



Palco Metals Limited

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BOARD OF DIRECTORS

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

STATUTORY AUDITORS

Rahul Kakani & Associates
Chartered Accountants,
Ahmedabad.

COMPANY SECRETARY

Mr. Mukesh Tiwari

BANKERS

State Bank of India

REGD. OFFICE

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

LISTING

Bombay Stock Exchange
ISIN : INE239L01013
CIN : L27310GJ1960PLC000998

REGISTRARS & SHARE TRANSFER AGENTS

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



Palco Metals Limited

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Registered Office : Block No 1715, Saiprasad Industrial Park-II , Besides Ramol Police Station, CTM- Ramol Road, Ramol, Ahmedabad-382449. Tele Ph No; 9426078920
CIN : L27310GJ1960PLC000998, **E-mail :** cs@palcometals.com, **Web :** www.palcometals.com.

Notice of 59th AGM of the Company

Notice is hereby given that the Fifty-Ninth Annual General Meeting of the members of the Company will be held on Wednesday, 30th September 2020 at 11:00 AM, at Registered Office of the Company at Block No 1715, Saiprasad Industrial Park-II, Besides Ramol Police Station, CTM- Ramol Road, Ramol, Ahmedabad-382449 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited financial statements [including consolidated financial statements] of the Company for the year ended on March 31, 2020 and the Reports of the Board of Directors and Auditors thereon.

“RESOLVED THAT the Financial Statement comprising of Audited Balance Sheet of the Company as at 31st March 2020, the Cash Flow Statement and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and the Auditors Report and Consolidated Financial Statement comprising of Audited Consolidated Balance Sheet of the Company as at 31st March 2020, the Consolidated Cash Flow Statement and the Consolidated Profit & Loss Account for the year ended on that date together thereon be and are hereby adopted.”

2. To appoint a Director in place of Mr. Narendra Agrawal (DIN: 00580711), who retires by rotation and being eligible offers himself for re-appointment.

“RESOLVED THAT Mr. Narendra Agrawal (DIN: 00580711), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company.”

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

SD/-
Kirankumar Agrawal
Managing Director
DIN: 00395934

Date: 05th September, 2020
Place: Ahmedabad

COVID INSTRUCTIONS :

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

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

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

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

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

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

Notes :

1. The information as prescribed under Regulation 36[3] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 of the Director and Independent seeking reappointment at the ensuing Annual General Meeting is provided at Annexure-1 to this Notice in Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013.
2. The Register of Members and Share Transfer Books shall remain closed from Thursday 24th September, 2020 to Wednesday, 30th September, 2020 [both days inclusive].
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF, ON A POLL ONLY AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as a proxy on behalf of members not exceeding 50 [fifty] and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company, then such proxy shall not act as a proxy for any other person or member. Proxies in order to be effective must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting i.e. by 11:00 AM on Monday, September 28, 2020 Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate authority together with specimen signature, as applicable.

4. Corporate members intending to authorise its representatives to attend the Meeting are requested to submit to the Company at its Registered Office, a certified copy of Board Resolution / authorization document authorising their representative to attend and vote on their behalf at the

Meeting. Members/Proxies/Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.

5. Electronic copy of the Notice of the 59th Annual General Meeting of the Company along with Annual Report, inter-alia, including the Remote e-voting instructions, Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has specifically requested for a hard copy of the same. For members, who have not registered their email address, physical copy of the Notice of the 59th Annual General Meeting of the Company along with Annual Report, inter-alia, including the Remote e-voting instructions, Attendance Slip and Proxy Form is being sent by the permitted mode.
6. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically by mailing to the company at mail id: cs@palcometals.com or in writing to the Share Transfer Agent and registrar of Company.
7. Members, who hold shares in dematerialized form, are requested to bring their Client ID and DP ID Numbers for easy identification of attendance at the meeting. Members are also requested to notify any change in their email ID or bank mandates or address to the company and always quote their Folio Number or DP ID and Client ID Numbers in all correspondence with the company. In respect of holding in electronic form, Members are requested to notify any change of email ID or bank mandates or address to their Depository Participants.
8. The Securities and Exchange of Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their Demat Account. Members holding shares in physical form can submit their PAN details to the Company at mail id: cs@palcometals.com or in writing to the Share Transfer Agent and registrar of Company.
9. Members are requested to intimate immediately the change in their registered address, if any, to their Depository Participants (DPs) in respect of their electronic share accounts and to the Company or Share Transfer Agent, in respect of their physical share folios, if any. In case of mailing address mentioned on this Annual Report is without PINCODE, members are requested to kindly inform their PINCODE immediately.
10. Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection for the members at the Registered Office of the Company on all working days, during normal business hours, upto the date of this Annual General Meeting.
11. The Company's Shares have been activated for dematerialization both with National Securities Depository Ltd. and Central Depository Services (India) Ltd. Those shareholders who wish to hold

shares in electronic form may approach their Depository Participants. The existing ISIN of the Equity Shares of the Company is INE239L01013.

12. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form can file nomination in prescribed Form SH-13 and for cancellation / variation in Nomination in the prescribed Form SH-14 with the Company's RTA.
13. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (LODR) Regulations, 2015 and read with Standard 2 of the Secretarial Standards on General Meetings, a member of the Company holding shares either in physical form or in dematerialized form, may exercise his right to vote by electronic means in respect of the resolution(s) contained in this notice.
14. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting or voting at the AGM. Persons who are not members as on the cut-off date should treat this notice for information purpose only.
15. The Notice will be displayed on the website of the Company www.palcometals.com and on the website of NSDL. The members who have casted their vote by remote e-voting prior to AGM may also attend the AGM, but shall not be entitled to cast their vote again. A route map showing directions to reach the venue of the 59th AGM is given in the Annual Report as per the requirement of the Secretarial Standards-2 on "General Meetings".
16. The Board of Directors has appointed Mr. Punit Lath Company Secretary in Practice and as the Scrutinizer, for conducting the voting / poll and remote e-voting process in a fair and transparent manner. The Scrutinizer shall submit the report after completion of the scrutiny to the Chairman of the Company. Results will be uploaded on the Company's website as well as intimated to the Bombay Stock Exchanges.
17. Members are requested to carefully read the instructions for remote e-voting before casting their vote. The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:

E-VOTING INSTRUCTIONS

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

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

2. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
3. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
4. The remote e-voting period commences on Sunday, September 27, 2020 (09:00 AM) and ends on Tuesday, September 29, 2020 (05:00 PM). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, September 23, 2020 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.
5. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose e-mail IDs are registered with the Company/Depository Participant(s)]:
 - (i) Open email and open PDF file viz.; "Palco Metals remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser and type URL: <https://www.evoting.nsdl.com/>. Press Enter.
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Palco Metals Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to cs@palcometals.com with a copy marked to evoting@nsdl.co.in.

- B. In case a Member receives physical copy of the Notice of Annual General Meeting [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:
 - (i) Initial password is provided under separate communication You may use User ID and Password provided in that communication. Please note that the password is an initial password and you will be asked to change the password when you log-in for the first time.
 - (ii) After that, follow all steps from Sl. No. (ii) to Sl. No. (xii) as given above, to cast vote.
6. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
7. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
8. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
9. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 23, 2020.
10. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e September 23, 2020 may obtain the Login ID and password by sending a request at evoting@nsdl.co.in or cs@palcometals.com.
11. Login to e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through "Forgot Password" option available on the site to reset the same.
12. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
13. Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
14. A member may participate in the Annual General Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the Annual General Meeting.
15. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.
16. Mr. Punit S. Lath, Practicing Company Secretary (Membership No. 26238, C.P. No. 11139) has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
17. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "ballot paper"

for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.

18. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
19. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.palcometals.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.

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

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

Date: 5th September, 2020
Place: Ahmedabad

"ANNEXURE 1" TO NOTICE OF AGM

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND PURSUANT TO REGULATION 36[3] AND 36[5] OF THE SEBI [LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS] REGULATIONS, 2015 :

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

Item No. 2 : To appoint a Director in place of Mr. Narendra Agrawal (DIN: 00580711), who retires by rotation and being eligible offers himself for re-appointment.

"RESOLVED THAT Mr. Narendra Agrawal (DIN: 00580711), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

Details of Director seeking reappointment at the 56th AGM pursuant to Regulation 36[3] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015

Name & DIN of Director	Narendra Agarwal DIN : 00580711
Date of Birth	17/10/1966
Date of Appointment	15/12/2012
Experience	Has 14 years of experience of in construction & development project of Individual Villas & Multi Story Building.
Qualifications	B.Com
Directorship held in other Public Limited Companies	-
Member / Chairman of Committees in other Public Limited Companies	-
No. of Shares held in the company (By HUF)	190000
Inter se Relationship with any Director /KMP Director or KMP	No relationship with any Director on the Board.

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

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

Date: 5th September, 2020
Place: Ahmedabad

DIRECTORS' REPORT

To,
The Members,
Palco Metals Ltd.,
Ahmedabad

Your Directors have pleasure in presenting herewith the 59th Annual Report together with the Audited Statement of Accounts for the year ended on 31st March, 2020.

FINANCIAL RESULTS:

(Rs. In Lacs)

Particulars	Year Ended on 31/03/2020	Year Ended on 31/03/2019
TOTAL INCOME		
Revenue from Operations (Net)	-	-
Other Income	-	-
Total revenue	1473041.00	2650955.00
TOTAL EXPENSES:		
Expenses (Employee Exps)	280363.00	606460.00
Other Exps	1140322.00	1313235.00
Finance Costs	1041.00	871.00
Total Exps	1421726.00	1920766.00
Profit/(Loss) after finance costs but before exceptional Items	51315.00	730389.00
Exceptional Items	-	-
Profit before extraordinary items and tax	51315.00	730389.00
Extraordinary Items	-	-
Profit before Tax	51315.00	730389.00
Tax Expenses	12000.00	200000.00
Net Profit /Loss for the Period	39315.00	530389.00
Earning Per share	0.10	1.13

STATEMENT OF COMPANY'S AFFAIRS :

The Company has not earned any revenue from Operations. Other income from interest stood at Rs. 14.73 Lacs as compared to Rs.26.50 Lacs last year. Further Company has Subsidiary Company Palco Recycle Industries Limited in which Company holds approx. 65% of holding.

The performance of subsidiary is as follows:

(Rs. In Lacs)

Particulars	Year Ended on 31/03/2020	Year Ended on 31/03/2019
TOTAL INCOME		
Revenue from Operations (Net)	615683433.00/-	1115628167.00/-
Other Income	5838408.00/-	436157.00/-
Total revenue	621521841.00/-	1116064324.00/-
Total Exps	617589383.00/-	1121884641.00/-
Profit/(Loss) after finance costs but before exceptional Items	3932458.00/-	(5820317.00)
Profit before Tax	3932458.00/-	(5820317.00)
Tax Expenses (Deffered Tax)	807040.00/-	141349.00/-
Profit After Tax	3125418.00/-	5961666.00/-

DIVIDEND:

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

TRANSFER TO RESERVE:

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

EXTRACT OF ANNUAL RETURN:

Extract of Annual Return of the Company as required under Section 92(3) read with Section 134(3)(a) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, in the prescribed Form MGT-9, is annexed is also placed on the website of the company www.palcometals.com and weblink for the same is <http://palcometals.com/investors/>.

MANAGEMENT DISCUSSION AND ANALYSIS:

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

ACCEPTANCE OF DEPOSITS:

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

SUBSIDIARY, ASSOCIATE OR JOINT VENTURE COMPANY :

The Company has Subsidiary company Palco Recycle Industries Limited within the meaning of 2(87) of the Companies Act, 2013. Palco Recycle Industries Limited has performed stable during the year.

Total Revenue of the PRIL during the year stood at Rs. 61,56,83,433/- as compared to last year of Rs.

111,56,28,167/- Profit (loss) after Tax stood at Rs.31,25,418/- as compared to Rs. (59,61,666)/-.

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

CONSOLIDATED FINANCIAL STATEMENTS :

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

CORPORATE GOVERNANCE :

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

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

DIRECTORS RESPONSIBILITY REPORT :

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

(a) In the preparation of the annual accounts for the year ended 31st March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the year under review;

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

(d) The Directors had prepared the annual accounts for the financial year ended on 31st March, 2020 on a going concern basis;

(e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

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

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

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

STATUTORY AUDITORS :

Section 139(2) of the Companies Act, 2013 (effective 1st April, 2014), mandates that a listed company or such other prescribed class of companies shall not appoint or re-appoint an audit firm as Statutory Auditors for more than two terms of five consecutive years each. In the last AGM company has appointed KPSJ & Associates, Chartered Accountants as Statutory Auditors of the company for 5 five years.

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

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

SECRETARIAL AUDITOR :

Section 204 of the Companies Act, 2013 and Rules made there under inter alia requires every listed company to annex with its Board Report a Secretarial Audit Report given by a Company Secretary in practice in the prescribed form. The Board has appointed Mr. Punit Lath, Practicing Company Secretary, Ahmedabad to conduct Secretarial Audit for the financial year 2019-20. The Secretarial Audit Report for the financial year ended March 31, 2020 is annexed herewith marked as **Annexure-D** to this Report.

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

RELATED PARTY TRANSACTIONS:

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

Details of Related Party Transactions as per AS 18 issued by ICAI are disclosed in Notes to the Standalone Financial Statements for the year ended on 31st March, 2020. Further the transactions entered into by the company are arms length transactions.

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

The requirement of Policy on materiality of related party transactions and dealing with related party transactions as per Regulation 23 SEBI (LODR) Regulations, 2015 is not applicable to company as per the Exemption granted under regulation 15(2) of Listing Regulations. After applicability of regulation 15(2) of Listing Regulations, the related party transactions are dealt in by the company as per the Section 188 of the Companies Act, 2013.

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL & POLICY :

During the year, following changes in Key managerial Personnel or Board of Directors were done in the company.

In the Last AGM Board has reappointed the Independent Directors Mr. Kailashchandra Babul Agrawal (Din 05334077), Shri Nareshchand Jain (Din 00594361), Smt. Rakhi Jitendra Agrawal (Din 07021709) of the company on the Board for Five years. Special Resolution for the same was also passed in the last AGM.

Mr. Narendra Agarwal (DIN: 00580711), Director of the Company, shall retire by rotation at this Annual General Meeting and being eligible, offer himself for re-appointment, for which necessary resolution has been incorporated in the notice of the meeting.

The Board of Directors recommends re-appointment of Mr. Narendra Agarwal (DIN: 00580711) as Director of the Company.

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

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

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

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

BOARD EVALUATION :

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

The performance of the Board and committees were evaluated by the Board on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. None of the independent directors are due for re-appointment.

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

POLICY ON DIRECTORS’ APPOINTMENT AND REMUNERATION :

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

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

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

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

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

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

Details of the Board Meeting and present of Directors thereat are as follows:

(Y=Present , N=Absent, NA= not associated with company as on that date.)

Name of Director	Date of Board Meeting and Presence of Director there at.						Total meeting Attended
	02/04/19	29/05/19	14/08/19	26/08/19	14/11/19	12/02/20	
Kirankumar Agrawal	Y	Y	Y	Y	Y	Y	6
Kanaiyalal Agrawal	Y	Y	Y	Y	Y	Y	6
Narendra Agrawal	N	Y	N	Y	Y	N	3
Kailashchandra Agrawal	Y	Y	Y	Y	Y	Y	6
Nareshchand Jain	N	Y	Y	N	N	Y	3
Rakhi Jitendra Agrawal	Y	N	Y	Y	Y	Y	5

AUDIT COMMITTEE :

During the Year under the 6 (Six) meeting of the audit committee was held complying the requirements under the Companies Act, 2013 and Secretarial Standard. The constitution of committee and date of meeting and presence of Directors there at is as follows:

Name of Director	Date of meeting & presence of Director						Total meeting Attended
	02/04/19	29/05/19	14/08/19	26/08/19	14/11/19	12/02/20	
Kailaschandra Agrawal Chairman Independent Director	Y	Y	Y	Y	Y	Y	4
Nareshchand Jain Member Independent Director	Y	Y	Y	Y	Y	Y	4
Kirankumar Babulal Agrawal Member Non Independent Director	Y	Y	Y	Y	Y	Y	4

NOMINATION AND REMUNERATION COMMITTEE :

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

Name of Director	Date of meeting & presence of Director 01/04/2019
Mr. Kailaschandra Agrawal Member Independent Director	Y
Mr. Nareshchand Jain Chairman Independent Director	Y
Mr. Kirankumar Agrawal Member Non Independent Director	Y

STAKEHOLDERS RELATIONSHIP COMMITTEE

Five (5) Meetings of the Stake Holders Relationship Committee were duly held during the year under review. The constitution of committee and date of meeting and presence of Directors there at is as follows:

Name of Director	Date of meeting & presence of Director					Total meeting Attended
	29/05/19	10/07/19	31/07/19	14/11/19	12/02/20	
Kailaschandra Agrawal Chairman Independent Director	Y	Y	Y	Y	Y	4
Nareshchand Jain Member Independent Director	Y	Y	Y	Y	Y	4
Kirankumar Babulal Agrawal Member Non Independent Director	Y	Y	Y	Y	Y	4

The Annual General meeting of the company was held on 30th September, 2019. Further Meeting of the Independent Directors of the company was held on 12th February, 2020.

RISK MANAGEMENT COMMITTEE

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

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

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

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

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

CORPORATE SOCIAL RESPONSIBILITY:

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

INTERNAL FINANCIAL CONTROLS:

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

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

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

The Secretarial Audit Report for the financial year 2019-20 does not contain any major qualification, reservation or adverse remark. All the qualifications and observations are general and self explanatory in nature.