

# PALCO LIMITED.

(formerly Known as **FORM A** Aluminium Co. Limited)

(Pursuant to Clause 31(a) of Listing Agreement)

No.	Particulars	Details
1	Name of the Company	Palco Limited
2	Annual standalone financial statements for the year ended	31 <sup>st</sup> March 2015
3	Type of Audit observation	<b>Matter of emphasis:</b> Paragraph inserted in the Annexure to Independent Auditor's Report  All the fixed assets of the Company were sold and the company will not be able to continue as a going concern.
4	Frequency of observation	Regular
5	To be signed by: <ul style="list-style-type: none"><li>• Director</li><li>• Audit Committee Chairmen</li><li>• Auditors of the Company</li></ul>	

For PALCO LIMITED

  
DIRECTOR



Flat No: 501, Sri Ramchandra Residency, Kondapur Village, Madhapur Road, Hyderabad - 500 084.

Tel No: (91 40) 23119545, Fax No. (91 40) 23117041.

E-mail: pennaralu@gmail.com www.palcolimited.com

CIN-L27203TG1989PLC010409

# PALCO LIMITED.

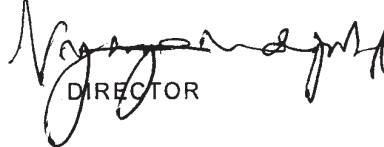
(formerly Known as ~~FORM B~~ Aluminium Co. Limited)

(Clause 31(a) of the Listing Agreement)

Format of covering letter of the Annual Audit Report to be filed with the stock exchanges

S.NO	Particulars	Details
1	Name of the Company	Palco Limited
2	Annual Financial Statements for the year ended	31 <sup>st</sup> March 2015
3	Type of Audit Observation	Auditor's Qualification; During the period under review, there is audit qualification that Company's Financial statements are on a non going basis.
4	Frequency of Observation	Regular
5	Draw attention to relevant note in the annual financial statement and management response to the qualifications in Director's Report	Refer to Board's Reply to The Auditor's Qualification in Director's Report
6	Additional Comments from the Board / Audit Committee Chairmen	As per the Disclosures made in the Annual Report
7	To be signed by <ul style="list-style-type: none"><li>• Director</li><li>• Audit Committee Chairmen</li><li>• Auditor of the Company</li></ul>	

For PALCO LIMITED

  
DIRECTOR



# **PALCO LIMITED**

(FORMERLY KNOWN AS PENNAR ALUMINIUM COMPANY LIMITED)

**25<sup>th</sup> Annual Report**  
**2014-15**

## PALCO LIMITED

### Corporate Information :

**Board of Directors :**

Mr. Vijay Chandra puljal  
Mr.S V Ramchandra Rao  
Mrs Surekha Manepalli

**Statutory Auditor :**

Rambabu & Co  
Chartered Accountants  
31, Pancom Chambers  
6-3-1090/1/A, Rajbhavan Road  
Somajiguda, Hyderabad – 500 082

**Registered Office :**

Flat No.501  
Sri Ramchandra Residency  
Opp.: Sitaramanjanya Swami Temple  
Madhapur Road, Kothaguda  
Kondapur  
Hyderabad – 500 084  
Telangana, INDIA  
CIN : L27203TG1989PLC010409

**Registrar and Share Transfer Agents :**

XL Softech Systems Ltd  
# 3, Sagar Society Road No.2  
Banjara Hills, Hyderabad – 500 034  
Ph: 040-2354 5913, 23553214

**Secretarial Auditor :**

Mr. S Chidambaram  
Company Secretary in Practice  
Flat No.4A, Sampathji Apartments  
6-3-85510/A, Saddat Manzil, Ameerpet  
Hyderabad – 500 016

**Across the pages**

Notices of Annual General Meeting	3 - 9
Directors' Report	10 - 14
Management Discussion and Analysis Report	15 - 23
Particulars Of Employees	24 - 24
Secretarial Audit Report	25 - 26
Compliance Report on Corporate Governance	27 - 34
Clause 49(IX) of the Listing Agreement	35 - 35
Auditors Report	36 - 39
Financial Statements	
Balance Sheet	40 - 40
Profit and Loss Account	41 - 41
Cash Flow Statement	42 - 42
Notes forming part of the Financial Statements	43 - 49
Route Map to AGM Venue	50 - 50
Attendance Slip	51 - 51
Proxy Form	52 - 52
Update of Shareholder Information	54 - 54

## PALCO LIMITED

### NOTICE

Notice is hereby given that the 25<sup>th</sup> Annual General Meeting of the Shareholders of the Company will be held on Wednesday the 30<sup>th</sup> Day of September, 2015 at Flat No. 501, Sri Ramchandra Residency, Madhapur Road, Kothaguda, Kondapur, Hyderabad – 500084 at 11.00 AM to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited statement of Profit and Loss Account for the financial year ended on 31 March 2015 and balance sheet as at that date and the reports of the board of directors and auditors thereon.
2. To appoint a Director in the place of Mr.Vijay Chandra Puljal (DIN 00090286) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** subject to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Suryanarayana & Suresh, Chartered Accountants, ICAI Registration No. 006631S) be and are hereby appointed as Auditors of the Company for the period of Five years to hold office from the conclusion of this Annual General Meeting upto the conclusion of the 2020 Annual General Meeting in place of the retiring Auditors, M/s. Rambabu & Co., Chartered Accountants (ICAI Registration No. 002976S). M/s. Suryanarayana & Suresh, Chartered Accountants, ICAI Registration No. 006631S) to audit the accounts of the Company for the financial year 2016-20 at a remuneration to be fixed by the Board of Directors on the recommendation of the Audit Committee of Directors.”

#### SPECIAL BUSINESS

4. To confirm the appointment of Ms. Surekha Manepalli (DIN: 07138689) as Director who was appointed as Additional Director and in this regard to consider and if thought fit, to pass, with or without modifications, the following resolution as Ordinary Resolution:

“**RESOLVED THAT** Pursuant to the provisions of Section 149, 161 of the Companies Act, 2013 and the Rules made there under and subject to the Articles of Association of the Company, Ms. Surekha Manepalli, who was appointed as an Additional Non-Executive Independent Director by the Board of Directors with effect from 27.03.2015 and who holds office until the date of the ensuing Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Ms. Surekha Manepalli as a candidate for the office of a director of the Company, be and is hereby appointed as a director of the Company for the period of five years not liable to retire by rotation

**By Order of the Board  
for PALCO LIMITED**

**Place : Hyderabad  
Date : 12.08.2015**

**Vijay Chandra Puljal  
Director(DIN : 00090286)**

## PALCO LIMITED

### NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member.
2. Proxies to be effective must be received by the Company not less than 48 hours before the meeting.
3. Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other member.
4. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September, 2015 to 30th September, 2015, both days inclusive.
6. Members / Proxies are requested to bring to the meeting their copies of the Annual Report and the Attendance Slip duly filled in for attending the meeting.
7. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto.
8. Members desirous of obtaining any information concerning the Accounts and Operations of the Company are requested to send their queries to the Company at least seven days before the date of the meeting so that the information required by them may be made available at the meeting.
9. Shareholders are requested to intimate immediately any change in the address registered with the Company. Members holding shares in dematerialized form are requested to notify any change in address to their respective Depository Participants (DPs).
10. Trading in the equity shares of the Company is compulsorily in dematerialized form for all investors. The ISIN (International Securities Identification Number) allotted to the Company's equity shares is INE057C01018.
11. In compliance of the SEBI circular no. MRD/DOP/ Cir-05/2009 dated May 20, 2009, the shareholders/ transferees (including joint holders) holding shares in physical form are requested to furnish a certified copy of their PAN Card to the Company / RTA while transacting in the securities market including transfer, transmission or any other corporate action.
12. Members are requested to send all communications relating to shares to the Company's Share Transfer Agents (Physical and Depository) at the following address:  
  
XL Softech Systems Limited,  
Plot No. 3, Sagar Society,  
Road No. 2, Banjara Hills, Hyderabad - 500034.  
Ph: 040-2354 5913, 2355 3214
13. The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by Companies and has issued Circular on April 21, 2011 stating that the service of documents can be made through electronic mode. In view of the circular issued by MCA, the Company proposes to deliver documents like the Notice calling the Annual General Meeting/Audited Annual Accounts/Report of the Auditors/Report of the Directors

## PALCO LIMITED

etc, in electronic form to email address provided by the shareholders and made available by the Depositories. The Company shall send hard copies of full annual reports to those shareholders, who request for the same.

14. Shareholders are requested to furnish their e-mail addresses to enable the Company to forward all the requisite information in electronic mode. In case of shareholders holding shares in demat form, the email addresses of the shareholders registered with the DP and made available to the Company shall be the registered email ID unless communication is received to the contrary.
15. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / XL Softech Systems Ltd.
16. Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company to be held on 30th September, 2015 are provided in Annexure of this Notice.
17. The remote e-voting period commences vide EVSN No. 150829037 on 26th September, 2015 at 9.00 A.M and ends on 29th September, 2015 at 5.00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form as on cut -off date of 23<sup>rd</sup> September, 2015 may cast their vote electronically. The CDSL will disable E voting facility after the expiry of remote e-voting period. Once the vote on resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
18. The voting rights of the shareholders shall be in proportion to their shares of the paid-up share capital of the Company as on the cut-off date.
19. The instructions for shareholders voting electronically are as under:
  - (i) The voting period begins on <26<sup>th</sup> September, 2015 at 9.00 A.M > and ends on <29<sup>th</sup> September, 2015 at 5.00 P.M>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <23<sup>rd</sup> September, 2015> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iv) Click on Shareholders.
  - (v) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (vi) Next enter the Image Verification as displayed and Click on Login.
  - (vii) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.
  - (viii) If you are a first time user follow the steps given below:

## PALCO LIMITED

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <PALCO LIMITED> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



## PALCO LIMITED

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

20. As per the above instructions, any shareholder as on cut-off date that is 23<sup>rd</sup> September, 2015, who require sequence number may please contact the company by sending an email to [pennaralu@gmail.com](mailto:pennaralu@gmail.com) or our Registrar and Transfer Agents XL Softech Systems Limited by sending an email to [xfield@gmail.com](mailto:xfield@gmail.com) on 24<sup>th</sup> September, 2015 and 25<sup>th</sup> September, 2015.
21. A member may participate in the AGM even after exercising his/her right to vote through remote e-voting, but shall not be allowed to vote again at the AGM.
22. Mr. S Chidambaram, Practicing Company Secretary, Hyderabad has been appointed as the scrutinizer to scrutinize the E-voting process in a fair and transparent manner.
23. The Chairman shall, at the AGM, 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 AGM but have not cast their votes by availing the remote e-voting facility.
24. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, 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 make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
25. Shareholders are requested to opt for NECS (National Electronic Clearance Service) for receipt of dividend. Shareholders may please update their bank account details with their Depository Participants for receiving the dividend in a hassle free manner. Opting for NECS is cost effective and also saves time.

## **PALCO LIMITED**

### **Explanatory Statement [Pursuant to Section 102(1) of the Companies Act, 2013]**

#### **Item #4 Appointment of Ms. Surekha Manepalli as an Independent Director**

The Board has appointed Ms Surekha Manepalli as an Additional Non-Executive Independent Director of the Company by circular resolution passed on 27<sup>th</sup> March 2015 with effect from 27<sup>th</sup> March, 2015, pursuant to Section 161 of the Companies Act, 2013.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Ms. Surekha Manepalli will hold office up to the date of the ensuing Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Ms. Surekha Manepalli for the office of director.

The Company has received from Ms. Surekha Manepalli

- (i) Consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014,
- (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and
- (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Ms. Surekha Manepalli as an Independent Director of the Company for the period of 5 years pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made there under. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Ms. Surekha Manepalli the Independent Director proposed to be appointed fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. A copy of the letter for the appointment of Mr. Surekha Manepalli as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the Annual General Meeting.

The Nomination and Remuneration Committee recommended the appointment to the Board. The Board recommends the resolution set out at item no. 4 of the notice for your approval. No director, key managerial personnel or their relatives, except Ms. Surekha Manepalli, to whom the resolution relates, is interested or concerned in the resolution.

**By Order of the Board  
for PALCO LIMITED**

**Place : Hyderabad  
Date : 12.08.2015**

**Vijay Chandra Puljal  
Director(DIN : 00090286)**

## PALCO LIMITED

### Information required to be furnished as per Clause 49 of the Listing Agreement

As required under the Listing Agreement, the particulars of Directors who are proposed to be appointed/re-appointed are given below;

Particulars	Shri. Vijay Chandra Puljal	Surekha Manepalli
Date of Birth	01.03.1951	19.07.1954
Date of Appointment	22.09.2005	27.03.2015
Qualification	Ag.Msc	B.A
Expertise	Industrial Relations and personnel Management	Has a vast experience in the area of Interior Designing.
List of Companies in which outside directorship held	02	NIL
Chairman/member of the committee of other companies on which he is Director	NIL	NIL
No. of Shares held by them in the Company	676671	NIL

## PALCO LIMITED

### DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 25th Annual Report together with the audited Accounts of the Company for the financial year ended 31st March, 2015 and the Auditors Report thereon.

1. **Financial Results:** The financial results of the Company for the year ended 31<sup>st</sup> March 2015 are summarized below:

<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>
Net Income & other income	NIL	NIL
Operating Expenditure	13.72	8.34
Operating Profit (PBDIT)	NIL	NIL
Interest & Depreciation	NIL	NIL
Provision for Taxes (Current and deferred)	NIL	NIL
Profit / (loss) after Tax (PAT)	(13.72)	(8.34)

The Company is not in operations since 2005, as the assets of the Company had been taken over by Asset Reconstruction Company (India) Limited (ARCIL) under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. Since then, the company is not operating and also the company does not have any employees and assets. The company also does not have any executive directors.

2. **Dividend, Fixed Deposits and General Reserves:**

The company has not declared any dividend nor invited / accepted deposits from the public and there are No General Reserves with the Company as there were no operations in the company.

3. **Extract of the Annual Return as per 92(3), Rule 12 in form MGT 9 – 134(3)(a): Annexed to the Report as “Annexure – A”**

4. **Number of Meetings of the Board: During the year ended 2014-15, the Board of Directors met Four times viz. on 13 May, 2014; 11 Aug, 2014; 08 November 2014 and 11 February, 2015.**

5. **Directors Responsibility Statement:**

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'non-going concern' basis;

## PALCO LIMITED

- e) The directors have prepared the accounts for the financial year ended 31st March, 2015 on a 'non going concern' basis.

**6. Statement on the declaration given by the independent directors as per 149(6):**

Whenever Independent Director is appointed, a Declaration is given by the Independent Director who are been so appointed in the Company

**7. Company's Policy on Directors' Appointment & Remuneration, including the criteria for determining Qualifications, Positive Attributes, Independence of the Directors and others as per 178(3) :**

Nomination and Remuneration Committee looks after the criteria for determining Qualifications, Positive Attributes, and Independence of the Directors and others as per 178(3)

**8. Explanation/ comments by the Board on every Qualifications, Reservations, Adverse Remarks or Disclaimers made by the Statutory Auditors & the Practicing Company Secretary in their Reports:**

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

**9. Particulars of the Loans, Guarantees, Security or Investments and the purpose for which the Loan, Guarantee or Security is proposed to be utilized by the recipient as per 186:**

The Company has not given any loan, guarantee nor made investment covered under the provisions of section 186 of the Companies Act, 2013.

**10. Particulars of Contracts or Arrangements with the Related Parties along with the justification for entering into such transactions as per 188(1) – 134(3)(h)& Rule 8(2):**

Since there are no operations there are no contract and arrangement with related parties.

**11. Material changes & commitments, if any affecting the financial position of the company, occurred between the end of the financial year to which this financial statements relate and the date of the Report:**

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

**12. Conservation of energy, technology absorption, Research & Development and foreign exchange earnings and outgo:**

The Company had no operations, during the year and therefore power and fuel consumptions are NIL.

**13. Development and implementation of a Risk Management Policy, including the identification therein of the elements of risk, which in the opinion of the Board may threaten the existence of the Company:**

The Company do not have any operations and there are no assets in the Company. However, appropriate measures have been taken to minimise the risk to the Company.

## PALCO LIMITED

**14. Details of the policy developed and implemented on the CSR and the initiatives taken, Composition of CSR Committee:**

During the Financial Year 2014-15 Company was not required to spend on CSR Activities, as there are no operations. Therefore company do not fall under any of the category as specified under section 135(1) of the Companies Act, 2013 read with Rules made there under

**15. Performance & Financial Position of the Subsidiaries/ JVs/ Associate Companies:**

There are no Subsidiary Companies nor is the Company subsidiary to any company

**16. Change in the nature of business, if any:**

There is no business in the Company.

**17. Appointment:**

Mr. Vijay Chandra Puljal who retires by rotation and being eligible offer himself for re-appointment. Your Board recommends his appointment.

The Board of Directors appointed Ms. Surekha Manepalli as Additional Independent Director of the Company at its meeting held on 27th March, 2015. Her appointment has to be ratified by the Members at the ensuing Annual General Meeting. Your Board recommends her appointment.

Pursuant to the provisions of Clause 49 of the Listing Agreement, brief particulars of the directors who are proposed to be appointed/re-appointed are provided as an annexure to the notice convening the Annual General Meeting.

The Company has received declarations from the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

**Resignation:**

Mr. Shri. A Krishna Rao, non-executive independent director of the company resigned from the office of Directorship on 29th January, 2015 and the same was taken note by the board of directors at its meeting held 11th February, 2015. Your board places on record their appreciation for the contribution made by him during his tenure as director.

**18. Names of the Companies which have ceased to be Subsidiaries/ JVs/ Associates: Nil**

**19. Details of the Deposits as per the Chapter V: The Company has not accepted any deposits under the provisions of the Companies Act, 2013.**

**20. Details of the Deposits not in compliance of requirements of Chapter V of the Act: NIL**

**21. Details of the Significant & Material orders passed by the Regulators/ Courts/ Tribunals impacting the going concern status of Company's operations in future:**

There are no such significant and material orders passed by the regulators/ Courts/tribunals impacting the companies operations. However, the Company is not operating and is non going concern company.

**22. Details in respect of the adequacy of Internal Financial Controls with reference to the Financial Statements – Rule 8(5)(viii):** The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

## PALCO LIMITED

- 23. Disclosure regarding receipt of commission by a director from the holding or subsidiary of a company, in which such person is a managing or whole-time director:** None of the Directors have received any commission from any Holding or Subsidiary (The company does not have holding or subsidiary Company)
- 24. Manner of formal annual evaluation of own performance of the board, committees and individual directors:** The Company has made the annual evaluation on the performance of the Board, Committees and Individual Directors.
- 25. Corporate Governance:**  
The Company is committed to maintain the highest standard of corporate governance and adhere to the corporate governance requirements set out by Securities Exchange Board of India. The Report on corporate governance as stipulated under the Listing Agreement forms an integral part of this report.  
The requisite certificate from the Statutory Auditors of the Company confirming compliance with the conditions of corporate governance is enclosed as Annexure-B
- 26. Nomination and Remuneration Policy:**  
The Company has Nomination and Remuneration Committee. The Company is not paying any remuneration to the Directors. No sitting fee is paid to directors for attending the Meetings.
- 27. Vigil Mechanism/Whistle Blower Policy:**  
Pursuant to Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, the Company has established a Whistle Blower Policy to deal with instance of fraud and mismanagement, if any.
- 28. Audit Committee:**  
The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.
- 29. Stakeholders Relationship Committee:**  
A. Committee of the Board, designated as stakeholders relationship committee to specifically look into the redressal of Shareholder/investor complaints and to strengthen investors relations. The compositions of the Committee are included in the corporate Governance Report forming part of this report.
- 30. Cost Auditors:**  
  
The company is unable to continue its business as a going concern because the total assets of the company have been taken over by ARCIL. The Company is not doing any business, since there is no cost audit to the Company.
- 31. Statutory Auditors:**  
M/s Rambabu & Co., Chartered Accountants, have been the statutory auditors of the Company for a period more than 10 years and also they have informed the Board that they could not continue to act as Statutory Auditors for the company and have tendered their resignation to the Company. Due to the Casual Vacancy occurred due to the resignation of the existing Auditors of the Company the Board recommend and proposed that M/s Suryanarayana & Suresh, Chartered Accountants, be appointed as statutory auditors of the Company for the financial year 2005-16 to 2019-20 for a period of five years. The notice convening the 25th AGM contains the said resolution.  
  
The Board places on record its appreciation of the services rendered by M/s Rambabu & Co.,
- 32. Internal auditors:**  
Though the Appointment of Internal Auditor is not applicable to the company, The Internal Auditors M/s. Nagendra & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and are eligible for reappointment for the financial year 2015-16.

## PALCO LIMITED

### 33. Secretarial Auditor:

The Board has appointed Ms. S.Chidambaram, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended 31st March, 2015 is annexed herewith as Annexure - E. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### 34. Explanation/ comments by the Board on every Qualifications, Reservations, Adverse Remarks or Disclaimers made by the Statutory Auditors & the Practising Company Secretary in their Reports:

Boards reply to the Auditors Qualifications;

The Company is unable to continue its business as a going concern because the total assets of the company have been taken over by ARCIL and sold.

Company Secretary in their Report have raised few qualifications and the following are the measures we have taken for such qualifications

1. The Company is not in operation and not in a position to appoint Key managerial persons in the company as required under section 203 of the Companies Act, 2013 and rules made there under.

### 35. Board of Directors and Key Managerial Personnel:

None of the directors of the company are disqualified under the provisions of the Act or under the Listing Agreement with the Stock Exchanges

### 36. Particulars of Employees and related disclosures

There are no employees whose details are required to be given under Section 197 of the Companies Act, 2013.

### 37. Management Discussion and Analysis:

The Company had no operations during the year, as the assets of the Company had been taken over by Asset Reconstruction Company (India) Limited (ARCIL) under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and hence the Board could not discuss and analyze the following:

1. Industry Structure and Development
2. Opportunities and Threats
3. Future Outlook
4. Risks and concerns
5. Internal Control Systems and their adequacy
6. Material Developments in Human Resources / Industrial Relations Front,  
Including number of people employed:
7. Discussion on financial performance with respect to operational performance:

### Appreciation:

Your Directors express their gratitude to the shareholders and debenture holders.

By Order of the Board  
for PALCO LIMITED

Place : Hyderabad  
Date : 12.08.2015

Vijay Chandra Puljal  
Director(DIN : 00090286)



**Form No. MGT-9  
Extract of Annual Return**

as on the financial year ended on 31st March, 2015  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and  
Administration) Rules, 2014]

**I. Registration and other details:**

i.	CIN	L27203TG1989PLC010409
ii.	Registration Date	01/09/1989
iii.	Name of the Company	PALCO LIMITED
iv.	Category / Sub-Category of the Company	Public Limited Company/Company Limited by Shares
v.	Address of the Registered office and contact details	Flat No. 501, Sri Ramchandra Residency, Madhapur Road, Kothaguda, Kondapur, Hyderabad, Telangana- 500084
vi.	Whether listed company (Yes/No)	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	XL Softech Systems Limited 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad – 500 084

**II. Principal business activities of the company:**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	NA	NA	NA

**III. Particulars of holding, subsidiary and associate companies:**

Sl. No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
-NIL-					

**IV.SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	217796		217796	0.37	676671	-	676671	1.15	0.78
b)Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-

**PALCO LIMITED**

d) bodies corp.	279314	-	279314	0.47	-	-	-	-	(0.47)
e) any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>		<b>497110</b>	<b>497110</b>	<b>0.85</b>	676671	-	676671	<b>1.15</b>	<b>0.30</b>
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	-	-	-	-	-	-	-	-	-
Total shareholding of promoters (A)= (A)(1)+(A)(2)		<b>497110</b>	<b>497110</b>	<b>0.85</b>	676671	-	676671	<b>1.15</b>	<b>0.30</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	111400	111400	0.19	-	111400	111400	0.19	NIL-
b) Banks / FI	507150	128300	635450	1.08	507150	128300	635450	1.08	NIL-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>507150</b>	<b>239700</b>	<b>746850</b>	<b>1.27</b>	<b>507150</b>	<b>239700</b>	<b>746850</b>	<b>1.27</b>	<b>NIL</b>
<b>2. Non- Institutions</b>									
a) Bodies Corp.	3246482	288700	3535182	6.02	2981550	288700	3270250	5.57	(0.45)
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	28863862	5100676	33964538	57.83	28445515	5080176	33525691	57.08	(0.75)

## PALCO LIMITED

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	18528175	427800	18955975	32.28	19097959	427800	19525759	33.25	0.97
c) Others -Nri,s -Bodies Clearingmem	570545	460800	1031345	1.76	527179	458600	985779	1.68	(0.08)
<b>Sub-total (B)(2):-</b>	51209064	<b>6277976</b>	<b>57487040</b>	<b>97.88</b>	<b>51052203</b>	<b>6255276</b>	<b>57307479</b>	<b>97.58</b>	<b>(0.30)</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)	51716214	6517676	58233890	99.15	51559353	6494976	58054329	98.85	(0.30)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>52213324</b>	<b>6517676</b>	<b>58731000</b>	<b>100</b>	<b>52212024</b>	<b>6518976</b>	<b>58731000</b>	<b>100</b>	

### (ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Vijay Chandra Puljal	217796	0.37	-	676671	1.15	-	0.78

### (iii) Change in Promoters' Shareholding (ple ase specify, if there is no change): No change in promoters' shareholding during financial year 2014-15

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. Of shares	% of total shares of the company	No. Of shares	% of total shares of the company
<b>A)</b>	<b>Vijay Chandra Puljal</b>				
1	At the beginning of the year	217,796	0.37	217,796	0.37
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
	- Buy on 30.12.2014	1,79,561	0.30	3,97,357	0.67
	- Buy on 27.03.2015	2,79,314	0.48	6,76,671	1.15
3	At the End of the year	676671	1.15	676671	1.15

## PALCO LIMITED

### (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>A)</b>	<b>HITESH RAMJI JAVERI</b>				
1	At the beginning of the year	600,000	1.02	600,000	1.02
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year	600,000	1.02	600,000	1.02
<b>B)</b>	<b>LIFE INSURANCE CORPORATION OF INDIA</b>				
1	At the beginning of the year	500,000	0.85	500,000	0.85
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year	500,000	0.85	500,000	0.85
<b>C)</b>	<b>ARIHANT CAPITAL MKT. LTD</b>				
1	At the beginning of the year	432,569	0.73	432,569	0.73
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year	432,569	0.73	432,569	0.73

**PALCO LIMITED**

<b>D)</b>	<b>JAINAM SHARE CONSULTANTS PVT.</b>				
1	At the beginning of the year	193,246	0.32	193,246	0.32
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year	193,246	0.32	193,246	0.32
<b>E)</b>	<b>EAST INDIA SECURITIES LTD.</b>				
1	At the beginning of the year	148,358	0.25	148,358	0.25
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year	148,358	0.25	148,358	0.25
<b>F)</b>	<b>SHRI PARASRAM HOLDINGS PVT.LTD</b>				
1	At the beginning of the year	133,335	0.22	133,335	0.22
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year	133,335	0.22	133,335	0.22
<b>G)</b>	<b>BONANZA PORTFOLIO LTD</b>				
1	At the beginning of the year	107,522	0.18	107,522	0.18
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				

## PALCO LIMITED

3	At the End of the year	107,522	0.18	107,522	0.18
<b>H)</b>	<b>ATLANTA SHARE SHOPEE LIMITED</b>				
1	At the beginning of the year	100,000	0.17	100,000	0.17
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year	100,000	0.17	100,000	0.17
<b>I)</b>	<b>B. LODHA SECURITIES LIMITED</b>				
1	At the beginning of the year	75,174	0.12	75,174	0.12
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year	75,174	0.12	75,174	0.12
<b>J)</b>	<b>LSE SECURITIES LTD.</b>				
1	At the beginning of the year	56,713	0.10	56,713	0.10
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year	56,713	0.10	56,713	0.10

## PALCO LIMITED

### (v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>A)</b>	<b>Vijay Chandra Puljal</b>				
1	At the beginning of the year	217,796	0.37	217,796	0.37
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
	- Buy on 30.12.2014	1,79,561	0.30	3,97,357	0.67
	- Buy on 27.03.2015	2,79,314	0.48	6,76,671	1.15
3	At the End of the year	676671	1.15	676671	1.15

### V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL
<b>Change in Indebtedness during the financial year</b>				
• Addition	NIL	NIL	NIL	NIL
• Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>	NIL	NIL	NIL	NIL
<b>Indebtedness at the end of the financial year</b>	NIL	NIL	NIL	NIL
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL

## PALCO LIMITED

### VI. Remuneration of directors and key managerial personnel

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Incometax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL	NIL
	Ceiling as per the Act	NIL	NIL	NIL	NIL

#### B. Remuneration to other directors: NIL

Sl. no.	Particulars of Remuneration	Name of Director				Total Amount
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	Nil	Nil	Nil	Nil	<i>Nil</i>
	<b>Total (1)</b>	Nil	Nil	Nil	Nil	<i>Nil</i>
2.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	Nil	Nil	Nil	Nil	<i>Nil</i>
	<b>Total (2)</b>	Nil	Nil	Nil	Nil	<i>Nil</i>
	Total (B)=(1+2)	Nil	Nil	Nil	Nil	<i>Nil</i>
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					



## PALCO LIMITED

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary	NIL	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	<b>Total</b>	NIL	NIL	NIL	NIL

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty					
Punishment			-NIL -		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			-NIL-		
Compounding					

## PALCO LIMITED

### PARTICULARS OF EMPLOYEES

(a) The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Sl No.	Name of the Director	Designation	Remuneration paid in 2014-15	Remuneration paid in 2013-14	Increase in remuneration from previous year	Ratio/median of employee remuneration (2014-15)
1.	Mr. Vijay Chandra Puljal	Director	NIL	NIL	NIL	NIL
2.	Mr. Satyavada Venkata Ramachandra Rao	Director	NIL	NIL	NIL	NIL
3.	Mrs Surekha Manepalli	Independent Director	NIL	NIL	NIL	NIL
4.	Mr. Krishna Rao Ati	Director	NIL	NIL	NIL	NIL

\* Mrs Surekha Manepalli was appointed as Additional Director on 27.03.2015

\* Mr. Krishna Rao Ati Resigned as Director on 30.05.2015

# None of the Directors are taking Remuneration nor any Sitting Fees

(ii) The percentage increase in the median remuneration of employees in the financial year: There was no Remuneration paid during the Financial Year 2014-15.

(iii) The number of permanent employees on the rolls of company: There are no employees in the Company.

(iv) The explanation on the relationship between average increase in remuneration and company performance: As Company is not doing any Business; there are no Profits to pay Remuneration to Directors.

(v) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company: There is no Key Managerial Personnel in the Company.

(vi) Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year: There is no activity in the company from past 10 years.

(vii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: (a) The average annual increase for the Financial Year 2014-15 in salaries of employees was NIL (b) The increase in managerial remuneration for the Financial Year 2014-15 was NIL.

(viii) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company: There are no key Managerial Personnel in the Company.

(ix) The key parameters for any variable component of remuneration availed by the directors: The Company is not paying Remuneration to their Directors.

(x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None.

(xi) Affirmation that the remuneration is as per the remuneration policy of the company: None of the Directors are taking Remuneration.

(a) Statement under Section 134 of the Companies Act 2013 read with Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) Employed throughout the Financial Year and in receipt of remuneration aggregating Rs. 60,00,000 or more: Nil

(ii) Employed for part of the financial year and in receipt of remuneration aggregating Rs. 5,00,000 per month or more: - Nil

## **PALCO LIMITED**

### **SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
PALCO LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PALCO LIMITED. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided and declarations made by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

## PALCO LIMITED

As per the information available and explanation provided by the Company management. **The Company is not in operations and do not have any employee in the Company hence no other acts specifically applicable to the Company.**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

1. The Company don't have Managing Director, whole time Director or manager and Chief Financial Officer and Company secretary as Key managerial Personal as required under section 204 of Companies Act, 2013.

Place: Hyderabad  
Date: 12.08.2015

Signature:  
S. Chidambaram  
Practicing Company Secretary:  
FCS No. 3935  
C P No: 2286

## PALCO LIMITED

### Compliance report on Corporate Governance

In accordance with Clause 49 of the Listing Agreement with the BSE Limited (BSE), the report containing the details of Corporate Governance systems and processes at PALCO LIMITED is as follows:

At PALCO LIMITED, Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximising stakeholders' value, be it shareholders, employees, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all.

#### 1. Company's philosophy on Code of Corporate Governance:

The Company is committed to ethical values and self-discipline through standards of good governance with transparency, efficiency, efficacy, full disclosure in its dealings and appropriate checks and balances directed at sustaining shareholders' interests and overall organisational goals.

#### 2. Board of Directors:

##### (a) Composition and Category of Directors as of 31<sup>st</sup> March, 2015 is as follows:

Category	No. of Directors
Non-Executive Directors	1
Non-Executive Independent Directors	2
<b>Total</b>	<b>03</b>

##### (a) Number of Board meetings held during the financial year and the dates of the Board meetings:

The Board of Directors duly met 4 times during the financial year from 1st April, 2014 to 31st March, 2015. The dates on which the meetings were held are as follows:

13<sup>th</sup> May, 2014; 11<sup>th</sup> August, 2014; 08<sup>th</sup> November, 2014; and 11<sup>th</sup> February, 2015.

##### (b) Attendance of each Director at Board meetings and the last Annual General Meeting:

Sl. No	Name of the Director	Category of Directorship	Number of Board meeting held during his Directorship	Number of Board meetings attended	Attendance at the last AGM held on September 30, 2014
1.	Shri.VijayChandra Puljal	Non-Executive Director	4	4	Yes
2.	Shri. A Krishna Rao \$	Independent Non-Executive Director	4	1	No
3.	Shri.S.V.Ramachandra Rao	Independent Non-Executive Director	4	4	Yes
4.	Smt. Surekha Manepalli*	Independent Non-Executive Director	NIL	NIL	NA

## PALCO LIMITED

The Board taken on record the following:-

\$ Resignation of A Krishna Rao on 30th May 2015 &

\*Appointment of Ms. Surekha Manepalli on 27th March, 2015.

**(d) Number of other Boards/Board Committees each Director (being a Director of the Company as at the end of the financial year) is a Director/Chairman:**

Sl. No	Name of the Director	Number of other Companies in which director		Number of Committee memberships held in other Companies	
		Chairman	Director	Chairman	Member
1.	Shri. Vijay Chandra Puljal	-	2	-	-
2.	Shri. S V Ramachandra Rao	2	6	-	1
3.	Smt. Surekha Manepalli*	-	-	-	-
4.	Shri. A Krishna Rao\$	-	-	-	-

The Board taken on record the following:-

\$ Resignation of Shri. A Krishna Rao on 30th May 2015

\*Appointment of Ms. Surekha Manepalli on 27th March, 2015.

### 3. Independent Directors:

The Company has complied with the definition of Independence as per Clause 49 of the Listing Agreement and according to the Provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

### 4. Audit Committee

#### a) Brief description of the terms of reference

The terms of reference of the Audit Committee are comprehensive and cover the matters specified for Audit Committees under the Listing Agreements with stock exchanges. The Committee provides the Board with additional assurance as to the adequacy of Company's internal control systems and financial disclosures.

#### b) Composition, name of members and chairperson

The Committee comprises

1. Mr. Vijay Chandra Puljal - Chairman (Non-Executive Director)
2. Mr. S V Ramachandra Rao - Member (Independent Non-Executive Director)
3. Mr. A Krishna Rao - Member (Independent Non-Executive Director)

#### c) Meetings and attendance during the year

During the year under review, the Committee met four times on 13<sup>th</sup> May, 2014; 11<sup>th</sup> August, 2014; 08<sup>th</sup> November, 2014; and 11<sup>th</sup> February, 2015.

The details of attendance are given below:

Sl. No	Name of the member	Number of meetings held	Number of meetings attended
1	Shri. Vijay Chandra Puljal	4	4
2	Shri. A Krishna Rao	4	1
3	Shri. S V Ramachandra Rao	4	4

Statutory Auditors were invited to attend the Audit Committee Meeting

## PALCO LIMITED

### 5. Nomination and Remuneration Committee

The Company has a Nomination and Remuneration Committee. The Company is not paying any remuneration to the Directors. No sitting fee is paid to directors for attending the Meetings.

- a) Details of number of shares held by the Non-Executive/Independent Directors as on March 31, 2015

Name of the Director	Designation	No. of shares held
Shri. Vijay Chandra Puljal	Non-Executive Director	6,76,671
Smt.Surekha Manepalli	Independent Non-Executive Director	-
Shri. S V Ramachandra Rao	Independent Non-Executive Director	-
Shri. A Krishna Rao	Independent Non-Executive Director	-

### 6. Shareholders'/Investors' Grievances Committee

- A Committee of the Board, designated as 'Shareholder's/Investor's Grievances Committee' to specifically look into the redressal of shareholder/investor complaints and to strengthen investor relations.

- a) Number of complaints received from shareholders: During the period under review, the Company has received and resolved and there were no pending complaints as at the yearend: Nil  
b) Number of pending share transfers and complaints: Nil  
c) Details of meetings and attendance by the members: The Committee has not met during the Financial Year

### 7. General body meetings:

- (a) Details of the location and time of the General meetings

Date	Year	Type	Venue	Time
30.09.2014	2013-14	Annual General Meeting	Flat No.103&104 Grandeur Residency, Opp.: At Home – Apartment Hotel, Whitefields, Sri Sree Seetharamanjaneya Swami Temple Road, Kothaguda, Kondapur, Hyderabad- 500084	11.00 AM
30.09.2013	2012-13	Annual General Meeting	Flat No.103&104 Grandeur Residency, Opp.: At Home – Apartment Hotel, Whitefields, Sri Sree Seetharamanjaneya Swami Temple Road, Kothaguda, Kondapur, Hyderabad- 500084	11.00AM
30.10.2012	2011-12	Annual General Meeting	Flat No.103&104 Grandeur Residency, Opp.: At Home – Apartment Hotel, Whitefields, Sri Sree Seetharamanjaneya Swami Temple Road, Kothaguda, Kondapur, Hyderabad- 500084	9.00AM

## PALCO LIMITED

### (a) Special resolutions

All resolutions moved at the last Annual General Meeting were passed by a show of hands by the requisite majority of members attending the meeting. The following are the special resolutions passed at the previous General meetings held in the last three years:

AGM/EGM held on	Whether special resolution passed	Summary of the resolution
30th September, 2014	Yes	To approve amendment in existing Articles of Association of the Company
30th September, 2013	No	NA
31st August, 2012	Yes	To Change the name of the Company to PALCO Limited

- (c) Whether any special resolution passed last year through postal ballot - details of voting pattern: No Postal Ballot was conducted during 2014-15.
- (d) Person who conducted the postal ballot exercise: Not applicable.
- (e) Whether any special resolution is proposed to be conducted through postal ballot: No
- (f) Procedure for postal ballot - Not Applicable.
- (g) Information on Directors re-appointment as required under Clause 49 VI (G) of the Listing Agreement with stock exchanges is given as a note appended to the explanatory statement of the AGM notice.

### 8. Disclosures:

The Company has no operations during the year, as the assets of the Company had been taken over by Asset Reconstruction Company (India) Limited (ARCIL) under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. Assets been realised to make payment to Bankers and Creditors.

### 9. Compliance with Non-Mandatory requirements:

- i) Shareholder Rights – The Company publishes its results on its website i.e, [www.palcolimited.com](http://www.palcolimited.com) which is accessible to the public at large. A half-yearly declaration of financial performance including summary of the significant events is presently not being sent to each household of shareholders. The Company's results for each quarter are published in an English newspaper having a wide national circulation and also in a Telugu newspaper having a wide circulation in Andhra Pradesh. Hence, half-yearly results are not sent to the shareholders individually.
- ii) Audit qualifications – During the period under review, there is audit qualification that Company's financial statements are on a non going basis.
- iii) This is because the total assets of the company has been taken over by ARCIL and been sold, due to which the company is unable to continue its operations.
- iv) Training of Board members – The Company is yet to evolve a plan to train the Board members.
- v) Mechanism for evaluating Non-Executive Board members – Yet to evolve

As regards other non-mandatory requirements, the Board has taken cognizance of the same and may consider adopting them in the future.

The Company has not yet adopted the CORPORATE GOVERNANCE VOLUNTARY GUIDELINES, 2009. The Board will adopt the same as and when deemed appropriate.



## PALCO LIMITED

### 3. Means of communication

The quarterly/half-yearly/annual financial results of the Company are sent to the stock exchanges immediately after they are approved by the Board.

The quarterly/half-yearly/annual financial results of the Company are published in The Financial Express and Andhra Prabha and Prajashakti within 48 hours of the conclusion of the Board meeting.

### 12. General Shareholders Information:

Sl. No.	Particulars	Description
1.	Date, time and venue of Annual General Meeting	30th September, 2015 at 11:00 A.M. at Flat No. 501, Sri Ramchandra Residency, Madhapur Road, Kothaguda, Kondapur, Hyderabad – 500084
2.	Financial calendar (Tentative schedule)	Financial year : 1st April, 2015 to 31st March, 2016 Board meetings for approval of quarterly results: 1st Quarter ended on 30th June, 2015: within 45 days from the close of quarter. 2nd Quarter ended on 30th September, 2015: within 45 days from the close of quarter. 3rd Quarter ended on 31st December, 2015: within 45 days from the close of quarter. Annual results for financial year ended 31st March, 2016 (audited): Within 60 days of the close of financial year. Annual general meeting for the year 2015-16 : In accordance with Companies Act, 2013 and amendment if any.
3.	Date of book closure (both days inclusive)	26th September, 2015 to 29th September, 2015 (both days inclusive)
4.	Dividend payment due	N.A
5.	Listing on stock Exchanges	The Bombay Stock Exchange Limited P. J. Towers, Dalal Street, Mumbai – 400001
6.	Stock Code	BSE: Equity- 513405
7.	Electronic connectivity	Central Depository Services (India) Ltd PhirozeJeejeebhoy Towers, 28th Floor Dalal Street, Mumbai – 400023
8.	Registered Office (address for correspondence)	Flat No.501, Sri Ramchandra Residency, Madhapur, Kothaguda, Kondapur, Hyderabad- 500084 A.P. India, Tel.No: +91 40 23117043/7045, 23114072 Fax No: +91 40 23117041 E-mail:pennaralu@gmail.com
9.	Registrar and Transfer Agents Communication regarding share transfers and other related correspondence	XL Softech Systems Limited 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad – 500 084 Note: Shareholders holding shares in electronic mode should address all correspondence to their respective depository participants

## PALCO LIMITED

Sl. No.	Particulars	Description
10.	Share transfer System	Shares lodged for physical transfer at the Registrar's address are normally processed within a period of 15 days from the date of lodging, if the documents are clear in all respects. The shares duly transferred would be dispatched to the concerned shareholders within a week from the date of approval of transfers by the Share Transfer Committee.

The Company has paid Listing fees for the year 2015-16 to all the aforesaid Stock Exchanges.

### 13. Distribution of shareholding as on 31st March, 2015 was as under:

Sl. No.	Category	Numbers of shareholders	% of shareholders	Numbers of shareholders	% of shareholders
1.	1 to 5000	27295	66.18	6203525	10.56
2.	5001 - 10,000	6339	15.37	5886279	10.02
3.	10,001 - 20,000	3286	7.97	5659597	9.64
4.	20,001 - 30,000	1231	2.98	3333553	5.68
5.	30,001 - 40,000	538	1.30	2009553	3.42
6.	40,001 - 50,000	912	2.21	4470141	7.61
7.	50,001 - 1,00,000	933	2.26	7288779	12.41
8.	1,00,001 & Above	707	1.71	23879573	40.66
	<b>Total</b>	<b>41241</b>	<b>100.00</b>	<b>58731000</b>	<b>100.00</b>

### Shareholding Pattern as on 31st March, 2015 was as under:

Sl. No.	Particulars	No. of Shares	% Equity
1.	Promoter & Promoter Group	676671	1.15
2.	Resident Individuals	53051450	90.33
3.	Foreign Institutional Investor	94000	0.16
4.	Bodies Corporates	3270250	5.57
5.	Indian Financial Institutions	541450	0.92
6.	Mutual Funds	111400	0.19
7.	H U F	-	-
8.	Non Resident Indians	964829	1.64
9.	Clearing Members	20950	0.04
10.	Trusts	-	-
	<b>Total</b>	<b>58731000</b>	<b>100.00</b>

## PALCO LIMITED

### 14. Dematerialisation of shares and liquidity:

The Company's equity shares are in compulsory demat list. The International Securities Identification Number (ISIN) allotted to the Company's scrip is INE057C01018, 88.94 % of equity shares are held in dematerialised form as on March 31, 2015.

### (c) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity.

During the financial year 2014-15, the Company has not issued any GDRs/ADRs and there are no outstanding warrants or any convertible instruments.

### 15. Plant locations:

Not Applicable

### 16. Market price data:

The Company's shares are traded on The Bombay Stock Exchange.

Monthly high and low quotations and volume of equity shares traded on Bombay Stock Exchange Limited (BSE) for 2013-14 were as follows

Month	BSE		
	High (Rs.)	Low (Rs.)	Volume
April, 2014	0.26	0.18	1,00,943
May, 2014	0.32	0.22	2,84,179
June, 2014	0.58	0.3	3,33,265
July, 2014	0.77	0.45	7,98,236
August, 2014	0.54	0.39	2,92,512
September, 2014	0.67	0.52	6,22,966
October, 2014	0.56	0.43	83,675
November, 2014	0.52	0.44	1,05,460
December, 2014	0.45	0.34	1,07,072
January, 2015	0.35	0.25	1,97,141
February, 2015	0.35	0.28	2,00,385
March, 2015	0.34	0.23	4,31,800

(Source: www.bseindia.com )

### 17. Reconciliation of Share Capital Audit:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSIL) and the total issued and paid-up capital. This audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is placed before the board of directors of the Company. The audit, inter alia, confirms that the listed and paid up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSIL and the total number of shares in physical form.

## **PALCO LIMITED**

### **18. Corporate Identity Number (CIN):**

Corporate Identity Number (CIN) of the company, allotted by the Ministry of Corporate Affairs, Government of India is **L27203TG1989PLC010409**.

### **19. Declaration of Code of Conduct:**

The Board of Directors of M/s. Palco Limited, at their meeting held on 11<sup>th</sup> February, 2015, adopted the Code of Conduct for the Directors and also for the Company's senior management personnel. In accordance with Clause 49 II E 3 of the Listing Agreement with the stock exchanges, we here by confirm that, all the Directors of the Company have affirmed compliance with the aforesaid Code of Conduct as applicable to them for the financial year ended 31<sup>st</sup> March, 2015.

**By Order of the Board  
for PALCO LIMITED**

**Place : Hyderabad  
Date : 12.08.2015**

**Vijay Chandra Puljal  
Director(DIN : 00090286)**

To the members of PALCO LIMITED, HYDERABAD.

I have examined the compliance of conditions of Corporate Governance by PALCO LIMITED, for the year ended 31<sup>st</sup> March, 2015 as stipulated in Clause 49 of the listing agreement of the Company with Stock Exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In My opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in the above listing agreement except no Company Secretary appointed by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

S. Chidambaram  
Practicing Company Secretary  
CP. No. 8068

Place: Hyderabad  
Date: 12.08.2015

## **PALCO LIMITED**

### **Director Certification pursuant to Clause 49(IX) of the Listing Agreement**

To,  
The Board of Directors  
M/s. PALCO Limited

1. We have reviewed financial statements and the cash flow statement of M/s. PALCO Limited for the year ended 31<sup>st</sup> March, 2015 and to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
  - (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which we have become aware.

**By Order of the Board  
for PALCO LIMITED**

**Place : Hyderabad  
Date : 12.08.2015**

**Vijay Chandra Puljal  
Director(DIN : 00090286)**

## **PALCO LIMITED**

### **INDEPENDENT AUDITORS' REPORT**

To The Members of  
**PALCO LIMITED**  
( Formerly Known as Pennar Aluminium Company Limited)

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

We have audited the accompanying financial statements of PALCO LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31<sup>st</sup>, 2015, and its Loss and its cash flows for the year ended on that date.

## **PALCO LIMITED**

### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. We have 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid 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 written representations received from the directors as on 31<sup>st</sup> March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the other matters included in the Auditor's Report and in accordance with Rule 11 of The Companies (Audit and Auditors) Rules, 2014 and in our opinion and to the best of our information and explanations given to us:
    - i. The Company has disclosed the impact of pending litigations as at 31<sup>st</sup> March 2015 on its financial position in its financial statements as referred to in note 7 to the financial statements.
    - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR RAMBABU & Co.,  
Chartered Accountants  
FRN: 002976S.**

**Place: Hyderabad  
Date: 30-05-2015**

**Ravi Rambabu  
Partner  
M.No.018541**

## **PALCO LIMITED**

### **Annexure referred to in paragraph 1 of our report of even date**

- i. In respect of the fixed assets of the company:

All the fixed assets of the Company were sold and the Company will not be able to continue as a going concern.

- ii. The Company does not maintain inventory and therefore we have not reported on the related matters of this clause and sub-clauses (a), (b) and (c).

- iii. No loans were granted by the Company, to any of the parties covered in the register maintained under section 189 of the Act. Hence we have not reported on the related matters of this clause and sub-clauses (a) and (b).

- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods/Services. We have not observed any major weakness in the internal control system during the course of the audit.

- v. The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and rules framed there under.

- vi. Maintenance of Cost Records under Section 148(1) of the Act is not required for the activity carried out by the Company.

- vii. (a) The Company is regular in depositing undisputed statutory dues with appropriate authorities including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess were in arrears as at 31<sup>st</sup> March 2015 for a period more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute.

(d) In our opinion and according to the information and explanations given to us, there are no amounts required to be transferred to the investor education and protection fund by the Company.

- viii. The Company has accumulated losses more than 100% of its networth at the end of the financial year and it has incurred cash loss during the year covered by audit and in the immediately preceding financial year.

- ix. According to the records of the Company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture holders, as applicable, as at the Balance sheet date.

- x. The Company has not given any guarantee for loans taken by others from bank or financial institutions.



## **PALCO LIMITED**

- x. We have not reported on this clause as no term loans were obtained by the Company according to the information and explanations given to us.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the Generally Accepted Accounting Practice in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the year, nor have we been informed of such case by the management.

FOR RAMBABU & Co.,  
Chartered Accountants  
FRN: 002976S.

Place: Hyderabad  
Date: 30-05-2015

Ravi Rambabu  
Partner  
M.No.018541

**PALCO LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2015**

(Amount Rs.)

Particulars	Note.No	AS AT 31.03.2015 Rs.	AS AT 31.03.2014 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	587,248,800	587,248,800
(b) Reserves and Surplus	2	(931,134,792)	(929,762,476)
<b>(2) Current Liabilities</b>			
(a) Trade Payables	3	347,954,184	346,981,868
<b>Total Equity &amp; Liabilities</b>		<b>4,068,192</b>	<b>4,468,192</b>
<b>II.ASSETS</b>			
<b>(2) Current Assets</b>			
(a) Trade receivables	4	4,068,192	4,468,192
<b>Total Assets</b>		<b>4,068,192</b>	<b>4,468,192</b>
Significant Accounting Policies Notes on Financial Statements	1 to 11		

As per our Report of even date  
**For RAMBABU & CO.,**  
 Chartered Accountants  
 Firm Reg.No.002976S

RAVI RAMBABU  
 Partner  
 Membership.No.018541

Place:Hyderabad  
 Date: 30.05.2015

For and on behalf of the Board of Directors

VIJAY CHANDRA PULJAL  
 DIRECTOR

S V RAMCHANDRA RAO  
 DIRECTOR

**PALCO LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2015**

(Amount Rs.)

SI No.	Particulars	Note No	For the year ended 31-03-2015	For the year ended 31-03-2014
I	Revenue from Operations		-	-
II	Expenses:			
	Other Expenses	5	1,372,316	834,471
III	Profit before Tax		<b>(1,372,316)</b>	<b>(834,471)</b>
IV	Tax expense:			
	(a) Current tax		-	-
V	Profit for the year		<b>(1,372,316)</b>	<b>(834,471)</b>
VI	Earnings per Equity Share:	6		
	(1) Basic		-	-
	(2) Diluted		-	-
	Significant Accounting Policies Notes on Financial Statements	1 to 11		

As per our Report of even date  
**For RAMBABU & CO.,**  
 Chartered Accountants  
 Firm Reg.No.002976S

RAVI RAMBABU  
 Partner  
 Membership.No.018541

Place:Hyderabad  
 Date: 30.05.2015

For and on behalf of the Board of Directors

VIJAY CHANDRA PULJAL  
 DIRECTOR

S V RAMCHANDRA RAO  
 DIRECTOR

**PALCO LIMITED****PALCO LIMITED (FORMERLY KNOWN AS PENNAR ALUMINIUM COMPANY LIMITED)****Cash Flow Statement for the year ended 31-03-2015**

(Amount Rs.)

Particulars	For the year ended 31-03-2015 Rs.	For the year ended 31-03-2014 Rs.
<b>a) Cashflow from operating activities</b>		
Loss as per Statement of Profit and Loss	(1,372,316)	(834,471)
Less : Adjustment for	-	-
Operating Profit before Working Capital Charge	(1,372,316)	(834,471)
Add : Adjustment for		
a) Payables	972,316	834,471
Cash Generated from Operations	400,000	-
<b>b) Cashflow from investing activities</b>	-	-
<b>c) Cash Flow from financing activities</b>	-	-
i) Restricted Bank balances utilised		
ii) Repayment of Debentures	-	21,757,405
Cash generated from financing activities		(21,757,405)
Net Increase/ (Decrease) in Cash & Cash Equivalents	-	-
Cash and Cash Equivalents at the beginning	-	-
Cash and Cash Equivalents at the end	-	-

As per our Report of even date

**For RAMBABU & CO.,**

Chartered Accountants

Firm Reg.No.002976S

RAVI RAMBABU

Partner

Membership.No.018541

Place:Hyderabad

Date: 30.05.2015

For and on behalf of the Board of Directors

VIJAY CHANDRA PULJAL  
DIRECTORS V RAMCHANDRA RAO  
DIRECTOR

## PALCO LIMITED

### Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March 2015

#### I. Corporate Information:

PALCO Limited (Formerly known as Pennar Aluminium Company Limited) is not carrying any activities/operations as the company sold all its fixed assets to ARCIL at the time of takeover by the ARCIL. The company is having registered office situated at Flat No.501, Sri Ramchandra Residency, Madhapur Road, Kothaguda, Kondapur, Hyderabad – 500 084.

#### II. Significant Accounting Policies

##### 1. Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the applicable accounting standards notified under the *Companies (Accounting Standards) Rules, 2006, (as amended)* and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

##### 2. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect 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 outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

##### 3. Tangible fixed assets and depreciation

Fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation is provided using Straight Line Method, based on useful life of the Assets under Schedule II of the Companies Act, 2013.

##### 4. Impairment

The carrying amounts of assets are reviewed at each balance sheet date to see if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price 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 risks specific to the asset.

##### 5. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the of borrowings 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 time 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 expensed in the period they occur.

## PALCO LIMITED

### **6. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

### **7. 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) Revenue from sale of goods**

Sales are recognized net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

#### **(ii) 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.

#### **(iii) Dividends**

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

### **8. Inventory Valuation**

Inventories are valued at the lower of cost and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

### **9. Foreign currency translation**

#### **(i) Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### **(ii) Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

#### **(iii) Exchange differences**

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

### **10. Retirement and other employee benefits**

(i) Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to

## **PALCO LIMITED**

the respective funds are due. There are no other obligations other than the contribution payable to the provident fund.

- (ii) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- (iii) Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
- (iv) Actuarial gains/losses are immediately taken to statement of profit and loss.
- (v) The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

### **11. Income tax**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### **12. Provisions**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

## PALCO LIMITED

**PALCO LIMITED (FORMERLY KNOWN AS PENNAR ALUMINIUM COMPANY LIMITED)**  
**Notes forming part of the financial statement for the year ended March 31, 2015**

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of Share	Amount in Rs	Number of Share	Amount in Rs
(a) Authorised				
Equity shares of Rs.10 each with voting rights	90,000,000	900,000,000	90,000,000	900,000,000
Redeemable Preference shares of Rs.100 each	3,000,000	300,000,000	3,000,000	300,000,000
(b) Issued				
Equity shares of Rs.10 each with voting rights	58,731,000	587,310,000	58,731,000	587,310,000
(c) Subscribed and fully paid up				
Equity shares of Rs.10 each with voting rights	58,718,760	587,187,600	58,718,760	587,187,600
(d) Subscribed but not fully paid up				
Equity shares of Rs.10 each with voting rights Rs.5/- not paid up	12,240	61,200	12,240	61,200
<b>Total</b>	<b>58,731,000</b>	<b>587,248,800</b>	<b>58,731,000</b>	<b>587,248,800</b>

### 1.1 Terms and Rights attached to Equity Shares

The Company has only one class of Equity shares having value of Rs.10 per share. Each holder of Equity shares is entitled to one vote per share.

### 1.2 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	31-03-2015	31-03-2014
Equity shares with voting rights		
Year ended 31 March, 2015		
Number of shares	58,731,000	58,731,000
Amount (Rs.)	587,248,800	587,248,800
Year ended 31 March, 2014		
Number of shares	58,731,000	58,731,000
Amount (Rs.)	587,248,800	587,248,800



**PALCO LIMITED**

Notes forming part of the financial statement for the year ended March 31, 2015

**2. Reserves and surplus**

Particulars	31-03-2015	31-03-2014
	Amount Rs.	Amount Rs.
(a) Capital Subsidy	1,464,445	1,464,445
(b) Security Premium	38,691,250	38,691,250
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(969918171)	(969083700)
Add: Profit / (Loss) for the year	(1372316)	(834471)
Closing balance	<b>(971290487)</b>	<b>(969918171)</b>
<b>Total</b>	<b>(931134792)</b>	<b>(929762476)</b>

**3. Trade Payables**

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Trade Payables:		
(i) Sundry Creditors (Refer Note 7.1)	343,943,622	343,943,622
(ii) Audit Fee Payable	25,000	25,000
(iii) Other liabilities	3,985,562	3,013,246
<b>Total</b>	<b>347,954,184</b>	<b>346,981,868</b>

**4. Trade Receivables**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	4,068,192	4,468,192
<b>Total</b>	<b>4,068,192</b>	<b>4,468,192</b>

Trade receivables are outstanding more than three years, the recovery of which may be doubtful. However the management is confident of recovering the same and opined that no provision is required.

**5. Other Expenses**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Auditors Remuneration	25,000	25,000
Rates & Taxes	424,382	414,925
AGM expenses	922,934	394,546
<b>Total</b>	<b>1,372,316</b>	<b>834,471</b>

## PALCO LIMITED

Notes forming part of the financial statement for the year ended March 31, 2015

### 6. Earnings Per Share

Particulars	As at 31 March, 2015	As at 31 March, 2014
<b>Earnings per share</b>		
<u>Basic</u>		
<u>Total operations</u>		
Net profit / (loss) for the year attributable to the equity shareholders	(1,372,316)	(834,471)
Weighted average number of equity shares	58724880	58731000
Par value per share	10.00	10.00
Earnings per share - Basic	-	-
<u>Diluted</u>		
The diluted earnings per share has been computed by dividing the Net Profit After Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible bonds for the respective periods. Since, the effect of the conversion of Preference shares was anti-dilutive, it has been ignored.		
<u>Total operations</u>		
Net profit / (loss) for the year attributable to the equity shareholders	(1,372,316)	(834,471)
Weighted average number of equity shares for Basic EPS	58724880	58724880
Weighted average number of equity shares - for diluted EPS	58724880	58724880
Par value per share	10.00	10.00
Earnings per share - Diluted	-	-

### 7. Contingent Liabilities

S.No	Particulars	As at 31 March, 2015	As at 31 March, 2014
i)	Claims pending against the Company	230,200,000	230,200,000

The contingent liability of Rs.2,302 Lakhs is the claim by NALCO (Sundry Creditor of the Company), before the Arbitrator, on account of interest, damages and opportunity loss against the Company on the bill amount of Rs. 3439.43 lakhs. Also, a claim for Rs. 2200 Lakhs made by the Company, against NALCO, is pending before the Arbitrator.

## PALCO LIMITED

Notes forming part of the financial statement for the year ended March 31, 2015

### 8. Related Party Disclosures

S.No.	Particulars	Name
1)	Key Management Personnel	Mr. Vijay Chandra Puljal

#### 81.1 Aggregate Related Party Transactions :

S.No.	Particulars	Key Managerial Personnel	
		2014-15	2013-14
1.	Advances Received	972,316	819,471
2.	Balances Payable	3,585,562	3,013,246

#### 11. Deferred Tax

In the absence of convincing evidence regarding availability of sufficient taxable income in near future against which the deferred tax asset can be adjusted, the Company has not recognised the deferred tax asset arising due to tax effect of timing differences at present.

- Previous year's figures have been regrouped and / or rearranged wherever necessary and figures have been rounded off to the nearest rupee.
- Notes 1 to 11 form part of financial statements and have been authenticated.

As per our Report of even date  
**For RAMBABU & CO.,**  
Chartered Accountants  
Firm Reg.No.002976S

RAVI RAMBABU  
Partner  
Membership.No.018541

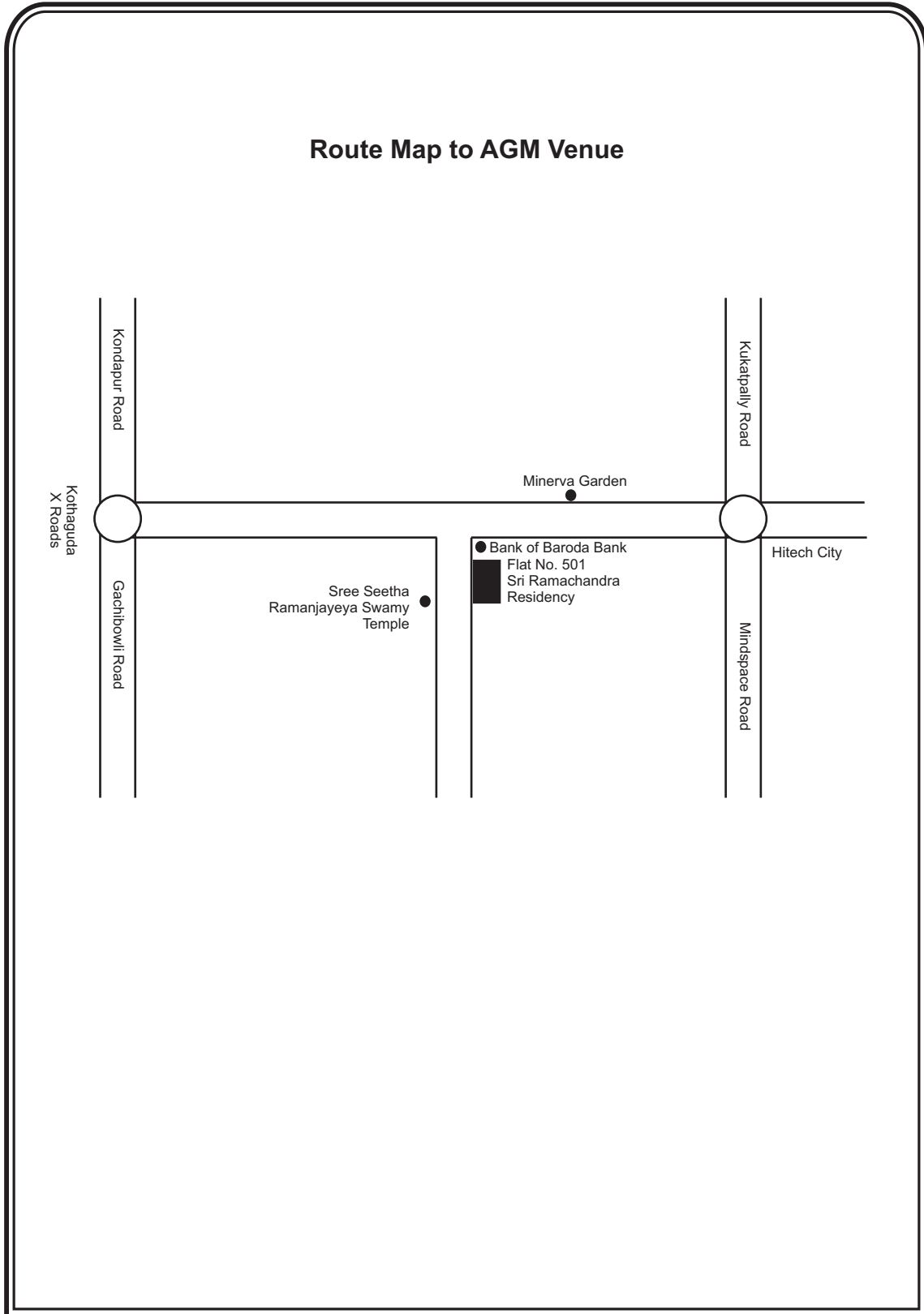
Place:Hyderabad  
Date: 30.05.2015

For and on behalf of the Board of Directors

VIJAY CHANDRA PULJAL  
DIRECTOR

S V RAMCHANDRA RAO  
DIRECTOR

**Route Map to AGM Venue**



**PALCO LIMITED**

**PALCO LIMITED**

CIN: L27203TG1989PLC010409

Regd.office: Flat No. 501, Sri Ramchandra Residency, Madhapur Road, Kothaguda, Kondapur,  
Hyderabad - 500084

Tel:(9140) 23119545 Fax: (9140) 23117041

Website:www.palcolimited.com, Email: pennaralu@gmail.com

**ATTENDANCE SLIP**

(To be presented at the entrance)

**25<sup>th</sup> ANNUAL GENERAL MEETING**

I hereby state that I am a registered/proxy for the registered shareholder of the company. I hereby record my presence at the Annual General Meeting of the company held on Wednesday, the 30<sup>th</sup> day of September, 2015 at 11:00 a.m, at Flat No. 501, Sri Ramchandra Residency, Madhapur Road, Kothaguda, Kondapur, Hyderabad – 500084, India, or/any adjournment thereof.

Name of the Attending

Shareholder:.....

(in block letters)

Name of the

proxy:.....

(to be filled in if proxy attends)

Signature of

shareholder:.....

Signature of

proxy:.....

Number of shares

Held:.....

Note:

1. Shareholders/proxy holders are requested to bring the Attendance Slips with them duly completed when they come to the meeting and hand them over at the gate, affixing their signature on them.

Members are informed that no duplicate attendance slips will be issued at the venue of the Meeting.

Intentionally left blank

# PALCO LIMITED

## PALCO LIMITED

CIN: L27203TG1989PLC010409

Regd.office: Flat No. 501, Sri Ramchandra Residency, Madhapur Road, Kothaguda, Kondapur, Hyderabad - 500084

Tel:(9140) 23119545 Fax: (9140) 23117041

Website: www.palcolimited.com, Email: pennaralu@gmail.com

### PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and the Rule 19(3) of the Companies (Management and Administration) Rule, 2014)

Name and Address of the Shareholder(s).....

E-mail id: ..... Folio No./Dpid & Client id : .....

I/We being the member(s) of .....Shares of PALCO LIMITED, hereby appoint

1.Name : ..... Email id:.....

Address : .....

Signature : .....

Or failing him

2.Name : ..... Email id:.....

Address : .....

Signature : .....

Or failing him

3.Name : ..... Email id:.....

Address : .....

Signature : .....

Or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25<sup>th</sup> Annual General Meeting of the company at Wednesday, 30<sup>th</sup> September 2015 at 11:00 p.m. at Flat No. 501, Sri Ramchandra Residency, Madhapur Road, Kothaguda, Kondapur, Hyderabad - 500084, any adjournment thereof in respect of such resolutions as are indicated below:

#### Ordinary Business:

1. To receive, consider and adopt the Audited statement of Profit and Loss Account for the financial year ended on 31 March 2015 and balance sheet as at that date and the reports of the board of directors and auditors thereon.
2. To appoint a Director in the place of Mr.Vijay Chandra Puljal (DIN 00090286) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s. Suryanarayana & Suresh, Chartered Accountants, ICAI Registration No. 006631S), as auditors of the company. In place of the retiring Auditors.

#### Special Business:

4. To appoint Ms. Surekha Manepalli (DIN: 07138689) as an independent director for a period of five years

Signed this..... day of .....2015



Signature of shareholder ..... Signature of proxy holder(s).....

## PALCO LIMITED

To,  
XL Softech Systems Limited  
Plot No. 3, Sagar Society, Banjara Hills,  
Road No. 2, Hyderabad - 500 034  
Tel: +91-40- 23545913/ 14/ 15. Fax: +91-40- 23553214  
Email: xlfield@gmail.com

### Updation of Shareholder Information

I/ We request you to record the following information against my / our Folio No.:

#### **General Information:**

FolioNo.:	
Name of the first named Shareholder:	
PAN: *	
CIN / Registration No.: *	
(applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email Id:	

\*Self attested copy of the document(s) enclosed

#### **Bank Details:**

IFSC:	
(11 digit)	
MICR:	
(9 digit)	
Bank A/c Type:	
Bank A/c No.: *	
Name of the Bank:	
Bank Branch Address:	

\* A blank cancelled cheque is enclosed to enable verification of bank details

I/ We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I / we would not hold the Company / RTA responsible. I / We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I / We understand that the above details shall be maintained till I / we hold the securities under the above mentioned Folio No./ beneficiary account.

Place:  
Date:

\_\_\_\_\_  
Signature of Sole / First holder





**BOOK - POST**  
**PRINTED MATTER**

*If undelivered, please return to :*

**PALCO LIMITED**

(FORMERLEY KNOWN AS PENNAR ALUMINIUM COMPANY LIMITED)

FLAT No.501, Sri Ramchandra Residency,  
Opp : Sree Seetaramanjaneya Swami Temple  
Madhapur Road, Kothaguda, Kondapur,  
Hyderabad – 500 084, Ph No. 040- 23119545