

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF PANCHSHEEL ORGANICS LIMITED

Report on the Audit of the Standalone Financial Results

Opinion

We have audited the accompanying standalone quarterly financial results of Panchsheel Organics Limited ("the Company") for the quarter ended March 31, 2024 and the year to date results for the period from April 01, 2023 to March 31, 2024, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in Indian Accounting Standard, prescribed under Section 133 of the Companies Act, 2013 ("the Act"), read with relevant rules issued thereunder, and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended March 31, 2024 as well as the year to date results for the period from April 01, 2023 to March 31, 2024.

Basis for Opinion

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

Management's Responsibilities for the Standalone Financial Results

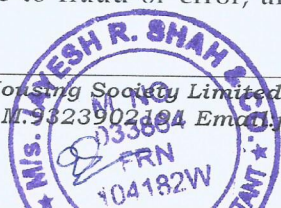
These quarterly financial results as well as year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that



includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered **material** if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

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

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

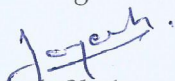
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

Attention is drawn to the fact that the figures for the quarter ended March 31, 2024 as reported in these standalone financial results are the balancing figures between audited figures in respect of the year ended on March 31, 2024 and the published year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and were not subjected to audit.

For Jayesh R Shah & Co.
Chartered Accountants
Firm Regn. No. 104182W


Jayesh Shah
Proprietor

M. No. 033864
Place: Mumbai

Date: 29.05.2024

UDIN: 24033864BKEYHN6952



PANCHSHEEL ORGANICS LIMITED

Regd. Office : B-6-B7, SECTOR C, SANWER ROAD, INDS. ESTATE, INDORE, M.P. 452015

CIN NO : L24232MP1989PLC005390, Website: www.panchsheelorganics.com

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

(Rs. in lakhs)

Sr. No.	Particulars	Three Months Ended			For the Year ended	For the Year ended
		31/03/2024	31/12/2023	31/03/2023	31/03/2024	31/03/2023
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Income from operations					
	(a) Revenue from operations (Including excise duty)	3,126.98	2,561.26	2,952.79	10,521.87	10,317.88
	(b) Other income	13.01	121.58	117.19	245.80	118.27
	Total income from Operations	3,139.99	2,682.84	3,069.98	10,767.68	10,436.14
2	Expenses:					
	(a) Cost of materials consumed	1,301.06	1,241.13	1,586.82	5,179.56	5,527.90
	(b) Purchase of stock in Trade	931.19	420.87	305.85	1,730.51	1,130.12
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(89.12)	12.15	184.42	(58.59)	(126.62)
	(d) Employee benefits expenses	179.48	159.71	152.37	654.68	589.78
	(e) Finance costs	4.91	4.53	23.02	26.74	54.65
	(f) Depreciation and amortisation expense	55.99	38.96	63.77	173.85	157.98
	(g) Power and fuel	23.33	24.32	17.15	99.96	122.18
	(i) Other expenses	308.22	212.29	310.86	1,022.08	1,073.22
	Total Expenses	2,715.06	2,113.95	2,644.27	8,828.79	8,529.22
3	Profit/(Loss) from continuing operation before tax (1-2)	424.93	568.89	425.70	1,938.88	1,906.92
4	Tax expense					
	Current Tax	144.64	143.17	138.60	525.67	511.40
	Excess or short income tax provision	-	-	-	-	-
	Deferred Tax	2.45	-	(11.46)	2.45	(11.46)
5	Net Profit/(Loss) for the period (3-4)	277.83	425.72	298.57	1,410.76	1,406.99
6	Other comprehensive income					
	Items that will not be reclassified to profit or loss	(69.95)	2.85	(0.66)	(61.39)	11.41
	Income tax relating to items that will not be reclassified to profit or loss	17.61	(0.72)	0.17	15.45	(2.87)
7	Total comprehensive income for the period (5-6)	225.49	427.86	298.08	1,364.82	1,415.53
8	Paid-up equity share capital (Face value Rs. 10 per share)	1,178.18	1,178.18	1,178.18	1,178.18	1,178.18
9	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	11,186.28		8,428.14	11,186.28	8,428.14
10	Earnings Per share (In Rupees)	Rs.	Rs.	Rs.	Rs.	Rs.
	(of Rs.10/- each) (not annualised)					
	(a) Basic	2.34	3.15	2.53	11.88	12.78
	(b) Diluted	2.11	2.85	2.27	10.71	11.94

- The financial results for the quarter and year ended March 31, 2024 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 29, 2024
- The Company operates in one reportable segment viz. "Manufacturing and Trading of Bulk Drug and Intermediate", in accordance with Ind AS 108 - "Operating Segments".
- The company has issued 1390000 warrants at Rs. 183.15 per warrant on September 8, 2022 on preferential basis and Collected Rs. 636.45 lakhs at 25% per warrant. The balance amount of Rs. 1909.34 lakh was collected against the warrant during the year. All the warrants were converted to Equity Shares on March 7, 2024
- The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the respective financial year.
- Figures for the corresponding previous periods have been regrouped/ rearranged, wherever necessary, to conform to the classification of the current period.
- Directors of the Company propose dividend of Rs.0.80 per share as at March 31, 2024

For Panchsheel Organics Limited

Mahendra Turakhia
Chairman &
Managing Director
DIN: 00006222



Place: Mumbai

Date: May 29, 2024

STATEMENT OF ASSETS AND LIABILITIES

Particulars	As at 31/03/2024	As at
	(Audited)	31/03/2023 (Audited)
ASSETS		
1. Non-Current Assets		
(a) Property, Plant & Equipment	1,351.23	769.18
(b) Capital Work-In-Progress	586.49	353.02
(c) Financial Assets		
i. Non current investments	306.39	0.06
i. Loans	-	-
ii. Other financial assets	-	-
(d) Deferred Tax Assets (Net)	2,883.28	3,211.91
(e) Income Tax Assets	48.94	35.93
(f) Other Non-Current Assets	-	-
Total Non-Current Assets	454.50	280.56
	5,630.84	4,650.67
2. Current Assets		
(a) Inventories	3,952.25	3,244.24
(b) Financial Assets		
i. Trade receivables	3,946.88	3,879.00
ii. Cash and cash equivalents	2,184.70	346.44
iii. Bank balances other than (ii) above	24.42	24.43
iv. Loans	35.68	21.88
(c) Other current assets	130.71	101.68
Total Current Assets	10,274.63	7,617.67
	15,905.47	12,268.34
Total Assets		
	15,905.47	12,268.34
EQUITY AND LIABILITIES		
1. Equity		
(a) Equity share capital	1,317.18	1,178.18
(b) Other Equity	11,186.28	8,428.14
Total equity	12,503.46	9,606.31
2. Liabilities		
Non-Current Liabilities		
(a) Financial liabilities		
i) Borrowings	27.20	54.02
ii) Trade payables	248.75	56.67
(b) Deferred tax liabilities (net)	-	-
Government grants	-	-
(c) Employee Benefit Obligations	178.19	122.16
(d) Other non-current liabilities	-	60.93
Total Non-Current Liabilities	454.14	293.77
Current Liabilities		
(a) Financial liabilities		
i. Borrowings		
ii. Trade payables	603.71	503.94
a. Total outstanding dues of micro enterprises and small enterprises	48.61	3.21
b. Total outstanding dues of creditors other than (a) above	2,084.42	1,584.96
iii. Other financial liabilities	95.37	93.66
Income tax liabilities (Net)	5.65	71.78
(b) Government Grants	-	-
(b) Employee Benefit Obligations	-	-
(c) Other current liabilities	84.86	52.43
Total Current Liabilities	25.25	58.26
	2,947.88	2,368.26
	15,905.47	12,268.34
Total Equity & Liabilities		
	15,905.47	12,268.34



CASH FLOW STATEMENT

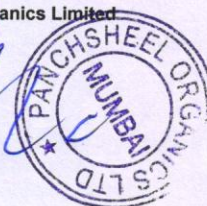
(Rs. in lakhs)

	Period ended March 31, 2024	Period ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,938.88	1,906.93
Adjustments for:		
Depreciation and amortisation	173.85	157.98
Interest income	(245.80)	(118.00)
Interest and finance charges	26.74	54.65
Operating profit before working capital changes	1,893.67	2,001.57
Adjustments for:		
Increase / (Decrease) in trade payables, current	544.85	(93.75)
Increase / (Decrease) in trade payables, non current	192.08	(136.82)
Increase / (Decrease) in other financial liabilities, current	(22.71)	(2.48)
Increase / (Decrease) in other financial liabilities, non current	-	-
Increase / (Decrease) in employee benefit obligation, current	(28.96)	11.49
Increase / (Decrease) in employee benefit obligation, non current	56.03	10.86
Increase / (Decrease) in other current liabilities	(33.01)	40.20
Increase / (Decrease) in other non current liabilities	(60.93)	60.93
(Increase) / Decrease in trade receivables, current	(67.88)	(627.17)
(Increase) / Decrease in inventories	(708.01)	(718.56)
(Increase) / Decrease in loans, current	(13.80)	(4.40)
(Increase) / Decrease in loans, non current	(173.95)	70.63
(Increase) / Decrease in other bank balances	0.01	(15.72)
(Increase) / Decrease in other current assets	(29.03)	(25.74)
(Increase) / Decrease in non current investments	-	-
(Increase) / Decrease in non current loans	-	-
(Increase) / Decrease in other non-current financial assets	0.40	(1.35)
(Increase) / Decrease in other financial assets	-	-
(Increase) / Decrease in other non-current assets	-	-
Cash generated from operations	1,548.77	569.70
Taxes paid (net of refunds)	(591.80)	(565.47)
Net cash generated from operating activities	956.97	4.23
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible/intangible assets	(989.37)	(395.37)
Investment in Mutual Funds	(306.33)	
Interest received	245.80	118.00
Movement in term deposit with bank (net)	328.23	(3,159.87)
Net cash (used in) investing activities	(721.66)	(3,437.24)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of shares	-	3,206.86
Issue of Share warrants	1,909.34	636.45
Repayment of borrowings (non current)	(26.82)	(45.23)
Repayment of borrowings (current)	99.77	191.85
Interest paid	(26.74)	(54.65)
Dividend paid (Incl. Dividend Distribution Tax)	(352.60)	(353.07)
Net cash (used in) financing activities	1,602.95	3,582.20
Net increase in cash and cash equivalents (A+B+C)	1,838.26	149.18
Cash and cash equivalents at the beginning of the year	346.44	197.26
Cash and cash equivalents at the end of the year	2,184.70	346.44
Cash and cash equivalents comprise:		
Cash on hand	17.99	15.40
Balances with banks	2,166.70	320.92
Demand deposits (less than 3 months maturity)	-	10.12
Total	2,184.70	346.44

Note: The above cash flow statement has been prepared under "Indirect Method" specified in Ind AS 7 on "Cash Flow Statements".

For Panchsheel Organics Limited

Mahendra Turakhia
Chairman &
Managing Director
DIN: 00006222



Place: Mumbai

Date: May 29, 2024