

**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,  
**The Secretary**  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400 001

**Reference : Scrip Code- 504959**  
**Subject : Outcome of Board Meeting**  
**Date : August 10, 2023**

Dear Sir/Madam,

Pursuant to regulation 30, 33 and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Board of Directors at their meeting held on today i.e. August 10, 2023 have, inter alia, approved the followings:

1. the Unaudited Financial Results of the Company for the quarter and half year ended on June 30, 2023, cash flow statement and statement of assets and liabilities as on that date and took on record the Limited Review Report of the Statutory Auditor thereon.

The duly signed aforesaid financial results along with Limited review report thereon are enclosed.

2. Declaration of one-time special dividend (interim dividend) of Rs. 157 per equity share of Rs. 10/- each (i.e. 1570 %) for the financial year 2023 on the occasion of 50<sup>th</sup> anniversary of the Company. Such dividend will be paid to the eligible members who hold the shares on the record date i.e. August 21, 2023 and the payment will be made on or before its due date;

Trading Window which is remained closed for specified persons of the Company shall be re-opened on August 13, 2023. The meeting of Board of Directors of the Company commenced at 3:30 p.m. and concluded at 4:50 p.m.

We request you to take the above on your record.

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  
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, 2023 and year to date from January 01, 2023 to June 30, 2023 (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 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  
per **Mustafa Saleem**  
Partner  
Membership No.: 136969  
UDIN: 23136969B6XFIR2912  
Place: Mumbai  
Date: August 10, 2023

**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,

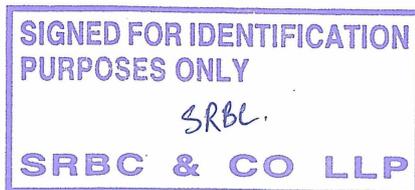
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**Statement of unaudited financial results for the quarter and half year ended June 30, 2023**

(₹ in Million)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30/06/2023	31/03/2023	30/06/2022	30/06/2023	30/06/2022	31/12/2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	(Audited)
I	Revenue from operations	572.51	443.95	643.19	1,016.46	1,303.13	2,358.49
II	Other Income	14.69	13.70	15.65	28.39	28.08	46.17
III	<b>Total Income (I + II)</b>	<b>587.20</b>	<b>457.65</b>	<b>658.84</b>	<b>1,044.85</b>	<b>1,331.21</b>	<b>2,404.66</b>
IV	<b>Expenses</b>						
	a) Cost of materials consumed	306.30	287.08	376.69	593.38	765.86	1,376.11
	b) Purchase of stock-in-trade	21.67	14.40	23.77	36.07	35.66	115.66
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	36.68	(52.72)	(29.37)	(16.04)	(78.37)	(97.35)
	d) Employee benefits expense	71.15	69.19	68.44	140.34	132.44	255.36
	e) Depreciation and amortisation expense	14.77	15.06	14.91	29.83	29.94	59.78
	f) Other expenses	110.21	92.65	114.43	202.86	232.32	447.70
	<b>Total Expenses</b>	<b>560.78</b>	<b>425.66</b>	<b>568.87</b>	<b>986.44</b>	<b>1,117.85</b>	<b>2,157.26</b>
V	<b>Profit Before Exceptional Items and Tax (III - IV)</b>	<b>26.42</b>	<b>31.99</b>	<b>89.97</b>	<b>58.41</b>	<b>213.36</b>	<b>247.40</b>
VI	Exceptional Items (refer note 4)	-	-	77.06	-	77.06	77.06
VII	<b>Profit Before Tax (V - VI)</b>	<b>26.42</b>	<b>31.99</b>	<b>167.03</b>	<b>58.41</b>	<b>290.42</b>	<b>324.46</b>
VIII	<b>Tax expense</b>						
	a) Current tax	7.01	10.87	24.58	17.88	75.65	83.82
	b) Adjustment of tax relating to earlier periods / year	-	-	-	-	(3.34)	(1.86)
	c) Deferred tax charges / (credit)	(0.75)	(3.35)	17.05	(4.10)	(4.13)	(5.17)
IX	<b>Net Profit for the periods / year (VII - VIII)</b>	<b>20.16</b>	<b>24.47</b>	<b>125.40</b>	<b>44.63</b>	<b>222.24</b>	<b>247.67</b>
X	<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	(0.24)	(0.75)	(1.14)	(0.99)	(0.27)	0.64
	(ii) Remeasurements of equity instruments through other comprehensive income	0.17	(0.25)	(1.02)	(0.08)	(0.59)	0.94
	Income tax relating to items that will not be reclassified to profit or loss in subsequent periods	0.06	0.19	0.28	0.25	0.07	(0.16)
XI	<b>Total Comprehensive Income for the periods / year (IX + X)</b>	<b>20.15</b>	<b>23.66</b>	<b>123.52</b>	<b>43.81</b>	<b>221.45</b>	<b>249.09</b>
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						1,716.29
XIV	<b>Earnings per share of ₹ 10 each (not annualised for the quarters):</b>						
	a) Basic (₹)	9.65	11.72	60.06	21.37	106.44	118.61
	b) Diluted (₹)	9.65	11.72	60.06	21.37	106.44	118.61

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, 2023 ('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 10, 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 half year ended June 30, 2023.
- 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:

Particulars	Quarter ended			Half year ended		Year ended
	30/06/2023	31/03/2023	30/06/2022	30/06/2023	30/06/2022	31/12/2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	(Audited)
<b>Segment Revenue (Sales and Other Operating income from Segments)</b>						
- Textile Machinery and Consumables	543.51	414.78	566.17	958.29	1,066.03	2,060.54
- Graphics Consumables	29.00	29.17	28.10	58.17	57.62	118.47
- Galvanic (refer note 4)	-	-	48.92	-	179.48	179.48
<b>Total segment revenue</b>	<b>572.51</b>	<b>443.95</b>	<b>643.19</b>	<b>1,016.46</b>	<b>1,303.13</b>	<b>2,358.49</b>
<b>Segment Results (Profit before Finance Costs and Tax)</b>						
- Textile Machinery and Consumables	42.19	39.77	91.99	81.96	196.41	265.55
- Graphics Consumables	14.98	16.78	14.73	31.76	30.91	63.74
- Galvanic (refer note 4)	-	-	4.22	-	28.97	28.42
<b>Total Segment Results</b>	<b>57.17</b>	<b>56.55</b>	<b>110.94</b>	<b>113.72</b>	<b>256.29</b>	<b>357.71</b>
Less : Unallocable Expenditure Net of Unallocable Other Income	30.75	24.56	20.97	55.31	42.93	110.31
<b>Profit Before Exceptional Items and Tax</b>	<b>26.42</b>	<b>31.99</b>	<b>89.97</b>	<b>58.41</b>	<b>213.36</b>	<b>247.40</b>
Exceptional Items (refer note 4)	-	-	77.06	-	77.06	77.06
<b>Profit Before Tax</b>	<b>26.42</b>	<b>31.99</b>	<b>167.03</b>	<b>58.41</b>	<b>290.42</b>	<b>324.46</b>
<b>Segment Assets</b>						
- Textile Machinery and Consumables	1,301.94	1,233.74	1,224.49	1,301.94	1,224.49	1,120.81
- Graphics Consumables	29.24	26.89	30.38	29.24	30.38	28.13
- Galvanic (refer note 4)	-	-	36.53	-	36.53	-
- Others / Unallocable	737.99	861.27	769.61	737.99	769.61	994.93
<b>Total Assets</b>	<b>2,069.17</b>	<b>2,121.90</b>	<b>2,061.01</b>	<b>2,069.17</b>	<b>2,061.01</b>	<b>2,143.87</b>
<b>Segment Liabilities</b>						
- Textile Machinery and Consumables	255.47	276.19	284.02	255.47	284.02	330.81
- Graphics Consumables	5.61	5.89	3.53	5.61	3.53	5.13
- Galvanic (refer note 4)	-	-	0.27	-	0.27	-
- Others / Unallocable	125.25	78.99	63.65	125.25	63.65	70.76
<b>Total Liabilities</b>	<b>386.33</b>	<b>361.07</b>	<b>351.47</b>	<b>386.33</b>	<b>351.47</b>	<b>406.70</b>

- 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 had 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 year ended December 31, 2022, pursuant to completion of activities mentioned in the agreement, the company had recorded consideration for such activity amounting to ₹ 77.06 Million, which has been disclosed as 'exceptional item'. The entire consideration as mentioned above is already received during the previous year. Considering the activities mentioned in the Settlement Agreement had been completed during the previous year, the revenue from Galvanic business as stated in note 3 above has since been discontinued.

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- 5 The Board of Directors has approved one time special dividend of ₹ 157 per equity share having face value of ₹ 10 each (1570%) for the financial year 2023 on the occasion of 50th anniversary (Golden Jubilee) of the Company.
- 6 During the quarter, the Company has paid dividend of ₹ 47 per equity share having face value of ₹ 10 each (470%) for financial year ended December 31, 2022, approved by the members at the AGM held on May 9, 2023.
- 7 Statement of unaudited cashflow for the half year ended June 30, 2023 and June 30, 2022 is given as Annexure 1.
- 8 Investors can view the unaudited financial results of the company for the quarter and half year ended June 30, 2023 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).
- 9 Previous quarter/ half year/ year-end figures have been regrouped/ reclassified, wherever necessary, to conform to current period's classification.

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Place : Ahmedabad  
Date : August 10, 2023



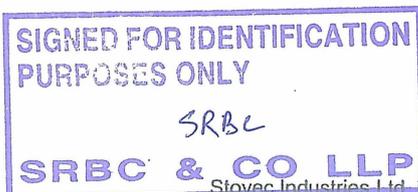
For Stovec Industries Ltd.

**Shailesh Wani**  
Managing Director (DIN: 06474766)

Statement of assets and liabilities as at June 30, 2023		
Particulars	(₹ in Million)	
	As at June 30, 2023 (Unaudited)	As at December 31, 2022 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	326.09	344.45
(b) Capital work-in-progress	31.12	2.60
(c) Other intangible assets	0.25	0.32
(d) Other intangible assets under development	1.76	1.76
(e) Financial assets		
(i) Investments*	-	-
(ii) Other financial assets	7.67	98.70
(f) Deferred tax assets (net)	13.75	9.40
(g) Other assets	25.63	34.19
<b>Total non-current assets</b>	<b>406.27</b>	<b>491.42</b>
<b>Current assets</b>		
(a) Inventories	624.80	575.27
(b) Financial assets		
(i) Investments	0.71	0.79
(ii) Trade receivables	359.07	234.78
(iii) Cash and cash equivalents	179.98	237.52
(iv) Bank balances other than (iii) above	223.37	473.36
(v) Other financial assets	196.71	115.35
(c) Other assets	78.26	15.38
<b>Total current assets</b>	<b>1,662.90</b>	<b>1,652.45</b>
<b>Total Assets</b>	<b>2,069.17</b>	<b>2,143.87</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	20.88	20.88
(b) Other equity	1,661.96	1,716.29
<b>Total Equity</b>	<b>1,682.84</b>	<b>1,737.17</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Provisions	23.83	21.72
<b>Total non-current liabilities</b>	<b>23.83</b>	<b>21.72</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	13.63	32.08
- total outstanding dues of creditors other than micro enterprises and small enterprises	134.95	196.53
(ii) Other financial liabilities	82.09	57.53
(b) Other liabilities	105.16	75.55
(c) Provisions	26.67	23.29
<b>Total current liabilities</b>	<b>362.50</b>	<b>384.98</b>
<b>Total Liabilities</b>	<b>386.33</b>	<b>406.70</b>
<b>Total Equity and Liabilities</b>	<b>2,069.17</b>	<b>2,143.87</b>

See accompanying notes to the financial results

\* Figures shown as Nil due to conversion to ₹ in million.




Annexure 1 - Statement of cash flow for the half year ended June 30, 2023		
Particulars	(₹ in Million)	
	Half year ended June 30, 2023	Half year ended June 30, 2022
	(Unaudited)	(Unaudited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	58.41	290.42
<u>Adjustment to reconcile profit before tax to net cash flows:</u>		
Depreciation and amortisation expense	29.83	29.94
Interest income	(16.88)	(14.66)
Unrealised foreign exchange loss	1.18	0.90
Loss on sale of property, plant and equipment (net)	0.05	0.04
Provision for doubtful receivables (net)	3.32	1.93
Liabilities and provisions no longer required written back	(8.23)	(1.93)
(Reversal) Provision for warranty (net)	(0.48)	(1.97)
Operating profit before working capital changes	67.20	304.67
<u>Adjustments for changes in working capital:</u>		
(Increase) / Decrease in other assets and financial assets	(63.36)	9.24
(Increase) in inventories	(49.54)	(93.05)
(Increase) in trade receivables	(129.41)	(149.31)
Increase / (Decrease) in other liabilities and provisions	48.68	(42.68)
(Decrease) / Increase in trade payables	(79.40)	2.88
Cash (used in) / generated from operations	(205.83)	31.75
Direct taxes paid (net)	(8.27)	(36.11)
<b>A. Net cash flow (used in) operating activities</b>	<b>(214.10)</b>	<b>(4.36)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Payment toward purchase of property, plant and equipment	(22.35)	(37.52)
Proceeds from sale of property, plant and equipment	0.09	0.10
Proceeds from sale of investments	-	0.48
Redemptions in bank deposits (net)	260.94	122.61
Interest received	16.02	13.94
<b>B. Net cash flow generated from investing activities</b>	<b>254.70</b>	<b>99.61</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Dividend paid on equity shares	(98.14)	(119.02)
<b>C. Net cash flow (used in) financing activities</b>	<b>(98.14)</b>	<b>(119.02)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(57.54)</b>	<b>(23.77)</b>
Cash and cash equivalents as at the beginning of the period	237.52	157.08
Cash and cash equivalents as at the end of the period	179.98	133.31
<b>Cash and Cash Equivalents at the end of the period comprise :</b>		
Cash on hand	0.44	0.39
Bank Balances :		
- In Current Accounts	102.48	81.78
- In Exchange earners' foreign currency accounts	14.56	1.64
- Deposits with original maturity less than 3 months	62.50	49.50
<b>Cash and cash equivalents at end of the period</b>	<b>179.98</b>	<b>133.31</b>

See accompanying notes to the financial results

