

## 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 : August 11, 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. August 11, 2021 have, inter alia, approved Unaudited Financial Results of the Company for the quarter and half year ended June 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.

This is to further inform you that the Meeting of Board of Directors of the Company commenced at 3.30 P.M. and concluded at 4.50 P.M. *Sanj*

We request you to take the above on your record.

Thanking you,

Yours sincerely,  
For Stovec Industries Limited



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 June 30, 2021 and year to date from January 1, 2021 to June 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

# **S R B C & C O L L P**

Chartered Accountants

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 & C O L L P**

Chartered Accountants

**ICAI Firm registration number: 324982E/E300003**

**SUKRUT S**  
**MEHTA**

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MEHTA  
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o=Personal,  
email=sukrut.mehta@srb.in  
Date: 2021.08.11 16:52:59 +05'30'

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**per Sukrut Mehta**

Partner

Membership No.: 101974

UDIN: 21101974AAAADY9215

Place: Ahmedabad

Date: August 11, 2021

STOVEC INDUSTRIES LIMITED Regd. Office: N.I.D.C., Nr. Lambha Village, Post: Narol, Ahmedabad - 382 405, Gujarat, India. Website: www.stovec.com, e-mail: secretarial@stovec.com, CIN: L45200GJ1973PLC050790, Tel: +91(0)79- 6157 2300, Fax: +91(0)79- 2571 0406							
Statement of Unaudited Financial Results for the Quarter and Half Year Ended June 30, 2021							
Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30/06/2021	31/03/2021	30/06/2020	30/06/2021	30/06/2020	31/12/2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from operations	504.51	647.57	171.89	1,152.08	594.25	1,510.23
II	Other Income	10.71	13.49	13.26	24.20	27.38	51.68
III	<b>Total Income (I + II)</b>	<b>515.22</b>	<b>661.06</b>	<b>185.15</b>	<b>1,176.28</b>	<b>621.63</b>	<b>1,561.91</b>
IV	<b>Expenses</b>						
	a) Cost of materials consumed	317.23	308.54	67.86	625.77	320.22	782.06
	b) Purchase of stock-in-trade	8.58	8.65	2.92	17.23	9.43	18.03
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(78.69)	34.90	19.47	(43.79)	(24.74)	(0.28)
	d) Employee benefits expense	60.39	47.89	42.74	108.28	100.01	202.21
	e) Depreciation and amortisation expense	12.64	12.50	8.47	25.14	19.40	45.34
	f) Other expenses	105.36	109.32	55.45	214.68	150.23	342.93
	<b>Total Expenses</b>	<b>425.51</b>	<b>521.80</b>	<b>196.91</b>	<b>947.31</b>	<b>574.55</b>	<b>1,390.29</b>
V	<b>Profit / (loss) Before Tax (III - IV)</b>	<b>89.71</b>	<b>139.26</b>	<b>(11.76)</b>	<b>228.97</b>	<b>47.08</b>	<b>171.62</b>
VI	<b>Tax expense</b>						
	a) Current tax	24.83	37.01	(5.69)	61.84	7.82	40.44
	b) Adjustment of tax relating to earlier periods / year	-	(0.66)	-	(0.66)	(0.10)	1.81
	c) Deferred tax (credit)	(3.33)	(4.22)	1.39	(7.55)	0.77	(5.26)
VII	<b>Net Profit / (loss) for the periods / year (V - VI)</b>	<b>68.21</b>	<b>107.13</b>	<b>(7.46)</b>	<b>175.34</b>	<b>38.59</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 plans	(0.63)	0.79	(1.58)	0.16	(3.69)	(2.52)
	(ii) Remeasurements of equity instruments through other comprehensive income	0.32	2.50	2.28	2.82	(0.36)	1.35
	Income tax relating to items that will not be reclassified to profit or loss in subsequent periods	0.08	(0.83)	(0.18)	(0.75)	1.02	(1.04)
IX	<b>Total Comprehensive Income for the periods / year (VII + VIII)</b>	<b>67.98</b>	<b>109.59</b>	<b>(6.94)</b>	<b>177.57</b>	<b>35.56</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)</b>						
	a) Basic (₹)	32.67	51.31	(3.57)	83.97	18.48	64.48
	b) Diluted (₹)	32.67	51.31	(3.57)	83.97	18.48	64.48

See accompanying notes to the financial results



Statement of assets and liabilities as at June 30, 2021		
(₹ in Million)		
Particulars	As at June 30, 2021	As at December 31, 2020
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, Plant and Equipment	277.04	296.28
(b) Capital work-in-progress	15.23	-
(c) Other Intangible assets	0.07	0.21
(d) Financial Assets		
(i) Investments	-	8.36
(ii) Other financial assets	7.67	7.53
(e) Deferred tax assets (net)	11.98	5.18
(f) Other assets	23.31	28.84
<b>Total non-current assets</b>	<b>335.30</b>	<b>346.40</b>
<b>Current assets</b>		
(a) Inventories	409.10	310.83
(b) Financial assets		
(i) Investments	11.18	-
(ii) Trade receivables	305.20	245.49
(iii) Cash and cash equivalents	129.11	136.42
(iv) Bank balances other than (iii) above	644.82	732.29
(v) Other financial assets	13.78	22.42
(c) Other assets	23.09	12.03
<b>Total current assets</b>	<b>1,536.28</b>	<b>1,459.48</b>
<b>Total Assets</b>	<b>1,871.58</b>	<b>1,805.88</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	20.88	20.88
(b) Other equity	1,465.30	1,333.67
<b>Total Equity</b>	<b>1,486.18</b>	<b>1,354.55</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Provisions	20.51	21.12
<b>Total non-current liabilities</b>	<b>20.51</b>	<b>21.12</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	10.21	1.04
- total outstanding dues of creditors other than micro enterprises and small enterprises	160.08	200.66
(ii) Other financial liabilities	52.86	54.31
(b) Other liabilities	83.63	137.97
(c) Provisions	40.93	35.09
(d) Current tax liabilities (net)	17.18	1.14
<b>Total current liabilities</b>	<b>364.89</b>	<b>430.21</b>
<b>Total Liabilities</b>	<b>385.40</b>	<b>451.33</b>
<b>Total Equity and Liabilities</b>	<b>1,871.58</b>	<b>1,805.88</b>

See accompanying notes to the financial results



**Notes:**

- 1 The above statement of unaudited financial results for the quarter and half year ended June 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 August 11, 2021. The financial results are prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (as amended) (Ind AS) 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 half year ended June 30, 2021.
- 3 Textile Industry as well as Company's performance was affected as a result of second wave of Covid 19 in India. Accordingly, Company's revenue and performance for the quarter ended June 30, 2021 is lower compared to immediately previous quarter ended March 31, 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:

Particulars	Quarter ended			Half year ended		Year ended
	30/06/2021	31/03/2021	30/06/2020	30/06/2021	30/06/2020	31/12/2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Segment Revenue (Sales and Other Operating income from Segments)</b>						
- Textile Machinery and Consumables	380.10	524.53	124.17	904.63	448.16	1,168.03
- Graphics Consumables	23.45	25.78	6.04	49.23	29.90	71.63
- Galvanic	100.96	97.26	41.68	198.22	116.19	270.57
<b>Total</b>	<b>504.51</b>	<b>647.57</b>	<b>171.89</b>	<b>1,152.08</b>	<b>594.25</b>	<b>1,510.23</b>
Less : Inter Segment Revenue	-	-	-	-	-	-
<b>Net segment revenue</b>	<b>504.51</b>	<b>647.57</b>	<b>171.89</b>	<b>1,152.08</b>	<b>594.25</b>	<b>1,510.23</b>
<b>Segment Results (Profit before Finance Costs and Tax)</b>						
- Textile Machinery and Consumables	82.91	120.80	(5.87)	203.71	50.79	169.41
- Graphics Consumables	12.33	13.51	0.11	25.84	12.74	32.10
- Galvanic	18.24	18.95	6.32	37.19	19.05	47.59
<b>Total Segment Results</b>	<b>113.48</b>	<b>153.26</b>	<b>0.56</b>	<b>266.74</b>	<b>82.58</b>	<b>249.10</b>
Less : Unallocable Expenditure Net of Unallocable Other Income	23.77	14.00	12.32	37.77	35.50	77.48
<b>Profit / (Loss) Before Tax</b>	<b>89.71</b>	<b>139.26</b>	<b>(11.76)</b>	<b>228.97</b>	<b>47.08</b>	<b>171.62</b>
<b>Segment Assets</b>						
- Textile Machinery and Consumables	895.09	937.80	873.81	895.09	873.81	746.45
- Graphics Consumables	35.63	36.12	58.82	35.63	58.82	34.07
- Galvanic	98.27	118.11	88.74	98.27	88.74	74.94
- Others / Unallocable	842.59	884.10	751.50	842.59	751.50	950.42
<b>Total Assets</b>	<b>1,871.58</b>	<b>1,976.13</b>	<b>1,772.87</b>	<b>1,871.58</b>	<b>1,772.87</b>	<b>1,805.88</b>
<b>Segment Liabilities</b>						
- Textile Machinery and Consumables	284.58	349.15	299.81	284.58	299.81	339.95
- Graphics Consumables	3.84	6.34	4.37	3.84	4.37	10.28
- Galvanic	7.30	7.22	5.12	7.30	5.12	4.03
- Others / Unallocable	89.68	149.28	80.59	89.68	80.59	97.07
<b>Total Liabilities</b>	<b>385.40</b>	<b>511.99</b>	<b>389.89</b>	<b>385.40</b>	<b>389.89</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 which was entered into with the Company in April 2018 for manufacturing the sugar sieves for them. The Company is in discussion of terms and procedure for termination including closing date, which will be mutually agreed between the parties, pursuant to which, final outcome and impact, if any shall be determined.
- 6 Statement of cashflow for the half year ended June 30, 2021 and June 30, 2020 is given as Annexure 1.
- 7 Investors can view the unaudited financial results of the company for the quarter and half year ended June 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).
- 8 During the period, the Company has paid dividend of ₹ 22 per equity share having face value of ₹ 10 each (220%) for financial year ended December 31, 2020, approved by the members at the AGM held on May 11, 2021. The said dividend was proposed by the Board of Directors at their meeting held on February 26, 2021.
- 9 Previous quarter/ half year/ 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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CHANDRAKRISHNA  
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Date: 2021.08.11  
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Shallesh Wani  
Managing Director

Place : Ahmedabad  
Date : August 11, 2021



Annexure 1 - Statement of cash flow for the half year ended June 30, 2021		
(₹ in Million)		
Particulars	Half year ended	Half year ended
	June 30, 2021	June 30, 2020
	(Unaudited)	(Unaudited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	228.97	47.08
<u>Adjustment to reconcile profit before tax to net cash flows:</u>		
Depreciation and amortisation expense	25.14	19.40
Interest income	(18.41)	(19.52)
Unrealised foreign exchange (gain) / loss	(0.02)	1.35
Loss on sale of assets	0.04	0.29
Provision for doubtful trade receivables (net)	0.71	3.42
Provision / (Reversal) for other provisions	(0.09)	(2.02)
Provision / (Reversal) for warranty (net)	0.96	(0.18)
<b>Operating profit before working capital changes</b>	<b>237.30</b>	<b>49.82</b>
<u>Adjustments For Changes In Working Capital:</u>		
Increase in other assets	(0.85)	(33.59)
(Increase) / Decrease in inventories	(98.26)	(131.25)
(Increase) / Decrease in trade receivables	(60.32)	36.10
(Decrease) / Increase in other liabilities and provisions	(50.88)	(0.64)
Decrease in trade payables	(31.50)	(26.45)
<b>Cash generated from operations</b>	<b>(4.51)</b>	<b>(106.01)</b>
Direct taxes paid (net)	(36.96)	(31.02)
<b>A. Net cash flow (used in) / generated from operating activities</b>	<b>(41.47)</b>	<b>(137.03)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Payment toward purchase of property, plant and equipment	(24.15)	(16.77)
Proceeds from sale of property, plant and equipment	0.11	0.11
(Investments) / Redemptions in bank deposits (having original maturity of more than three months) (net)	87.47	(31.63)
Interest received	16.59	16.82
<b>B. Net cash flow generated / (used in) from investing activities</b>	<b>80.02</b>	<b>(31.48)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Dividend paid on equity shares	(45.86)	-
<b>C. Net cash flow (used in) financing activities</b>	<b>(45.86)</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(7.31)</b>	<b>(168.51)</b>
Cash and cash equivalents as at the beginning of the period	136.42	313.56
<b>Cash and cash equivalents as at the end of the period</b>	<b>129.11</b>	<b>145.05</b>
<b>Cash and Cash Equivalents at the end of the period comprise :</b>		
Cash on hand	0.27	0.37
Bank Balances :		
- In Current Accounts	53.84	44.68
- Deposits with original maturity less than 3 months	75.00	100.00
<b>Cash and cash equivalents at end of the period</b>	<b>129.11</b>	<b>145.05</b>