

August 08, 2021

To,

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

Sub.: Submission of Audited Financial Results of the Company for the quarter and financial year ended 31st March, 2021

Pursuant to Regulation 33 read with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that the Board of Directors of the Company in its meeting held today i.e. Sunday, August 8, 2021 has approved the Audited Standalone and Consolidated Financial Results of the Company for the quarter and financial year ended 31st March, 2021.

Accordingly, please find enclosed the following:

- Audited Standalone and Consolidated financial results of the Company for the quarter and financial year ended 31st March, 2021;
- Auditors Report in respect of the Audited Standalone and Consolidated financial results of the Company for the quarter and financial year ended 31st March, 2021;
- Declaration in respect of Unmodified Opinion on Audited Standalone and Consolidated Financial Statement for the Financial Year ended March 31, 2021;

This is for your information and record.

Thanking you,

Yours faithfully,

For Setco Automotive Limited



Hiren Vala

Company Secretary

Encl: As above

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF STANDALONE FINANCIAL RESULTS

The Board of Directors,

SETCO AUTOMOTIVE LIMITED

Opinion

We have audited the accompanying Statement Standalone Financial Results of **SETCO AUTOMOTIVE LIMITED** ("the Company") for the quarter and year ended 31st March, 2021 being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and

gives a true and fair view in conformity with Indian Accounting Standard prescribed under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net loss and total comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2021.

Basis for Opinion

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Standalone Ind AS financial statements:

- a) The management's assessment of the impact of COVID -19 pandemic on its liquidity position and the recoverability of its assets comprising property, plant and equipment, inventories, receivables and other current assets as at the balance sheet date and on the basis of evaluation, has concluded that no material adjustments are required in the financial statements. (Refer Note No. 53 of Standalone Ind AS Financial Statements).

b) The Company's subsidiary Lava Cast Private Limited has eroded entire net worth due to losses. However, no impairment is provided on value of investment, based on the valuation report of Independent Valuer, as per DCF method. (Refer Note no. 3(b) of Standalone Ind AS Financial Statements).

c) The company has not charged interest on unsecured loan to the subsidiaries. (Refer Note no. 12(a) of Standalone Ind AS Financial Statements).

d) The Company has made investment of Rs. 5860 Lakhs in 9% cumulative compulsorily redeemable preference shares of Setco Engineering Private Limited, a company in which directors have interest. SEPL, being an investment company, derives its major income from Setco Automotive Limited in form of dividend and sales commission. SEPL has incurred loss in current year and hence, the Company has made impairment provision for loss of dividend. (Refer Note No. 33(c) of Standalone Ind AS Financial Statements)

e) The Company has invested Rs. 1,535.00 lakhs in 30,70,000 equity shares of SE Transstadia Private Limited, a company in which directors have interest. The investee Company has eroded entire net worth due to losses. Due to non-payment of interest and instalments, company's accounts with bank have become NPA in December 2018. The investee company has submitted restructuring proposal to bank on 17.06.2020 and the same is under consideration. Based on the future projected profitable operations and report of Independent valuer as per DCF Method, the Company has provided impairment on this investment. (Refer Note No. 33(h) of Standalone Ind AS Financial Statements).

f) Amount receivable of Rs. 426 Lakhs towards sharing of common expenses from SE Transstadia Pvt Ltd (SETPL), a company in which directors are interested. Considering current financial position of SETPL, the said amount has remained outstanding. The company has made ECL provision of 20% of the outstanding amount. (Refer Note No. 33(g) of Standalone Ind AS Financial Statements)

g) The Company's wholly owned ultimate foreign subsidiary Setco Automotive UK Ltd. has eroded net worth due to losses. Based on the report of Independent Valuer as per DCF method, provision for impairment has been made on the Investment and loans receivables from the subsidiary Company. (Refer Note No. 33 (b) of Standalone Ind AS Financial Statements).

h) The Company's wholly owned foreign subsidiary Setco MEA, DMCC has eroded net worth due to loss. The Company has provided impairment loss against trade receivable equal to the net assets deficit reported by the company. Pending compliance of Bank conditions, the Company could not remit share application money to this foreign subsidiary, since inception and hence, allotment of share and issue of share certificate is pending. The Company has recognized it as investment in the subsidiary company and consolidated the said subsidiary based on 100% control. The Company has decided to close this subsidiary vide Board Resolution dated 09.02.2021. (Refer Note No. 33(d) of Standalone Ind AS Financial Statements)

i) Trade receivables, Trade Payables and other debit/credit balances are subject to reconciliation and confirmation. (Refer Note No. 44 of Standalone Ind AS Financial Statements).

j) In earlier year, the Company has recognized Rs. 398 Lakhs as income being reimbursement of Central Goods & Service Tax (CGST)/Integrated Goods & Service Tax (IGST) share of State for the Uttarakhand unit pending notification of incentives by the State Government. In absence of any notification in the said matter, the Company has filed writ petition in High Court. Pending any further progress in this matter, the Company has provided for impairment at 100%. (Refer Note No. . 33(e) of Standalone Ind AS Financial Statements)

k) An amount of Rs. 1834.99 lakhs (Rs. 3260.97 lakhs) is pending against export receivables as on 31 March 2021, beyond the timelines stipulated under the Foreign Exchange Management Act, 1999. The management of the Company has submitted necessary application with the appropriate authority for condonation of delays to regularize the default. Impact thereof if any, will be considered when such application is disposed off. (Refer Note No. 9 of Standalone Ind AS Financial Statements)

l) The company has provided ECL on investments in Equity and preference shares in WEW Holdings Limited (Mauritius) in respect of its holding in Setco Automotive (UK) Ltd. (Refer Note No. 3(c) of Standalone Ind AS Financial Statements).

m) Capital advances for purchase of machinery to the supplier was unrecoverable and thus 100% impairment provision is made.(Refer Note No. 33(f) of Standalone Ind AS Financial Statements).

n) On physical verification of stocks, stock costing Rs. 1863.92 lakhs were found to be rusty, damaged and unfit for consumption and unretrievable without compromising the quality of finished products. Therefore, such items of stocks are written down in the accounts net of the existing provision and valued at NIL and the net effect is disclosed under the head "Exceptional Items".(Refer Note No. 33(i) of Standalone Ind AS Financial Statements).

o) The company has obtained consent of members to transfer the clutch manufacturing business to a wholly owned subsidiary in EGM held on 22nd May 2021.

Further the company has obtained member's consent to purchase trademark/ Brand "LIPE" owned by foreign subsidiaries (SAUL & SANAI) based on valuations done by approved valuers.

In absence of binding agreements/ documents till date in this regard, no effect relating to said proposals are given or recognised in accounts for the year. (Refer to note no. 35 of the accompanying standalone Ind AS financial statement.)

Our opinion is not modified in respect of these matters.

Management's Responsibilities for the Standalone Financial Results

This Statement, is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related audited standalone financial statements for the year ended March 31, 2021. The Company's Board of Directors are responsible for the preparation and presentation of the Standalone Financial Results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing

and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.

Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The Statement includes the results for the Quarter ended 31st March, 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review.

**PLACE : NATHDWARA,
DATED: 8TH AUGUST, 2021**

**FOR V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO. 107488W
RASESH
VINAYKANT
PAREKH
RASESH V. PAREKH PARTNER
MEMBERSHIP NO. 38615
UDIN : 21038615AAAAKJ7140**

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

Part I: Statement of Standalone audited Financial Results for the Quarter & Year ended March 31, 2021

Sr. No.	Particulars	Rs. in Lakhs				
		Quarter Ended			Year Ended	
		March 31, 2021 Audited	December 31, 2020 Unaudited	March 31, 2020 Audited	March 31, 2021 Audited	March 31, 2020 Audited
1	Income					
a.	Revenue from Operations	10,032	10,302	8,674	31,406	41,808
b.	Other Income	(1,138)	719	511	522	1,901
	Total Income	8,894	11,021	9,185	31,928	43,709
2	Expenses					
a.	Cost of materials consumed	7,176	6,169	5,797	19,428	25,341
b.	Changes in inventories of finished goods and work-in-progress	481	41	(438)	1,110	(878)
c.	Employee benefits expense	1,318	1,203	1,198	4,429	5,227
d.	Finance costs	1,407	1,208	1,139	4,812	3,959
e.	Depreciation and amortisation expense	613	528	480	2,182	1,900
f.	Other expenses	1,924	1,602	2,068	5,544	8,010
	Total Expenses	12,919	10,750	10,244	37,505	43,560
3	Profit / (Loss) before exceptional and tax (1-2)	(4,025)	271	(1,059)	(5,577)	149
4	Exceptional Items	4,052	-	2,020	4,052	2,020
5	Profit / (Loss) before tax (3+4)	(8,077)	271	(3,079)	(9,629)	(1,871)
6	Tax Expense					
a.	Current Tax	51	-	(409)	51	145
b.	Deferred Tax	(142)	(44)	(481)	(274)	(499)
7	Profit / (Loss) for the period (5-6)	(7,986)	314	(2,189)	(9,406)	(1,516)
8	Other Comprehensive Income (OCI)					
a.	Items that will not be reclassified to Profit or Loss	(1,124)	-	(198)	(1,124)	(198)
b.	Income Tax relating to items that will not be reclassified to Profit or Loss	16	-	69	16	69
c.	Items that will be reclassified to Profit or Loss	-	-	-	-	-
d.	Income Tax relating to items that will be reclassified to Profit or Loss	-	-	-	-	-
	Other Comprehensive Income (Net of Tax)	(1,109)	-	(129)	(1,109)	(129)
9	Total Comprehensive income for the period (7+8)	(9,095)	314	(2,317)	(10,515)	(1,645)
10	Paid up Equity Share Capital (Face Value Rs. 2/- per share)	2,675	2,675	2,675	2,675	2,675
11	Other Equity				9,938	20,479
12	Earnings per equity share (Face Value of Rs. 2/-) (not annualised) :					
(a)	Basic - Rs.	(5.97)	0.23	(1.64)	(7.03)	(1.13)
(b)	Diluted - Rs.	(5.97)	0.23	(1.64)	(7.03)	(1.13)

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Corporate Identity Number : L35999GJ1982PLC005203

Part II: Statement of Standalone Assets & Liabilities

Sr. No.	Particulars	As at	
		March 31, 2021	March 31, 2020
		Audited	Audited
A	ASSETS		
1	Non-Current Assets		
	a. Property, Plant and Equipment	9,918	10,178
	b. Capital Work-in-Progress	-	846
	c. Right of use of assets	1,348	1,495
	d. Intangible Assets	2,873	2,638
	e. Intangible Assets Under Development	594	1,316
	f. Financial Assets		-
	(i) Investments	19,009	16,879
	(ii) Loans and Advances	8,129	8,835
	(iii) Other Financial Assets	209	221
	g. Deferred Tax Assets (Net)	1,795	1,557
	h. Other Non-Current Assets	75	360
	Sub-total - Non-Current Assets	43,950	44,325
2	Current Assets		
	a. Inventories	8,382	11,731
	b. Financial Assets		
	(i) Trade Receivables	6,083	8,274
	(ii) Cash and Cash Equivalents	178	313
	(iii) Bank Balances Other Than (ii) Above	106	100
	(iv) Loans and Advances	1,932	2,398
	c. Other Current Assets	1,434	2,297
	Sub-total - Current Assets	18,115	25,112
	TOTAL ASSETS	62,065	69,436
B	EQUITY AND LIABILITIES		
	Equity		
	a. Equity Share Capital	2,675	2,675
	b. Other Equity	9,938	20,479
	Sub-total - Equity	12,614	23,154
	Liabilities		
1	Non-Current Liabilities		
	a. Financial Liabilities		
	(i) Borrowings	9,057	7,405
	(ii) Lease Liability	645	882
	(iii) Other Financial Liabilities	757	660
	b. Other non current liabilities	11	13
	c. Provisions	425	310
	Sub-total - Non-Current Liabilities	10,896	9,270
2	Current Liabilities		
	a. Financial Liabilities		
	(i) Borrowings	20,957	16,759
	(ii) Lease Liability	291	271
	(iii) Trade Payables		-
	(a) Dues of micro, small and medium enterprises	1,003	1,033
	(b) Dues of creditors other than micro, small and medium enterprises	9,907	13,043
	(iv) Other Financial Liabilities	4,027	3,483
	b. Other Current Liabilities	1,770	1,643
	c. Provisions	447	428
	d. Current Tax Liabilities (Net)	183	353
	Sub-total - Current Liabilities	38,555	37,012
	TOTAL EQUITY AND LIABILITIES	62,065	69,436



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Part III: Standalone Cash Flow Statement

(Rs. In lakhs)

Particulars	Year Ended	
	March 31, 2021	March 31, 2020
	Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	(9,629)	(1,871)
Adjustment for :		
Depreciation and amortisation expense	2,182	1,900
(Profit)/loss on sale of property, plant and equipment	2	0
Unrealized exchange loss/(gain)	(123)	(203)
Impairment loss/(reversal) in the value of Investments	791	1,414
Impairment loss allowance on advances/receivables	1,515	606
Inventory Written off	1,746	
Interest expense	4,472	3,516
Other Financial charges	341	443
Rent Income	(227)	(33)
Interest income	-	(1,377)
Finance Income Related to Financial Guarantee Measured at Fair Value	(77)	(89)
Corporate tax	-	-
MAT credit entitlement	(51)	(145)
Employee stock options cost	(25)	(18)
Employee Benefits Designated Through Other Comprehensive Income	(50)	(44)
Government Grants - Cash Subsidy amortization	(1)	(1)
Operating profit / (loss) before changes in working capital	865	4,100
Adjustments for changes in :		
Trade receivables	2,219	4,402
Inventories	1,603	518
Loans and other assets	1,323	(3,174)
Other non-current and current assets	(266)	(763)
Non-current and current financial assets	12	(73)
Trade payables	(3,172)	2,272
Other non-current and current provisions	(65)	1
Other non-current and current liabilities	126	(1,479)
Non-current and current financial liabilities	58	90
Change in current assets/liabilities	1,839	1,794
Cash generated from operations	2,704	5,894
Direct taxes (Tax deducted at source)	(102)	(84)
Net Cash flow from operating activities	2,602	5,810
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(425)	(2,612)
Proceeds on sale of Property, Plant and Equipment	2	4
Intangible asset	(21)	(578)
Interest income	-	1,377
Rent Income	227	33
Government Grants - Cash Subsidy amortization	1	1
Investment in Equity Shares	(2,001)	(500)
Investment in Preference Shares	(1,975)	(3,885)
Net Cash used in investing activities	(4,191)	(6,160)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Cash Credit	(638)	(664)
Proceeds from Short Term /Other Loans	4,879	-
Proceeds from Term/Other Loans	4,845	9,236
Proceeds from Lease	-	1,154
Repayment of Short Term Loans	(42)	(996)
Repayment of Term Loans	(2,559)	(3,216)
Repayment of Lease	(218)	
Interest expense	(4,472)	(3,516)
Other Financial charges	(341)	(443)
Proceeds from issue of Shares including Premium	-	29
Final dividend and dividend distribution tax	-	(1,613)
Net Cash used in financing activities	1,455	(30)
Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)	(135)	(381)
Opening Cash and Cash Equivalents	813	694
Closing Cash and Cash Equivalents	178	313

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Notes (Standalone):-

1. 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.
2. The other income of Rs. -1138 lakhs for the quarter ended March'21 (for December'20 Qtr Rs. 719 lakhs, for March'20 Qtr Rs. 511 lakhs) includes reversal of interest charged to subsidiaries of Rs. - 1268 lakhs in March'21 Qtr (for December'20 Qtr Rs. 395 lakhs, for March'20 Qtr Rs. 413 lakhs), rent of Rs. 62 Lakhs for March'21 Qtr (for December'20 Qtr Rs. 165 Lakhs, for March'20 Qtr Rs. Nil) foreign exchange fluctuation gain of Rs. 108 lakhs for March'21 Qtr (for December'20 Qtr gain of Rs. 53 lakhs, for March'20 Qtr gain of Rs. 31 lakhs), interest on VAT refund received of Rs. Nil for March'21 Qtr (For December'20 Qtr Rs. Nil, for March'20 Qtr Rs. 16 lakhs), finance income on Financial Guarantee of Rs. -16 lakhs for March'21 Qtr (for December'20 Qtr Rs. 80 lakhs, for March'20 Qtr Rs. 15 lakhs), duty drawback of Rs. 20 lakhs for March'21 Qtr (for December'20 Qtr Rs. 4 lakhs, for March'20 Qtr Rs. 6 lakhs) and other misc. income of Rs. -44 lakhs for March'21 Qtr (for December'20 Qtr Rs. 22 lakhs, for March'20 Qtr Rs. 30 lakhs).
3. The company has not charged interest on unsecured loan to the subsidiaries.
4. Setco Automotive Limited (SAL) has entered into an agreement with LCPL for use of its Machineries taken on lease from TATA Capital Financial Services Ltd. LCPL shall compensate SAL a sum of Rs. 20.67 lakhs per month or Rs. 227.36 lakhs for 11 months plus all the taxes and charges applicable at the end of the term for the rent of assets.
5. Company has submitted application with appropriate authorities for condonation of delays in receiving export proceeds beyond the timelines prescribed under FEMA, 1999. Impact thereof, if any, will be considered when such application is disposed off.
6. Pending compliance of bank condition, company could not remit share application money to Setco MEA DMCC, resulting to non-issuance of share certificate to the company. The company has recognized it as investment in the wholly owned foreign subsidiary based on 100% control. The Company has decided to close this subsidiary vide Board Resolution dated 09.02.2021.
7. During the year, as per Bank's requirement in Lava Cast Private Limited, loans amounting Rs. 2000 lakhs has been converted into Equity Shares.
8. On physical verification of stocks, stock costing Rs. 1,864 lakhs were found to be rusty, damaged and unfit for consumption and unretrievable without compromising the quality of finished products. Therefore, such items of stocks are written down in the accounts net of the existing provision and valued at NIL and the net effect is disclosed under the head "Exceptional Items".

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9. Exceptional items include provision for diminution in investments of wholly owned foreign subsidiaries and related entities of Rs. 791 lakhs (Rs. 1,414 lakhs), provision for expected credit loss on trade receivables of Rs. 92 lakhs (Rs. 160 lakhs), provision for expected credit loss on advance given of Rs. 1423 lakhs (Rs. 446 lakhs) and Inventory written off of Rs. 1746 lakhs (Rs. Nil).
10. Other comprehensive income includes loss on diminution in investment of related entity of Rs. 1,075 lakhs (Rs. 154 lakhs).
11. Trade receivables, Trade Payables and other debit/credit balances are subject to reconciliation and confirmation
12. Finance cost includes interest of Rs. 33 lakhs towards unpaid Dividend Distribution Tax.
13. The company has obtained consent of members to transfer the clutch manufacturing business to a wholly owned subsidiary in EGM held on 22nd May 2021.

Further the company has obtained member's consent to purchase trademark/ Brand "LIPE" owned by foreign subsidiaries (SAUL & SANAI) based on valuations done by approved valuers.

In absence of binding agreements/ documents till date in this regard, no effect relating to said proposals are given or recognised in accounts for the year.

14. The company has only one operating segment viz. Auto Components and accordingly there are no separate reportable segments in the context of Ind-AS 108 "Operating Segment".
15. In view of the lockdown across the country due to the COVID-19, the company temporarily suspended the operations in all the units in compliance with the lockdown instructions as issued by the Central and State governments. COVID-19 has impacted the normal business by way of interruption in business operations, supply chain disruption, unavailability of personnel, closure/lockdown of production facilities etc. during the lockdown period. However, production and sales/supply of goods have commenced during the month of May, 2020.
The company has performed a detailed assessments of its liquidity position and the recoverability of its assets comprising property, plant and equipment, inventories, receivables and other current assets as at the balance sheet date and on the basis of evaluation, has concluded that no material adjustments are required in the financial statements. However, 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.
16. The Statement includes the results for the Quarter ended 31st March, 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year.
17. No Deferred Tax Asset is recognized on Loss & ECL on Investment for the quarter and year ended March 31, 2021.

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

19. The above financial results were reviewed and recommended by the Audit Committee at its meeting held on August 6, 2021 and subsequently approved by the Board of Directors at its meeting held on August 6, 2021 along with Statutory Auditor's Report.

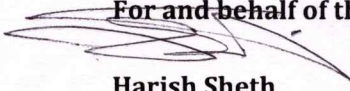
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For and behalf of the Board

Harish Sheth

Chairman & Managing Director

DIN : 01434459



V. PAREKH & ASSOCIATES

CHARTERED ACCOUNTANTS

37, HAMAM STREET, 2nd FLOOR, FORT, MUMBAI - 400 001. ☎ : 2265 02 64 ● 2265 35 55 ● 2266 62 19 E-Mail : mail@vparekh.com

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF CONSOLIDATED FINANCIAL RESULTS

The Board of Directors,
SETCO AUTOMOTIVE LIMITED

Opinion

We have audited the accompanying Statement of Consolidated Financial Results of **Setco Automotive Limited** ("the Parent") and its subsidiaries (the Parent, its subsidiaries and its associates and joint ventures together referred to as "the Group") for the quarter and year ended 31st March, 2021 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements and the other financial information of subsidiaries given below, the Statement includes the results of the following entities:

Sr No	Name of the Entity
	Subsidiaries
1	WEW Holdings Limited, Mauritius
2	Setco Automotive (U.K.) Ltd., UK
3	Setco Automotive N.A. Inc., (USA)
4	Setco MEA DMCC, Dubai.
5	Lava Cast Private Ltd., India
6	Setco Auto Systems Private Limited, India

- is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- gives a true and fair view in conformity with Indian Accounting Standard prescribed under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net loss and total comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2021.

Basis for Opinion

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA's") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Consolidated Ind AS financial statements:

- a) The group management's assessment of the impact of COVID -19 pandemic on its liquidity position and the recoverability of its assets comprising property, plant and equipment, inventories, receivables and other current assets as at the balance sheet date and on the basis of evaluation, has concluded that no material adjustments are required in the financial statements. (Refer Note No. 47 of Consolidated Ind AS Financial Statements)
- b) Trade receivables, Trade Payables and other debit/credit balances are subject to reconciliation and confirmation. (Refer Note No. 40 of Consolidated Ind AS Financial Statements)
- c) The Holding Company has made investment of Rs. 5860 Lakhs in 9% cumulative compulsorily redeemable preference shares of Setco Engineering Private Limited, a company in which directors have interest. SEPL, being an investment company, derives its major income from Holding company in form of dividend and sales commission. SEPL has incurred loss in current year and hence, the Holding Company has made impairment provision for loss of dividend. (Refer Notes No. 31(b) of Consolidated Ind AS Financial Statements).
- d) The Holding Company has invested Rs. 1,535.00 lakhs in 30,70,000 equity shares of SE Transstadia Private Limited, a company in which directors have interest. The investee Company has eroded entire net worth due to losses. Due to non-payment of interest and instalments, company's accounts with bank have become NPA in December 2018. The investee company has submitted restructuring proposal to bank on 17.06.2020 and the same is under consideration. Based on the future projected profitable operations and report of Independent valuer as per DCF Method, the Holding Company has provided impairment on this investment. (Refer Notes No. 31 (f) of Consolidated Ind AS Financial Statements).
- e) Amount receivable of Rs. 426 Lakhs towards sharing of common expenses from SE Transstadia Pvt Ltd (SETPL), a company in which directors are interested. Considering current financial position of SETPL, the said amount has remained outstanding. The Holding company has made ECL provision of 20% of the outstanding amount. (Refer Notes No. 31 (e) of Consolidated Ind AS Financial Statements)
- f) In FY 2017-18, the parent Company had recognised Rs. 398 lakhs as income being refund of IGST/CGST share of State for the Uttarakhand unit pending notification of incentives by the State Government. The parent Company believed, the issuance of notification for GST benefits by the State Government was certain based on the notification already issued by the Central Government. In absence of any notification in the said matter till date and based on legal opinion, the parent company has filed writ petition claiming refund of said amount & has continued to show this as asset recoverable in accounts. In absence of any tangible progress in the matter, the parent company has provided impairment @100% of the amount receivable from Government. (Refer Notes No. 31(c) of Consolidated Ind AS Financial Statements)
- g) Disclosure in respect of materials & component consumption, inventories, deferred tax assets, deferred tax liabilities, trade receivables and change in Inventories of finished goods and work in progress are reflected, each at aggregate amounts only on the basis of information available from wholly owned ultimate foreign subsidiaries. (Refer Notes No. 44 of Consolidated Ind AS Financial Statements)
- h) On physical verification of stocks of the parent company, stock costing Rs. 1863.92 lakhs were found to be rusty, damaged and unfit for consumption and unretrievable without compromising the quality of finished products. Therefore, such items of stocks are written down in the accounts net of the existing provision and valued at NIL and the net effect is disclosed under the head "Exceptional Items". (Refer Notes No. 31(g) of Consolidated Ind AS Financial Statements).
- i) Setco Automotive (UK) Limited, a subsidiary of the parent company, has entered into Sale and lease back transaction of its immovable properties (i.e. Land & Building) with Carlton Mill Company Limited (The

without the intention of the company to discontinue its operations. The sale proceeds have been used to reduce current liabilities. (Refer Notes No. 46 of Consolidated Ind AS Financial Statements).

j) The Holding company has obtained consent of members to transfer the clutch manufacturing business to a wholly owned subsidiary in EGM held on 22nd May 2021.

Further the Holding company has obtained member's consent to purchase trademark/ Brand "LIPE" owned by foreign subsidiaries (SAUL & SANAI) based on valuations done by approved valuers.

In absence of binding agreements/ documents till date in this regard, no effect relating to said proposals are given or recognised in accounts for the year.(Refer Notes No. 33 of Consolidated Ind AS Financial Statements)

k) In forming our opinion on the consolidated Ind AS financial statements, we have relied upon management's presentation & classification of amounts as per requirements of Schedule III of the Act in respect of wholly owned ultimate foreign subsidiaries.

Our opinion is not modified in respect of these matters.

Management's Responsibilities for the Consolidated Financial Results

This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been compiled from the related Consolidated Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under ('Ind AS') and other accounting principles generally accepted in India.

The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional

skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

1. Attention is also invited to Note No. 45 of Consolidated Ind AS financial statements, which refers to the fact that the audited financial statements of the wholly owned ultimate foreign subsidiaries have been prepared in accordance with local laws of the countries in which they operate. The said audited financial statements have been restated/recompiled by the management to meet the requirements of Indian Accounting Standards after exercising necessary due diligence to ensure true & fair view of said subsidiaries' affairs. We have also relied upon the Holding company management's above assertion on restatement/recompilation of audited figures of wholly owned ultimate foreign subsidiaries to meet Ind AS requirements.
2. The consolidated Financial Results include the audited Financial Results of 5 subsidiaries, whose Financial Statements reflect Group's share of total assets of Rs. 29,879.34 lakhs as at 31st March 2021,

Group's share of total revenue of Rs. 10,175.05 lakhs and Group's share of total net loss after tax of Rs. 3,613.05 lakhs for the year ended on that date, as considered in the consolidated Financial Results, which have been audited by their respective independent auditors. The independent auditors' reports on interim financial statements/Financial Results/financial information of these entities have been furnished to us and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included.

3. The consolidated Financial Results include the unaudited Financial Results of one subsidiary, whose Financial Statements reflect Group's share of total assets of Rs. 515.18 lakhs as at 31st March 2021, Group's share of total revenue of Rs. 274.50 lakhs and Group's share of total net loss after tax of Rs. 76.44 lakhs for the year ended on that date, as considered in the consolidated Financial Results. These unaudited Financial Statements have been furnished to us by the management and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited Financial Statements. In our opinion and according to the information and explanations given to us by the management, this Financial Statements are not material to the Group.
4. Auditor of Lava Cast Pvt Ltd, Indian Subsidiary Company, has reported that the company's current year loss and accumulated losses have eroded company's entire net worth that raised significant doubts on the company's ability to continue as a going concern. By tapping External market and support from Holding company, the company's management is reasonably confident of recovering accumulated losses and report better operating performance and will remain operational in coming years.
5. Auditor of Setco Automotive (UK) Limited, Foreign Subsidiary, has reported that the company has incurred a further significant loss during the year and had increased net liabilities at 31st March, 2021. Current year trading continues to be challenged by the impact of Covid-19 and the company is dependent on further working capital support from the parent company to be able to meet its obligations as they fall due. The financial statements have been prepared on a going concern basis due to the company having secured on-going parent company funding sufficient to enable the company to trade for the foreseeable future.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

The Statement includes the results for the Quarter ended 31st March, 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review.

**PLACE : NATHDWARA,
DATED: 8TH AUGUST, 2021**

**FOR V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS**

FIRM REGN. NO. 107488W

RASESH

VINAYKANT

PAREKH

RASESH V. PAREKH PARTNER

MEMBERSHIP NO. 38615

UDIN : 21038615AAAANK6278

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

Corporate Identity Number : L35999GJ1982PLC005203

Part IV: Statement of Consolidated audited Financial Results for the Quarter and Year ended March 31, 2021

Sr. No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
		Audited	Unaudited	Audited	Audited	Audited
1	Income					
a.	Revenue from Operations	11,429	11,108	9,700	35,926	47,032
b.	Other Income	488	92	133	866	469
	Total Income	11,917	11,200	9,833	36,791	47,501
2	Expenses					
a.	Cost of materials consumed	7,591	5,630	5,128	19,342	23,200
b.	Changes in inventories of finished goods and work-in-progress	487	(23)	(339)	1,019	(660)
c.	Employee benefits expense	2,148	1,964	1,657	7,369	8,138
d.	Finance costs	1,687	1,377	1,623	5,908	5,697
e.	Depreciation and amortisation expense	908	822	814	3,371	3,234
f.	Other expenses	2,942	2,670	3,397	9,202	12,752
	Total Expenses	15,763	12,440	12,280	46,211	52,361
3	Profit / (Loss) before exceptional and tax (1-2)	(3,846)	(1,240)	(2,447)	(9,420)	(4,860)
4	Exceptional Items	3,289	-	545	3,289	545
5	Profit / (Loss) before tax (3+4)	(7,135)	(1,240)	(2,992)	(12,708)	(5,405)
6	Tax Expense					
a.	Current Tax	51	-	(409)	51	145
b.	Deferred Tax	(290)	(44)	(539)	(430)	(595)
7	Profit / (Loss) for the period (5-6)	(6,896)	(1,197)	(2,044)	(12,330)	(4,956)
8	Other Comprehensive Income (OCI)					
a.	Items that will not be reclassified to Profit or Loss	(1,125)	-	(206)	(1,125)	(206)
b.	Income Tax relating to items that will not be reclassified to Profit or Loss	16	-	69	16	69
c.	Items that will be reclassified to Profit or Loss	3	128	(150)	229	(150)
d.	Income Tax relating to items that will be reclassified to Profit or Loss	-	-	-	-	-
	Other Comprehensive Income (Net of Tax)	(1,107)	128	(286)	(881)	(287)
9	Total Comprehensive income for the period (7+8)	(8,003)	(1,069)	(2,330)	(13,211)	(5,242)
10	Profit for the period attributable to					
	Owners of the company	(6,894)	(1,080)	(1,898)	(12,008)	(4,457)
	Non-controlling Interest	(2)	(116)	(146)	(322)	(499)
11	Other Comprehensive Income attributable to					
	Owners of the company	(1,107)	128	(286)	(881)	(286)
	Non-controlling Interest	(0)	-	(1)	(0)	(1)
12	Total Comprehensive Income for the period attributable to					
	Owners of the company	(8,001)	(953)	(2,183)	(12,889)	(4,742)
	Non-controlling Interest	(2)	(116)	(147)	(322)	(500)
12	Paid up Equity Share Capital (Face Value Rs. 2/- per share)	2,675	2,675	2,675	2,675	2,675
13	Other Equity				(5,391)	7,827
14	Earnings per equity share (Face Value of Rs. 2/-) (not annualised) :					
(a)	Basic - Rs.	(5.15)	(0.81)	(1.42)	(8.98)	(3.33)
(b)	Diluted - Rs.	(5.15)	(0.81)	(1.42)	(8.98)	(3.33)

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Corporate Identity Number : L35999GJ1982PLC005203

Part V: Statement of Consolidated Assets & Liabilities

Rs. in Lakhs

Sr. No.	Particulars	As at	
		March 31, 2021 Audited	March 31, 2020 Audited
A	ASSETS		
1	Non-Current Assets		
	a. Property, Plant and Equipment	22,760	24,638
	b. Capital Work-in-Progress	15	846
	c. Right of use of assets	1,348	1,495
	d. Intangible Assets	4,112	3,965
	e. Intangible Assets Under Development	594	1,316
	f. Financial Assets		
	(i) Investments	5,612	5,122
	(ii) Other Financial Assets	209	242
	g. Deferred Tax Assets (Net)	4,139	3,847
	h. Other Non-Current Assets	91	376
	Sub-total - Non-Current Assets	38,880	41,847
2	Current Assets		
	a. Inventories	13,450	18,043
	b. Financial Assets		
	(i) Trade Receivables	4,491	4,721
	(ii) Cash and Cash Equivalents	1,415	1,107
	(iii) Bank Balances Other Than (ii) Above	106	100
	c. Other Current Assets	1,643	2,430
	Sub-total - Current Assets	21,104	26,399
	TOTAL ASSETS	59,984	68,247
B	EQUITY AND LIABILITIES		
	Equity		
	a. Equity Share Capital	2,675	2,675
	b. Other Equity	(5,391)	7,827
	Sub-total - Equity	(2,715)	10,503
	Liabilities		
1	Non-Current Liabilities		
	a. Financial Liabilities		
	(i) Borrowings	17,231	12,981
	(ii) Lease Liability	645	882
	(iii) Other Financial Liabilities	68	88
	b. Other non current liabilities	1,672	13
	c. Provisions	451	326
	Sub-total - Non-Current Liabilities	20,068	14,290
2	Current Liabilities		
	a. Financial Liabilities		
	(i) Borrowings	25,031	20,964
	(ii) Lease Liability	291	271
	(iii) Trade Payables		
	(a) Dues of micro, small and medium enterprises	1,067	1,099
	(b) Dues of creditors other than micro, small and medium enterprises	8,939	11,030
	(iv) Other Financial Liabilities	4,330	7,043
	b. Other Current Liabilities	2,340	2,248
	c. Provisions	480	445
	d. Current Tax Liabilities (Net)	153	353
	Sub-total - Current Liabilities	42,632	43,454
	TOTAL EQUITY AND LIABILITIES	59,984	68,247

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Part VI: Consolidated Cash Flow Statement

Particulars		Rs in lakhs	
		Year Ended	
		March 31, 2021	March 31, 2020
		Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax			
Adjustment for :		(12,708)	(5,405)
Depreciation and amortisation expense		3,370.93	3,234
(Profit)/loss on sale of property, plant and equipment		(236.55)	0
Unrealized exchange loss/(gain)		227	25
Impairment loss/(reversal) in the value of Investments		410	145
Impairment loss allowance on advances/receivables		1,132.46	156
Inventory Written off		1,750.59	-
Loss on cancellation of Lease		-	244
Interest expense		5,387	5,203
Other Financial charges		521	494
Interest income		(19)	(128)
Rent Income		-	(33)
Corporate tax / Deferred Tax		445	595
MAT credit entitlement		(51)	(145)
Employee stock options cost		(25)	(18)
Employee Benefits Designated Through Other Comprehensive Income		(51)	(53)
Government Grants - Cash Subsidy amortization		(1)	(1)
Operating profit / (loss) before changes in working capital		153	4,314
Trade receivables		258	5,905
Inventories		2,842	535
Other Financial Assets		34	(16)
Other Current / Non-Current Assets		(250)	(530)
Trade payables		(2,132)	1,362
Provisions		(40)	4
Other Current / Non-Current Liabilities		1,751	(2,358)
Other Financial Liabilities		64	100
Change in current assets/liabilities		2,527	5,002
Net cash flow generated from operating activities before tax		2,680	9,316
Direct taxes (tax deducted at source)		(102)	(84)
Net cash flow from operating activities		2,578	9,232
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(547.22)	(1,766)
Sale of property, plant and equipment		852.53	4
Purchase of Intangible asset		(20.61)	(124)
Rent Income		-	33
Interest income		19	128
Government Grants - Cash Subsidy amortization		1	1
Investment in Preference Shares		(1,975)	(3,885)
Net cash used in investing activities		(1,670)	(5,610)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from cash credit		(768)	(486)
Proceeds from short term loans		4,879	-
Proceeds from term loans		4,845	9,236
Proceeds from lease		-	175
Repayment of short term loans		(43)	(978)
Repayment of term loans		(3,391)	(3,575)
Repayment of lease		(218)	(251)
Unclaimed Dividend		(6)	6
Proceeds from shares issued including premium		-	29
Dividend and dividend distribution tax		-	(1,613)
Interest expense		(5,387)	(5,203)
Other Financial charges		(521)	(494)
Net cash used in financing activities		(611)	(3,153)
D. Net effect of exchange gain/(loss) on cash and cash equivalents		11.42	(492)
Net Increase in Cash and Cash Equivalents (A + B + C + D)		308	(23)
Opening Cash and Cash Equivalents		1,107	1,130
Closing Cash and Cash Equivalents		1,415	1,107

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Notes (Consolidated):-

1. 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.
2. On approval of the restructuring proposal of Lava Cast Private Limited (LCPL) Indian subsidiary of Parent company on 23.10.2020, LCPL has issued 0.01% secured optionally convertible debentures (SOCD) to Bank of Baroda as per the terms of the Bank. Out of the total outstanding loan, amount of Rs. 3208 lakhs has been converted to SOCD.
3. The Parent company has entered into an agreement with LCPL Indian subsidiary of the parent company for use of its Machineries taken on lease from TATA Capital Financial Services Ltd. LCPL shall compensate the parent company with a sum of Rs. 20.67 lakhs per month or Rs. 227.36 lakhs for 11 months plus all the taxes and charges applicable at the end of the term for the rent of assets.
4. During the quarter, as per Bank's requirement in Lava Cast Private Limited, loans amounting Rs. 2000 lakhs has been converted into Equity Shares.
5. Exceptional items include provision for diminution in investments of related entities of Rs. 410 lakhs (Rs. 145 lakhs), loss on cancellation of finance lease of Rs. Nil (Rs. 244 lakhs), provision for expected credit loss on advance given of Rs. 1,132 lakhs (Rs. 156 lakhs) and Inventory written off of Rs. 1746 lakhs (Rs. Nil).
6. On physical verification of stocks by parent company, stock costing Rs. 1,864 lakhs were found to be rusty, damaged and unfit for consumption and unretrievable without compromising the quality of finished products. Therefore, such items of stocks are written down in the accounts net of the existing provision and valued at NIL and the net effect is disclosed under the head "Exceptional Items".
7. Pending compliance of bank condition, company could not remit share application money to Setco MEA DMCC, resulting to non-issuance of share certificate to the company. The company has recognized it as investment in the wholly owned foreign subsidiary based on 100% control. The Company has decided to close this subsidiary vide Board Resolution dated 09.02.2021.
8. Other comprehensive income includes loss on diminution in investment of related entity of Rs. 1,075 lakhs (Rs. 154 lakhs).
9. Trade receivables, Trade Payables and other debit/credit balances are subject to reconciliation and confirmation
10. Finance cost includes interest of Rs. 33 lakhs towards unpaid Dividend Distribution Tax.

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11. The parent company has obtained consent of members to transfer the clutch manufacturing business to a wholly owned subsidiary in EGM held on 22nd May 2021.

Further the parent company has obtained member's consent to purchase trademark/ Brand "LIPE" owned by foreign subsidiaries (SAUL & SANAI) based on valuations done by approved valuers.

In absence of binding agreements/ documents till date in this regard, no effect relating to said proposals are given or recognised in accounts for the year.

12. Disclosure in respect of materials & component consumption, inventories, deferred tax assets, deferred tax liabilities, trade receivables and change in Inventories of finished goods and work in progress are reflected, each at aggregate amounts only on the basis of information available from wholly owned ultimate foreign subsidiaries.
13. Setco Automotive (UK) Limited, a subsidiary of the parent company, has entered into Sale and lease back transaction of its immovable properties (i.e. Land & Building) with Carlton Mill Company Limited (The) without the intention of the company to discontinue its operations.
14. The company has only one operating segment viz. Auto Components and accordingly there are no separate reportable segments in the context of Ind-AS 108 "Operating Segment".
15. In view of the lockdown across the country due to the COVID-19, the company temporarily suspended the operations in all the units in compliance with the lockdown instructions as issued by the Central and State governments. COVID-19 has impacted the normal business by way of interruption in business operations, supply chain disruption, unavailability of personnel, closure/lockdown of production facilities etc. during the lockdown period.
- The company has performed a detailed assessments of its liquidity position and the recoverability of its assets comprising property, plant and equipment, inventories, receivables and other current assets as at the balance sheet date and on the basis of evaluation, has concluded that no material adjustments are required in the financial statements. However, 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.
16. The Statement includes the results for the Quarter ended 31st March, 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year.
17. No Deferred Tax Asset is recognized on Loss & ECL on Investment for the quarter and year ended March 31, 2021 by the parent company.
18. Previous period figures have been regrouped / rearranged wherever considered necessary.

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19. The above financial results were reviewed and recommended by the Audit Committee at its meeting held on August 8, 2021 and subsequently approved by the Board of Directors at its meeting held on August 8, 2021 along with Statutory Auditor's Report.

For and behalf of the Board

Place : Kalol

Date : August 8, 2021



Harish Sheth

Chairman & Managing Director

DIN : 01434459



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August 8, 2021

To,

BSE Limited,
Dept. of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Company Code: 505075

National Stock Exchange of India Ltd,
Listing Department
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051
Scrip Symbol: SETCO

Dear Sir/Madam,

Sub. : Declaration in respect of Unmodified Opinion on Standalone and Consolidated Audited Financial Statement for the Financial Year ended March 31, 2021

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Pursuant to SEBI Circular CIR/CFD/CMD/56/ 2016 dated May 26, 2016, we hereby declare and confirm that the Statutory Auditors of the Company, M/s. V. Parekh & Associates, Chartered Accountants, have issued an Audit Report with unmodified opinion on Standalone and Consolidated Annual Audited Financial Statements of the Company for the year ended March 31, 2021.

Kindly take the same on your records.

Thanking You,

For Setco Automotive Limited



Hiren Vala
Company Secretary