - 31 : Earnings per share (EPS)			
The following reflects the profit and share data used in the basic and diluted EPS computations:			
Particulars	Rs.	Rs.	
Total operations for the year			
Profit/loss after tax	663.69		300.54
Less : Dividends on convertible preference shares & tax thereon	0.00		0.00
Add : Other Comprehensive Income	0.68		- 0.51
Net profit/(loss) for calculation of basic EPS	664.37		300.03
Weighted average number of equity shares in calculation basic EPS	80.70		80.70
Weighted average number of equity shares in calculation diluted EPS	8.23		6.20



FALCON RECYCLE INDUSTRIES LIMITED

(Showed in Rupee)

For the Year ended 31st March, 2025	For the Year ended 31st March, 2024
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NOTE - 38 : Disclosures related to retirement benefits : (As per Actuarial Report)

a) Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised for the year are as under.

Particulars	RS. IN LAKH	
	Rs.	Rs.
Employer's Contribution to Provident Fund	1.17	1.09

b) Defined Benefit Plans

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan based on the following assumptions

Economic Assumptions

The discount rate and salary increases assumed are the key financial assumptions and should be considered together. It is the difference or gap between these rates which is more important than the individual rates in isolation.

Discount Rate

The discounting rate is based on the gross redemption yield on medium to long term state treasury instruments. The estimated term of the benefits / obligations works out to zero years. For the current valuation a discount rate of 7.30% p.a. (Previous Year 6.40% p.a.) component has been used

Salary Escalation Rate

The salary escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any considerations by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again a long term view is assumed in salary because rates tend to be rather higher than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

Funded status of the plan

Particulars	Rs.	Rs.
Present value of unfunded obligations	31.74	27.66
Present value of funded obligations	0.00	0.00
Fair value of plan assets	0.00	0.00
Net Liability (Asset)	31.74	27.66
Reconciliation Of Liability		
Current Liability	6.66	5.66
Non-Current Liability	24.74	21.71
Net Liability(Asset)	31.40	27.37

Profit and loss account for the period

Service cost:		
Current service cost	4.40	4.40
Past service cost and loss/gain on curtailments and settlement	0.00	0.00
Net interest cost	1.77	1.46
Total included in 'Employee Benefit Expense'	6.17	5.86
	0.00	0.00
Total Change to Profit	6.17	5.86

Reconciliation of defined benefit obligations

		Gratuity
Opening defined benefit obligation	27.69	21.66
Current service cost	4.40	4.40
Interest cost	1.77	1.46
Benefits paid	- 1.76	- 0.45
Components of actuarial gain/losses on obligations	- 0.63	0.51
Past Service Cost	0.00	0.00
Closing defined benefit obligation	31.39	27.56

Other Comprehensive Income for the current period

Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	0.78	6.18
Due to change in demographic assumption	0.00	0.00
Due to experience adjustments	- 1.46	0.73
Return on plan assets (excluding amounts included in interest income)	0.00	0.00
Amounts recognized in Other Comprehensive Income	- 0.68	6.91

Particulars		Gratuity
Discount rate	6.00%	7.10%
Withdrawal Rates	25.00% p.a. at younger ages reducing to 5.00% p.a. at older ages	25.00% p.a. at younger ages reducing to 5.00% p.a. at older ages
Salary Growth Rate	0.00% p.a.	5.00% p.a.



PALCO RECYCLE INDUSTRIES LIMITED

(Amount in Euro)

For the Year ended 31st March, 2025	For the Year ended 31st March, 2024
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Particulars	Carrying amount For the Year ended 31st March, 2025	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets at Amortized Cost				
Deposit & Advance	314.33	0.00	314.33	0.00
Loans	2268.24	0.00	2268.24	0.00
Trade Receivables	250.25	0.00	250.25	0.00
Cash and Cash Equivalents	10.00	0.00	10.00	0.00
Bank Balance other than Cash and Cash Equivalents above	51.50	0.00	51.43	0.00
Others	0.00	0.00	0.00	0.00
Total	2994.42	0.00	2994.47	0.00
Financial Assets at Fair Value through Other Comprehensive Income				
Investments (Current)	0.00	0.00	0.00	0.00
Investments (Non-Current)	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00
Financial Liabilities at Amortized Cost				
Loans	3487.69	0.00	3487.69	0.00
Trade Payables	207.00	0.00	207.00	0.00
Other Current Liabilities	216.50	0.00	216.50	0.00
Total	3911.19	0.00	3911.19	0.00

Particulars	Carrying amount For the Year ended 31st March, 2024	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets at Amortized Cost				
Deposit & Advance	68.75	0.00	68.75	0.00
Loans	1494.32	0.00	1494.32	0.00
Trade Receivables	724.28	0.00	724.28	0.00
Cash and Cash Equivalents	5.19	0.00	5.19	0.00
Bank Balance other than Cash and Cash Equivalents above	148.79	0.00	148.79	0.00
Others	29.91	0.00	29.91	0.00
Total	2671.24	0.00	2671.24	0.00
Financial Assets at Fair Value through Other Comprehensive Income				
Investments (Current)	0.00	0.00	0.00	0.00
Investments (Non-Current)	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00
Financial Liabilities at Amortized Cost				
Loans	3398.26	0.00	3398.26	0.00
Trade Payables	173.88	0.00	173.88	0.00
Other Current Liabilities	211.88	0.00	211.88	0.00
Total	3784.02	0.00	3784.02	0.00

During the reporting periods ended March 31, 2025 and March 31, 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

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

Note 43: Financial Risk Management Objectives and Policies

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

Market Risk

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

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



PALCO RECYCLE INDUSTRIES LIMITED

(Amount in Lacs)

For the Year ended 31st March, 2025	For the Year ended 31st March, 2024
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Interest rate Risk

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

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

Exposure to Interest Rate Risk

Particulars	For the Year ended 31st March, 2025	For the Year ended 31st March, 2024
Borrowings Bearing Fixed Rate of Interest	1370.26	1639.60
Borrowings Bearing Variable Rate of Interest in Rupees	2284.05	1947.58
Total	3654.31	3587.17

Interest Rate Sensitivity

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

Particulars	For the Year ended 31st March, 2025	For the Year ended 31st March, 2024
50 bps Increase - Decrease in Profit	6.88	-6.20
50 bps Increase - Decrease in Profit	6.88	6.20

Market Risk - Foreign Currency

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

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

Other Price Risk

The Company is not exposed to any kind of price risk arising as at March 31, 2025.

CREDIT RISK

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical loss ratios and aging of accounts receivable (Refer note no. 7). Individual risk limits are set accordingly.

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

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

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

LIQUIDITY RISK

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

Maturity Profile of Financial Liabilities

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

Particulars	As At March 31, 2025		
	Less than 1 year	1 to 5 years	Total
Non-Current Financial Liabilities - Borrowings	173.08	2038.47	2211.46
Non-Current Financial Liabilities - Others	-	-	-
Current Financial Liabilities - Borrowings	1795.39	-	1795.39
Current Financial Liabilities - Trade Payables	207.00	-	207.00
Current Financial Liabilities - Others	43.44	-	43.44

Particulars	As At March 31, 2024		
	Less than 1 year	1 to 5 years	Total
Non-Current Financial Liabilities - Borrowings	180.09	2093.95	2274.04
Non-Current Financial Liabilities - Others	-	-	-
Current Financial Liabilities - Borrowings	1304.29	-	1304.29
Current Financial Liabilities - Trade Payables	173.88	-	173.88
Current Financial Liabilities - Others	22.47	-	22.47



PALCO RECYCLE INDUSTRIES LIMITED

(Amount in Lacs)

For the Year ended 31st March, 2025	For the Year ended 31st March, 2024
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Note 44 : Capital Management

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

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

Particulars	For the Year ended 31st March, 2025	For the Year ended 31st March, 2024
Total Debt	3976.85	3587.27
Less: Cash and Cash Equivalent	0.00	8.19
Less: Bank Balances Other than Cash and Cash Equivalents Net Debt	51.83	548.79
Net Debt(A)	3925.02	3030.29
Equity Share Capital & Other Equity (B)	3697.71	3083.34
Total Equity and Net Debt (A+B)	7622.74	6063.64
Gearing Ratio: (A/C)	0.51	0.50

Note 45 : Operational Cycle

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

Note 46 :

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



Sl. No.	Ratio	Formula	Units	Value	Value	Percentage	Interpretation
1	Current ratio	Current Assets / Current Liabilities	2.58	2.58		1.87%	
2	Debt equity ratio	Total Debt / Shareholder's Equity	2.22	4.21		3.47%	
3	Debt service coverage ratio	Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other obligations like loss on sale of fixed assets etc. / Interest & Lease Payments + Principal Repayments	4.57	4.00		4.03%	
4	Return on Equity	Net Profit after taxes - Preference Dividend / 365 / Average Shareholder's Equity	0.8	0.6		0.24%	
5	Inventory turnover ratio	Cost of goods sold / CR ratio	3.10	15.42		4.35%	
6	Trade receivable turnover ratio	Net Credit Sales / Average Accounts Receivable (Opening + Closing balance / 2)	7.40	12.40		4.78%	
7	Trade payable turnover ratio	Net Credit Purchases / Average Accounts payable (Opening + Closing balance / 2)	32.29	35.61		79.98%	
8	Net capital turnover ratio	Net Sales (Net sales minus sales returns) / Average Working Capital	26.46	24.05		14.31%	
9	Net profit ratio	Net Profit / Net Sales	2.02%	2.38%		0.26%	
10	Return on capital employed	Operating before interest and taxes / Capital Employed (Total Debt + Deferred Tax liability)	32%	26%		0.11%	
11	Return on Investment		6.54	3.16		8.12%	



PALCO RECYCLE INDUSTRIES LIMITED

Financials in Lacs	
For the Year ended 31st March, 2023	For the Year ended 31st March, 2024

Additional Regulatory Information

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

Note 48 :

Note 49 : Other Disclosures

iv) Previous year figures have been reprinted and re-arranged as required.

UDIN: 251018068408RJ319

As per our report of even date attached

AN K P B J & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

FRN: 124849W/01/200204

Kavita Kishan Gadcha

Partner

N.No. 101896

Place: AHMEDABAD

Date: 31/05/2024

For and on behalf of the Board of Directors

PALCO RECYCLE INDUSTRIES LIMITED

Kusumalata Agarwal
Kusumalata Agarwal
Director
DIN:00207534
Place: AHMEDABAD
Date: 31/05/2024

Kusumalata Agarwal
Kusumalata Agarwal
Director
DIN:0000394240
Place: AHMEDABAD
Date: 31/05/2024



Annexure-7

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF PALCO RECYCLE INDUSTRIES LIMITED UNDER SECTION 232(2)(c) OF THE COMPANIES ACT, 2013

The Board of Directors (“Board”) of **Palco Recycle Industries Limited** (“Transferor Company” or “Company”) at its Board meeting held on **28th June 2025** has approved the Scheme of Amalgamation pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, as amended from time to time (“Act”) and other applicable laws between the Company and **Palco Metals Limited** (“Transferee Company”) (the “Scheme”).

This Report as per the provisions of Section 232 of the Act, sets out the effect of the Scheme on the equity shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company and laying out in particular if applicable, the share exchange ratio (specifying any special valuation difficulties).

1. Scheme

Upon the same becoming effective and with effect from the appointed date **1st April 2025**, all the assets and liabilities and entire business of the Transferor Company shall stand transferred to and vested in the Transferee Company. In addition, upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

Further, no shares will be issued to the shareholders of the Transferor Company pursuant to the Scheme, as the said Transferor Company is a wholly-owned subsidiary of the Transferee Company.

2. Effect of the Scheme

(a) Promoter and non-promoter shareholders

(i) Upon this Scheme coming into effect, the equity shareholders of the Transferor Company shall not be entitled to receive the equity shares of the Transferee Company as the Transferor Company is a wholly owned subsidiary of the Transferee Company.

(ii) Upon the Scheme becoming effective and upon amalgamation of the Transferor Company with the Transferee Company, the equity shares of the Transferor Company held by the Transferee Company shall stand cancelled in their entirety.



(iii) Upon amalgamation of the Transferor Company into and with the Transferee Company, the Transferor Company shall stand dissolved without winding up in accordance with the Scheme.

(b) Creditors

No rights of the creditors of the Transferor Company are being affected pursuant to the Scheme. The liability of the Transferee Company towards the creditors of the Transferor Company is neither being reduced nor being varied or extinguished. The creditors of the Transferor Company would in no way be affected by the Scheme.

(c) Employees, Directors and Key Managerial Personnel

Upon the Scheme becoming effective and with effect from the Appointed Date, all employees, who are on the payrolls of the Transferor Company shall become, without any interruption of service as a result of the amalgamation and transfer, employees of the Transferee Company.

Upon the Scheme becoming effective and with effect from the Appointed Date, since the Transferor Company shall stand dissolved, the directors and/or Key Managerial shall cease to be directors and/or Key Managerial of the Transferor Company.

3. Share Exchange Ratio and Valuation difficulties

Upon the Scheme becoming effective, no shares will be issued to the shareholders of the Transferor Company pursuant to the Scheme, as the said Transferor Company is a wholly-owned subsidiary of the Transferee Company. Since pursuant to the Scheme, there will be no issuance of shares from the Transferee Company to Transferor Company, there is no valuation exercise required to be undertaken by the Transferor Company or the Transferee Company to determine the share exchange ratio.



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF PALCO METALS LIMITED UNDER SECTION 232(2)(c) OF THE COMPANIES ACT, 2013

The Board of Directors (“Board”) of **Palco Metals Limited** (“Transferee Company” or “Company”) at its Board meeting held on **30th June, 2025** has approved the Scheme of Amalgamation pursuant to the provisions of Sections 230 and 232 and other applicable provisions of the Companies Act, 2013, as amended from time to time (“Act”) and other applicable laws between **Palco Recycle Industries Limited** (“Transferor Company”) and the Company (the “Scheme”).

This Report as per the provisions of Section 232 of the Act, sets out the effect of the Scheme on the equity shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company and laying out in particular if applicable, the share exchange ratio (specifying any special valuation difficulties).

1. Scheme

Upon the same becoming effective and with effect from the Appointed Date **1st April 2025**, all the assets and liabilities and entire business of the Transferor Company shall stand transferred to and vested in the Transferee Company. In addition, upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

Further, no shares will be issued to the shareholders of the Transferor Company pursuant to the Scheme, as the said Transferor Company is a wholly-owned subsidiary of the Transferee Company.

2. Effect of the Scheme

(a) Promoter and non-promoter shareholders

(i) Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, upon amalgamation of the Transferor Company with the Transferee Company, no shares of the Transferee Company will be issued and allotted by the Transferee Company. Accordingly, there will be no variation in the rights of the promoter and non-promoter shareholders of the Transferee Company upon the Scheme being made effective.

(ii) There will be no change in the shareholding pattern of the Transferee Company upon effectiveness of the Scheme.



(b) Creditors

Upon amalgamation of the Transferor Company with the Transferee Company, no rights of the creditors of the Transferee Company are being affected pursuant to the Scheme. The liability towards the existing creditors of the Transferee Company is neither being reduced nor being varied or extinguished. The creditors of the Transferee Company will in no way be affected by the amalgamation of the Transferor Company with the Transferee Company.

(c) Employees, Directors and Key Managerial Personnel

The Scheme will not have any adverse effect on the rights and interests of the employees, key managerial personnel and directors of the Transferee Company.

3. Share Exchange Ratio and Valuation difficulties

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved on account of merging into the Transferee Company and no shares will be issued to the shareholders of the Transferor Company as the said Transferor Company is a wholly-owned subsidiary of the Transferee Company. Since pursuant to the Scheme, there will be no issuance of shares from the Transferee Company to Transferor Company, there is no valuation exercise required to be undertaken by the Transferee Company or the Transferor Company to determine the share exchange ratio.





Annexure-8

To,
Palco Metals Limited
Ahmedabad.

Sub: Independent Auditor's Certificate on the proposed accounting treatment contained in the Draft Composite Scheme of Arrangement between Palco Metals Limited and Palco Recycle Industries Limited and their respective shareholders under sections 233 read with other applicable provisions of the Companies Act, 2013 and rules framed there under.

1. We, M/s. KPSJ & Associates LLP Chartered Accountants, the Statutory Auditors of Palco Metals Limited (the "Company" or "Transferee Company") have been requested by the Company, having its registered office at the 1715, Saiprasad Industrial Park-II, Besides Ramol Police Station, CTM-Ramol Road, Ramol, Ahmedabad, Gujarat-382449, to certify the proposed accounting treatment specified in clause 12 of Part II of the Draft Scheme of Arrangement between Palco Metals Limited and Palco Recycle Industries Limited and their respective shareholders (herein referred as the "Draft Scheme") under section 233 read with other applicable provisions of the Companies Act, 2013 (the "Act") and rules framed there under, with reference to its compliance with the applicable Indian Accounting Standards notified under Section 133 of the Act, read with the rules made there under and other Generally Accepted Accounting Principles and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under.

2. Management's Responsibility

The responsibility for the preparation of the Draft Scheme and compliance with relevant laws and regulations, including applicable Indian Accounting Standards and other generally accepted accounting principles as aforesaid, is that of the Boards of Directors of the Companies involved in the Draft Scheme.



This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Draft Scheme and applying an appropriate basis of preparation, and making estimates that are reasonable in the circumstances.

3. Auditor's Responsibility

Pursuant to the requirements of the Act, it is our responsibility to examine and provide reasonable assurance whether the proposed accounting treatment specified in clause 12 of Part II of the Draft Scheme, as reproduced in Annexure 1 to the certificate, is in compliance with applicable Indian Accounting Standards notified under Section 133 of the Act read with the rules made there under and other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

4. We conducted our examination of the accounting treatment specified in clause 12 of Part II of the Draft Scheme as reproduced in Annexure 1 to the certificate in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics imbedded by the ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC), Quality Control for Arms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements, issued by ICAI.

6. Opinion

Based on our examination as above, and according to the information and explanations given to us, we report that the proposed accounting treatment in the books of Transferee Company specified in clause 12 of Part II of the Draft



Scheme is in compliance with the applicable Indian Accounting Standards prescribed under Section 133 of the Act read with rules there under. The specified accounting treatment in clause 12 of Part II of the Draft Scheme, duly authenticated on behalf of the Company, is reproduced in Annexure 1 to this Certificate and is initialed by us only for the purposes of Identification.

7. Restriction on Use

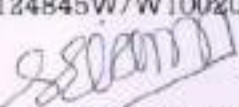
This report is addressed to and provided to the Board of Directors of the Company solely for the purpose given in paragraph 1 above and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Unique Document Identification Number (UDIN) for this document is
25112900BMITBQ4212

Place: Ahmedabad
Date: 24th July, 2023



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


Shriram Ramratan Laddha
Partner
M. No. 112900

Annexure

Clause 12 of Part II of the Draft Composite Scheme of Arrangement between **Palco Metals Limited** ("Transferor Company) and **Palco Recycle Industries Limited**("Transferee Company" or "Company"), In terms of the provisions of Section 233 of the Companies Act, 2013

12 ACCOUNTING TREATMENT

Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferee Company shall account for the amalgamation in its books as per the applicable accounting principles prescribed under Indian Accounting Standard (Ind AS) 103 business combinations prescribed under Section 133 of the Companies Act, 2013 and the Companies (Indian Accounting Standard) Rules, 2015 read together with the clarification on Common Control Accounting issued by the Ind AS Technical Facilitation Group (ITFG). It would inter alia include the following:

- a) All assets, liabilities and reserves of the Transferor Company shall be recorded in the books of account of the Transferee Company as at the Appointed date at their existing carrying amounts as appearing in the consolidated financial statements of the Transferee Company.
- b) The identity of the reserves of the Transferor Company shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Company, prior to this Scheme becoming effective;



- c) The investments in the equity share capital of the Transferor Company as appearing in the books of accounts of the Transferee Company, as on the Effective Date, shall stand cancelled;
- d) Comparative accounting period presented in the financial statements of the Transferee Company shall be restated for the accounting impact of the merger, as if the merger had occurred from the date from which the Transferor Company and the Transferee Company are under common control, in accordance with Appendix C to the Indian Accounting Standard, Ind AS 103, "Business Combinations".
- e) In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference shall be adjusted in capital reserves of the Transferee Company, to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

Signature





To,

Palco Recycle Industries Limited

Ahmedabad.

Sub: Independent Auditor's Certificate on the proposed accounting treatment contained in the Draft Composite Scheme of Arrangement between Palco Metals Limited and Palco Recycle Industries Limited and their respective shareholders under sections 233 read with other applicable provisions of the Companies Act, 2013 and rules framed there under.

1. We, M/s. KPSJ & Associates LLP Chartered Accountants, the Statutory Auditors of Palco Metals Limited (the "Company" or "Transferee Company") have been requested by the Company, having its registered office at the 1715, Saiprasad Industrial Park-II, Besides Ramol Police Station, CTM-Ramol Road, Ramol, Ahmedabad, Ahmedabad, Gujarat-382449, to certify the proposed accounting treatment specified in clause 12 of Part II of the Draft Scheme of Arrangement between Palco Metals Limited and Palco Recycle Industries Limited and their respective shareholders (herein referred as the "Draft Scheme") under section 233 read with other applicable provisions of the Companies Act, 2013 (the "Act") and rules framed there under, with reference to its compliance with the applicable Indian Accounting Standards notified under Section 133 of the Act, read with the rules made there under and other Generally Accepted Accounting Principles and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under.

2. Management's Responsibility

The responsibility for the preparation of the Draft Scheme and compliance with relevant laws and regulations, including applicable Indian Accounting Standards and other generally accepted accounting principles as aforesaid, is that of the Boards of Directors of the Companies involved in the Draft Scheme.



This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Draft Scheme and applying an appropriate basis of preparation, and making estimates that are reasonable in the circumstances.

3. Auditor's Responsibility

Pursuant to the requirements of the Act, it is our responsibility to examine and provide reasonable assurance whether the proposed accounting treatment specified in clause 12 of Part II of the Draft Scheme, as reproduced in Annexure 1 to the certificate, is in compliance with applicable Indian Accounting Standards notified under Section 133 of the Act read with the rules made there under and other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

4. We conducted our examination of the accounting treatment specified in clause 12 of Part II of the Draft Scheme as reproduced in Annexure 1 to the certificate in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics imbedded by the ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC), Quality Control for Arms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements, issued by ICAI.

6. Opinion

Based on our examination as above, and according to the information and explanations given to us, we report that the proposed accounting treatment in the books of Transferee Company specified in clause 12 of Part II of the Draft



Scheme is in compliance with the applicable Indian Accounting Standards prescribed under Section 133 of the Act read with rules there under. The specified accounting treatment in clause 12 of Part II of the Draft Scheme, duly authenticated on behalf of the Company, is reproduced in Annexure 1 to this Certificate and is initialed by us only for the purposes of Identification.

7. Restriction on Use

This report is addressed to and provided to the Board of Directors of the Company solely for the purpose given in paragraph 1 above and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

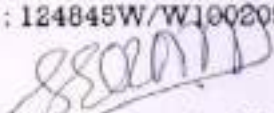
Unique Document Identification Number (UDIN) for this document is
251129008MITDZ7493

Place: Ahmedabad
Date: 28th Nov, 2025



For, K P S J & ASSOCIATES LLP
Chartered Accountants

FRN : 124845W/W100209


Shiram Ramratan Laddha
Partner
M. No. 112900

Annexure

Clause 12 of Part II of the Draft Composite Scheme of Arrangement between **Palco Metals Limited** ("Transferor Company) and **Palco Recycle Industries Limited**("Transferee Company" or "Company"), In terms of the provisions of Section 233 of the Companies Act, 2013

12 ACCOUNTING TREATMENT

Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferee Company shall account for the amalgamation in its books as per the applicable accounting principles prescribed under Indian Accounting Standard (Ind AS) 103 business combinations prescribed under Section 133 of the Companies Act, 2013 and the Companies (Indian Accounting Standard) Rules, 2015 read together with the clarification on Common Control Accounting issued by the Ind AS Technical Facilitation Group (ITFG). It would inter alia include the following:

- a) All assets, liabilities and reserves of the Transferor Company shall be recorded in the books of account of the Transferee Company as at the Appointed date at their existing carrying amounts as appearing in the consolidated financial statements of the Transferee Company.
- b) The identity of the reserves of the Transferor Company shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Company, prior to this Scheme becoming effective;



- c) The investments in the equity share capital of the Transferor Company as appearing in the books of accounts of the Transferee Company, as on the Effective Date, shall stand cancelled;
- d) Comparative accounting period presented in the financial statements of the Transferee Company shall be restated for the accounting impact of the merger, as if the merger had occurred from the date from which the Transferor Company and the Transferee Company are under common control, in accordance with Appendix C to the Indian Accounting Standard, Ind AS 103, "Business Combinations".
- e) In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference shall be adjusted in capital reserves of the Transferee Company, to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

Signature

For, KPSI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
FBN, KASHEE, N. 100709

SHRIRAM R. LADHA
PARTNER
M. N. 112900

