

February 14, 2023

To,

<b>BSE Limited,</b> <b>Dept. of Corporate Services,</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 <b>Company Code: 505075</b>	<b>National Stock Exchange of India Ltd,</b> <b>Listing Department</b> Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 <b>Scrip Symbol: SETCO</b>
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Dear Sir/Madam,

**Sub.: Outcome of Board Meeting in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 33 read with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we wish to inform you that the Board of Directors of the Company in its meeting held today i.e. Tuesday, February 14, 2023 has, inter alia, approved the following:

1. Unaudited Standalone and Consolidated financial results for the Quarter and Nine months ended December 31, 2022 alongwith the Limited Review Report of the Statutory Auditors thereon;
2. Re-appointment of Mr. Harish Sheth, Chairman and Managing Director of the Company for a period of 3 years w.e.f. January 1, 2024.
3. Re-appointment of Mr. Udit Sheth, Executive Vice Chairman of the Company for a period of 3 years w.e.f. May 1, 2023.
4. Re-appointment of Mrs. Urja Shah, Executive Director of the Company for a period of 3 years w.e.f. November 11, 2023.

The brief profile of aforesaid Director(s) is attached hereto as **Annexure A**.

Accordingly, please find enclosed Unaudited Standalone and Consolidated financial results for Quarter and Nine months ended December 31, 2022 alongwith the Limited Review Report of the Statutory Auditors thereon;

The Board meeting commenced at 11:00 a.m. and concluded at 01:47 p.m.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,

**For Setco Automotive Limited**

HIRENKUMAR Digitally signed by  
HIRENKUMAR  
POPATBHAI VALA  
Date: 2023.02.14  
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**Hiren Vala**  
**Company Secretary**

Encl: As above

### Annexure A

Sr. No	Disclosure Requirement	Details		
		Mr. Harish Sheth	Mr. Udit Sheth	Mrs. Urja Shah
1.	Reason for Change viz. appointment, <del>resignation,</del> <del>removal,</del> <del>death</del> or otherwise;	Re-appointment of Mr. Harish Sheth, Chairman and Managing Director (DIN: 01434459) of the Company for another term of 3 consecutive years with effect from January 1, 2024, subject to the approval of shareholders at the ensuing General Meeting.	Re-appointment of Mr. Udit Sheth, Executive Vice Chairman (DIN: 00187221) of the Company for another term of 3 consecutive years with effect from May 1, 2023, subject to the approval of shareholders at the ensuing General Meeting.	Re-appointment of Mrs. Urja Shah, Executive Director (DIN: 02675341) of the Company for another term of 3 consecutive years with effect from November 11, 2023, subject to the approval of shareholders at the ensuing General Meeting.
2.	Date of Appointment / Cessation (as applicable) & term of Appointment	This is not a fresh Appointment.  As mentioned above, Re-appointment as Chairman and Managing Director for a period of 3 years with effect from January 1, 2024. He will be liable to retire by rotation.	This is not a fresh Appointment.  As mentioned above, Re-appointment as Executive Vice Chairman for a period of 3 years with effect from May 1, 2023. He will be liable to retire by rotation.	This is not a fresh Appointment.  As mentioned above, Re-appointment as Executive Director for a period of 3 years with effect from November 11, 2023. She will be liable to retire by rotation.
3	Brief profile (in case of appointment);	Mr. Harish Sheth is the founder of Setco Automotive Limited. A core visionary of the Company, Mr. Harish Sheth has been instrumental in transforming the Company from a single product/single location to a multiple product/multi-location Company, catering towards a remarkable presence for the Company in the international market as well. Mr. Harish Sheth has a Bachelor's degree in Mechanical Engineering from the University of Michigan, Ann Arbor and an MBA (Finance) from the Columbia University, New York.	Mr. Udit Sheth started his career at Setco in 2002. A strategist by temperament, he has been responsible for Strategy and Business Development for Group Information Technology and the Joint Ventures of the Company. A key member within the M&A team, he has contributed to the Company's U.K. and USA acquisitions. Mr. Udit Sheth has a Bachelor's Degree in Science with a specialization in Finance & MIS from Purdue University and has completed an Executive Education program from MIT, Cambridge-Boston, USA.	Mrs. Urja Shah has completed Bachelors in Environmental Science and Masters in Environmental Policy from Duke University, USA. She also has a Certificate in International Development Studies from Duke University. She has pursued certificate courses in Financial Accounting and Marketing from Boston University, USA. Mrs. Urja Shah has been playing a very significant role in the Company's activities related to Corporate Social Responsibility.
4	Disclosure of relationships between directors (in case of appointment of a director).	Mr. Harish Sheth is father of Mr. Udit Sheth and Mrs. Urja Shah.	Mr. Udit Sheth and Mr. Harish Sheth are related as son and father. Mrs. Urja Shah is sister of Mr. Udit Sheth.	Mrs. Urja Shah and Mr. Harish Sheth are related as daughter and father. Mrs. Urja Shah is sister of Mr. Udit Sheth.
5	Information as required pursuant to BSE Circular with ref. no. LIST/COMP/ 14/ 2018-19 and the National Stock Exchange of India Ltd with ref. no. NSE/ CML/ 2018/24, dated 20th June, 2018.	Not Applicable since Mr. Harish Sheth is already Chairman and Managing Director of the Company.  Mr. Harish Sheth is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.	Not Applicable since Mr. Udit Sheth is already Executive Vice Chairman of the Company.  Mr. Udit Sheth is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.	Not Applicable since Mrs. Urja Shah is already Executive Director of the Company.  Mrs. Urja Shah is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

**Independent Auditor's Limited Review Report on Standalone Unaudited Financial results of SETCO AUTOMOTIVE LIMITED for the quarter & nine months period ended on December 31, 2022, Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
**The Board of Directors**  
**SETCO AUTOMOTIVE LIMITED**  
(CIN: L35999GJ1982PLC005203)  
Baroda Godhra Highway, Kalol (Panchmahal)  
**GUJARAT - 389330 (INDIA).**

**Introduction:**

1. We have reviewed the accompanying statement of Unaudited Standalone Financial results of **SETCO AUTOMOTIVE LIMITED** ("the Company") for the quarter and nine months period ended December 31, 2022, together with notes thereon ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors on February 14, 2023 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, as amended ("the Act"), read with relevant rules issued there under and other recognised accounting practices and policies generally accepted in India and Regulation 33 of the Listing Regulations in this regard. Our responsibility is to express a conclusion on the Statement based on our review.

**Scope of 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 ("ICAI"). 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 specified under section 143(10) of the Companies Act, 2013 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.



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**Conclusion:**

4. Based on our review conducted as stated 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 Ind AS 34 as prescribed under section 133 of the Act and other recognised accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations in this regard, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Other Matters:**

5. The financial statements of the Company for the year ended 31<sup>st</sup> March 2022, quarter ended June 30, 2022, corresponding quarter and nine months ended on December 31, 2021 were audited / reviewed respectively, by the predecessor auditor and had issued unmodified opinion on these statements.

Pune, February 14, 2023



**Sharp & Tannan Associates**  
Chartered Accountant  
Firm's Reg. No.: 0109983W  
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Pramod  
Ramesh Bhishe

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Pramod Ramesh Bhishe  
Date: 2023.02.14  
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**CA Pramod Bhishe**  
Partner

Membership No.: (F) 047751  
UDIN: 23047751BGTHUW3731



Regd. Office : Baroda - Godhra Highway, Kalol, District Panchmahal, Pin Code - 389 330, Gujarat

Tel :- 02676 - 270600, Fax :- 02676 -235524

Website: www.setcoauto.com, Email :- investor.relations@setcoauto.com

Corporate Identity Number : L35999GJ1982PLC005203

**Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2022**

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-22	30-Sep-22	31-Dec-21	31-Dec-22	31-Dec-21	31-Mar-22
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Income</b>						
a.	Revenue from Operations	10	18	1,061	41	15,672	15,674
b.	Other Income	(145)	99	65	81	488	520
	<b>Total Income</b>	<b>(135)</b>	<b>117</b>	<b>1,125</b>	<b>121</b>	<b>16,160</b>	<b>16,194</b>
<b>2</b>	<b>Expenses</b>						
a.	Cost of materials consumed	-	-	996	1	7,559	7,567
b.	Changes in inventories of finished goods and work-in-progress	-	-	-	-	4,553	4,553
c.	Employee benefits expense	40	-	-	110	2,087	2,087
d.	Finance costs	-	0	1	1	2,513	2,516
e.	Depreciation and amortisation expense	-	-	-	-	978	978
f.	Other expenses	28	20	29	67	2,711	2,622
	<b>Total Expenses</b>	<b>68</b>	<b>21</b>	<b>1,027</b>	<b>179</b>	<b>20,401</b>	<b>20,324</b>
<b>3</b>	<b>Profit / (Loss) before exceptional and tax (1-2)</b>	<b>(203)</b>	<b>96</b>	<b>98</b>	<b>(57)</b>	<b>(4,241)</b>	<b>(4,130)</b>
4	Exceptional Items	-	-	-	-	3,703	12,942
<b>5</b>	<b>Profit / (Loss) before tax (3-4)</b>	<b>(203)</b>	<b>96</b>	<b>98</b>	<b>(57)</b>	<b>(7,944)</b>	<b>(17,072)</b>
<b>6</b>	<b>Tax Expense</b>						
a.	Current Tax	-	-	-	-	2,187	643
b.	Deferred Tax	-	-	34	-	(423)	(721)
	<b>Total Tax Expense</b>	<b>-</b>	<b>-</b>	<b>34</b>	<b>-</b>	<b>1,764</b>	<b>(79)</b>
<b>7</b>	<b>Profit/(loss) for the period/year from continuing operations (5-6-8)</b>	<b>(203)</b>	<b>96</b>	<b>64</b>	<b>(57)</b>	<b>(9,708)</b>	<b>(8,949)</b>
<b>8</b>	<b>Profit/(loss) before tax for the year from discontinued oper:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,044)</b>
<b>9</b>	<b>Tax Expense of discontinued operations</b>						
a.	Current Tax	-	-	-	-	-	3
b.	Deferred Tax	-	-	-	-	-	332
	<b>Total Tax Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>335</b>
<b>10</b>	<b>Profit/(loss) after tax for the year from discontinued operations (8-9)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,379)</b>
<b>11</b>	<b>Profit/(loss) for the period/year (7+10)</b>	<b>(203)</b>	<b>96</b>	<b>64</b>	<b>(57)</b>	<b>(9,708)</b>	<b>(17,328)</b>
<b>12</b>	<b>Other Comprehensive Income (OCI)</b>						
a.	Items that will not be reclassified to Profit or Loss	-	-	-	-	-	(154)
b.	Income Tax relating to items that will not be reclassified to Profit or Loss	-	-	-	-	-	-
c.	Items that will be reclassified to Profit or Loss	-	-	-	-	-	-
d.	Income Tax relating to items that will be reclassified to Profit or Loss	-	-	-	-	-	-
	<b>Other Comprehensive Income (Net of Tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(154)</b>
<b>13</b>	<b>Total Comprehensive income for the period/year (11+12)</b>	<b>(203)</b>	<b>96</b>	<b>64</b>	<b>(57)</b>	<b>(9,708)</b>	<b>(17,482)</b>
<b>14</b>	<b>Paid up Equity Share Capital (Face Value Rs. 2/- per share)</b>	<b>2,675</b>	<b>2,675</b>	<b>2,675</b>	<b>2,675</b>	<b>2,675</b>	<b>2,675</b>
<b>15</b>	<b>Other Equity</b>						<b>5,703</b>
<b>16</b>	<b>Earnings/(loss) per equity share (EPS) (Face Value of Rs. 2/-) (not annualised) :</b>						
a.	<b>Earnings/(loss) per equity share from continuing operations (EPS):</b>						
(a)	Basic - Rs.	(0.15)	0.07	0.05	(0.04)	(7.26)	(6.69)
(b)	Diluted - Rs.	(0.15)	0.07	0.05	(0.04)	(7.26)	(6.69)
b.	<b>Earnings/(loss) per equity share from discontinued operations (EPS):</b>						
(a)	Basic - Rs.	-	-	-	-	-	(6.26)
(b)	Diluted - Rs.	-	-	-	-	-	(6.26)
c.	<b>Earnings/(loss) per equity share from continuing and discontinued operations (EPS):</b>						
(a)	Basic - Rs.	(0.15)	0.07	0.05	(0.04)	(7.26)	(12.95)
(b)	Diluted - Rs.	(0.15)	0.07	0.05	(0.04)	(7.26)	(12.95)

**Notes (Standalone):-**

1. The above statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013, as amended and other recognized accounting practices and policies to the extent applicable.
2. Other Income includes as under: (Rs. In lakhs)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	Dec 31, 2022	Sep 30, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021	March 31, 2022
Foreign Exchange Fluctuation gain	(147)	95	33	0	135	165
Lease Rent	0	0	0	0	100	100
Finance income on Financial Guarantee	2	0	31	2	49	50
Duty drawback	0	0	0	0	15	15
Gain on Lease cancellation	0	0	0	0	147	147
Other Misc. income*	0	4	1	79	42	43
<b>Total</b>	<b>(145)</b>	<b>99</b>	<b>65</b>	<b>81</b>	<b>488</b>	<b>520</b>

\*Other Misc. income consists of refund of penalty charged by lender.

3. The company has not charged interest on unsecured loan to the subsidiaries.
4. Previous period figures have been regrouped / rearranged wherever considered necessary.
5. The impact assessment of Covid-19 is a continuing process, given the uncertainties associated with its nature and duration. The company will continue to monitor any material changes to future economic benefits and the consequent impact on business, if any.
6. The above financial results were reviewed and recommended by the Audit Committee at its meeting held on February 14, 2023 and subsequently approved by the Board of Directors at its meeting held on February 14, 2023. The Statutory Auditors have carried out a limited review of the financial results for the quarter and nine months ended December 31, 2022.

**For and behalf of the Board**

HARISHKUMAR  
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KIRITKANT  
SHETH

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HARISHKUMAR  
KIRITKANT SHETH  
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**Harish Sheth**  
**Chairman & Managing Director**  
**DIN:01434459**

**Place : Mumbai**  
**Date : February 14, 2023**

**Pramod  
Ramesh  
Bhise**

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**Independent Auditor's Limited Review report on Consolidated Unaudited Financial results of SETCO AUTOMOTIVE LIMITED for the Quarter and Nine months period ended on December 31, 2022, pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,

**The Board of Directors**

**SETCO AUTOMOTIVE LIMITED**

(CIN: L35999GJ1982PLC005203)

Baroda Godhra Highway, Kalol (Panchmahal)

**GUJARAT - 389330 (INDIA).**

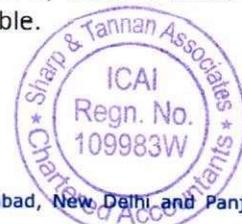
## Introduction

1. We have reviewed the accompanying statement of Consolidated Unaudited Financial results of the **SETCO AUTOMOTIVE LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which includes Group's share of profit/(loss) in its associates and joint ventures for the quarter and nine months ended on December 31, 2022, together with notes thereon ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), which has been initiated by us for identification purposes.
2. The Statement, which is the responsibility of the Parent's Management and approved by the Holding company's Board of Directors on November 10, 2022 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, ("the Act") as amended, read with rules issued there under and other recognised accounting practices and policies generally accepted in India and Regulation 33 of the Listing Regulations in this regard. Our responsibility is to express a conclusion on the Statement based on our review.

## Scope of 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 specified under section 143(10) of the Companies Act, 2013 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations in this regard, to the extent applicable.



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4. 'The Statement' includes the results of the entities mentioned below:

Sr. No.	Name of the related party	Nature of relationship
1.	Setco Automotive Limited, India	Holding Company
2.	Setco Auto Systems Private Limited, India	Subsidiary Company
3.	Lava Cast Private Limited, India	Subsidiary Company
4.	Setco MEA DMCC, UAE	Subsidiary Company
5.	Setco Automotive N.A. Inc. (USA)	Subsidiary Company
6.	Setco Automotive (UK) Ltd., UK	Subsidiary Company
7.	WEW Holdings Limited, Mauritius	Subsidiary Company

**Basis for qualified conclusion**

5. Note Number 4 to the Statement forms the basis for our qualified conclusion, which are as follows:

We reproduce hereunder the 'Basis for Qualified Conclusion' issued by us on one of the subsidiary viz. **Lava Cast Private Limited ('LCPL')** vide our limited review report dt. 10<sup>th</sup> February, 2023, to the extent the same are found significant as per the Guidance issued by the Institute of Chartered Accountants of India, from time to time and which also forms the basis for qualified conclusion in our review report on the said subsidiary's report:

The Company has received a recall notice on 16 January 2023 from its lender i.e. Bank of Baroda for outstanding loan facilities of Rs. 145.85 Crores. The Balance reflected as per Company's books of accounts is Rs. 112.53 Crores. As informed to us, the difference is subject to reconciliation and Company's management is in the process of discussing and resolving this matter with the lender. In light of the above, we are unable to quantify the consequential impact on Company's total borrowings, interest and other charges accrued on the results for the quarter and nine months period ended 31 December 2022.

**Qualified Conclusion**

6. Except for the possible effects of the matters specified under "Basis for qualified conclusion", and based on Based on our review conducted and procedures performed as stated in "Scope of review" paragraph above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with recognition and measurement principles laid down in Ind AS 34 as prescribed under section 133 of the Act and other recognized accounting practice and principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations in this regard, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Emphasis of matter**

7. We reproduce hereunder the 'Emphasis of Matter' paragraphs forming part of review reports issued by us of two subsidiaries viz. **SETCO Auto Systems Private Limited (SASPL)** and **Lava Cast Private Limited (LCPL)**, which are reproduced below:
- A. "Without qualifying our opinion, we draw attention to Statement of Standalone Unaudited Financial Results which indicates that the Company incurred a net loss of Rs 13,385 Lakhs during the nine months period ended 31 December 2022 and, negative net worth of Rs. 38,910 Lakhs as of that date. Considering the amount of accumulated losses and negative Net Worth as on date, indicates the material uncertainty which is a matter of concern and needs to be addressed by the Management." (SASPL)

- B. "Without qualifying our opinion, we draw attention to Statement of Profit and Loss for the nine months period ended on 31<sup>st</sup> December, 2022, which indicates that the Company incurred a net loss of Rs. 2,579 Lakhs during the said period and, negative net worth of Rs. 6,214 Lakhs as of that date. These conditions, along with other matters as set forth indicate the existence of uncertainty which may cast significant challenges on the company's ongoing operations. In this regard, management has represented to us that it is confident to address these issues in timely manner including settlement of the lender's claim and company's going forward business improvements, leading to addressing the issues, if any, of going concern." (LCPL)

Our conclusion is not modified in respect of these matters of emphasis.

#### Other matters

8. We did not review the Ind AS financial statements of four subsidiaries included in the Statement, whose interim financial information / financial result reflect total assets of Rs. 13,826 Lakhs as at December 31, 2022, total revenues of Rs. 2,118 Lakhs & Rs. 26 Lakhs (net) total net loss after tax and total comprehensive income for the quarter and nine months ended December 31, 2022 respectively.

This financial statements / information is not reviewed by us and have been furnished to us by the Holding company's management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries are based solely on such unaudited financial information as certified by management. In our opinion and according to the information and explanations given to us.

9. The consolidated financial statements of the Company for the year ended 31<sup>st</sup> March 2022, quarter ended 30<sup>th</sup> June 2022, corresponding quarter and nine months ended on December 31, 2021 were audited / reviewed respectively, by the predecessor auditor and had issued unmodified opinion on these statements.

Pune, February 14, 2023



*PR*

**Sharp & Tannan Associates**  
Chartered Accountant  
Firm's Reg. No.: 0109983W  
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Pramod Ramesh Bhise  
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**CA Pramod Bhise**  
Partner

Membership No.: (F) 047751  
UDIN: 23047751BGTHUX4297

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Regd. Office : Baroda - Godhra Highway, Kalol, District Panchmahal, Pin Code - 389 330, Gujarat  
Tel :- 02676 - 270600, Fax :- 02676 -235524

Website: www.setcoauto.com, Email :- investor.relations@setcoauto.com  
Corporate Identity Number : L35999GJ1982PLC005203

**Statement of Consolidated unaudited Financial Results for the Quarter and Nine Months ended December 31, 2022**

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter Ended			Nine Month Ended		Year Ended
		31-Dec-22	30-Sep-22	31-Dec-21	31-Dec-22	31-Dec-21	31-Mar-22
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Income</b>						
a.	Revenue from Operations	11,145	11,574	11,955	38,521	27,882	43,500
b.	Other Income	(109)	173	113	283	5,806	990
	<b>Total Income</b>	<b>11,036</b>	<b>11,747</b>	<b>12,068</b>	<b>38,804</b>	<b>33,688</b>	<b>44,490</b>
<b>2</b>	<b>Expenses</b>						
a.	Cost of materials consumed	5,301	6,648	6,933	21,786	13,446	22,695
b.	Changes in inventories of finished goods and work-in-progress	810	(160)	(118)	(216)	2,458	2,477
c.	Employee benefits expense	2,098	2,186	1,972	6,469	5,846	8,139
d.	Finance costs	3,968	3,801	3,404	11,426	7,351	10,832
e.	Depreciation and amortisation expense	910	903	986	2,713	2,736	3,745
f.	Other expenses	2,622	2,765	2,823	8,506	8,698	11,775
	<b>Total Expenses</b>	<b>15,708</b>	<b>16,143</b>	<b>15,999</b>	<b>50,683</b>	<b>40,534</b>	<b>59,662</b>
<b>3</b>	<b>Profit / (Loss) before exceptional and tax (1-2)</b>	<b>(4,672)</b>	<b>(4,396)</b>	<b>(3,932)</b>	<b>(11,878)</b>	<b>(6,846)</b>	<b>(15,172)</b>
4	Exceptional Items	170	-	-	170	14,479	10,240
<b>5</b>	<b>Profit / (Loss) before tax (3-4)</b>	<b>(4,842)</b>	<b>(4,396)</b>	<b>(3,932)</b>	<b>(12,049)</b>	<b>(21,325)</b>	<b>(25,412)</b>
<b>6</b>	<b>Tax Expense</b>						
a.	Current Tax	-	-	-	-	2,187	646
b.	Deferred Tax	(0)	(9)	25	(9)	(432)	(310)
<b>7</b>	<b>Profit/(loss) for the period/year(5-6)</b>	<b>(4,842)</b>	<b>(4,387)</b>	<b>(3,957)</b>	<b>(12,039)</b>	<b>(23,081)</b>	<b>(25,748)</b>
<b>8</b>	<b>Other Comprehensive Income (OCI)</b>						
a.	Items that will not be reclassified to Profit or Loss	-	-	-	-	-	(216)
b.	Income Tax relating to items that will not be reclassified to Profit or Loss	-	-	-	-	-	16
c.	Items that will be reclassified to Profit or Loss	495	(126)	47	361	(1)	16
d.	Income Tax relating to items that will be reclassified to Profit or Loss	-	-	-	-	-	-
	<b>Other Comprehensive Income (Net of Tax)</b>	<b>495</b>	<b>(126)</b>	<b>47</b>	<b>361</b>	<b>(1)</b>	<b>(183)</b>
<b>10</b>	<b>Total Comprehensive income for the period/year (7+8)</b>	<b>(4,347)</b>	<b>(4,513)</b>	<b>(3,910)</b>	<b>(11,679)</b>	<b>(23,082)</b>	<b>(25,931)</b>
<b>11</b>	<b>Profit for the period attributable to</b>						
	Owners of the company	(3,364)	(3,705)	(3,513)	(9,480)	(20,092)	(22,436)
	Non-controlling Interest	(1,479)	(682)	(444)	(2,560)	(2,989)	(3,312)
<b>12</b>	<b>Other Comprehensive Income attributable to</b>						
	Owners of the company	495	(126)	47	361	(1)	(172)
	Non-controlling Interest	-	-	-	-	-	(12)
<b>13</b>	<b>Total Comprehensive Income for the period attributable to</b>						
	Owners of the company	(2,868)	(3,831)	(3,466)	(9,119)	(20,094)	(22,608)
	Non-controlling Interest	(1,479)	(682)	(444)	(2,560)	(2,989)	(3,324)
<b>14</b>	<b>Paid up Equity Share Capital (Face Value Rs. 2/- per share)</b>	2,675	2,675	2,675	2,675	2,675	2,675
<b>15</b>	<b>Other Equity</b>						(26,716)
<b>16</b>	<b>Earnings per equity share (Face Value of Rs. 2/-) (not annualised) :</b>						
(a)	Basic - Rs.	(2.51)	(2.77)	(2.63)	(7.09)	(15.02)	(16.77)
(b)	Diluted - Rs.	(2.51)	(2.77)	(2.63)	(7.09)	(15.02)	(16.77)

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**Notes (Consolidated):-**

- The above results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013, as amended and other recognized accounting practices and policies to the extent applicable.
- Exceptional Items:

(Rs. in lakhs)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		Dec 31, 2022	Sep 30, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021	March 31, 2022
a.	Provision for diminution in Investment	0	0	0	0	0	639
b.	Provision for ECL in Advances	170	0	0	170	0	43
c.	Onetime Commission	0	0	0	0	10776	10776
d.	Inventory write down	0	0	0	0	3703	3703
e.	Profit on sale of goodwill & trademark	0	0	0	0	0	(4921)
	<b>Total</b>	<b>170</b>	<b>0</b>	<b>0</b>	<b>170</b>	<b>14479</b>	<b>10240</b>

**For Quarter ended Dec 2022, Nine Months ended Dec 2021 and Year Ended March 2022:**

- The parent company had provided 9% ECL on Investment in SEPL for the loss of dividend in current year amounting to Rs. 639 Lakhs.
- ECL is provided by SASPL on the amount recoverable from SE Transstadia Private Limited and Other Advances.
- Onetime payment by SASPL of Rs. 10,776 lakhs being compensation for forgoing potential future commission revenue in excess of Rs. 800 lakhs per annum to Setco Engineering Private Limited
- Government of India has formulated the policy to scrap old Commercial vehicles older than 15 years in age.

In view of new emission norms and reluctance of transferee company (i.e SASPL) to take over such old stocks, the existing stocks of Rs. 4206 lakhs (at book value) of items/components whose utility is impaired, has been written down in accounts net of Scrap amounting to Rs. 3703 Lakhs.

- The parent company had purchased "LIPE" Brand from its subsidiaries SAUL and SANAI for Rs. 3,494.24 lakhs & Rs. 2,452.13 lakhs respectively during the year and such brand has been transferred to the transferee company SASPL in slump sale transaction. Income on such sale is recognised as revenue by the subsidiaries which is reflected under the head of "Exceptional Items".

3. The Company's subsidiary – Lava Cast Private Limited has received a recall notice on January 16, 2023 from its lender – Bank of Baroda, which is being attended, making all attempts to resolve the matter in an amicable manner.
4. Basis for qualified conclusion by the Independent Auditors of Company's subsidiary Lava Cast Private Limited vide their Limited Review Report on the unaudited consolidated financial results for quarter ended December 31, 2022 vide their report dt. February 10, 2023, is reproduce hereunder:

*"The Company has received a recall notice on January 16, 2023 from its lender i.e. Bank of Baroda for outstanding loan facilities of Rs. 145.85 Crores (Refer Note No. 14 and Note No 17 to the financial results). The Balance reflected as per Company's books of accounts is Rs. 112.53 Crores. As informed to us, the difference is subject to reconciliation and Company's management is in the process of discussing and resolving this matter with the lender. In light of the above, we are unable to quantify the consequential impact on Company's total borrowings, interest and other charges accrued on the results for the quarter and nine months period ended December 31, 2022."*

Lava Cast Private Limited's Management Response:

The difference is subject to reconciliation and Company's management is in the process of discussing continuously with the Lender for a positive resolution.

5. We reproduce hereunder the 'Emphasis of Matter' paragraphs forming part of review reports issued by statutory auditors of two subsidiaries viz. Setco Auto Systems Private Limited (SASPL) and Lava Cast Private Limited (LCPL), which are reproduced below:

*"Without qualifying our opinion, we draw attention to Statement of Standalone Unaudited Financial Results which indicates that the Company incurred a net loss of Rs 13,385 lacs during the nine months period ended December 31, 2022 and, negative net worth of Rs. 38,910 lacs as of that date. Considering the amount of accumulated losses and negative Net Worth as on date, indicates the material uncertainty which is a matter of concern and needs to be addressed by the Management."* (SASPL)

*"Without qualifying our opinion, we draw attention to the Statement of Profit and Loss for the nine months Period ended on December 31, 2022, which indicates that the Company incurred a net loss of Rs 2579 lacs during the said period and, negative net worth of Rs. 6914 lacs as of that date. These conditions, along with other matters as set forth in, indicate the existence of uncertainty which may cast significant challenges on the company's ongoing operations. In this regard, management has represented to us that it is confident to address these issues in timely manner including settlement of the lender's claim and company's going forward business improvements, leading to addressing the issues, if any, of going concern."* (LCPL)

Management Response:

We are addressing these issues appropriately including settlement of the lender's claim and company's going forward business improvements, leading to addressing the issues, if any, of going concern.

6. Previous period figures have been regrouped / rearranged wherever considered necessary.

7. The impact assessment of Covid-19 is a continuing process, given the uncertainties associated with its nature and duration. The company will continue to monitor any material changes to future economic benefits and the consequent impact on business, if any.
8. The above financial results were reviewed and recommended by the Audit Committee at its meeting held on February 14, 2023 and subsequently approved by the Board of Directors at its meeting held on February 14, 2023. The Statutory Auditors have carried out a limited review of the consolidated financial results for the quarter and nine months ended December 31, 2022.

**For and behalf of the Board**

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**Place : Mumbai**  
**Date : February 14, 2023**

**Harish Sheth**  
**Chairman & Managing Director**  
**DIN : 01434459**

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