



PSL/CS/SE/REG-30&33/23-24  
20<sup>th</sup> May, 2023

Corporate Relationship Department  
The Bombay Stock Exchange Limited  
1st Floor, P. J. Towers  
Dalal Street,  
Mumbai - 400 001.

**COMPANY CODE NO:-4166 (SCRIP CODE : 513511)**

Dear Sir,

**Sub : Outcome of the Board Meeting held on May 20, 2023.**

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We would like to inform you that pursuant to Regulation 30 and Regulation 33 as well as other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), the Board of Directors of the Company at its Board Meeting held today i.e. on **Saturday, May 20, 2023** *inter alia*, have approved the following matters:

1. The Audited Financial Results for the quarter and financial year ended March 31, 2023. A copy of duly signed audited financial results along with audit report and declaration in respect of audit report with unmodified opinion under Regulation 33 of Listing Regulations is enclosed.
2. Re-appointment M/s Keyur Patel & Co., Chartered Accountants, Vadodara as Internal Auditors of the Company for the financial year 2023-24.
3. Re-appointment of M/s Kiran J. Mehta & Co., Cost Accountants, Ahmedabad as Cost Auditors of the Company for the financial year 2023-24.

The Board Meeting commenced at 1.30 p.m. and concluded at 3.15 p.m. This is for your information and records.

Thanking You,

Yours faithfully  
For PANCHMAHAL STEEL LIMITED

**Deepak Nagar**  
**GM (Legal) & Company Secretary**  
E-mail : [shares@panchmahalsteel.co.in](mailto:shares@panchmahalsteel.co.in)

Encl : as above

Independent Auditor's Report on Audited Quarterly Financial Results and Year to Date Results of the Panchmahal Steel Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

TO THE BOARD OF DIRECTORS OF  
PANCHMAHAL STEEL LIMITED

Report on the audit of the Financial Results

### Opinion

We have audited the accompanying statement of financial results of Panchmahal Steel Limited (the company) for quarter and year ended 31<sup>st</sup> March, 2023 (the "Statement"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (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, the statement:

- i. is 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 the applicable Indian accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter and year ended 31<sup>st</sup> March, 2023.



## Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those SAs are further described in the "Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Management's Responsibilities for the Financial Results

The statement has been prepared on the basis of the financial statements. The Company's Board of Directors are responsible for the preparation and presentation 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 Standards 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 financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Results

Our objectives are to obtain reasonable assurance about whether the 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 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 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. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial results 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 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 financial results, including the disclosures, and whether the 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

The Statement includes the results for the quarter ended 31<sup>st</sup> March, 2023 being the balancing figures between the audited figures in respect of full financial year ended 31<sup>st</sup> March, 2023 and the published unaudited year to date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For CNK & Associates, LLP  
Chartered Accountants  
Firm Registration No. 101961W/W-100036



Preen Shah

Partner

Membership No. 125011

Place: Vadodara

Date: 20<sup>th</sup> May, 2023

UDIN: 23125011BGTMIQ9721



**STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2023**

Sr.	Particulars	(Rs. in lakhs)				
		Quarter ended			Year ended	Year ended
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
	Audited	Unaudited	Audited	Audited	Audited	
1	Revenue from Operations	12,988.94	11,577.35	14,477.91	48,864.10	57,359.90
2	Other Income	16.16	51.67	(25.10)	140.53	401.04
3	<b>Total Income (1+2)</b>	<b>13,005.10</b>	<b>11,629.02</b>	<b>14,452.81</b>	<b>49,004.63</b>	<b>57,760.94</b>
4	<b>Expenses:</b>					
	a. Cost of Materials Consumed	8,546.89	7,986.59	9,590.19	34,109.94	40,451.63
	b. Change in Inventories of Finished Goods	1,368.69	1,564.31	(392.59)	2,156.15	(2,421.84)
	c. Employee Benefits Expense	570.56	537.65	623.14	2,155.19	2,205.45
	d. Finance Costs	233.84	207.00	97.32	707.92	589.79
	e. Depreciation & Amortisation Expense	201.89	201.85	194.42	796.01	759.46
	f. Power & Fuel	1,106.01	1,046.43	1,290.47	4,590.37	5,120.29
	g. Other Expenses	827.96	929.30	1,062.60	4,299.09	4,401.10
	<b>Total Expenses</b>	<b>12,855.84</b>	<b>12,473.13</b>	<b>12,465.55</b>	<b>48,814.67</b>	<b>51,105.88</b>
5	<b>Profit / (Loss) before Tax (3 - 4)</b>	<b>149.26</b>	<b>(844.11)</b>	<b>1,987.26</b>	<b>189.96</b>	<b>6,655.06</b>
6	Tax Expense :					
	a. Provision for Current Tax	70.73	(208.94)	-	94.23	-
	b. Taxes for earlier Years`	(2.71)	-	-	(2.71)	-
	c. Deferred Tax	(26.34)	(28.74)	507.26	(39.39)	796.84
7	<b>Profit / (Loss) for the year / period (5 - 6)</b>	<b>107.58</b>	<b>(606.43)</b>	<b>1,480.00</b>	<b>137.83</b>	<b>5,858.22</b>
8	<b>Other Comprehensive Income</b>					
	a. Items that will not be reclassified to profit or loss	45.09	(9.46)	(46.89)	16.72	(37.83)
	b. Income Tax effect on above	(11.35)	2.38	11.80	(4.21)	9.52
	c. Items that will be reclassified to profit or loss	-	-	-	-	-
	d. Income Tax effect on above	-	-	-	-	-
	<b>Other Comprehensive Income for the year / period, net of taxes</b>	<b>33.74</b>	<b>(7.08)</b>	<b>(35.09)</b>	<b>12.51</b>	<b>(28.31)</b>
9	<b>Total Comprehensive Income for the year / period (7 + 8)</b>	<b>141.32</b>	<b>(613.51)</b>	<b>1,444.91</b>	<b>150.33</b>	<b>5,829.91</b>
10	Paid-up Equity Share Capital ( Face value per share Rs.10/-)	1,907.83	1,907.83	1,907.83	1,907.83	1,907.83
11	Other Equity (excluding Revaluation Reserve)	-	-	-	13,475.47	14,088.27
12	Earning per Share (of Rs.10/- each) - not annualised					
	a. Basic	0.56	(3.18)	7.76	0.72	30.71
	b. Diluted	0.56	(3.18)	7.76	0.72	30.71



By order of the Board

Ashok Malhotra  
Chairman & Managing Director  
DIN - 00120198

Place : Vadodara  
Date : 20th May, 2023

**STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2023**

(Rs. in lakhs)

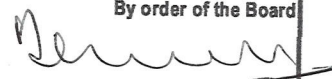
Particulars	As at	As at
	31.03.2023 Audited	31.03.2022 Audited
<b>I. ASSETS</b>		
(1) Non-Current Assets		
(a) Property, Plant and Equipments	7,115.07	7,313.99
(b) Capital work-in-progress	58.45	-
(c) Financial Assets		
i).Investment	0.02	0.02
ii) Other Financial Assets	32.17	1.41
(d) Other Non-Current Assets	740.31	476.63
<b>Total Non-Current Assets</b>	<b>7,946.02</b>	<b>7,792.05</b>
(2) Current Assets		
(a) Inventories	15,479.59	16,574.60
(b) Financial Assets		
(i) Trade Receivables	4,449.46	4,118.45
(ii) Cash and Cash Equivalents	2.12	308.25
(iii) Bank Balance Other than (ii) above	738.72	736.52
(iv) Others	21.95	17.94
(c) Other Current Assets	889.99	318.99
<b>Total Current Assets</b>	<b>21,581.83</b>	<b>22,074.75</b>
<b>TOTAL ASSETS :</b>	<b>29,527.85</b>	<b>29,866.80</b>
<b>II. EQUITY &amp; LIABILITIES</b>		
(1) Equity		
(a) Equity Share Capital	1,907.83	1,907.83
(b) Other Equity	13,475.47	14,088.27
<b>Total Equity</b>	<b>15,383.31</b>	<b>15,996.10</b>
(2) Non-Current Liabilities		
(a) Provisions	78.80	71.33
(b) Deferred Tax Liabilities (net)	752.13	787.32
<b>Total Non-Current Liabilities</b>	<b>830.93</b>	<b>858.65</b>
(3) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	7,643.56	2,821.14
(ii) Trade Payables		
a) Total Outstanding Dues of Micro Enterprises and Small Enterprises	122.75	154.92
b) Total Outstanding Dues other than Micro and Small enterprises	4,945.79	9,071.67
(iii) Other Financial Liabilities	144.93	85.16
(b) Other Current Liabilities	322.42	723.52
(c) Provisions	134.16	155.63
<b>Total Current Liabilities</b>	<b>13,313.61</b>	<b>13,012.05</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>29,527.85</b>	<b>29,866.80</b>

**Notes:**

- The results have been duly audited by Statutory Auditors, recommended by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 20th May, 2023.
- The Company is engaged in the business of manufacturing of Stainless Steel Long Products, which, in the context of Ind AS - 108 on Segment Reporting, constitutes a single reportable segment.
- The figures for the quarter ended 31st March, 2023 and the corresponding quarter of the previous year are balancing figures between the audited figures in respect of full financial year and published unaudited year to date figures upto the third quarter for the relevant financial year.
- The previous year/period figures have been regrouped / rearranged wherever necessary to make it comparable with the current year/period.



By order of the Board


**Ashok Malhotra**  
Chairman & Managing Director  
DIN - 00120198

Place : Vadodara  
Date : 20th May, 2023

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31ST MARCH, 2023**

(Rupees in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>A. Cash Flow from Operating Activities</b>		
Profit before Tax :	189.96	6,655.06
Adjustments for :		
Remeasurement of Defined Benefit Plans	16.72	(37.83)
Depreciation and amortization Expenses	796.01	759.46
Finance Cost	707.92	589.79
Loss/(Profit) on sale/disposal of Property,Plant and Equipment	0.58	(226.03)
Interest Income	(44.85)	(37.22)
Reversal for Provision of Doubtful Debt	-	-
Provision of Doubtful Debt	6.36	25.41
Net unrealised Foreign Exchange (Gain)/Loss	77.40	20.30
<b>Operating Profit before Working Capital Changes :</b>	<b>1,750.10</b>	<b>7,748.94</b>
Adjustments for (increase) / decrease in Operating Assets :		
Inventories	1,095.00	(1,701.33)
Trade Receivables	(366.45)	(832.49)
Other Current Assets	(571.00)	446.77
Other Financial Assets	(0.07)	-
Other Non Current Assets	(0.14)	-
Adjustments for increase / (decrease) in Operating Liabilities :		
Trade Payables	(4,206.36)	(2,200.21)
Other Financial Liabilities	59.77	(12.58)
Other Current Liabilities	(401.10)	268.70
Provisions	(14.00)	96.63
<b>Cash generated from Operations</b>	<b>(2,654.25)</b>	<b>3,814.43</b>
Direct Taxes (Payment) / Refund	(355.06)	(28.33)
<b>Net Cash From Operating Activities ...A</b>	<b>(3,009.31)</b>	<b>3,786.10</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Property,Plant and Equipment	(662.86)	(591.72)
Sale / disposal of Property,Plant and Equipment	6.72	267.77
Bank Deposits	(32.89)	(32.03)
Interest Received	40.83	36.57
<b>Net Cash (used in) / from Investing Activities ...B</b>	<b>(648.20)</b>	<b>(319.41)</b>
<b>C. Cash Flow from Financing Activities</b>		
Repayment of Long term borrowings	-	(855.00)
Net increase / (decrease) in Short Term Borrowings (net)	4,822.43	(1,787.31)
Finance Cost	(707.92)	(598.67)
Dividend payment	(763.13)	-
<b>Net Cash (used in)/ from Financing Activities ...C</b>	<b>3,351.38</b>	<b>(3,240.98)</b>
<b>Net increase/(decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(306.13)</b>	<b>225.71</b>
<b>Cash and Cash Equivalents at the beginning of the year :</b>		
Cash on Hand	2.25	3.01
Balance with Banks in Current Account	306.00	79.53
<b>Cash and Cash Equivalents</b>	<b>308.25</b>	<b>82.54</b>
<b>Cash and Cash Equivalents at the closing of the year :</b>		
Cash on Hand	2.10	2.25
Balance with Banks in Current Account	0.01	306.00
<b>Cash and Cash Equivalents</b>	<b>2.12</b>	<b>308.25</b>
<b>Net increase/(decrease) as disclosed above</b>	<b>(306.13)</b>	<b>225.71</b>

**Notes :**

- The Statement of Cash Flow is prepared in accordance with the format prescribed as per Ind AS - 7
- In part-A of the Cash Flow Statement, figures in brackets indicate deduction made from the net profit for deriving the net Cash Flow from operating activities. In part-B and Part-C, figures in brackets indicate Cash Outflows.



By order of the Board

**Ashok Malhotra**  
Chairman & Managing Director  
DIN - 00120198



PSL/CS/BSE/REG-33(3)(d)/23-24  
20<sup>th</sup> May, 2023

The BSE Limited  
Corporate Relationship Dept.  
P. J. Towers,  
Dalal Street, Fort,  
MUMBAI - 400 001

**Company Code : 4166 (Scrip Code No. 513511)**

Dear Sir,

**Sub : Declaration with respect to Audit Report with unmodified opinion to the Audited Financial Results for the F.Y. ended 31<sup>st</sup> March, 2023.**

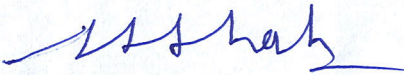
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In compliance with Regulation 33(3)(d) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended read with SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby confirm that the Statutory Auditors of the Company M/s CNK & Associates LLP, Chartered Accountants (Firm's Registration No. : 101961W/W-100036) have issued Audit Reports with unmodified opinion on Audited Financial Results of the Company for the financial year ended 31<sup>st</sup> March, 2023.

Kindly take note of the same on your record.

Thanking you,

Yours faithfully,  
For Panchmahal Steel Limited



**Nilesh Shah**  
Chief Financial Officer



E-mail : [cfo@panchmahalsteel.co.in](mailto:cfo@panchmahalsteel.co.in)