

Stovec Industries Ltd.

Regd. Office and Factory :

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

CIN : L45200GJ1973PLC050790

Telephone : +91 79 61572300
+91 79 25710407 to 410

Fax : +91 79 25710406

E-mail : admin@stovec.com

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

Reference : Scrip Code No.:- 504959- Stovec Industries Limited
Date : November 14, 2022
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 14, 2022 have, inter alia, approved Unaudited Financial Results of the Company for the quarter and nine months ended September 30, 2022 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 17, 2022.

The Meeting of Board of Directors of the Company commenced at 03:00 P.M. and concluded at 04:00 P.M.

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 September 30, 2022 and year to date from January 01, 2022 to September 30, 2022 (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. The Company's Management is responsible for the preparation of the Statement 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 and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. 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,



S R B C & CO LLP

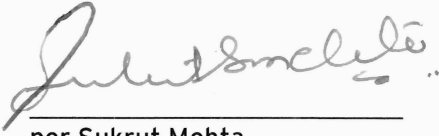
Chartered Accountants

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



per Sukrut Mehta

Partner

Membership No.: 101974

UDIN: 22101974BDBDFO1059

Place: Ahmedabad

Date: November 14, 2022



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 nine months ended September 30, 2022

(₹ in Million)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		30/09/2022	30/06/2022	30/09/2021	30/09/2022	30/09/2021	31/12/2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	(Audited)
I	Revenue from operations	446.07	643.19	609.19	1,749.20	1,761.27	2,333.61
II	Other Income	8.38	15.65	9.38	36.46	33.58	56.20
III	Total Income (I + II)	454.45	658.84	618.57	1,785.66	1,794.85	2,389.81
IV	Expenses						
a)	Cost of materials consumed	351.99	376.69	328.87	1,117.85	954.64	1,254.78
b)	Purchase of stock-in-trade	38.24	23.77	8.90	73.90	26.13	46.89
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(121.02)	(29.37)	7.31	(199.39)	(36.48)	(25.51)
d)	Employee benefits expense	65.16	68.44	61.44	197.60	169.72	239.25
e)	Depreciation and amortisation expense	14.85	14.91	12.92	44.79	38.06	51.02
f)	Other expenses	100.09	114.43	118.77	332.41	333.45	448.82
	Total Expenses	449.31	568.87	538.21	1,567.16	1,485.52	2,015.25
V	Profit Before Exceptional Items and Tax (III - IV)	5.14	89.97	80.36	218.50	309.33	374.56
VI	Exceptional Items (refer note 4)	-	77.06	-	77.06	-	15.90
VII	Profit Before Tax (V - VI)	5.14	167.03	80.36	295.56	309.33	390.46
VIII	Tax expense						
a)	Current tax	2.19	24.58	18.83	77.84	80.67	91.74
b)	Adjustment of tax relating to earlier periods / year	(4.49)	-	-	(7.83)	(0.66)	0.41
c)	Deferred tax charges / (credit)	(1.35)	17.05	(0.35)	(5.48)	(7.90)	1.90
IX	Net Profit for the periods / year (VII - VIII)	8.79	125.40	61.88	231.03	237.22	296.41
X	Other Comprehensive Income ("OCI")						
	Items that will not be reclassified to profit or loss in subsequent periods :						
(i)	Remeasurements of the defined benefit plans	(0.99)	(1.14)	(0.63)	(1.26)	(0.47)	(4.38)
(ii)	Remeasurements of equity instruments through other comprehensive income	1.65	(1.02)	2.99	1.06	5.81	5.35
	Income tax relating to items that will not be reclassified to profit or loss in subsequent periods	0.25	0.28	(0.59)	0.32	(1.34)	1.10
XI	Total Comprehensive Income for the periods / year (IX + X)	9.70	123.52	63.65	231.15	241.22	298.48
XII	Paid - up equity share capital @ ₹ 10 face value	20.88	20.88	20.88	20.88	20.88	20.88
XIII	Other equity (excluding revaluation reserves) as at balance sheet date						1,586.21
XIV	Earnings per share of ₹ 10 each (not annualised for the quarters and nine months):						
a)	Basic (₹)	4.21	60.06	29.64	110.65	113.61	141.96
b)	Diluted (₹)	4.21	60.06	29.64	110.65	113.61	141.96

See accompanying notes to the financial results

**SIGNED FOR IDENTIFICATION
PURPOSES ONLY**
SRBC & CO LLP

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Notes:

- 1 The above statement of unaudited financial results for the quarter and nine months ended September 30, 2022 ('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 14, 2022. 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, 2022.
- 3 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
	30/09/2022	30/06/2022	30/09/2021	30/09/2022	30/09/2021	31/12/2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	(Audited)
Segment Revenue (Sales and Other Operating income from Segments)						
- Textile Machinery and Consumables	412.03	566.17	493.44	1,478.06	1,398.07	1,851.27
- Graphics Consumables	34.04	28.10	27.31	91.66	76.54	103.29
- Galvanic (refer note 4)	-	48.92	88.44	179.48	286.66	379.05
Total segment revenue	446.07	643.19	609.19	1,749.20	1,761.27	2,333.61
Segment Results (Profit before Finance Costs and Tax)						
- Textile Machinery and Consumables	11.98	91.99	79.80	208.39	283.51	338.52
- Graphics Consumables	17.57	14.73	13.55	49.04	39.39	54.03
- Galvanic (refer note 4)	-	4.22	13.13	28.42	50.32	64.23
Total Segment Results	29.55	110.94	106.48	285.85	373.22	456.78
Less : Unallocable Expenditure Net of Unallocable Other Income	24.41	20.97	26.12	67.35	63.89	82.22
Profit Before Exceptional Items and Tax	5.14	89.97	80.36	218.50	309.33	374.56
Exceptional Items (refer note 4)	-	77.06	-	77.06	-	15.90
Profit Before Tax	5.14	167.03	80.36	295.56	309.33	390.46
Segment Assets						
- Textile Machinery and Consumables	1,319.16	1,224.49	1,014.07	1,319.16	1,014.07	949.92
- Graphics Consumables	34.16	30.38	34.27	34.16	34.27	26.72
- Galvanic (refer note 4)	-	36.53	92.22	-	92.22	112.10
- Others / Unallocable	762.23	769.61	870.42	762.23	870.42	920.53
Total Assets	2,115.55	2,061.01	2,010.98	2,115.55	2,010.98	2,009.27
Segment Liabilities						
- Textile Machinery and Consumables	310.36	284.02	288.37	310.36	288.37	299.26
- Graphics Consumables	5.91	3.53	6.62	5.91	6.62	4.55
- Galvanic (refer note 4)	-	0.27	2.68	-	2.68	27.47
- Others / Unallocable	80.09	63.65	163.48	80.09	163.48	70.90
Total Liabilities	396.36	351.47	461.15	396.36	461.15	402.18

- 4 The Company received 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 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. During the nine months ended September 30, 2022, pursuant to completion of activities mentioned in the agreement, the company has recorded consideration for such activity amounting to ₹ 77.06 Million (December 31, 2021 ₹ 15.90 Million), which has been disclosed as 'exceptional item'. The entire consideration as mentioned above is already received during the previous quarter. Considering the activities mentioned in the Settlement Agreement had been completed during the previous quarter, the revenue from Galvanic business as stated in note 3 above has been discontinued.
- 5 Investors can view the unaudited financial results of the company for the quarter and nine months ended September 30, 2022 on the company's website www.stovec.com or on the website of the BSE www.bseindia.com.
- 6 Previous quarter/ nine months/ year-end figures have been regrouped/ reclassified, wherever necessary, to conform to current period's

For Stovec Industries Ltd.