

## Stovec Industries Ltd.

Regd. Office and Factory :

N.I.D.C., Near Lambha Village, Post Narol,  
Ahmedabad - 382 405, INDIA

CIN : L45200GJ1973PLC050790

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To,  
Corporate Relations Department  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400 001

Reference : Scrip Code No.:- 504959- Stovec Industries Limited  
Date : November 9, 2021  
Subject : Outcome of Board Meeting

Dear Sir/Madam,

Pursuant to regulation 30, 33 and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to inform you that, the Board of Directors at their meeting held on today i.e. November 9, 2021 have, inter alia, approved Unaudited Financial Results of the Company for the quarter and nine months ended September 30, 2021 and took on record the Limited Review Report of the Statutory Auditor and the same are enclosed herewith. The said result shall also be posted on the website of the Company.

Trading Window which has been remained closed for Specified Persons to approve above results shall be re-opened on November 12, 2021.

The Meeting of Board of Directors of the Company commenced at 4.30 P.M. and concluded at 5.30 P.M. *Sanjiv*

We request you to take the above on your record.

Thanking you,

Yours sincerely,  
For Stovec Industries Limited

*Sanjeev Singh Sengar*

Sanjeev Singh Sengar  
Company Secretary & Compliance Officer



Encl.: As above

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**Review Report to  
The Board of Directors of  
Stovec Industries Limited**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Stovec Industries Limited (the "Company") for the quarter ended September 30, 2021 and year to date from January 1, 2021 to September 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as mentioned in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

**SUKRUT S  
MEHTA**

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MEHTA  
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Date: 2021.11.09 17:28:36 +05'30'

per Sukrut Mehta

Partner

Membership No.: 101974

UDIN: 21101974AAAAGP3449

Place: Ahmedabad

Date: November 9, 2021

**STOVEC INDUSTRIES LIMITED**

Regd. Office: N.I.D.C., Nr. Lambha Village, Post: Narol, Ahmedabad - 382 405, Gujarat, India.

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**Statement of Unaudited Financial Results for the Quarter and Nine Months Ended September 30, 2021**

(₹ in Million)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		30/09/2021	30/06/2021	30/09/2020	30/09/2021	30/09/2020	31/12/2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from operations	609.19	504.51	413.65	1,761.27	1,007.89	1,510.23
II	Other Income	9.38	10.71	12.90	33.58	39.54	51.68
III	<b>Total Income (I + II)</b>	<b>618.57</b>	<b>515.22</b>	<b>426.55</b>	<b>1,794.85</b>	<b>1,047.43</b>	<b>1,561.91</b>
IV	<b>Expenses</b>						
	a) Cost of materials consumed	328.87	317.23	237.76	954.64	557.98	782.06
	b) Purchase of stock-in-trade	8.90	8.58	4.19	26.13	13.63	18.03
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	7.31	(78.69)	(29.71)	(36.48)	(54.45)	(0.28)
	d) Employee benefits expense	61.44	60.39	50.10	169.72	150.10	202.21
	e) Depreciation and amortisation expense	12.92	12.64	12.81	38.06	32.21	45.34
	f) Other expenses	118.77	105.36	86.92	333.45	236.40	342.93
	<b>Total Expenses</b>	<b>538.21</b>	<b>425.51</b>	<b>362.07</b>	<b>1,485.52</b>	<b>935.87</b>	<b>1,390.29</b>
V	<b>Profit Before Tax (III - IV)</b>	<b>80.36</b>	<b>89.71</b>	<b>64.48</b>	<b>309.33</b>	<b>111.56</b>	<b>171.62</b>
VI	<b>Tax expense</b>						
	a) Current tax	18.83	24.83	17.41	80.67	25.23	40.44
	b) Adjustment of tax relating to earlier periods / year	-	-	-	(0.66)	(0.10)	1.81
	c) Deferred tax (credit)	(0.35)	(3.33)	(2.54)	(7.90)	(1.78)	(5.26)
VII	<b>Net Profit for the periods / year (V - VI)</b>	<b>61.88</b>	<b>68.21</b>	<b>49.61</b>	<b>237.22</b>	<b>88.21</b>	<b>134.63</b>
VIII	<b>Other Comprehensive Income ("OCI")</b>						
	Items that will not be reclassified to profit or loss in subsequent periods :						
	(i) Remeasurements of the defined benefit	(0.63)	(0.63)	(1.58)	(0.47)	(5.28)	(2.52)
	(ii) Remeasurements of equity instruments through other comprehensive income	2.99	0.32	0.23	5.81	(0.12)	1.35
	Income tax relating to items that will not be reclassified to profit or loss in subsequent	(0.59)	0.08	0.34	(1.34)	1.36	(1.04)
IX	<b>Total Comprehensive Income for the periods</b>	<b>63.65</b>	<b>67.98</b>	<b>48.60</b>	<b>241.22</b>	<b>84.17</b>	<b>132.42</b>
X	Paid - up equity share capital @ ₹ 10 face value	20.88	20.88	20.88	20.88	20.88	20.88
XI	Other equity (excluding revaluation reserves) as at balance sheet date						1,333.67
XII	<b>Earnings per share of ₹ 10 each (not annualised for the quarters and nine months):</b>						
	a) Basic (₹)	29.64	32.67	23.76	113.61	42.25	64.48
	b) Diluted (₹)	29.64	32.67	23.76	113.61	42.25	64.48

See accompanying notes to the financial results



**Notes:**

- 1 The above statement of unaudited financial results for the quarter and nine months ended September 30, 2021 ('the Statement') of Stovec Industries Limited ('the Company') is reviewed by the Audit Committee and thereafter approved by the Board of Directors at their respective meeting held on November 9, 2021. The financial results are prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (as amended) (Ind AS) prescribed under Section 133 of the Companies Act, 2013, and other recognized accounting practices and policies to the extent applicable.
- 2 In accordance with the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Statutory Auditors have performed a limited review of Company's unaudited financial results for the quarter and nine months ended September 30, 2021.
- 3 Textile Industry as well as Company's performance was affected as a result of Covid 19 in India. Accordingly, Company's revenue and operations for the previous quarter ended June 30, 2021 and corresponding previous quarter ended September 30, 2020 were lower compared to current quarter ended September 30, 2021. Further, the Company has also considered the possible effects that may result on account of COVID-19 and has made detailed assessment of its liquidity position, including recoverability and carrying values of its financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of the COVID-19, the Company has at the date of approval of these financial results, used external and internal sources of information/ indicators to estimate the future performance of the Company. Based on the current estimates, the management has concluded that there are no other adjustments required in the financial results. Given the uncertainties because of COVID-19 however, the final impact on the company's assets in future may differ from that estimated as at the date of approval of these financial results. The Company will therefore continue to closely monitor any material changes arising of future economic conditions and impact on its business.
- 4 The Company has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108) read with SEBI circular dated July 5, 2016. Segment composition is as follows:
  - a) "Textile Machinery and Consumables" segment includes Perforated Rotary Screens, Laquer & Auxiliary Chemicals, Digital Ink, Rotary Screen Printing Machine, Engraving Equipment, Components and Spares.
  - b) "Graphics Consumables" segment includes Anilox Rollers, Rotamesh screens and RotaPlate.
  - c) "Galvanic" Segment includes Galvano Consumables.

Segment wise revenue, results, assets and liabilities are as under:

(₹ in Million)

Particulars	Quarter ended			Nine months ended		Year ended
	30/09/2021	30/06/2021	30/09/2020	30/09/2021	30/09/2020	31/12/2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Segment Revenue (Sales and Other Operating income from Segments)</b>						
- Textile Machinery and Consumables	493.44	380.10	307.24	1,398.07	755.72	1,168.03
- Graphics Consumables	27.31	23.45	17.88	76.54	47.46	71.63
- Galvanic	88.44	100.96	88.53	286.66	204.71	270.57
<b>Total</b>	<b>609.19</b>	<b>504.51</b>	<b>413.65</b>	<b>1,761.27</b>	<b>1,007.89</b>	<b>1,510.23</b>
Less : Inter Segment Revenue	-	-	-	-	-	-
<b>Net segment revenue</b>	<b>609.19</b>	<b>504.51</b>	<b>413.65</b>	<b>1,761.27</b>	<b>1,007.89</b>	<b>1,510.23</b>
<b>Segment Results (Profit before Finance Costs and Tax)</b>						
- Textile Machinery and Consumables	79.80	82.91	58.20	283.51	108.99	169.41
- Graphics Consumables	13.55	12.33	6.87	39.39	19.61	32.10
- Galvanic	13.13	18.24	14.30	50.32	33.35	47.59
<b>Total Segment Results</b>	<b>106.48</b>	<b>113.48</b>	<b>79.37</b>	<b>373.22</b>	<b>161.95</b>	<b>249.10</b>
Less : Unallocable Expenditure Net of Unallocable Other Income	26.12	23.77	14.89	63.89	50.39	77.48
<b>Profit Before Tax</b>	<b>80.36</b>	<b>89.71</b>	<b>64.48</b>	<b>309.33</b>	<b>111.56</b>	<b>171.62</b>
<b>Segment Assets</b>						
- Textile Machinery and Consumables	1,014.07	895.09	791.51	1,014.07	791.51	746.45
- Graphics Consumables	34.27	35.63	34.00	34.27	34.00	34.07
- Galvanic	92.22	98.27	85.46	92.22	85.46	74.94
- Others / Unallocable	870.42	842.59	765.16	870.42	765.16	950.42
<b>Total Assets</b>	<b>2,010.98</b>	<b>1,871.58</b>	<b>1,676.13</b>	<b>2,010.98</b>	<b>1,676.13</b>	<b>1,805.88</b>
<b>Segment Liabilities</b>						
- Textile Machinery and Consumables	288.37	284.58	261.60	288.37	261.60	339.95
- Graphics Consumables	6.62	3.84	7.40	6.62	7.40	10.28
- Galvanic	2.68	7.30	5.04	2.68	5.04	4.03
- Others / Unallocable	163.48	89.68	95.79	163.48	95.79	97.07
<b>Total Liabilities</b>	<b>461.15</b>	<b>385.40</b>	<b>369.83</b>	<b>461.15</b>	<b>369.83</b>	<b>451.33</b>



- 5 The Company received a notice from Atul Sugar Screens Private Limited ('Atul') on November 10, 2020 intimating termination of the Contract Manufacturing Agreement ('CMA'), earlier than the notice period stipulated in CMA entered into with the Company in April 2018 for manufacturing the sugar sieves for Atul. Pursuant to the above notice, the Company has entered into a "Settlement Agreement" with Atul during September 2021, determining the compensation and schedule of activities for closure of CMA over the period of time not later than July 2022. Upon completion of activities mentioned in the Settlement Agreement, the revenue from Galvanic business will be discontinued.
- 6 Investors can view the unaudited financial results of the company for the quarter and nine months ended September 30, 2021 on the company's website [www.stovec.com](http://www.stovec.com) or on the website of the BSE [www.bseindia.com](http://www.bseindia.com).
- 7 Previous quarter/ nine months/ year-end figures have been regrouped/ reclassified, wherever necessary, to confirm to current period's classification.



For Stovec Industries Ltd.

SHAILESH  
CHANDRAKR  
ISHNA WANI

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Shailesh Wani  
Managing Director

Place : Ahmedabad  
Date : November 9, 2021