A square icon containing a checkmark, positioned to the left of the text "Value Research".

Value  
Research

**42<sup>nd</sup>**  
Annual Report  
**2024 - 25**

**BARRIER** to  
**BREAKTHROUGH**

Driven by Passion, Process & Performance

GLOBAL QUALITY CERTIFICATIONS - IATF 16949, ISO 14001, 45001 & OHSAS 18001

# DRIVEN BY INNOVATION | DESIGN | TECHNOLOGY

## FORWARD-LOOKING STATEMENT

The report contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words like 'plans', 'expects', 'anticipates', 'believes', 'intends', 'estimates', or other similar expressions as they relate to the company or its business are intended to identify such forward-looking statements, which are based on certain assumptions and expectations of future events. The company's actual results, performance or achievements could differ materially from those expressed or implied in such forward-looking statements.

## VISION

To be a market-leading brand in our chosen sphere of work with quality products and services, cost-effective manufacturing, state-of-the-art technology and environment-friendly practices, creating value for our stakeholders.

## MISSION

To be the preferred clutch of choice in 1 out of 3 commercial vehicles and 1 out of 5 farm tractors globally.

## VALUES

Safety First | Integrity | Excellence | Environment Care | Customer Focus | Team Work | Joy

“

We were one of the first in MHCV space to receive BS VI approval and started supplies last year and successfully developed a full range of next-gen clutches for farm equipment tractors.



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## CORPORATE

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# Corporate Information

## BOARD OF DIRECTORS

Mr. Harish Sheth  
Chairman & Managing Director

Mr. Udit Sheth  
Vice Chairman and Whole-time director

Mrs. Urja Shah  
Whole-time director

Dr. Arun Arora  
Independent Director  
*Resigned on September 30, 2024*

Mr. Ashok Kumar Jha  
Independent Director  
*Resigned on September 30, 2024*

Ms. Suhasini Sathe  
Independent Director  
*Resigned on September 30, 2024*

Mr. Vijay Kalra  
Independent Director  
*Appointed on November 11, 2024*

Dr. Suresh Shanbhogue  
Independent Director  
*Appointed on November 11, 2024*

Mr. Alok Parashar  
Independent Director  
*Appointed on January 31, 2025*

## KEY MANAGERIAL PERSONNEL

Mr. Anurag Jain  
Chief Financial Officer  
*Appointed w.e.f. 27<sup>th</sup> May, 2025*

Mr. Kuldeep Singh  
Chief Financial Officer  
*Resigned w.e.f. 18<sup>th</sup> April, 2025*

Mr. Hiren Vala  
Company Secretary

## AUDIT COMMITTEE

Dr. Arun Arora                      Chairman  
*Resigned on September 30, 2024*

Mr. Ashok Kumar Jha            Member  
*Resigned on September 30, 2024*

Mrs. Suhasini Sathe              Member  
*Resigned on September 30, 2024*

Mr. Vijay Kalra                      Chairman  
*Appointed on November 11, 2024*

Dr. Suresh Shanbhogue        Member  
*Appointed on November 11, 2024*

Mr. Udit Sheth                      Member  
*Appointed on November 11, 2024*

Mr. Alok Parashar                Member  
*Appointed on January 31, 2025*

## NOMINATION & REMUNERATION COMMITTEE

Dr. Arun Arora                      Chairman  
*Resigned on September 30, 2024*

Mr. Ashok Kumar Jha            Member  
*Resigned on September 30, 2024*

Mrs. Suhasini Sathe              Member  
*Resigned on September 30, 2024*

Mr. Vijay Kalra                      Chairman  
*Appointed on November 11, 2024*

Dr. Suresh Shanbhogue        Member  
*Appointed on November 11, 2024*

Mr. Alok Parashar                Member  
*Appointed on January 31, 2025*

## STAKEHOLDERS GRIEVANCES & RELATIONSHIP COMMITTEE

Dr. Arun Arora                      Chairman  
*Resigned on September 30, 2024*

Mr. Harish Sheth                      Member

Mrs. Urja Shah                      Member

Dr. Suresh Shanbhogue        Chairman  
*Appointed on November 11, 2024*

## CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Mrs. Urja Shah                      Chairperson

Mr. Udit Sheth                      Member

Dr. Arun Arora                      Member  
*Resigned on September 30, 2024*

Ms. Suhasini Sathe              Member  
*Resigned on September 30, 2024*

Mr. Vijay Kalra                      Member  
*Appointed on November 11, 2024*

Dr. Suresh Shanbhogue        Member  
*Appointed on November 11, 2024*

## REGISTRAR & SHARE TRANSFER AGENTS

### MUFG Intime India Private Limited

C-1, 247 Park, L. B. S. Marg, Vikhroli (West),  
Mumbai - 400 083, Maharashtra, India

## SECRETARIAL AUDITORS

Shravan A Gupta & Associates  
Practicing Company Secretary,  
Mumbai, Maharashtra - India

## STATUTORY AUDITORS

Sharp & Tannan Associates Chartered  
Accounts, Mumbai, Maharashtra - India

## COMPANY COMMUNICATION

### Registered Office:

Vadodara - Godhra Highway,  
Kaloi, Dist. Panchmahal - 389 330,  
Gujarat - India.

### Corporate Office

54A, Tardeo Road,  
Near Film Center Building, Mumbai -400034,  
Maharashtra - India

## SUBSIDIARIES

### Setco Auto Systems Private Limited

- Vadodara - Godhra Highway, Kaloi,  
Dist. Panchmahal - 389 330,  
Gujarat - India.
- Sitarganj, Dist. Udham Singh  
Nagar - 262 405, Uttarakhand - India

### Lava Cast Private Limited

Alindra (Village) Vadodara - Godhra  
Highway, Kaloi (Panchmahals)- 389330,  
Gujarat, India

### Setco Automotive (UK) Limited

York Avenue, Haslingden, Lancashire,  
United Kingdom 8844HU

### Setco Automotive (NA) Inc.

565 Hwy, 77, Paris, Tennessee 38242

### Setco MEA DMCC

Unit No. 3558, DMCC Business Centre,  
Level No. 1, Jewellery & Gemplex 3,  
United Arab Emirates

### WEW Holding Limited

Apex House, Bank Street.Twenty Eight  
Cybercity, Ebene 72201, Republic of Mauritius

**MANUFACTURING UNITS**

1. Kalol (Panchmahal), Gujarat, India
2. Sitarganj, Uttarakhand, India
3. Haslingden, Lancashire, UK
4. Paris, Tennessee, USA

**PRODUCTS:**

For product details please refer page nos. 10 to 12

**Investor Grievance:**

email:- investor.relations@setcoauto.com

**OTHER INFORMATION:**

- a. Corporate Identification Number (CIN): L35999GJ1982PLC005203
- b. Listing Information: Listed with: BSE Limited (BSE) & National Stock Exchange of India Limited (NSE)  
BSE Scrip Code: 505075 NSE Scrip Symbol: SETCO
- c. Website: www.setcoauto.com
- d. 42<sup>nd</sup> Annual General Meeting information:

Date: September 25, 2025

Day: Saturday Time: 02.30 PM

Place: Vadodara - Godhra Highway, Kalol Dist. Panchmahal - 389 330, Gujarat - India.

For details please refer to the Notice of this AGM.

**Our Brands**

Corporate Brand



CSR Brand



Product Brands



# Our Key Customers



# Key Milestones

## 1982 Incorporation

1999 - 2000



Technical collaboration with Lipe UK division of Dana Corp. (Usa) during India's BS migration

2005 - 2006



PE investment by new vernon set up Setco UK – acquired Lipe (UK) from Dana Corp. (USA) set up Setco NA -Acquired US facility from Haldex AB Sweden

2009 - 2011




Forayed into new global markets – Central Asia, Mena region, Africa, Latin America & South Asia started vertical integration set up R&D set up SOA press shop

2013 - 2014



Launch of clutches to cater aftermarket segment

2014 - 2015



Setting up of diaphragm spring manufacturing facility launched foundry (Lava Cast Pvt. Ltd.) Under JV arrangement

2016 - 2017



Launch of clutches for farm equipment (tractor) segment and American market

2017 - 2018




Launch of clutches for farm equipment (tractor) segment and American market

2018 - 2019



BS-VI approvals from all OEM partners on target

2019 - 2022



Foray into farm tractor segment and BS VI clutches Accomplishment of fundraising activity

2023 - 2024



Launched new range of Setco allied products such as Flywheels, Bearings, Brakes, Lubricants & Oil and many more Increase in offerings in farm equipment for aftermarket

2024 - 2025



Successfully launched new products including Clutch Release Bearings, Central Support Bearings Tractor clutches supplies started in Q4FY25 Launched Automotive Water Pump and Load Cushion & torque Rod Bush

# Board Of Directors



## Harish Sheth

Chairman & Managing Director

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.



## Udit Sheth

Vice Chairman

Mr. Udit Sheth is an innovator and entrepreneur who has created India's pioneering Sports Infrastructure Project on PPP model. He is the founder of the TransStadia Group and also part of the promoter family for the Setco Group. TransStadia is the world's first and only SuRe Certified Stadium, which also boasts of LEED Gold & ISO 9000 and 14000 certifications.

His core expertise is in Finance & Operations – which he has applied with detailed research, ergonomics & creativity that has seen the successful establishment of new and innovative projects in his career spanning 19 years.

With mergers and acquisitions in UK & USA for the growth of the commercial vehicle business in India and globally to the creation of the best technologically advanced stadium with number services and technical inputs – he has always worked with foresightedness and bringing newness and agility to any project he handles.

He has also chartered many ground- breaking initiatives in Yoga – and introduced Yogasana as a competitive sport as mandated by the Ministry of Youth Affairs and Sports in Dec 2020.



## Urja Shah

Whole-time Director

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.

## Vijay Kalra

Independent Director



Mr. Kalra holds an MBA from Institute of Management Technology, Ghaziabad, a B.E. in Mechanical Engineering from Jiwaji University, Gwalior, and a Diploma in Production Management from Punjab University. He has extensive experience in the automotive and manufacturing sectors, with expertise in Quality Management, Operational Excellence, Safety, and Sustainability. He has played a pivotal role in setting up three Greenfield facilities and has a strong focus on Industry 4.0 and Lean practices

## Suresh Shanbhogue

Independent Director



Dr. Suresh Shanbhogue holds an M.Sc., MBA, and Ph.D., and has published two books along with several research papers in reputed journals. He has served as Director on the Boards of various State PSUs and as the Nominee Director of the Government of Goa on the Board of GMR Goa International Airport Limited. His areas of specialization include Planning & Development, Public Policy, Public Finance, PPP, Mining, Official and Medical Statistics, Census & Surveys, and General Administration.

## Alok Parashar

Independent Director



Mr. Alok Parashar is an accomplished Chief Operating Officer with over 30 years of leadership experience across premier educational institutions and businesses. He served as COO of the American School of Bombay from 2008 to 2023, where he led expansion, built high-performance teams, and ensured compliance and operational excellence. He was previously the Director of Administration at Mahindra United World College, Pune. A founding team member of Avasara Leadership Institute and Schreiber Dynamix Dairy, he brings deep expertise in strategy, operations, project execution, and change management. A former military officer, Mr. Parashar holds an MBA and a degree in Political Science, with executive education from Harvard.

# Awards And Recognition



SETCO Team is awarded with 4<sup>th</sup> Rank amongst 164 suppliers in “Supplier SAMRAT” competition for west zone by M/s. Ashok Leyland.



Received NVB ( Non vehicle business) Excellence Award for Setco Auto Systems from Tata Motors at Supplier Conference today at Goa.



UKD plant as we receive the prestigious SEEM Award for Energy Management!



Setco Auto Systems Pvt. Ltd. has entered into a strategic collaboration with Visvesvaraya National Institute of Technology (VNIT), Nagpur to drive joint research and innovation in the field of automotive technology

# PRODUCTS AT A GLANCE

## LARGEST BS VI MHCV CLUTCH RANGE

- 14"/352mm Single & Twin Direct Pressure Coil Spring
- 362mm Single Diaphragm Spring
- 400mm Twin Diaphragm Spring

15"/380mm Single Push Coil Spring



430mm Single Diaphragm Spring



395mm Single Push Diaphragm Spring



## WIDE RANGE OF FARM TRACTOR CLUTCHES

- 280 Dia Clutch Set Dual 4P
- 280 Dia Clutch Set Double 4P
- 280 Dia Clutch Set Dual 7P
- 280 Dia Dual-Rigid 4P
- 310 Dia Clutch Set Organic Single
- 310mm Dia Double Clutch with 6P

280 Dia Single Diaphragm Clutch



280 Dia Clutch Set Ceramic Single



280 Dia Clutch Set Dual 5P



## CASTING PRODUCTS

280 Cover for Tractor



352 Pressure Plate



ASD Cover



# PRODUCTS AT A GLANCE

## NEW RANGE FOR NORTH AMERICA MARKET

### ANGULAR SPRING DESIGN CLUTCHES



## LCV CLUTCH RANGE

15.5"/395mm Angular Spring Twin Clutch

Off - Highway, Construction Hydraulics (Pressure Converters)

15"/380mm Single & Twin Direct Pressure Coil Spring



170mm Single Diaphragm Spring

12"/310mm Single Diaphragm Spring

13"/330mm Single Direct Pressure Coil Spring



330 Dia Single Coil Clutch



170mm Single Diaphragm Spring



# SETCO PRODUCTS



**BRAKE LINING**



**CRB**



**FLYWHEEL**



**TORQUE ROD BUSH**



**UJ CROSS**



**LOAD CUSHION**



**SETCOIL PRODUCT RANGE**



**CSB**



**WATER PUMP**

# Drive Rewards Program For Mechanics

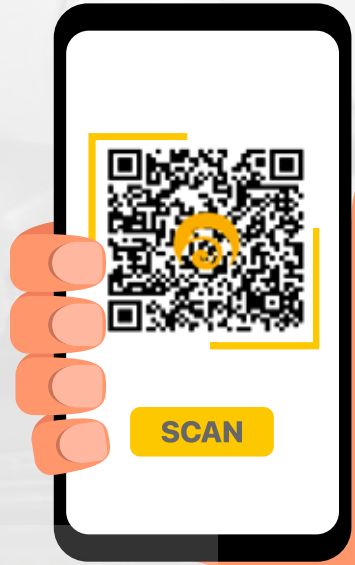
Loyalty Program

## Achieve every Milestone and get Rewarded

For: more information, download the App

For More Product Information & Queries, Kindly drop us a mail on  
[care@setcoauto.com](mailto:care@setcoauto.com)

[www.setcoauto.com](http://www.setcoauto.com) | 1800-889-6092



### DRIVEN BY

- INNOVATION
- DESIGN
- TECHNOLOGY



by scanning the QR code

#### SETCO CHAMPION

10001  
Points

#### SETCO RACER

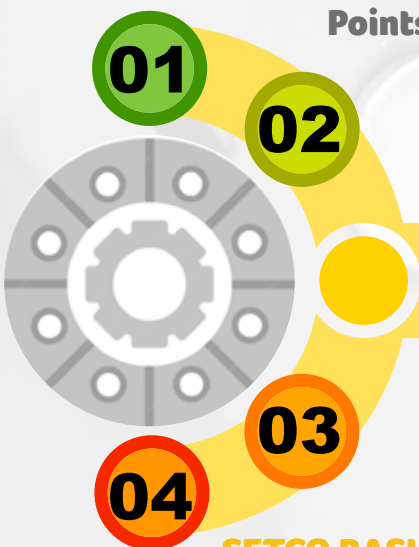
5000 - 10000  
Points

#### SETCO FIRST

1001 - 5000  
Points

#### SETCO BASIC

1001 - 5000  
Points



## Message from the desk of Shri Harish Sheth: Chairman & Managing Director



**Dear Shareholders,**

**Greetings from the Setco family.**

FY25 has been a landmark year for us—achieving the highest-ever revenue on both an annual and quarterly basis. This milestone is a testament to the unwavering trust of our customers and the dedication of our team. It reflects our ability to adapt, innovate, and lead in a fast-evolving automotive landscape.

### **Economic & Industry Outlook**

India continues to outpace global peers, recording a 6.5% GDP growth in FY25. The Commercial Vehicle (CV) industry, despite global uncertainties, is projected to grow by 3–5%, fuelled by infrastructure expansion, rural sentiment recovery, lower interest rates, and fleet upgrades to meet stringent BS and NVH norms. Global trade tensions and macroeconomic headwinds remain, but our domestic resilience and strategic positioning give us confidence.

## Innovation & Diversification

Innovation remains our growth engine. This year, we introduced several products—including Load Cushion, Torque Rod Bush, Automotive Water Pump, Clutch Release Bearings (CRB), and Central Support Bearings (CSB). We also launched the *Setco Connect* app and *Drive Rewards* program, engaging over 30,000 retailers and mechanics nationwide.

## LavaCast Performance

Our world-class foundry, LavaCast, delivered its highest tonnage since 2019, best-ever EBITDA margins, and record-low rejection rates below 5%. We commenced exports to the U.S., enhancing both revenue and profitability.

## Social Responsibility

We are extremely proud of the impactful work of the Setco Foundation's in our local communities; with a resolve to transform and rise. We have grown from adopting one anganwadi in 2009 to eighteen in our communities and multiple interventions adopting a life cycle approach – including strong programs for child care, women's empowerment and sports for all.

## Strategic Roadmap

With our integrated manufacturing setup—press shop, heat treatment, foundry, and tech center—we are poised to leverage industry tailwinds, strengthen OEM partnerships, grow aftermarket presence, and scale global business.

## Closing Note

FY25 was about laying the foundation; FY26 will be about building higher. Our journey ahead is defined by opportunity, responsibility, and vision.

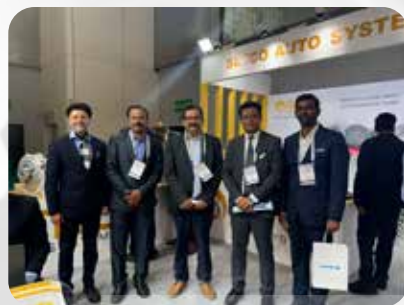
*“The future belongs to those who prepare for it today.” Let's step into that future—together.*

With sincere regards,

**Harish Sheth**  
Chairman & Managing Director



Auto Expo 2025 - The Component show Dwarka, New Delhi



Annual Strategic Meet Goa - 2025



## Setco Sales and Marketing Outreach



# Statutory Information And Annual Report 2024-25



## SETCO AUTOMOTIVE LIMITED

CIN: L35999GJ1982PLC005203

Registered Office: Baroda-Godhra Highway, Kalol (Panchmahals), Pin Code - 389 330, Gujarat, India

Tel No.: 02676-270600, Fax: 02676-235524;

E-mail: investor.relations@setcoauto.com; Website: www.setcoauto.com

### NOTICE OF 42nd ANNUAL GENERAL MEETING

Notice is hereby given that the **Forty-Second Annual General Meeting (“AGM”)** of the members of **SETCO AUTOMOTIVE LIMITED** will be held on **Thursday, September 25, 2025 at 2:30 p.m.** IST at the Registered Office of the Company at Baroda-Godhra Highway, Kalol (Panchmahals), Pin Code - 389 330, Gujarat, India to transact the following businesses:

#### ORDINARY BUSINESS:

**1. To receive, consider and adopt;**

- (a) The audited standalone annual financial statements of the Company for the financial year ended March 31, 2025 together with the Reports of Board of Directors and Auditors thereon; and
- (b) The audited consolidated annual financial statements of the Company for the financial year ended March 31, 2025 and together with the Report of Auditors thereon.

**2. To appoint a director in place of Mr. Udit Sheth (DIN: 00187221), who retires by rotation and being eligible, offers himself for re-appointment:**

To consider and if thought fit, to pass the following resolution as an **ordinary resolution**:

“**RESOLVED THAT**, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of members of the Company, be and is hereby accorded to reappoint Mr. Udit Sheth (DIN: 00187221), as a Vice Chairman & Whole time director, who is liable to retire by rotation.”

**3. Re-Appointment of M/s. Sharp & Tannan Associates, Chartered Accountants, as statutory auditors of the Company:**

To consider and if thought fit, to pass the following resolution, as an **ordinary resolution**:

“**RESOLVED THAT** pursuant to Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendations of the audit committee and the Board of Directors of the Company, M/s. Sharp & Tannan Associates, Chartered Accountants (Firm registration number: 0109983W) be and is hereby reappointed as Statutory Auditors of the Company for a term of 5 (Five) Consecutive years from the conclusion of 42nd AGM till the conclusion of 47th AGM scheduled to be held in the year 2030, at such remuneration as may be determined by the Board of Directors of the Company (Including its committees thereof).

**RESOLVED FURTHER THAT** the Board of Directors of the Company, (including its committees thereof), be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required”

#### SPECIAL BUSINESS:

**4. To appoint M/s. Shravan A. Gupta & Associates as Secretarial Auditor for a term of Five (5) consecutive years and to fix their remuneration.**

To consider and if thought fit, to pass the following resolution, as an **ordinary resolution**:

“**RESOLVED THAT** pursuant to the provisions of regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time read with provisions of section 204 of the

Companies Act, 2013 & rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to receipt of such other approvals, consents and permissions as may be required, M/s. Shravan A. Gupta & Associates, practicing Company Secretaries (Firm Registration No.: S2013MH230000, Peer Review No.: 2140/2022), be and are hereby appointed as the Secretarial Auditors of the Company, for a period of one term of five (5) consecutive years, to hold office from the conclusion of this Forty Second Annual General Meeting ('AGM') till the conclusion of Forty Seventh AGM of the Company to be held in the year 2030, to conduct secretarial audit, at such a remuneration as approved by the Board of Directors, based on the recommendation of the Audit Committee in consultation with Secretarial Auditors of the Company.

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient to give effect to this resolution and for matters connected therewith or incidental thereto."

#### 5. **Appointment of Mr. Vijay Kalra (DIN: 07217974) as a Director and as an Independent Director of the Company**

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('Act'), the Companies (Appointment and Qualifications of Directors) Rules, 2014 ('Rules') and Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), including any statutory modification(s) or re-enactment thereof for the time being in force, Mr. Vijay Kalra (DIN: 07217974) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 11<sup>th</sup> November, 2024 in terms of Section 161 of the Act and the Articles of Association of the Company and who is eligible for appointment as a Director, be and is hereby appointed as a Director of the Company."

**"RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act, read with Schedule IV thereto and the Companies (Appointment and Qualification of Directors) Rules, 2014, and in terms of Regulation 25(2A) of the Listing Regulations, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the appointment of Mr. Vijay Kalra (DIN: 07217974) as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a term of 5 (Five) consecutive years commencing from 11<sup>th</sup> November, 2024, be and is hereby approved."

#### 6. **Appointment of Dr. Suresh Shanbhogue (DIN: 00517958) as a Director and as an Independent Director of the Company**

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('Act'), the Companies (Appointment and Qualifications of Directors) Rules, 2014 ('Rules') and Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), including any statutory modification(s) or re-enactment thereof for the time being in force, Dr. Suresh Shanbhogue (DIN: 00517958) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 11<sup>th</sup> November, 2024 in terms of Section 161 of the Act and the Articles of Association of the Company and who is eligible for appointment as a Director, be and is hereby appointed as a Director of the Company."

**"REOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act, read with Schedule IV thereto and the Companies (Appointment and Qualification of Directors) Rules, 2014, and in terms of Regulation 25(2A) of the Listing Regulations, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the appointment of Dr. Suresh Shanbhogue (DIN: 00517958) as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a term of 5 (Five) consecutive years commencing from 11<sup>th</sup> November, 2024, be and is hereby approved."

Notice (Contd.)

**7. Appointment of Mr. Alok Shyamkrishna Parashar (DIN: 06722651) as a Director and as an Independent Director of the Company**

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('Act'), the Companies (Appointment and Qualifications of Directors) Rules, 2014 ('Rules') and Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), including any statutory modification(s) or re-enactment thereof for the time being in force, Mr. Alok Shyamkrishna Parashar (DIN: 06722651) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 31<sup>st</sup> January, 2025 in terms of Section 161 of the Act and the Articles of Association of the Company and who is eligible for appointment as a Director, be and is hereby appointed as a Director of the Company.”

“**REOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act, read with Schedule IV thereto and the Companies (Appointment and Qualification of Directors) Rules, 2014, and in terms of Regulation 25(2A) of the Listing Regulations, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the appointment of Mr. Alok Shyamkrishna Parashar (DIN: 06722651) as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a term of 5 (Five) consecutive years commencing from 31<sup>st</sup> January, 2025, be and is hereby approved.”

By Order of the Board of Directors  
**For Setco Automotive Limited**

**Hiren Vala**  
Company Secretary



Place: Kalol

Date: August 12, 2025

**Registered Office:**

Baroda - Godhra Highway, Kalol,  
District Panchmahals, Pin Code – 389 330,  
Gujarat, India  
CIN: L35999GJ1982PLC005203

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UP TO AND NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF COMMENCEMENT OF THE MEETING. IN THIS NOTICE, THE TERMS MEMBER(S) OR SHAREHOLDER(S) ARE USED INTERCHANGEABLY.
2. During the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
3. Authorised representatives of the corporate members intending to participate in the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy (in PDF/JPG format) of the relevant Board Resolution/Authority Letter, etc. authorising them to attend the AGM, by email to investor.relations@setcoauto.com.
4. Institutional shareholders/corporate shareholders (i.e. other than individuals, HUF's, NRI's, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body resolution/authorization etc., authorizing their representative to attend the AGM on their behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to cs.shravangupta@gmail.com the copies marked to the Company at investor.relations@Setcoauto.com and to Central Depository Services (India) Limited (CDSL) at www.evotingindia.com. Institutional shareholders (i.e. other than individuals, HUFs, NRIs, etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter, etc. by clicking on "Upload Board Resolution/Authority Letter", etc. displayed under "e-Voting" tab in their login.
5. An explanatory statement pursuant to Section 102(1) of the Act relating to Special business as stated under Item No. 4, 5, 6 and 7 of the Notice dated August 12, 2025, is annexed hereto.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 19, 2025 to Thursday, September 25, 2025 (both days inclusive) for the purpose of the AGM of the Company.
7. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as agency to provide e-voting facility.
8. The Company has been maintaining, inter alia, the following statutory registers at its registered office of the Company, which are open for inspection by members in terms of the applicable provisions of the Act, from Monday to Saturday from 10.00 a.m. to 12.30 p.m., except Tuesday and holidays up to the date of AGM:
  - (i) Register of Contracts or arrangements in which directors are interested under section 189 of the Act. The said Register shall also be produced at the commencement of the AGM of the Company and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.
  - (ii) Register of Directors and Key Managerial Personnel and their shareholding under section 170 of the Act. The said Register shall be kept open for inspection at the AGM of the Company and shall be made accessible to any person attending the AGM.
9. Members/Proxies/Representatives should bring the duly filled attendance slip along with their copy of Annual Report at the AGM.
10. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

## Notice (Contd.)

11. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the AGM.
12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices etc., from the Company electronically. Those Members, whose email address is not registered with the Company or with their respective Depository Participants, and who wish to receive the Notice of the 42<sup>nd</sup> AGM and the Annual Report for the financial year 2024-25 and all other communication sent by the Company, from time to time, can get their email address registered with the Company. The process of registration of email ids is given in the instruction for e-voting.
13. Members are requested to:
  - a. intimate to the Company's Registrar and Share Transfer Agent (RTA) - MUFG Intime India Private Limited, changes, if any, in their registered addresses, in case of shares held in physical form;
  - b. intimate to their Depository Participant with whom they are maintaining their demat accounts, changes, if any, in their registered addresses/email ID, in case of shares held in dematerialized form.
  - c. quote their Folio Numbers/Client ID/DP ID in all correspondence; and
  - d. Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.
14. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary, at the Company's registered office or at investor.relations@setcoauto.com. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF). Shares on which a dividend remains unclaimed for seven consecutive years shall be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.
15. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by October 1, 2023, and linking PAN with Aadhaar by June 30, 2023 vide its circular dated March 16, 2023. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's RTA, MUFG Intime India Private Limited, at C 101, 247 Park, L.B.S. Marg, Vikhroli - West, Mumbai - 400083. The forms for updating the same are available on the Company's website: <https://setcoauto.com/investor-services/>.
16. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form. Further, the transmission and transposition of securities shall also be effected only in dematerialised form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings into dematerialised form. Members can contact the Company or RTA for assistance in this regard.
17. Members are requested to note that 'SWAYAM' is a secure, user-friendly web-based application, developed by "MUFG Intime India Private Limited.", our Registrar and Share Transfer Agents, that empowers shareholders to effortlessly access various services. We request you to get registered and have first-hand experience of the portal.

This application can be accessed at <https://swayam.in.mpms.mufg.com/>.

- Effective Resolution of Service Request - Generate and Track Service Requests/Complaints through SWAYAM.
- Features - A user-friendly GUI.
- Track Corporate Actions like Dividend/Interest/Bonus/split.
- PAN-based investments - Provides access to PAN linked accounts, Company wise holdings and security valuations.

- Effortlessly Raise request for Unpaid Amounts.
  - Self-service portal – for securities held in demat mode and physical securities, whose folios are KYC compliant.
  - Statements - View entire holdings and status of corporate benefits.
  - Two-factor authentication (2FA) at Login - Enhances security for investors.
18. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/145 dated July 31, 2023(updated as on August 11, 2023), has established a common Online Dispute Resolution Portal (“ODR Portal”) for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the Members can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).
  19. In compliance with the Circulars, the Notice of the 42<sup>nd</sup> AGM along with the Annual Report 2024-25 and the instructions for e-voting are being sent through electronic mode to those Members whose email address is registered with the Company/ Depositories (“DPs”). In case any Member is desirous of obtaining physical copy of the Annual Report for the financial year 2024-25 and Notice of the 42<sup>nd</sup> AGM of the Company, he/she may send a request to the Company by writing at [investor.relations@setcoauto.com](mailto:investor.relations@setcoauto.com) or MUFG Intime India Private Limited, Company’s Registrar and Share Transfer Agent (“RTA”) at [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com) mentioning their DP ID and Client ID/folio no. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company’s website [www.setcoauto.com](http://www.setcoauto.com), website of the Stock Exchanges i.e. BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com). For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
  20. In compliance with the Circulars, the Annual Report for 2024-25, the Notice of the 42<sup>nd</sup> AGM, and instructions for e-voting are being sent through electronic mode to those members whose email addresses are registered with the Company/DP. A letter providing the web-link for accessing the Annual report, including the exact path, will be sent to those members who have not registered their e-mail address with the Company.
  21. To support the “Green Initiative”, the Members who have not registered their email addresses are requested to register the same with RTA/Depository Participant to enable the Company to send communications electronically.
  22. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members holding shares in physical form who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel their earlier nomination and record a fresh nomination, he/ she may submit the same in Form No. SH-14. The said form can be downloaded from the Company’s website at <https://setcoauto.com/investor-services/> are requested to submit the said form to their DP in case the shares are held in electronic form and to the Company or RTA in case the shares are held in physical form, quoting their folio numbers.
  23. Members are requested to check that the correct account number has been recorded with the Depository. Members holding shares in electronic form are requested to intimate any change in their addresses, e-mail IDs, signature(s) or bank mandates to their respective DPs with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to intimate such changes to the RTA of the Company by furnishing Form No. ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023. The same are available on the website of the Company at <https://setcoauto.com/investor-services/> Members are requested to note that any service request will be processed only if the folio is KYC compliant.
  24. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements)

Notice (Contd.)

Regulations, 2015, the Company is pleased to provide Members facility to exercise their right to vote on resolutions at the AGM by electronic means. The Members may cast their votes using an electronic voting system from a place other than the venue of the AGM (“remote e-voting”).

25. The facility for voting through ballot paper shall be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be able to vote at the AGM through ballot papers.
26. The Members who have cast their vote by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again.
27. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Wednesday, September 17, 2025. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, only shall be entitled to avail the facility of remote e-voting and voting at AGM through ballot paper.
28. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
29. Mr. Shravan A. Gupta, Proprietor of M/s. Shravan A. Gupta & Associates., Practicing Company Secretaries, has been appointed as Scrutinizer to scrutinize the voting through ballot paper and remote e-voting process in a fair and transparent manner.
30. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
31. The Scrutinizer shall, after the conclusion of voting at the AGM, count the valid e-votes cast at the AGM, thereafter count the valid votes cast through remote e-voting and make, not later than 48 hours of conclusion of the meeting, a Consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him. The results along with the Scrutinizer’s Report shall be placed on the Notice Board of the Company at Registered Office & Corporate Office and also on Company’s website www.setcoauto.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”), where the shares of the Company are listed.
32. A statement providing additional details of a Director seeking re-appointment as set out in Item Nos. 2, 5, 6, and 7 of the Notice dated August 12, 2025, is annexed herewith as required under Regulation 36(3) of the SEBI Listing Regulations as amended from time to time and Secretarial Standard-2 (“SS-2”) on General Meetings issued by the Council of the Institute of Company Secretaries of India (ICSI).

Name of Director	Mr. Udit Harish Sheth	Mr. Vijay Kalra	Dr. Suresh Shanbhogue	Mr. Alok Shyamkrishna Parashar
Director Identification Number (DIN)	00187221	07217974	00517958	06722651
Age (Years)	46	66	61	61
Date of first appointment on the Board	June 30, 2008	November 11, 2024	November 11, 2024	January 31, 2025
Nationality	Indian	Indian	Indian	Indian

Name of Director	Mr. Udit Harish Sheth	Mr. Vijay Kalra	Dr. Suresh Shanbhogue	Mr. Alok Shyamkrishna Parashar
<b>Expertise in Specific Functional area</b>	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.	Mr. Vijay Kalra has extensive experience in the automotive and manufacturing sectors, with expertise in Quality Management, Operational Excellence, Safety, and Sustainability. He has played a pivotal role in setting up three Greenfield facilities and has a strong focus on Industry 4.0 and Lean practices	Dr. Suresh Shanbhogue has served as Director on the Boards of various State PSUs and as the Nominee Director of the Government of Goa on the Board of GMR Goa International Airport Limited. His areas of specialization include Planning & Development, Public Policy, Public Finance, PPP, Mining, Official and Medical Statistics, Census & Surveys, and General Administration.	Mr. Alok Parashar is an accomplished Chief Operating Officer with over 30 years of leadership experience across premier educational institutions and businesses. He served as COO of the American School of Bombay from 2008 to 2023, where he led expansion, built high-performance teams, and ensured compliance and operational excellence. He was previously the Director of Administration at Mahindra United World College, Pune. A founding team member of Avasara Leadership Institute and Schreiber Dynamix Dairy, he brings deep expertise in strategy, operations, project execution, and change management.
<b>Qualification</b>	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.	Mr. Vijay Kalra holds an MBA from Institute of Management Technology, Ghaziabad, a B.E. in Mechanical Engineering from Jiwaji University, Gwalior, and a Diploma in Production Management from Punjab University.	Dr. Suresh Shanbhogue holds an M.Sc., MBA, and Ph.D., and has published two books along with several research papers in reputed journals.	Mr. Alok Parashar a former military officer, holds an MBA and a degree in Political Science, with executive education from Harvard.
<b>Terms and conditions of re-appointment</b>	liable to retire by rotation	Not liable to retire by rotation	Not liable to retire by rotation	Not liable to retire by rotation
<b>Details of remuneration last drawn (Rs.) (FY 2024-25)</b>	NIL	NIL	NIL	NIL
<b>Remuneration proposed to be paid</b>	NIL	NIL	NIL	NIL
<b>Number of meetings of the Board attended during the financial year 2024 – 25</b>	6 of 6	3 of 3	3 of 3	2 of 2
<b>Directorships of other Boards as on March 31, 2025</b>	<ul style="list-style-type: none"> <li>a) Setco Auto Systems Pvt. Ltd..</li> <li>b) Setco Engineering Pvt. Ltd.</li> <li>c) Lava Cast Pvt. Ltd.</li> <li>d) Setco Holdings Pvt. Ltd.</li> <li>e) Transstadia Technologies Pvt. Ltd.</li> <li>f) Transstadia Holdings Pvt. Ltd.</li> <li>g) Transstadia Enterprises Pvt. Ltd.</li> <li>h) SE Transstadia Pvt. Ltd.</li> <li>i) Transstadia Boxing India Pvt. Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>a) Setco Auto Systems Pvt. Ltd.</li> <li>b) Lava Cast Pvt. Ltd.</li> <li>c) Autofridge India Pvt. Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>a) Lava Cast Pvt. Ltd.</li> <li>b) Info Tech Corporation of Goa Ltd.</li> <li>c) Metal Care Alloys Ltd.</li> <li>d) Norspin International Ltd.</li> </ul>	Avasara Leadership Institute

Notice (Contd.)

Name of Director	Mr. Udit Harish Sheth	Mr. Vijay Kalra	Dr. Suresh Shanbhogue	Mr. Alok Shyamkrishna Parashar
	j) Pahadi Goodness Pvt. Ltd. k) YSL Yogasana Development Pvt. Ltd. l) Transstadia Institute & Research Council m) Transstadia Education & Research Foundation n) Sportscom Industry Confederation o) SMERII Diving Foundation			
<b>Board Membership of other Public Companies as on 31st March, 2025</b>	NA	NA	NA	NA
<b>Chairman / Member of the Committee of the Board of Directors of the Company as on 31st March, 2025</b>	Audit Committee – Member Corporate Social Responsibility Committee - Member	Audit Committee – Chairman Nomination and Remuneration Committee – Chairman	Audit Committee – Member Nomination and Remuneration Committee – Member Corporate Social Responsibility Committee - Member	
<b>Chairman / Member of the Committee of Directors of the other companies in which he is a Director as on 31st March, 2025</b>	<b>Setco Auto Systems Pvt. Ltd.</b> - Member of Audit Committee	<b>Setco Auto Systems Pvt. Ltd.</b> Audit Committee – Member Nomination and Remuneration Committee – Member <b>Lava Cast Pvt. Ltd.</b> Audit Committee – Chairman	<b>Lava Cast Pvt. Ltd.</b> Audit Committee – Member	
<b>Number of Shares held on 31st March, 2025</b>	27,62,863	NIL	NIL	NIL
<b>Relationships with other Director / Key Managerial Personnel</b>	Mr. Harish Sheth is Father of Mr. Udit Sheth and Mrs. Urja Shah is sister of Mr. Udit Sheth.	Not related to any Directors/ Managers/ Key Managerial Personnel of the Company.	Not related to any Directors/ Managers/ Key Managerial Personnel of the Company.	Not related to any Directors/ Managers/ Key Managerial Personnel of the Company.

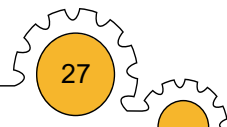
33. Route Map showing directions to reach to the venue of the AGM, proxy form and attendance slip are attached to the Notice.

**THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:**

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on Monday, September 22, 2025 at 9:00 am (IST) and ends on Wednesday, September 24, 2025 at 5:00 pm (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Wednesday, September 17, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; My Easi New (Token) Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; My Easi New (Token) Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p>
	<p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> <p>4) For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/ mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on <b>company name or e-Voting service provider name</b> and you will be re-directed to <b>e-Voting service provider website</b> for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details  <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

**Notice (Contd.)**

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant SETCO AUTOMOTIVE LIMITED on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investor.relations@setcoauto.com](mailto:investor.relations@setcoauto.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

**Notice (Contd.)**

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33.

By Order of the Board of Directors  
For **Setco Automotive Limited**

**Hiren Vala**  
Company Secretary

Place: Kalol

Date: August 12, 2025

**Registered Office:**

Baroda - Godhra Highway, Kalol,  
District Panchmahals, Pin Code – 389 330,  
Gujarat, India  
CIN: L35999GJ1982PLC005203



Notice (Contd.)

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 3:

The Members of the Company had, at the 39th Annual General Meeting (AGM) held on September 19, 2022, appointed M/s. Sharp & Tannan Associates, Chartered Accountants (Firm Registration No. 0109983W), as the Statutory Auditors of the Company for a period of 3 (Three) consecutive years, to hold office from the conclusion of the 39th AGM until the conclusion of the 42nd AGM, scheduled to be held in the year 2025.

As the term of M/s. Sharp & Tannan Associates will conclude at the upcoming 42nd AGM, the Board of Directors, based on the recommendation of the Audit Committee, has proposed their reappointment for a further term of 5 (Five) consecutive years, from the conclusion of the 42nd AGM until the conclusion of the 47th AGM, to be held in the year 2030, in accordance with the provisions of Sections 139, 141, and 142 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

M/s. Sharp & Tannan Associates have confirmed that their reappointment, if made, would be in accordance with the conditions specified under the Companies Act, 2013, the Rules made thereunder, and SEBI (LODR) Regulations, and that they satisfy the criteria provided under Section 141 of the Companies Act, 2013. They have further confirmed that they are not disqualified to be reappointed as Statutory Auditors of the Company.

The remuneration payable to the Statutory Auditors for the financial years 2025–26 to 2029–30 shall be determined by the Board of Directors (including its committees), in consultation with the Audit Committee and the Statutory Auditors, from time to time.

The Board recommends the resolution set out in the accompanying Notice for the approval of the Members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

### Item No. 4:

Pursuant to the amended provisions of regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') vide SEBI Notification dated 12 December 2024 and provisions of section 204 of the Companies Act, 2013 ('the Act') and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on August 12, 2025 have approved and recommended the appointment of M/s. Shravan A. Gupta & Associates, Peer Reviewed Firm of Company Secretaries in practice (Firm Registration No.: S2013MH230000, Peer Review No.: 2140/2022), as Secretarial Auditors of the Company for a period of one term of five (5) consecutive years, to hold office from the conclusion of this Forty second Annual General Meeting ('AGM') till the conclusion of Forty Seventh AGM to be held in the year 2030 of the Company on following terms and conditions:

- a. **Term of appointment:** Upto Five (5) consecutive years from the conclusion of this AGM till the conclusion of Forty Seventh AGM.
- b. **Proposed fees:** Upto Rs. 50,000/- (Rupees Fifty Thousand only) per annum plus applicable taxes and other out-of-pocket expenses in connection with the secretarial audit for Financial Year ending 31st March 2026 and for subsequent year(s) of their term, such fee as may be determined by the Board on the recommendation of Audit Committee.

The proposed fees are based on knowledge, expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmark and will be determined by the Board on the recommendation of the Audit Committee in consultation with the Secretarial Auditors.

- c. **Basis of recommendation:** The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and SEBI LODR Regulations with regard to the expertise, secretarial audit, experience of the firm, and based on the evaluation of the quality of audit work done by them in the past.
- d. **Brief profile:** M/s Shravan Gupta & Associates, is a firm of Practicing Company Secretaries. Mr. Shravan Gupta is an Associate member of The Institute of Company Secretaries of India (ICSI). The firm is primarily engaged in the areas of secretarial audit, corporate advisory services, transactional services, legal due diligence, compliance management etc. The firm has extensive experience of handling audits of large, listed corporates and due diligence.

M/s Shravan Gupta & Associates have given their consent to act as Secretarial Auditors of the Company and confirmed that their aforesaid appointment (if made) would be within the prescribed limits under the Act & Rules made thereunder and SEBI LODR Regulations. They have also confirmed that they are not disqualified to be appointed as Secretarial Auditors in terms of the provisions of the Act & Rules made thereunder and SEBI LODR Regulations.

None of the directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board recommends an ordinary resolution set out at Item No. 4 of the Notice for the approval of the members.

#### **Item Nos. 5, 6 and 7:**

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, appointed the following individuals as Additional Directors (Non-Executive, Independent) of the Company:

- Mr. Vijay Kalra (DIN: 07217974) – appointed w.e.f. 11th November 2024
- Dr. Suresh Shanbhogue (DIN: 00517958) – appointed w.e.f. 11th November 2024
- Mr. Alok Shyamkrishna Parashar (DIN: 06722651) – appointed w.e.f. 31st January 2025

These appointments were made pursuant to Section 161 of the Companies Act, 2013 and the Articles of Association of the Company. Each of the appointees holds office up to the date of the ensuing General Meeting and is eligible for an appointment as a director.

The Company has received notices in writing from members under Section 160 of the Act proposing the candidatures of Mr. Kalra, Dr. Shanbhogue, and Mr. Parashar for the office of Director. The Company has also received declarations from them confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, each of the proposed appointees fulfills the conditions for appointments as an Independent Directors and is independent of the management. The Board considers that their association would be of immense benefit to the Company and it is desirable to avail themselves of their services as Independent Directors.

#### **Brief Profiles of the Appointees:**

##### **Mr. Vijay Kalra**

Mr. Kalra holds an MBA from Institute of Management Technology, Ghaziabad, a B.E. in Mechanical Engineering from Jiwaji University, Gwalior, and a Diploma in Production Management from Punjab University. He has extensive experience in the automotive and manufacturing sectors, with expertise in Quality Management, Operational Excellence, Safety, and Sustainability. He has played a pivotal role in setting up three Greenfield facilities and has a strong focus on Industry 4.0 and Lean practices

##### **Dr. Suresh Shanbhogue**

Dr. Suresh Shanbhogue holds an M.Sc., MBA, and Ph.D., and has published two books along with several research papers in reputed journals. He has served as Director on the Boards of various State PSUs and as the Nominee Director

**Notice (Contd.)**

of the Government of Goa on the Board of GMR Goa International Airport Limited. His areas of specialization include Planning & Development, Public Policy, Public Finance, PPP, Mining, Official and Medical Statistics, Census & Surveys, and General Administration.

**Mr. Alok Shyamkrishna Parashar**

Mr. Alok Parashar is an accomplished Chief Operating Officer with over 30 years of leadership experience across premier educational institutions and businesses. He served as COO of the American School of Bombay from 2008 to 2023, where he led expansion, built high-performance teams, and ensured compliance and operational excellence. He was previously the Director of Administration at Mahindra United World College, Pune. A founding team member of Avasara Leadership Institute and Schreiber Dynamix Dairy, he brings deep expertise in strategy, operations, project execution, and change management. A former military officer, Mr. Parashar holds an MBA and a degree in Political Science, with executive education from Harvard.

The Board recommends the passing of the resolutions set out in Item Nos. 5, 6 and 7 as Special Resolutions.

None of the Directors, Key Managerial Personnel or their relatives, except the appointees themselves, are concerned or interested in the resolutions.

By Order of the Board of Directors  
For **Setco Automotive Limited**

**Hiren Vala**  
Company Secretary

Place: Kalol  
Date: August 12, 2025

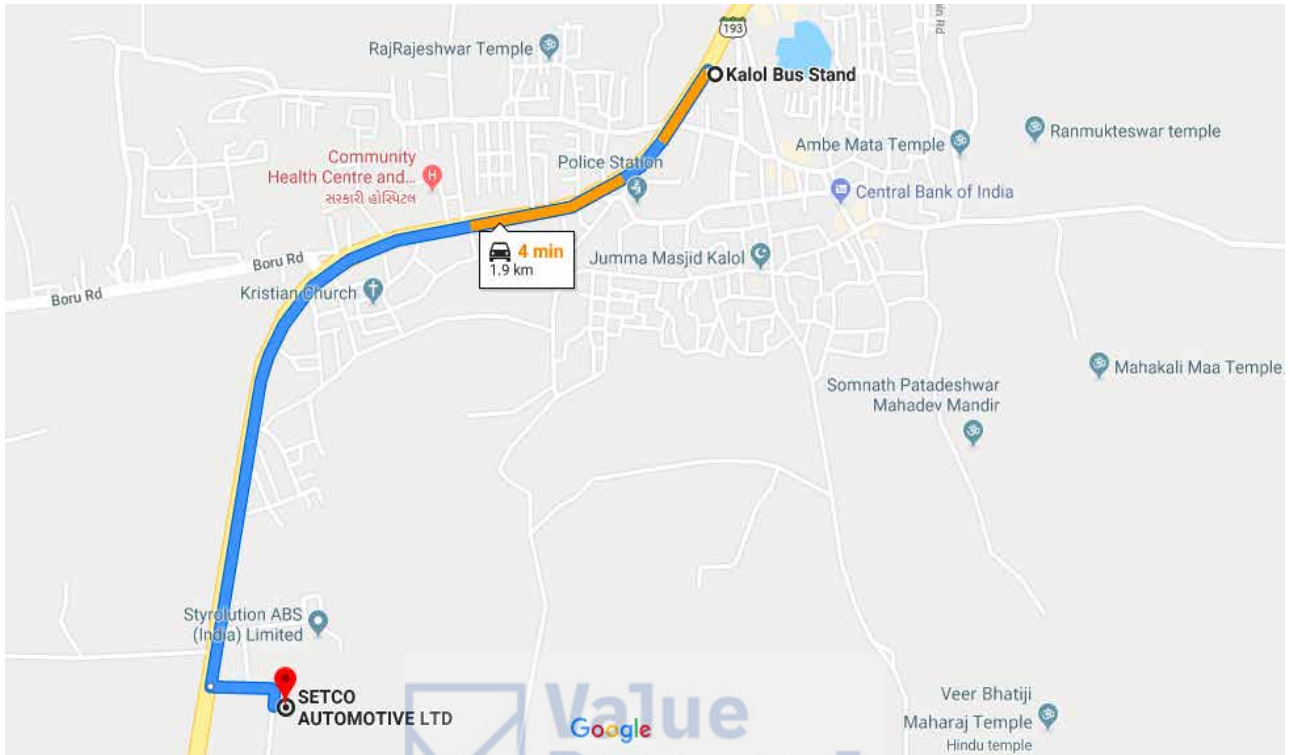
**Registered Office:**

Baroda - Godhra Highway, Kalol,  
District Panchmahals, Pin Code – 389 330,  
Gujarat, India  
CIN: L35999GJ1982PLC005203



### Route Map to the AGM Venue

Baroda-Godhra Highway, Kalol (Panchmahals), Gujarat - 389 330, India



## MANAGEMENT DISCUSSION & ANALYSIS

### Global Economy

Global growth is set to slow this year, to 2.3 percent—substantially weaker than previously projected amid the impact of higher trade barriers, elevated uncertainty, increased financial volatility, and weakened confidence. This would mark the slowest rate of global growth since 2008, aside from outright global recessions. In 2026-27, a tepid recovery is expected, leaving global output materially below January projections. Progress by emerging market and developing economies (EMDEs) in closing per capita income gaps with advanced economies and reducing extreme poverty is anticipated to remain insufficient. The outlook largely hinges on the evolution of trade policy globally. Growth could turn out to be lower if trade restrictions escalate or if policy uncertainty persists, which could also result in a build-up of financial stress. On the upside, uncertainty and trade barriers could diminish if major economies reach lasting agreements that address trade tensions. The ongoing global headwinds underscore the need for determined multilateral policy efforts to foster a more predictable and transparent environment for resolving trade tensions, some of which stem from macroeconomic imbalances. Global policy efforts are also needed to confront the deteriorating circumstances of vulnerable EMDEs amid prevalent conflict and debt distress, while addressing long-standing challenges, including the effects of climate change. National policy makers need to contain risks related to inflation as well as strengthen their fiscal positions by raising additional domestic revenues and re-prioritizing spending. To facilitate job creation and boost long-term growth prospects in EMDEs, reforms are essential to enhance institutional quality, stimulate private investment growth, develop human capital, and improve labor market functioning.

**Source** - <https://thedocs.worldbank.org/en/doc/8bf0b62ec6bcb886d97295ad930059e9-0050012025/original/GEP-June-2025.pdf>

### Indian Economy

Real GDP is projected to grow by 6.3% in fiscal year 2025-26 and 6.4% in 2026-27. Private consumption will gradually strengthen, driven by rising real incomes that are helped by moderate inflation, recent tax cuts and a strengthening of the labour market. Investment will be supported by declining interest rates and substantial public capital spending, but higher US tariffs will weigh on exports. Inflation will remain contained at around 4% as economic activity grows around trend. A less benign monsoon season or higher global commodity prices could drive up food prices and inflation.

The Union Budget for the fiscal year 2025–26 foresees a moderate fiscal consolidation, aiming to reduce the headline budget deficit from 4.8% of GDP in fiscal year 2024-25 to 4.4% in 2025-26. With inflation firmly within the target range, monetary policy is gradually expected to become more accommodative. Better targeting of energy and fertiliser subsidies, and an overhaul of tax expenditures, could enhance spending efficiency and free resources for other policy priorities. Improving logistics efficiency, upgrading digital infrastructure, and enhancing policy predictability, particularly in tax administration, could bolster private investment.

Monetary conditions remain restrictive, despite policy rate cuts in February and April. Headline inflation eased to 3.2% in April 2025 and is now within the central bank's target range of 4% ± 2%, largely due to a substantial moderation in food inflation, which accounts for nearly half of the CPI basket, and declining energy prices. Easing food prices reflect a strong autumn harvest, and government interventions, such as export restrictions. As a major oil importer, India has benefited from lower global crude oil prices in recent months, which reduced domestic fuel costs and helped contain input costs in energy-intensive sectors such as transport, manufacturing, and agriculture. While core inflation remains slightly above 4%, wage growth remains moderate.

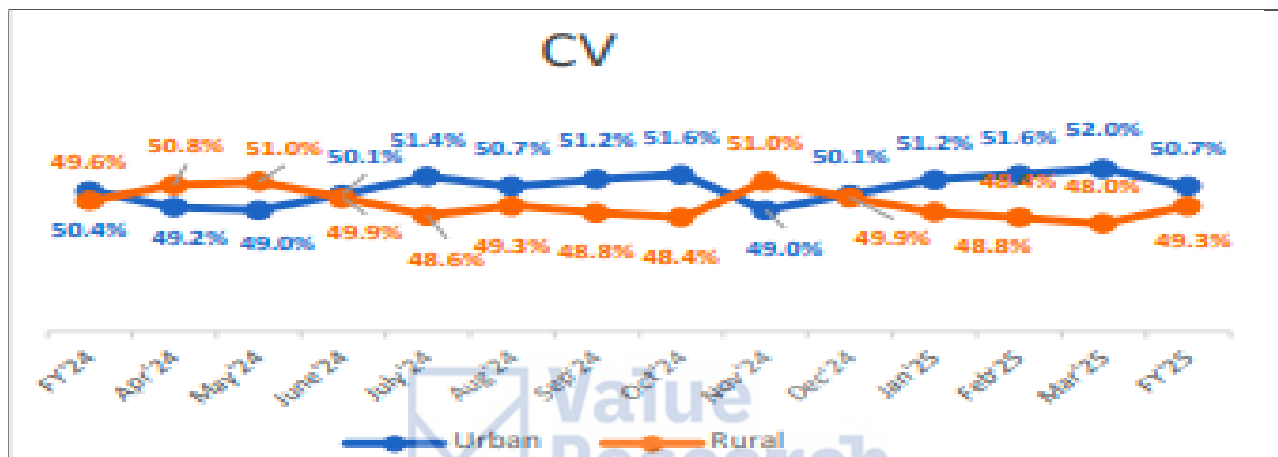
**Source** - [https://www.oecd.org/en/publications/2025/06/oecd-economic-outlook-volume-2025-issue-1\\_1fd979a8/full-report/india\\_f1029fca.html](https://www.oecd.org/en/publications/2025/06/oecd-economic-outlook-volume-2025-issue-1_1fd979a8/full-report/india_f1029fca.html)

**Indian Automobile Industry**

India’s auto retail sector grew by 6.46% in FY’25. Passenger vehicles (PV) growth stood at 4.87% for FY’25 and 6% in March 2025 on year. PV also performed better in rural belts with 7.93% growth, compared to 3.07% in urban markets. **Commercial vehicle** sales remained flat at -0.17% in FY’25, but grew 2.6% in March 2025. Two-Wheelers (2W) ended the year at +7.71%, falling short of the hoped-for double-digit increase. In March 2025, sales declined 1.7%.

ADA anticipates low single-digit growth in PV and CV. New model launches, EV expansions, and improved rural incomes are key supportive factors for sector growth ahead.

LCV recorded total sales of 5,63,189 units with a flat growth of 0.21% whereas MCV recorded a total sales of 77,568 units with growth of 6.05%. HCV recorded a total sales of 3,12,892 units with a **decline** of -4.07% and lastly others accounted for sales of 54,974 units with a growth of 12.18%.



Sources – [Business Standard](#), [FADA](#)

**Indian Auto Component Industry**

India has become the fastest-growing economy in the world in recent years. This fast growth, coupled with rising incomes, a boost in infrastructure spending and increased manufacturing incentives, has accelerated the automobile industry.

Significant demand for automobiles also led to the emergence of more original equipment and auto components manufacturers. As a result, India developed expertise in automobiles and auto components, which helped boost international demand for Indian automobiles and auto components. Hence, the Indian automobile industry has a considerable impact on the auto component industry.

India’s automotive aftermarket is witnessing a phase of sustained growth, driven by a rising vehicle parc, increasing average vehicle age, and a shift in consumer behavior toward preventive maintenance and branded spare parts. As of FY25, the total Indian automotive aftermarket is estimated to be worth ₹85,000–₹95,000 crore (\$10–11.5 billion), with clutches representing one of the most frequently replaced components in commercial vehicles (CVs), especially in the M&HCV (Medium and Heavy Commercial Vehicle) segment.

The clutch market in India is estimated at \$582.3 million in 2025, with an anticipated CAGR of 6.8% through 2031. The aftermarket segment forms a dominant share of this market due to the recurring replacement nature of clutches, particularly in fleets exposed to heavy-duty cycles such as transportation, mining, construction, and e-commerce logistics.

Sources: [Linkedin](#), [IBEF](#)

**Key Market Drivers Supporting Aftermarket Clutch Demand**

- **Aging Vehicle Parc:** India’s M&HCV population is aging, especially in Tier II and Tier III cities where vehicle replacement cycles are longer. Vehicles older than 7–10 years make up a significant portion of the fleet and require regular clutch replacements. This demographic underpins steady aftermarket volume growth.

## Management Discussion & Analysis (Contd.)

- **Increased Load & Usage Intensity:** With the rise in freight movement, road construction activity, and last-mile delivery networks, commercial vehicles are now being subjected to longer usage hours and more demanding load conditions. This leads to accelerated clutch wear, making replacements more frequent.
- **Penetration Beyond Metro Cities:** Demand is rising in previously underpenetrated regions. Clutch manufacturers are expanding their channel presence in semi-urban and rural areas, recognizing the growing number of independent garages and fleet operators outside metros.
- **Strategic Aftermarket Focus:** The Indian aftermarket, traditionally dominated by unorganized players and counterfeit products, is undergoing formalization. OEMs and Tier-1 suppliers are increasingly pushing warranty-backed, branded clutch offerings, supported by training, installation support, and digital platforms.

### Operations:

During the year, the Company achieved a robust revenue growth of 12.2% year-on-year, reaching Rs. 718.63 crore, compared to Rs. 640.67 crore in the previous year. This increase was primarily driven by higher volumes in the OEM segment, addition of new high value products (Clutch Release Bearings, Central Support Bearings, etc.), aided by rising aftermarket demand. The Company's EBITDA improved by 388 bps and saw a substantial rise of 50.7%, reaching Rs. 109.18 crore, up from Rs. 72.46 crore in FY24.

The management has been highly optimistic about the Company's prospects in its products, market position and long term brand value with not just the current clientele but potential clients in the growing market. With the steps taken for not only the operational capabilities but financial opportunities the company has, management is positive for the long term prospects.

**Operations of the company is further divided into below categories;**

#### Original Equipment Manufacturer (OEM)

In FY25, the OEM segment contributed approximately 32.5% to the total revenue, reflecting a growth of 12%. This growth was mainly due to NPD and also increased share of business (SOB) from OEMs, thereby regaining pre-eminent position in the industry. Company has been actively working with OEM partners to secure more nominations and expand market share across their truck ranges. Additionally, the Company is in the process of developing a new range of clutches tailored for the Light Commercial Vehicle (LCV) market.

#### Replacement Market

The strategy we conducted last year in our efforts to regain our market share and gain our clients confidence was boosted through our efficient engagement, outreach and trust shown in us by everyone. The Company's aftermarket business is divided into two segments: sales of clutch assemblies and service kits through the Original Equipment Spares (OES) network, and sales through the Independent Aftermarket (IAM) network of distributors, dealers, and local garages under the 'LIPE' brand.

The company's initiatives have successfully strengthened our presence across the product segments we operate in. The aftermarket portfolio forms a key component of our business strategy, having been a premium segment since inception and consistently contributing to margin enhancement.

In FY25, the aftermarket segment grew by 31% which accounted for nearly 15.6% of the total revenue. Indian auto component industry is expected to grow by 7- 9% in FY26, driven by increase in vehicle parc, higher average age of vehicles/used car purchases, preventive maintenance and growth in organised spare parts, among other reasons. The revival in CV demand will only increase the demand and hence boost sales for the year.

#### Setco Allied Products

As part of our strategy, we have launched new range of Setco Allied Products in the MHCV and LCV that complement our clutch line distribution portfolio such as flywheels, bearings, brakes, lubricants and oil and many more. These products are add-ons to our existing clutch line and are sold to the same end user through our Pan India distribution network.

### Farm Tractor Market: An Agriculture-driven Economy:

India's tractor sales are expected to reach a record high in FY26, potentially surpassing 1 million units, supported by a favourable monsoon, increased government expenditure, and improved crop prices. Overall, farm mechanisation penetration led by tractors in India stands at 45%, compared with 48% in China and more than 95% in Europe and North America.

The agricultural and rural economy is one of the most important factor of overall Indian economy and keeping the same in mind, extensive efforts have been put behind the R&D for the products and the results have been put in the productivity for the tractor vehicles to reach meaningful growth.

### International Business

The company has always laid special emphasis on its international markets through its overseas subsidiaries as it considers international business opportunities as an important growth driver for the company. The three strategically located overseas subsidiaries which cover the European, North American and Middle Eastern market are an integral part of Setco Group, and the Company believe that its presence will help to achieve its growth vision.

Despite the challenges and uncertainty in the current economic environment; the Company remain very optimistic about the growth and future.

### Setco Automotive (UK) Ltd – SAUL

While SAUL has been an integral part of the Setco Group as a Research & Development hub for the company it has also served as a marketing face in the European Continent. SAUL has been promoting Company's LIPE brand of clutches across Europe. Sales grew by 2% over last year. EBITDA was still negative, however, proactive steps to reduce costs and set up some new distributors to be able to capitalize on this in the coming years. Company's European presence remains one of the key growth drivers for Setco Group.

### Setco Automotive (NA) Inc. – SANAI

The North American market is a lucrative growth driver, and the Company has always had a dedicated focus on the North American operations. Launch of new range of clutches started giving some edge and traction and will result in good demand going forward. Sales grew by 6% over last year with EBITDA margins at 12%.

Our new range of clutches will be ready soon for this market, allowing us to augment existing business. Also a new range of products will be developed to augment the clutch business.

### Lava Cast Private Limited

The management is confident of the business potential for Lavacast and we have started the turnaround process. As the maintenance activity is completed in the current year and with right resources in terms of people and reduction in the raw material costs and rejections (down from level of ~17-18% to lower single digit) and substantial improvements in yield. We are happy to confirm that bank has approved, sanctioned and implemented the restructuring. Lava Cast is working to onboard external customers going forward which will boost the utilisation and hence profitability with focus on exports.

### COMPANY'S OPERATING HIGHLIGHTS AND KEY FINANCIAL RATIOS FOR FY 2024-25:

Financial Analysis		Rs. In Crs		
Particulars	FY 2025	FY 2024	YOY Change (in %)	
Operating revenue	718.63	640.67	12.2%	
EBIDTA	109.18	72.46	50.7%	
EBIT (Operating) Margin	88.80	40.52	119.1%	
Profit/Loss Before Tax	-129.18	-138.81	-7.45%	
Profit/Loss After Tax	-126.33	-132.58	-4.95%	

Management Discussion & Analysis (Contd.)

Key Standalone financial ratios:

Particulars	FY2025*	FY2024*	FY 2023*	YOY Change* (in %)	Reasons for Change
EBIDTA Margin	-	-	-	-	- *Clutch Business was
EBIT (operating) margin	-	-	-	-	- transferred through
PBT Margin	-	-	-	-	- Business Transfer
PAT Margin	-	-	-	-	- Agreement dated 31st
Debtors Turnover	-	-	-	-	- August 2021 w.e.f 7th
Inventory Turnover	-	-	-	-	- September, 2021 to its
Interest coverage ratio	-	-	-	-	- subsidiary i.e. Setco
Current Ratio	-	-	-	-	- Auto Systems Pvt. Ltd.
Debt Equity Ratio	-	-	-	-	-
Return on net worth	-	-	-	-	-

SUBSIDIARIES OPERATIONAL HIGHLIGHTS

SETCO AUTO SYSTEMS PVT LTD

Particulars	Rs. In Crs		
	FY25	FY 2024	FY 2023
Sales	653.87	569.45	474.80
EBIDTA	102.55	67.55	52.71
Profit/Loss After Tax	-111.79	-117.88	-210.38

LAVA CAST PVT LTD

Particulars	Rs. In Crs		
	FY 2025	FY 2024	FY 2023
Sales	87.38	67.69	35.55
EBIDTA	5.29	-0.47	-14.16
Profit/Loss After Tax	-15.94	-18.21	-31.61

SETCO AUTOMOTIVE (UK) LTD

Particulars	FY 2025	FY 2024	FY 2023	FY 2025	FY 2024	FY 2023
	In GBP mn	In GBP mn	In GBP mn	In INR Crs	In INR Crs	In INR Crs
Sales	2.91	3.02	3.12	31.62	31.50	30.36
EBIDTA	-0.19	-0.16	-0.36	-1.90	-1.70	-3.53
Profit/Loss After Tax	-0.20	-0.16	-0.38	-2.00	-1.72	-3.66

SETCO AUTOMOTIVE (NA) INC

Particulars	FY 2025	FY 2024	FY 2023	FY 2025	FY 2024	FY 2023
	In USD mn	In USD mn	In USD mn	In INR Crs	In INR Crs	In INR Crs
Sales	7.68	7.28	7.13	64.62	60.33	57.42
EBIDTA	0.87	0.86	0.89	7.39	7.15	7.13
Profit/Loss After Tax	0.33	0.31	0.40	2.80	2.57	3.25

Outlook

Setco Automotive is navigating a structural transformation—from being a cyclical OEM-dependent player to a more diversified, resilient aftermarket-focused enterprise. The Indian clutch aftermarket, supported by macroeconomic growth, infrastructure spending, and vehicle parc expansion, provides a strong runway for future performance. Through focused execution, channel development, and technology integration, Setco is well-positioned to deliver value to its stakeholders and drive consistent performance in the coming years.

## DIRECTORS' REPORT

Dear Members,

Your directors are pleased to present the 42nd (Forty-Second) Annual Report on the business operations together with the annual audited financial statements for the financial year (FY) ended March 31, 2025. This report states compliance as per the requirements of the Companies Act, 2013 (“the Act”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and other rules and regulations as applicable to the Company.

### FINANCIAL PERFORMANCE

The Company’s financial performance (standalone and consolidated) for the financial year ended March 31, 2025 is summarized below:

(Rs. in Lakhs Except for EPS)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Revenue from Operation & Other Income	272.99	171.07	73,033.47	64,338.39
Gross Profit before Finance Cost & Depreciation	(319.16)	55.33	12,088.69	7,517.35
Less: Finance Cost	31.29	29.00	21,741.08	17,968.92
Less: Depreciation	-	-	3,208.74	3,465.10
Profit/(Loss) before Tax	(350.45)	19.99	(12,917.83)	(14,136.85)
Less: Provisions for Tax Expenses	220.34	-	(284.97)	(622.84)
Profit/ (Loss) from continuing operations	(130.11)	19.99	(12,632.86)	(13,514.01)
Other Comprehensive Income	-	-	(88.91)	(53.52)
Profit/(Loss) after Taxes including other Comprehensive Income	(130.11)	19.99	(12,721.77)	(13,567.53)
Less: Non-Controlling Interest	-	-	(2,135.68)	(2,245.83)
Profit/(Loss) for the Year attributable to Equity Holders of the parent	(130.11)	19.99	(10,586.09)	(11,321.70)
Earnings Per Shares (Rs.)	(0.10)	0.01	(7.86)	(8.42)

### BUSINESS OPERATIONS

During the year under review, your Company has recorded consolidated:

- Revenue from Operations stood at Rs. 718.6 crore in FY25, as against Rs. 640.7 crore in FY24, a year on year growth of 12.2%. This growth was largely driven by increase in Exports, IAM sales and OES sales.
- EBITDA for the FY25 is Rs. 109.2 crore as against Rs. 72.5 crore in FY24, a year on year growth of 50.7%, driven by favourable sales mix, continued operational efficiencies and LAVA Cast turnaround during the financial year. EBITDA Margin for full year stood at 15.2%

A detailed discussion on the business performance and future outlook is included in Management Discussion & Analysis which forms part of the Directors' Report.

### SHARE CAPITAL

There was no change in the Share Capital of the Company during the financial year. As on March 31, 2025, the issued and paid-up capital of the Company was Rs. 26,75,34,550/- divided into 13,37,67,275 equity shares of face value of Rs. 2/- each. Your Company has not issued shares with differential voting rights, nor granted employee stock options, sweat equity or bonus shares. The Company does not have any Preference Shares as on March 31, 2025.

## Directors' Report (Contd.)

The equity shares of the Company continue to be listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). The stipulated listing fees for FY2025-26 has been paid to both stock exchanges.

### REGISTRAR AND SHARE TRANSFER AGENT

MUFG Intime India Private Limited (formerly Link Intime India Pvt Ltd.) is the Registrar and Share Transfer Agent of the Company.

### DIVIDEND

Since there were no profits during the year, the Board of Directors has not recommended any dividend, for the financial year ended on March 31, 2025.

### TRANSFER TO RESERVES

The Board of Directors has decided not to transfer any amount to the reserve during FY 2024-2025 in view of loss during the financial year.

### FIXED DEPOSITS

The Company has not accepted any Deposit covered under Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

### PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS OR SECURITY

Details of loans granted, guarantees provided and investments made by the Company under the provisions of Section 186 of the Act read with the Companies (Meeting of Board and its Powers) Rules, 2014, are provided in the Notes to Financial Statements of the Company, forming part of this Annual Report. The Company has not provided any security in terms of Section 186 of the Act.

### MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis as stipulated under the Listing Regulations is presented in a separate section forming part of this Annual Report. It provides details about the overall industry structure, global and domestic economic scenarios, developments in business operations / performance of the Company's, internal controls and their adequacy, risk management systems and other material developments during the financial year 2024-25.

### CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company during FY 2024 -25.

### MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on 31st March 2025, your Company has in total six subsidiaries across the globe which includes Setco Auto Systems Private Limited (SASPL) (CIN: U35100GJ2010PTC062770), Lava Cast Private Ltd. (LCPL) (CIN: U27205GJ2011PTC100777), Setco Automotive (UK) Ltd (SAUL), Setco Automotive (NA) Inc. (SANAI), Setco MEA DMCC, Dubai and WEW Holdings Ltd (Mauritius).

Performance of subsidiary Companies is elaborated in detail under 'Management Discussion & Analysis'.

The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link <https://setcoauto.com/policies-and-code-of-conduct-sas/>

## BOARD OF DIRECTORS, COMMITTEES AND MANAGEMENT

### COMPOSITION

The composition of the Board of Directors and its Committees, viz., Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee, are constituted in accordance with Companies Act, 2013 ("**the Act**") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"). The Corporate Governance Report contains the composition of the Board of Directors of the Company and its Committees.

All the Directors have affirmed compliance with the Code of Conduct of the Company. The Independent Directors have affirmed that they satisfy the criteria laid down under section 149(6) of the Act and Regulation 25 and other applicable regulations of the Listing Regulations, as amended from time to time. Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs (IICA) and have passed the proficiency test, if applicable to them. The Board of Directors at its first meeting of FY 2024-25 has taken on record the declarations and confirmations submitted by the Independent Directors. During the year, the Board had not appointed any person as an Alternate Director for an Independent Director on the Board. The Company has obtained a certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

#### Cessation:

During the year under review, Dr. Arun Arora (DIN: 00172044), Mr. Ashok Kumar Jha (DIN: 00170745) and Mrs. Suhasini Sathe (DIN: 00205174) ceased to be Independent Directors of the Company with effect from September 30, 2024, upon completion of their term as Non-Executive Independent Directors of the Company. The Board has placed on record its deep appreciation of invaluable services rendered by Dr. Arun Arora, Mr. Ashok Kumar Jha and Mrs. Suhasini Sathe during their tenure as Independent and Non-Executive Directors of the Company.

#### Appointment:

During the year under review, Mr. Vijay Kalra and Dr. Suresh Shanbhogue were appointed as Additional Directors in the capacity of Non-Executive Independent Directors with effect from November 11, 2024, subject to the approval of the shareholders at the ensuing Annual General Meeting.

During the year under review, Mr. Alok Shyamkrishna Parashar was appointed as Additional Directors in the capacity of Non-Executive Independent Directors with effect from January 31, 2025, subject to the approval of the shareholders at the ensuing Annual General Meeting.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of finance, people management, strategy, auditing, tax advisory services and they hold highest standards of integrity.

### DIRECTOR RETIRING BY ROTATION

In accordance with the Articles of Association of the Company and Section 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) Mr. Udit Sheth, Vice Chairman and Whole-time-Director (DIN: 00187221) is due to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

A brief profile of Mr. Udit Sheth is provided in the Notice of the ensuing Annual General Meeting of the Company.

## Directors' Report (Contd.)

### KEY MANAGERIAL PERSONNEL

The following persons have been designated as the Key Managerial Personnel of the Company pursuant to Section 2(51) and 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014:

- Mr. Harish Sheth, Chairman & Managing Director
- Mr. Udit Sheth, Vice Chairman and Whole-time-Director
- Mrs. Urja Shah, Whole-time-Director
- Mr. Anurag Jain, Chief Financial Officer (Appointed w.e.f. May 27, 2025)
- Mr. Hiren Vala, Company Secretary and Compliance officer.

Mr. Kuldeep Singh resigned as Chief Financial Officer of the Company with effect from April 18, 2025 and Based on the recommendation of the Nomination and Remuneration Committee and approved by the Audit Committee and the Board of Directors at its meeting held on May 27, 2025, Mr. Anurag Jain was appointed as the Chief Financial Officer of the Company with effect from May 27, 2025, consequent to the resignation of Mr. Kuldeep Singh.

The Company designated the Chairman and Managing Director as Chief Executive Officer of the Company.

### BOARD AND COMMITTEE MEETINGS

The schedule of meetings of the Board of Directors and Committees of the Board is circulated to the Directors in advance. During the year, six (6) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The details of Committee meetings are provided in the Corporate Governance report. For eligible matters, the Board / its Committees may also accord approvals through resolutions passed by circulation, between two meetings.

### DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors of the Company have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1) (b) of SEBI Listing Regulations and they continue to comply with the Code of Conduct laid down under Schedule IV to the Act. In terms of Regulation 25(8) of SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Directors have further confirmed that they are not debarred from holding the office of the director under any SEBI Order or any other such authority.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied with the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board.

Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors and complied with the requirements of passing proficiency test, as applicable.

### PERFORMANCE EVALUATION OF BOARD

In line with the statutory requirements enshrined under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out a performance evaluation. A formal evaluation of performance of the Board, its Committees, the Chairman and that of the individual Directors was carried out for the financial year 2024-25.

The evaluation of Individual Directors was done taking into consideration the role played by each Director as a member at the respective meetings, in pursuit of the purpose and goals, participation at the meetings, independent views and judgement, initiative, ownership of value building.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings, information shared and participation of members. In respect of evaluation for performance of the Board, the parameters inter alia comprised of key areas such as Board composition, competency of Directors, diversity, frequency of Board and Committee meetings, information sharing and disclosures made to the Board and its Committees. The responses received on evaluation of the Board and its Committees and that of the individual Directors were shared with the Chairman.

The overall performance evaluation process for functioning of Board and its Committees was based on discussions amongst the Board Members, Committee Members and responses shared by each Member. The Board found that there was considerable value and richness in the discussions and deliberations. Based on the outcome of the evaluation, the Board and Committees have agreed for possible continuous improvisation to ensure better effectiveness and functioning of the Board and Committees.

Similarly, the Board at its meeting assessed the performance of the Independent Directors. The Directors were quite satisfied with the results of the performance evaluation of the Board & its Committees, Chairman and individual directors.

### FAMILIARIZATION PROGRAM FOR THE INDEPENDENT DIRECTORS

In compliance with the requirement of the Listing Regulations, the Company has put in place a familiarization program for the Independent Directors to familiarize them with their roles, rights, responsibilities as directors, nature of the industry in which the Company operates, business model of the Company and related matters. The details of familiarization program are explained in the Corporate Governance Report. The said details are also available on the website of the Company at the link <https://setcoauto.com/policies-and-code-of-conduct-sasl/>.

### NOMINATION AND REMUNERATION POLICY

In terms of requirements prescribed under Section 178 of the Companies Act, 2013, the Company has framed a Nomination and Remuneration Policy for appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management (**the "Policy"**).

The purpose of this Policy is to establish and govern the procedure as applicable inter alia in respect to the following:

- a) To evaluate the performance of the members of the Board.
- b) To ensure remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- c) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The Policy is available on the website of the Company - <https://setcoauto.com/policies-and-code-of-conduct-sasl/>.

### AUDITORS AND AUDITOR'S REPORT

#### STATUTORY AUDITOR

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Sharp & Tannan Associates, Chartered Accountants, were appointed as the Statutory Auditors of the Company for a term of three (3) years, to hold office from the conclusion of the 39th Annual General Meeting (AGM) held on September 19, 2022, until the conclusion of the 42nd AGM to be held in 2025.

The Board of Directors, at its meeting held on August 12, 2025, based on the recommendation of the Audit Committee, has recommended the re-appointment of M/s. Sharp & Tannan Associates, Chartered Accountants, as Statutory Auditors of the Company for a further term of five (5) years, i.e., from the conclusion of the 42nd AGM until the conclusion of the 47th AGM, subject to the approval of the Members at the ensuing AGM. The resolution for their re-appointment forms part of the Notice convening the AGM.

## Directors' Report (Contd.)

M/s. Sharp & Tannan Associates have confirmed their eligibility for re-appointment and have declared that they are not disqualified to continue as Statutory Auditors of the Company in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

During the year under review, there were no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 to the Audit Committee or the Board of Directors.

The observations made in the Auditor's Report are self-explanatory and do not call for any further comments under Section 134(3)(f) of the Companies Act, 2013.

## COST AUDIT & MAINTENANCE OF COST RECORDS

The appointment of Cost Auditor is not applicable to the Company under Companies (Cost Records and Audit) Rules, 2014. Further, the maintenance of cost records as prescribed under provisions of Sec 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

## SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to Regulation 24A of the Listing Regulations read with provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is mandated that every listed entity and its material unlisted subsidiaries undertake a Secretarial Audit.

Further, listed entities are required to submit an Annual Secretarial Compliance Report, which shall be signed by the appointed Secretarial Auditor or a Peer Reviewed Company Secretary satisfying the conditions as prescribed by SEBI.

In alignment with the aforementioned regulatory framework including the amendments made by SEBI and the provisions of the Companies Act, 2013 regarding Secretarial Audit and appointment of Secretarial Auditor, the Board of Directors of your Company based on the recommendations of the Audit Committee at its Meeting held on August 12, 2025, approved and recommended to the Shareholders for their approval, appointment of M/s. Shravan A. Gupta & Associates, Practicing Company Secretaries (Membership No. 27484, CP No. 9990) a peer reviewed firm of Company Secretaries in whole time practice, as the Secretarial Auditors of the Company for a term of 5 consecutive years starting from 1st April, 2025 to 31st March, 2030.

The Board acknowledges the significance of robust compliance mechanisms and corporate governance practices within the Company. M/s. Shravan A. Gupta & Associates, Practicing Company Secretaries brings extensive experience in the field and is expected to provide invaluable insights into the regulatory landscape, ensuring adherence to all relevant laws and guidelines as applicable pursuant to the Secretarial Audit guidelines.

The Secretarial Audit Report for the financial year ended March 31, 2025 is annexed herewith marked as **Annexure A** in Form MR-3 to this Report.

Pursuant to Regulation 24A of the Listing Regulations, the Company has obtained Annual Secretarial Compliance Report from M/s. Shravan A. Gupta & Associates, Practicing Company Secretaries on compliance of all applicable SEBI Regulations and circulars / guidelines issued there under and the same were submitted with the Stock Exchanges.

The observations and comments given by the Secretarial Auditor in the Report are self - explanatory and hence do not call for any further comments under section 134 of the Act.

## SECRETARIAL AUDIT OF MATERIAL UNLISTED INDIAN SUBSIDIARY

Pursuant to provisions of Regulation 24A of SEBI Listing Regulations, Secretarial Audit was undertaken for our material unlisted subsidiary – Setco Auto Systems Private Limited and Lava Cast Private Limited. The Secretarial Audit Report for aforesaid material unlisted subsidiary company is available on Company's website, [www.setcoauto.com](http://www.setcoauto.com)

## REPORTING OF FRAUDS BY AUDITORS

None of the Auditors of the Company has identified and reported any fraud as specified under the second proviso of Section 143(12) of the Act.

## COMPLIANCE WITH SECRETARIAL STANDARDS

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively, have been duly complied by your Company.

## CREDIT RATINGS

The Company has not issued any securities and does not have any fixed deposit program/borrowing or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31st March 2025, the Company was not required to obtain credit ratings in respect of the same.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(5) of the Act with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i. In the preparation of the annual accounts for the financial year ended 31st March, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2025 and of the profit and loss of the Company for the financial year ended 31st March, 2025;
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual financial statements for the financial year ended 31st March, 2025 on a 'going concern' basis;
- v. The Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

The Company undertakes various transactions with related parties in the ordinary course of its business. All transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year, were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. The transactions entered into pursuant to the omnibus approval so granted and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly and annual basis.

There were no materially significant transactions with the related parties during the financial year, which were in conflict with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (AS-18) has been made in the notes to the Financial Statements.

The Policy on materiality of related party transactions and dealing with related party transactions may be accessed on the Company's website at the link <https://setcoauto.com/policies-and-code-of-conduct-sas/>.

## Directors' Report (Contd.)

The details of related party transactions as per Indian Accounting Standards (IND AS) – 24 are set out in Note 25 to the Standalone Financial Statements of the Company.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted the Corporate Social Responsibility (CSR) Committee in compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Committee has formulated a Corporate Social Responsibility Policy (CSR policy) indicating the activities to be undertaken by the Company.

The CSR policy may be accessed on the Company's website at the link <https://setcoauto.com/policies-and-code-of-conduct-sasl/>.

At present, the CSR Committee of the Board consists of namely Mrs. Urja Harshal Shah, as Chairperson, Mr. Udit Sheth, Mr. Vijay Kalra and Dr. Suresh Shanbhogue, Directors, as members.

The disclosure with respect to CSR activities forming part of this report is given as **Annexure - B**.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

- A. Conservation of Energy: The operations of the Company are not energy – intensive. However, the Company takes necessary steps wherever applicable, to conserve energy. To this extent, employees and operators are regularly educated about saving energy.
- B. Technology Absorption: The Company's product i.e. clutches for commercial vehicles are manufactured under the proprietary technology and heritage 'Lipe' Brand. Most of the components for manufacturing clutches are procured indigenously except for certain critical components, for offering better quality at a competitive price to customers, being imported.
- C. Foreign Exchange Earnings and Outgo: Details of foreign exchange earnings and outgo during the financial year 2024-25, are provided in the Notes to Standalone and Consolidated Financial Statements of the Company, forming part of this Annual Report.

### CORPORATE GOVERNANCE

We comply with the Securities and Exchange Board of India (SEBI)'s guidelines on Corporate Governance. A report on Corporate Governance alongwith a certificate from the Secretarial Auditors of the Company regarding the compliance with provisions of corporate governance as stipulated under Schedule V of the Listing Regulations forms a part of this Annual Report.

All Board members and senior management personnel have affirmed compliance with the Code of Conduct for the year 2024-25. A declaration to this effect signed by the Chairman & Managing Director of the company is contained in this Annual Report.

The Chief Executive Officer/Chief Financial Officer (CEO/CFO) certification as required under SEBI Listing Regulations and the said certificate is contained in this Annual Report.

### RISK MANAGEMENT

The Company has a well-defined process in place to ensure appropriate identification and mitigation of risks. Risk identification exercise is inter-woven with the annual planning cycle which ensures both regularity and comprehensiveness. The identification and mitigation of strategic, business, operational and process risks are carried out for all functions. Your Company is committed to managing the risks in a proactive and efficient manner.

Your Company, through its risk management process, strives to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors.

## ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Act, the draft annual return as on 31st March, 2025 prepared in accordance with the provisions of Section 92(3) of the Act is made available on the website of your Company and can be assessed using the link <https://setcoauto.com/category/setco-automotive-limited/>. The Annual Return will be submitted to the Registrar of Companies within the timelines prescribed under the Act.

## INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

As per section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and subsequent amendments thereto ("the Rules"), all shares in respect of which dividends have not been paid or claimed for seven consecutive years or more shall be transferred to Investor Education and Protection Fund (IEPF). In line with the aforesaid provisions, during the year, unclaimed dividend declared for the FY 2016-17 along with the underlying shares on which dividend has not been claimed for seven years have been transferred to IEPF. The List of shareholders whose dividends/ shares have been transferred to IEPF is available on the website of the company <https://setcoauto.com/investor-education-protection-fund/> and also the procedure for claiming such unclaimed dividends/ shares from IEPF has been made available on website of the company <https://setcoauto.com/investor-education-protection-fund/>.

## INTERNAL CONTROLS

The Company has in place a well-established and robust internal control systems which are commensurate with the nature of its business, size & scale and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure sound management of the Company's operations, safe keeping of its assets, optimal utilisation of resources, reliability of its financial information and compliance. Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of the Company's operations. The Audit Committee also periodically reviews the adequacy and effectiveness of internal control systems and provides guidance for further strengthening them.

During the year under review, no material observation has been made by the Internal Auditor or Statutory Auditors of the Company in relation to the efficiency and effectiveness of such controls.

## INTERNAL FINANCIAL CONTROLS

The Company has appropriate internal control system in place to ensure reliability of financial reporting, orderly and efficient conduct of business, compliance with policies, procedures, safeguarding of assets and economical and efficient use of resources. Appropriate review and control mechanisms are in place to ensure that such control systems are adequate and operate effectively.

Audit Committee and the Board review these internal control systems to ensure they remain effective and are achieving their intended purpose. The Company's internal audit team conducts periodic audits, checks and has laid down controls to prevent, detect and correct any irregularities in the operations of the Company.

## INDIAN ACCOUNTING STANDARDS (IND AS) 2015

The annexed financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under section 133 of the Act [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

## CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of your Company for the financial year ended 31st March 2025 have been prepared in accordance with the provisions of the Companies Act, 2013, Listing Regulations and the Accounting Standards. The audited consolidated financial statements, together with the Auditors' Report, form a part of the Annual Report. However, a statement containing salient features of financial statements of subsidiaries as per 129 (3) of the Act, is included in this Annual Report in form AOC-1 as **Annexure - C** to the Directors' Report. Pursuant to the provisions of Section 136 of the Companies Act, 2013 the financial statements, the consolidated financial statements, along with relevant documents and

## Directors' Report (Contd.)

separate audited accounts in respect of subsidiaries, are available on the website of the Company and can be assessed using the link <https://setcoauto.com/financial-statements-of-subidiaries/>.

During the financial year under review, no Company has become or ceased to be your Company's subsidiary or associate. The Company does not have any Joint Venture.

## HUMAN RESOURCES

Your Company takes great pride in its Human Capital and takes significant effort in hiring, advancing and retaining the talent. The Company's comprehensive Human resource strategy takes cognizance of the key aspects of people development such as employee engagement, talent management, performance management capability development and progressive industrial relations. Training and consequent learning, therefore, forms an important element of each employee's career growth. The endeavor is to build and strengthen organizational capabilities thereby enabling the Organization to sustain attractive growth in a dynamic business environment.

Setco ensure that there is full adherence to the code of ethics and fair business practices. It provides an equal opportunity, employees are evaluated solely on the basis of their qualifications and performance. The Human Resource function is a business partner that focusses on improving the way of life, work culture, employee engagement, productivity, effectiveness and efficiency. The Company believes in developing an efficient and committed employee base that is aware and empowered.

## PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WORKMEN AT WORKPLACE

In accordance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the company has framed a Policy on Prevention of Sexual Harassment at Workplace and constituted an Internal Complaints Committee for Prohibition, Prevention and Redressal of Sexual Harassment and matters connected therewith or incidental thereto covering all the related aspects.

All employees (permanent, contract, temporary, trainees) are covered under the policy. During the year under review, there were no cases reported under the said scheme during the financial year 2024-25.

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177 (10) of the Act and Regulation 22 of the Listing Regulations.

The Policy also provides protection to the employees and business associates who report unethical practices and irregularities.

Your Company has adopted a Vigil Mechanism / whistle blower Policy to enable employees to raise concerns about unacceptable, improper practices and/or any unethical practices being carried out in the organisation without the knowledge of management. This Whistle Blower Policy will also be applicable to the Directors of the Company.

The Audit Committee oversees the vigil mechanism. No employee has been denied access to the Audit Committee. The Audit Committee reviews on a quarterly basis, reports made under this policy and implements corrective actions, wherever necessary. The policy has been appropriately communicated to all the employees and posted on the Company's website at the link <https://setcoauto.com/policies-and-code-of-conduct/>. No such fraud or wrongful conduct was reported during the year under review.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

## INDUSTRIAL RELATIONS

The relations with the employees have continued to remain cordial.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosure pertaining to remuneration and other details as required under the section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the company.

## PROCEEDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE 2016 ('IBC')

There are no proceedings against the company under the Insolvency and Bankruptcy Code, 2016.

## GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. The Company does not Issue equity shares with differential rights as to dividend, voting or otherwise.
2. The requirement to disclose the details of the difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.
3. There has been no issue of Equity Shares (including Sweat Equity Shares) to employees of your Company, under any scheme.
4. The Managing Director has not received any remuneration/commission from subsidiary of the Company. The Whole-time Director has received remuneration from subsidiary of the Company.
5. None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143 (12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).
6. The Company does not have any scheme or provision of money for the purchase of its own shares by employees/ Directors or by trustees for the benefit of employees/ Directors.

## ACKNOWLEDGEMENTS

The Board of Directors place on record sincere gratitude and appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

The Board conveys its appreciation for its customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory and government authorities for their continued support

For and on behalf of the Board

**Harish Sheth**

Chairman and Managing Director

DIN: 01434459

Place: Kalol

Date: August 12, 2025

Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

**Setco Automotive Limited****CIN: L35999GJ1982PLC005203**

Baroda Godhra Highway Kalol (Panchmahal),

Gujarat, India, 389330

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Setco Automotive Limited** (hereinafter called the "company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31<sup>st</sup> March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of foreign direct investments, overseas direct investments, external commercial borrowings; - **Not Applicable during the audit period**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share based employee benefits) Regulation, 2014; **Not Applicable during the audit period**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable during the audit period**

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable during the audit period**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 notified on 11th September, 2018- **Not Applicable during the audit period**
- (vi) The other laws as are applicable specifically to the Company are compiled as per representation made by the management of company during the audit period.

**I have also examined compliance with the applicable clauses of the following:**

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that, during the audit period:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out either unanimously as recorded in the minutes of the meetings of the Resolution Professional with Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that, during the audit period:**

During the year under review, the Securities and Exchange Board of India ("SEBI") issued a show cause notice dated October 14, 2024, to, inter alia, the Company, alleging contraventions of: (i) the SEBI Act, 1992; (ii) the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003; and (iii) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The allegations pertain to certain related party transactions undertaken in prior financial years.

The Company has submitted detailed responses to SEBI, denying the allegations and asserting, inter alia, that the said transactions were undertaken in compliance with applicable laws and regulatory requirements. The matter is currently pending adjudication before SEBI's Quasi-Judicial Authority. The Company continues to believe that the transactions were entered into in compliance with applicable law.

**Shravan A Gupta & Associates**  
**Practicing Company Secretary**  
**A Peer Reviewed Firm 2140/2022**

**Shravan A Gupta**  
**ACS: 27484, CP:9990**  
**UDIN : A027484G000981008**

**Place: Mumbai**

**Date : 11/08/2025**

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report

## Directors' Report (Contd.)

'Annexure A'

To  
The Board of Directors  
**Setco Automotive Limited**  
**CIN: L35999GJ1982PLC005203**  
BARODA GODHRA HIGHWAY KALOL(PANCHMAHAL),  
Gujarat, India, 389330

**My report of even date is to be read along with this letter:**

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Shravan A Gupta & Associates**  
**Practicing Company Secretary**  
**A Peer Reviewed Firm 2140/2022**

**Shravan A Gupta**  
**ACS: 27484, CP:9990**  
**UDIN : A027484G000981008**

**Place: Mumbai**  
Date : 11/08/2025

**ANNEXURE - B****Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2024-25****1. Brief outline on CSR Policy of the Company.**

Setco Automotive Limited strives to enable a community to ensure that every child and woman has full access to healthcare, nutrition, education and opportunity for growth. We strongly believe that, as a model corporate citizen, our Corporate Social Responsibility (CSR) activities should embody the principles of CSR – Care, Support and Revive. It is our way of giving back to the community and environment which has helped us grow and thrive. The CSR activities of the company are aligned with the activities specified in Schedule VII of the Companies Act, 2013. The Company has framed Corporate Social Responsibility Policy (“**CSR Policy**”) as per the requirements prescribed under the Companies Act, 2013 read with Rules framed thereunder.

**2. Composition of CSR Committee:**

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Urja Shah	Chairperson (Executive Director)	Nil	Nil
2	Mr. Udit Sheth	Member (Vice Chairman)		
3	Dr. Arun Arora (Resigned on 30.09.2024)	Member (Independent Director)		
4	Ms. Suhasini Sathe (Resigned on 30.09.2024)	Member (Independent Director)		
5	Mr. Vijay Kalra (Appointed on 11.11.2024)	Member (Independent Director)		
6	Dr. Suresh Shanbhogue (Appointed on 11.11.2024)	Member (Independent Director)		

**3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company.**

Our CSR Policy is placed on the website of the Company at the link <https://setcoauto.com/policies-code-of-conduct/>.

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).**

Not Applicable

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies**

Directors' Report (Contd.)

(Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (In Rs)	Amount required to be set- off for the financial year, if any (In Rs)
Not Applicable			

- 6. Average net profit of the company as per section 135(5): Nil (Loss of Rs. 1,316.44 lakhs)
- 7. (a) Two percent of average net profit of the company as per section 135(5) : Not Applicable in the view of losses
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable
- (c) Amount required to be set off for the financial year, if any : Not Applicable
- (d) Total CSR obligation for the financial year (7a+7b-7c) : Nil
- 8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Not Applicable					

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation- Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation on- Direct (Yes/ No)	Mode of implementation – Through implementing agency	
				State	District			Name.	CSR Registration number
Not Applicable									

- (d) Amount spent in Administrative Overheads: Not Applicable
- (e) Amount spent on Impact Assessment, if applicable: Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Not Applicable

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Not Applicable
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project- Completed / Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s): None

Amount of CSR spent for creation or acquisition of capital asset: Nil

(b) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(c) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

There are no average net profits for the Company during the previous three financial years, hence, no funds were set aside and spent by the Company towards CSR during the year under review.

On behalf of the CSR Committee

Harish Sheth  
Chairman and Managing Director  
DIN: 01434459

Urja Shah  
Chairperson – CSR Committee  
DIN: 02675341

Place: Kalol

Date: August 12, 2025

**ANNEXURE - C**  
**Form AOC-1**

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART "A": Subsidiaries													
(Rs. In Lakhs)											% of share holding		
Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries*	Share Capital	Reserve and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation		Profit after taxation	Proposed Dividend
Lava Cast Pvt. Ltd.	Same as Holding Company	INR	13056.00	(23312.69)	13547.97	13547.97	-	8737.90	(1575.61)	-	(1,575.6)	-	100%
Setco Auto Systems Pvt. Ltd.	Same as Holding Company	INR	87.38	(69664.09)	44258.62	44258.63	3101.08	65387.52	(11339.53)	(160.77)	(11178.76)	-	81.24%
WEW Holdings Limited	Same as Holding Company	1 GBP = Rs. 111.75	712.79	(13.97)	704.09	704.09	703.94	-	(3.88)	-	(3.88)	-	100%
Setco Automotive (UK) Ltd.	Same as Holding Company	1 GBP = Rs. 111.75	3055.55	(3691.70)	3081.03	3081.02	1291.32	3161.52	(213.36)	-	(213.36)	-	100%
Setco Automotive (NA) Inc	Same as Holding Company	1 USD = Rs. 86.22	1729.57	1660.08	7560.01	7560.01	-	6462.40	375.67	96.14	279.53	-	100%
SETCO MEA DMCC	Same as Holding Company	1 AED = Rs. 23.58	22.89	(432.92)	688.92	688.92	-	412.28	132.67	-	132.67	-	100%

\*Rates as on March 31, 2025

## CORPORATE GOVERNANCE REPORT

This Corporate Governance Report outlines the governance practice followed by Setco Automotive Limited (“**the Company**”) in compliance with the requirements prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“**SEBI Listing Regulations**”).

### COMPANY’S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company’s philosophy on corporate governance is to achieve business excellence and to create long term value for its stakeholders. Corporate Governance essentially involves balancing the interests of the stakeholders and maximize the value for stakeholders which predominantly includes its shareholders, management, customers, suppliers, Government and the community at large. The Company believes in adopting best practices to ensure fairness, transparency, accountability and integrity across all its operations and maintaining valuable relationship and trust with the stakeholders, thereby supporting stronger growth for the company to fulfill its goals and objectives.

Corporate Governance for the Company comprises of processes and principles conforming to the highest standards which are reviewed periodically by the Board of Directors of the Company (“**the Board**”) to facilitate effective entrepreneurial and prudent management that can deliver long-term success to the Company and continuing relevance, effectiveness and responsiveness for all stakeholders.

The Company has established a process of regular dissemination and presentation of information to the Board to ensure comprehensive oversight of the Company’s business activities. The Board reviews corporate policies, procedures, overall performance, accounting, reporting and secretarial standards and other significant areas of management, corporate governance and regulatory compliance. The Company’s philosophy on Corporate Governance envisages the attainment of highest levels of transparency, accountability and equity, in all facets of its operations.

The Company’s governance framework is continuously monitored to facilitate effective entrepreneurial and prudent management that can deliver long-term success to the Company.

### Governance Structure

The Board of Directors of the Company includes individuals who are professionals in their respective areas of specialization and who have held eminent positions. The members of the Board are individuals with leadership qualities and strategic insights. The Company is currently headed by an Executive Chairman who is also the Managing Director. Directors including Non-Executive Directors are professionally competent. The company has an appropriate mix of Executive and Independent Directors to maintain independence of Board, and as at March 31, 2025, the Board consists of Six members, of which Three are Non-Executive Independent Directors. Thus, Company is having total Three Non-Executive Independent Director on the Board which is half of total strength. All Directors have informed the Company about the Board Membership and Board’s Committee Membership they occupy in other companies including Chairmanship in Board / Committee of such companies. Directors notify the Company of any change that take place in these disclosures at the Board Meetings. The Board has unfettered and complete access to all information within the Company and to any of the employees.

The Company has adhered to the requirements stipulated under Regulations 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) and (t) of Regulation 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) as applicable with regard to Corporate Governance.

#### A. Board of Directors

The Board of Directors, along with its committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholder value.

An active, well-informed, and independent Board is necessary to ensure high level of corporate governance.

##### (i) Composition of the Board

The Company’s policy is to have a proper blend of Executive and Non-Executive Directors to maintain independence of the Board and at the same time separate Board’s functions of governance from management. As at March 31, 2025 in compliance with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company’s Board of Directors headed by its Chairman and Managing

## Corporate Governance Report (Contd.)

Director – Mr. Harish Sheth, comprises of Five Other Directors, out of which three Directors are Independent Non-Executive Directors.

The Board comprises of 6 (Six) Directors of which 3 (Three) Directors are Independent and 3 (Three) Directors are Executive.

The Composition of Board and category of Directors are as follows:

Category	Name of the Director
<b>Executive Directors</b>	
● Promoter Directors	Mr. Harish Sheth Mrs. Urja Shah Mr. Udit Sheth
<b>Non-Executive Directors</b>	
● Independent	Dr. Arun Arora (Resigned on 30.09.2024) Mr. Ashok Kumar Jha (Resigned on 30.09.2024) Mrs. Suhasini Sathe (Resigned on 30.09.2024) Mr. Vijay Kalra (Appointed on 11.11.2024) Dr. Suresh Shanbhogue (Appointed on 11.11.2024) Mr. Alok Shyamkrishna Parashar (Appointed on 31.01.2025)

Mr. Harish Sheth is the father of Mr. Udit Sheth and Mrs. Urja Shah. None of the other present directors are related to each other.

We hereby inform that none of the Directors on the Board is a Member of more than 10 Committees and/ or Chairperson of more than 5 Committees (as required to be complied with under Regulation 26 of SEBI Listing Regulations), across all public companies in which he/she is a Director. The maximum tenure of Independent Directors is also in line with provisions of Section 149 (10) and (11) of the Act and related rules made thereunder.

**(ii) The dates of Board Meetings, record of attendance, directorships of public limited Companies & Membership / Chairmanship are as follows:**

**Board Meetings / Procedure**

During the year, the Board met 6 (Six) times on April 18, 2024, July 12, 2024, August 14, 2024, November 14, 2024, February 12, 2025 and March 28, 2025. The Board meets to review the Company's operations and financial performance. The requisite quorum was present for all the meetings.

Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary in consultation with the Senior Management prepares the detailed agenda for the meetings.

All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available the Board as prescribed under Part A of Schedule II of Sub- Regulation 7 of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are permitted. In order to transact some urgent business, which may come up after circulation of agenda papers, the same is placed before the Board by way of Table Agenda or Chairman's Agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

The Board at its meetings reviews various management aspects such as performance of the Company, business plans, annual budgets, capex plans, appointment / remuneration of senior management, general economic conditions, functioning of foreign subsidiaries, foreign exchange exposures, details of investor grievances and major legal issues.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board of Directors for discussions and consideration at every Board Meetings. The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations.

The following table provides the attendance record at the Board Meeting and Annual General Meeting of the Company during the financial year 2024-25 and directorships, memberships and chairmanships in other public limited companies at the end of the financial year 2024-25:

The Composition of Board and category of Directors are as follows:

**Table 1: Composition of the Board and attendance record of directors for F.Y 2024-25**

Name of the Director	Category	Relationship with other Directors	No. of Board Meetings Attended	Whether attended last AGM
Mr. Harish Sheth	Chairman & Managing Director	Father of Mr. Udit Sheth & Mrs. Urja Shah	4/6	Yes
Mr. Udit Sheth	Vice Chairman and Whole-time director	Son of Mr. Harish Sheth & Brother of Mrs. Urja Shah	6/6	No
Mrs. Urja Shah	Whole-time director	Daughter of Mr. Harish Sheth & Sister of Mr. Udit Sheth	6/6	No
Dr. Arun Arora*	Independent Director	N.A.	3/3	Yes
Mr. Ashok Kumar Jha*	Independent Director	N.A.	3/3	No
Mrs. Suhasini Sathe*	Independent Director	N.A.	3/3	No
Mr. Vijay Kalra (Appointed on November 11, 2024)	Additional Director (Non-Executive Independent)	N.A.	3/3	No
Dr. Suresh Shanbhogue (Appointed on November 11, 2024)	Additional Director (Non-Executive Independent)	N.A.	3/3	No
Mr. Alok Shyamkrishna Parashar (Appointed on January 31, 2025)	Additional Director (Non-Executive Independent)	N.A.	2/2	No

\* Resigned on September 30, 2024 due to completion of tenure as independent director.

**Table 2: Number of directorships/committee positions of directors as on March 31, 2025**

Name of the Director (Alphabetically arranged)	No. of Directorship of Public Limited Companies®	No. of Membership in Committees#	No. of Chairmanship in Committees#	No. of shares Held\$	Name of other listed entity and Category of Directorship
Mr. Harish Sheth	1	1	-	28,97,575	-
Mr. Udit Sheth	1	-	-	27,62,863	-
Mrs. Urja Shah	1	1	-	42,84,725	-

Name of the Director (Alphabetically arranged)	No. of Directorship of Public Limited Companies@	No. of Membership in Committees#	No. of Chairmanship in Committees#	No. of shares Held\$	Name of other listed entity and Category of Directorship
Mr. Vijay Kalra	1	3	2	-	-
Dr. Suresh Shanbhogue	4	3	1	-	-
Mr. Alok Shyamkrishna Parashar	1	1	0	-	-

@ Including Directorship of Setco Automotive Limited.

# Committees considered are Audit Committee and Stakeholders Relationship Committee including that of Setco Automotive Limited.

\$ Face Value of Rs. 2/- each.

**(iii) Skills / expertise competencies of the Board of Directors:**

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- i) Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values), major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
  - ii) Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
  - iii) Business Strategy, Sales & Marketing, Corporate Governance, Administration, Decision Making.
  - iv) Corporate Laws and governance - Ability to understand and interpret the corporate laws, rules and regulations by which businesses are regulated and controlled.
  - v) Financial and Management skills.
  - vi) Technical / Professional skills and specialized knowledge in relation to Company's business.
  - vii) Stakeholders Relationship skills.
- (iv) Matrix setting out the Skills/ Expertise/ Competence of the Board of Directors

Directors	Mr. Harish Sheth	Mr. Udit Sheth	Mrs. Urja Shah	Mr. Vijay Kalra	Dr. Suresh Shanbhogue	Mr. Alok Shyamkrishna Parashar
Knowledge on Company's businesses, policies and culture	√	√	√	√	√	√
Behavioural skills	√	√	√	√	√	√
Business Strategy, Sales & Marketing, Corporate Governance, Administration, Decision Making	√	√	√	√	√	√
Corporate Laws and governance	√	√	√	√	√	√
Financial and Management skills	√	√	√	√	√	√
Technical / Professional skills and specialized knowledge in relation to Company's business	√	√	√	√	√	√
Stakeholders Relationship Skills	√	√	√	√	√	√

### Confirmation as regards skills / competence / expertise of the Board of Directors

The Board believes that the above-mentioned skills / competencies/expertise are required for the business of the Company and Directors of the Company possess these skills / competencies / expertise, which helps the Company to function effectively.

### Non-Executive Directors with materially significant, pecuniary or business relationship with the Company

There have been no pecuniary or business relationship between the Non-Executive Directors and the Company, except for the sitting fees and commission payable to them annually in accordance with the applicable laws and with the approval of the shareholders. A declaration to this effect is also submitted by all the Directors at the beginning of each financial year.

### Separate Meeting of Independent Director

Provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations has mandated that the Independent Directors of the Company shall hold at least one meeting during the financial year without the attendance of Non- Independent Directors.

The Separate Meeting of the Independent Directors was held on March 28, 2025 to discuss and review the performance of Non-Independent Directors and the Board as a whole, performance evaluation of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and the evaluation of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### Declarations

The Independent Directors have submitted declaration(s) that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and are independent of the management of the Company. The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 read with the Rules issued thereunder. A sample letter of appointment/ re-appointment containing the terms and conditions, issued to the Independent Directors, is posted on the Company's website at <https://setcoauto.com/statutory-policies/>

### Familiarization Programme

At the time of appointment of a director, a formal letter of appointment is given explaining the role, duties and responsibilities expected of him as a director of the Company. He is also explained the Compliance required from him under the Companies Act, 2013, Listing Regulations and other various statues and an affirmation is obtained. The Company conducts Familiarization Programme for Independent Directors to enable them to understand their roles, rights and responsibilities. Presentations are also made at the Board meetings, which facilitates them to clearly understand the business of the Company and the environment in which the Company operates. They are also provided a platform to interact with multiple levels of management and are provided with all the documents required and/or sought by them to have a good understanding of Company's operations, businesses and the industry as a whole. Further, they are periodically updated on material changes in the regulatory framework and its impact on the Company.

The details of such familiarization programmes for Independent Director(s) are put up on the website of the Company i.e. <https://setcoauto.com/policies-code-of-conduct/>.

## Corporate Governance Report (Contd.)

**B. Committees of Board of Directors**

The Board has constituted various Committees with specific terms of reference in line with the provisions of the Listing Regulations, Companies Act, 2013 and the Rules issued thereunder. The Board periodically reviews the composition and terms of reference of its committees in order to comply with any amendments/modifications to the provisions relating to composition of Committees under the Listing Regulations, Companies Act, 2013 and the Rules issued thereunder. The Company currently has 4 (Four) Committees of the Board, namely, Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee. The composition of committees is in accordance with the Companies Act, 2013 and the Listing Regulations are as follows:

**Audit Committee:**

The Committee met 6 (six) times during the financial year 2024-25 viz., April 18, 2024, July 12, 2024, August 14, 2024, November 14, 2024, February 12, 2025 and March 28, 2025. The detailed constitution and attendance at the Committee meetings which were held during the year are as follows:

Name of the Director	Category	Designations	No. of meetings	
			Held	Attended
Dr. Arun Arora (Resigned on 30.09.2024)	Non- Executive Independent Director	Chairman	3	3
Mr. Ashok Kumar Jha (Resigned on 30.09.2024)	Non- Executive Independent Director	Member	3	3
Mrs. Suhasini Sathe (Resigned on 30.09.2024)	Non- Executive Independent Director	Member	3	3
Mr. Vijay Kalra (Appointed on 11.11.2024)	Additional Director (Non-Executive Independent)	Chairman	3	3
Dr. Suresh Shanbhogue (Appointed on 11.11.2024)	Additional Director (Non-Executive Independent)	Member	3	3
Mr. Alok Shyamkrishna Parashar (Appointed on 31.01.2025)	Additional Director (Non-Executive Independent)	Member	2	2
Mr. Udit Sheth#	Vice Chairman and Whole-time director	Member	3	3

#Mr. Udit Sheth has been introduced as the member of the w.e.f 11.11.2024.

Dr. Arun Arora, Chairman of Audit Committee attended the Annual General Meeting of the Company held during the year under review.

The Statutory Auditors, Internal Auditors, Group Financial Advisor and Chief Financial Officer are invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Committee.

**The powers, role, and terms of reference of the Audit Committee cover the areas as contemplated under Listing Regulations as amended from time to time and Section 177 of the Companies Act, 2013. The brief terms of reference of Audit Committee are as under:**

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board the appointment, re-appointment, remuneration and terms of appointment of auditors of the Company;
- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

- d) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- e) Review and monitor the auditor's independence and performance and effectiveness of audit process;
- f) To approve transactions and subsequent modification(s) to the transactions of the Company with related parties;
- g) To scrutinize inter-corporate loans and investments of the Company;
- h) Valuation of undertaking or assets of the Company, wherever it is necessary;
- i) Evaluation of internal financial controls and risk management systems;
- j) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee under the provisions of Companies Act, 2013 and Rules thereto and that of the Listing Regulations.

### Nomination and Remuneration Committee

The Committee met 1 (one) time during the financial year 2024-25 viz. March 28, 2025. The detailed constitution and attendance at the Committee meetings which were held during the year are as follows:

Name of the Director	Category	Designations	No. of meetings	
			Held	Attended
Dr. Arun Arora (Resigned on 30.09.2024)	Non- Executive Independent Director	Chairman	0	0
Mr. Ashok Kumar Jha (Resigned on 30.09.2024)	Non- Executive Independent Director	Member	0	0
Mrs. Suhasini Sathe (Resigned on 30.09.2024)	Non- Executive Independent Director	Member	0	0
Mr. Vijay Kalra (Appointed on 11.11.2024)	Additional Director (Non-Executive Independent)	Chairman	1	1
Dr. Suresh Shanbhogue (Appointed on 11.11.2024)	Additional Director (Non-Executive Independent)	Member	1	1
Mr. Alok Shyamkrishna Parashar (Appointed on 31.01.2025)	Additional Director (Non-Executive Independent)	Member	1	1

The terms of reference of the Nomination and Remuneration Committee are as per the governing provisions of the Companies Act, 2013 (Section 178) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II).

The Committee inter-alia reviews as well as recommends the appointment and remuneration package of executive directors & senior executives of the Company after considering the factors such as experience, expertise, position, responsibilities shouldered by the individual and leadership qualities, and the Committee also approves and oversees the operation of Employee Stock Option Plans.

The detailed Remuneration Policy is placed on the Company's website <https://setcoauto.com/policies-code-of-conduct/>. The non-executive Directors are paid sitting fees as per the provisions of the Companies Act, 2013, the rules made there under and Articles of Association of the Company for attending the Board / Committee meetings.

Corporate Governance Report (Contd.)

The detailed information for Directors' remuneration / commission for financial year 2024-25 are as follows:

Rs. in lakhs

Name of the Director	Category	Salary, allowances and perquisites	Contribution to Provident and Other Fund	Commission/ Performance Incentive	Sitting Fees	Total
Mr. Harish Sheth	Chairman and Managing Director	0.00	0.00	0.00	0.00	0.00
Dr. Arun Arora (Resigned on 30.09.2024)	Independent Director	-	-	-	3.55	3.55
Mr. Ashok Kumar Jha (Resigned on 30.09.2024)	Independent Director	-	-	-	2.85	2.85
Mrs. Suhasini Sathe (Resigned on 30.09.2024)	Independent Director	-	-	-	2.85	2.85
Mr. Udit Sheth	Vice Chairman and Whole-time director	0.00	0.00	0.00	0.00	0.00
Mrs. Urja Shah	Whole-time director	0.00	0.00	0.00	0.00	0.00
Mr. Vijay Kalra (Appointed on 11.11.2024)	Additional Director (Non-Executive Independent)	0.00	0.00	0.00	2.85	2.85
Dr. Suresh Shanbhogue (Appointed on 11.11.2024)	Additional Director (Non-Executive Independent)	0.00	0.00	0.00	3.20	3.20
Mr. Alok Shyamkrishna Parashar (Appointed on 31.01.2025)	Additional Director (Non-Executive Independent)	0.00	0.00	0.00	1.90	1.90

Details of Service Contracts:

Name	Designation	Tenure	From	To
Mr. Harish Sheth	Chairman & Managing Director	3 years	01.01.2024	31.12.2026
Mr. Udit Sheth	Vice Chairman and Whole-time director	3 years	01.05.2023	30.04.2026
Mrs. Urja Shah	Whole-time director	3 years	11.11.2023	10.11.2026

Performance Evaluation of Board

In compliance with the provisions of Companies Act, 2013 and Listing Regulations, the Company has undertaken the performance evaluation process for the Board of Directors, its committees and that of individual Directors. The performance evaluation was undertaken as per the Guidance Note on Board evaluation issued by Securities and Exchange Board of India, setting out parameters for conducting performance evaluation of the Board. The details of the performance evaluation undertaken are provided in the Directors' Report.

Stakeholders Relationship Committee

The Committee met 4 (four) times during the financial year 2024-25 viz., July 12, 2024, August 14, 2024, November 14, 2024 and February 12, 2025. The detailed constitution and attendance at the Committee meetings which were held during the year are as follows:

Name of the Director	Category	Designations	No. of meetings	
			Held	Attended
Dr. Arun Arora (Resigned on 30.09.2024)	Non- Executive Independent Director	Chairman	2	2
Mr. Harish Sheth	Chairman and Managing Director	Member	2	2
Mrs. Urja Shah	Whole-time director	Member	4	4
Dr. Suresh Shanbhogue (Appointed on 11.11.2024)	Additional Director (Non-Executive Independent)	Chairman	2	2

The Stakeholders' Relationship Committee comprises of 3 Directors, of which one is independent director and two are executive directors. The Chairman of the committee is an Independent Director.

Mr. Hiren Vala Company Secretary is designated as the Compliance Officer of the Company.

The status of investor grievances received during the financial year 2024-25 is as follows:

No. of Complaints pending as on April 1, 2024	00
No. of Complaints / queries received during the year	00
No. of Complaints resolved during the year	00
No. of Complaints pending as on March 31, 2025	NIL

The name of the Shareholders' / Investors' Grievance Committee has been changed to Stakeholders Relationship Committee in line with the provisions of Companies Act, 2013. The Committee, inter-alia, oversees transfer of shares in physical form, transmission of shares, issue of duplicate share certificates, depository operations and compliances of regulatory provisions etc. and evaluates investor grievances redressal system.

### Corporate Social Responsibility (CSR) Committee

In terms of Section 135 of the Act, the Company has a Corporate Social Responsibility (CSR) Committee. The composition and terms of reference of CSR Committee are in compliance with the applicable provisions of the Act. The Committee comprises of Mrs. Urja Shah, Chairperson, Mr. Vijay Kalra, Dr. Suresh Shanbhogue and Mr. Udit Sheth as members.

The CSR Committee has formulated a CSR policy indicating the activities to be undertaken by the Company. The CSR policy is also monitored by the Committee from time to time.

The Corporate Social Responsibility Policy of the Company has been uploaded on the Company's website <https://setcoauto.com/policies-code-of-conduct/>.

No committee meeting was held during the period under review. The Company Secretary acts as the Secretary to the CSR Committee.

## C. General Body Meetings

### i. Details of last three Annual General Meetings of the Company:

Financial Year	Venue	Day, Date & Time	Special Resolutions passed
2021-22	Registered Office at : Baroda – Godhra Highway, Kalol, 389330 District– Panchmahal, Gujarat.	Monday, September 19, 2022 at 3.00 p.m. (39th AGM)	NIL
2022-23	Registered Office at : Baroda – Godhra Highway, Kalol, 389330 District– Panchmahal, Gujarat.	Wednesday, September 27, 2023 at 2:00 p.m. (40th AGM)	<ol style="list-style-type: none"> <li>1. Re-appointment of Mr. Harish Sheth (DIN: 01434459) as Chairman and Managing Director of the Company.</li> <li>2. Re-appointment of Mrs. Urja Shah (DIN: 02675341) as an Executive Director of the Company.</li> <li>3. Re-Appointment of Mr. Udit Sheth (DIN: 00187221) as an Executive Vice Chairman of the Company.</li> </ol>

Financial Year	Venue	Day, Date & Time	Special Resolutions passed
2023-24	Registered Office at : Baroda – Godhra Highway, Kalol, 389330 District– Panchmahal, Gujarat.	Saturday, September 28, 2024 at 2:30 p.m. (41st AGM)	NIL

ii. **Details of Extraordinary General Meeting was held during the financial year 2024-25:**

Venue	Day, Date & Time	Special Resolutions passed
Registered Office at : Baroda – Godhra Highway, Kalol, 389330 District– Panchmahal, Gujarat.	Saturday, May 18, 2024 at 2.30 p.m.	<p><b>Special Resolutions:</b></p> <ol style="list-style-type: none"> <li>Approval for creation of security under Section 180(1) (a) of the Companies Act, 2013</li> <li>Approval for extending loans, providing guarantees or giving securities for loans taken by any person or body corporate under Section 186 of the Companies Act, 2013</li> <li>Approval for extending loans, providing guarantees or giving securities under Section 185 of the Companies Act, 2013</li> <li>Approval of issuance of share warrants by SASPL and consequent dilution</li> </ol> <p><b>Ordinary Resolutions:</b></p> <ol style="list-style-type: none"> <li>To consider and if thought fit, approve issuance of share warrants by Setco Auto Systems Private Limited and consequent dilution</li> </ol>

iii. **Details of the meeting convened in pursuance of the order passed by the National Company Law Tribunal (NCLT)**

Not Applicable

iv. **No Special Resolution was passed through Postal Ballot during Financial Year 2024-25. Further, no Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report.**

**D. Polices and Disclosures:**

i. **Means of Communication:**

**Stock Exchange Intimations:** The Disclosures pursuant to various Regulations of the Listing Regulations, as applicable, are communicated to the Stock Exchanges where the Equity Shares of the Company are listed i.e. BSE Limited and National Stock Exchanges of India Limited, through their respective electronic filing platform and also available on the Company’s website at [www.setcoauto.com](http://www.setcoauto.com).

**Financial Results:** The Company’s quarterly/half yearly/annual financial results are published in leading English and Gujarati newspapers like The Financial Express, Economic Times, Business Standard, Jai Hind etc. These results are also made available on the Company’s Website at [www.setcoauto.com](http://www.setcoauto.com). The Company has not made any presentations to institutional investors and analysts during the year.

**Annual Report:** The Annual Report containing inter alia, Audited Standalone Financial Statement, Audited Consolidated Financial Statement, Board’s Report, Auditor’s Report and other Statutory reports and important information is circulated to the shareholders and other stakeholders entitled thereto. The Annual Report is also available on the Company’s website at [www.setcoauto.com](http://www.setcoauto.com).

**Website:** The Company’s website [www.setcoauto.com](http://www.setcoauto.com) has a dedicated section for investors containing the financial results, shareholding pattern, annual reports, quarterly reports, updates/intimations filed with the stock Exchanges, various policies adopted by the Board, information relating to investor service requests, unclaimed dividends, etc. The website is maintained in accordance with the applicable Listing regulations.

**Letters/e-mails/SMS to shareholders:** In accordance with the SEBI Circulars, the Company is in the process of sending letters/emails to its shareholders holding shares in physical mode, intimating them to furnish valid PAN, Nomination, Contact details, Mobile Number, Specimen Signature, Bank Account details.

**NSE Electronic Application Processing System (NEAPS) and BSE Listing Center (Listing Center):** NEAPS and Listing Center are web-based applications designed by The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) respectively for corporates. All periodically and other compliance filings are done electronically by the Company on the NEAPS and Listing Center for dissemination on their respective websites.

ii. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;**

The details of non-compliances, penalties, strictures imposed during last three years are as under:

Financial Year	Authority	Particulars	Amount of Fine	Remarks
2024-25	BSE and NSE	Non-compliance of Regulation 17(1), Regulation 18(1), Regulation 19(1)/19(2) and Regulation 20(2)/2(A) of the SEBI (LODR) Regulations, 2015	Rs. 8,140,00 + 18% GST each by BSE and NSE	Waiver Application Submitted with BSE and NSE
2023-24	BSE and NSE	Non-submission of the financial results within the period prescribed under regulation 33 of the the Listing Regulations for the financial year ended 31st March 2023	Rs. 15,000 + 18% GST each by BSE and NSE	PAID
		Delay in submitting disclosure of Related Party Transactions under regulation 23(9) of the Listing Regulations	Rs. 5,000 + 18% GST each by BSE and NSE	PAID
2022-23	BSE and NSE	Non-submission of the financial results within the period prescribed under regulation 33 of the Listing Regulations for the financial year ended 31st March 2022	Rs. 1,50,000 + 18% GST each by BSE and NSE	PAID
		Delay in submitting disclosure of Related Party Transactions under regulation 23(9) of the Listing Regulations	Rs. 5,000 + 18% GST each by BSE and NSE	PAID
		Board meetings with a gap of more than 120 days between two meetings, as per regulation 17(2) of the Listing Regulations	Rs. 10,000 + 18% GST each by BSE and NSE	PAID

**iii. Disclosure of materially significant Related Party Transactions:**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. The Company did not enter into any materially significant transactions with Promoters, Directors or the Management, their subsidiaries or relatives etc., which were in conflict with the interest of the Company. Details of Related Party Transactions are provided in Note 25 of notes forming part of financial statements. Necessary approvals have been obtained wherever required.

The Policy for dealing with related party transactions is placed on the website of the Company i.e <https://setcoauto.com/policies-code-of-conduct/>.

**iv. Management Discussion and Analysis Report:**

The Management Discussion and Analysis Report forms part of the Annual Report and includes discussion on various matters specified under Schedule V of Listing Regulations.

**v. Risk Management:**

The Company has laid down the procedures to inform the Board members about effective risk assessment and risk mitigation.

**vi. Code of Conduct:**

Pursuant to the Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has laid down a 'Code of Conduct' for all Board and Senior Management Members and they have affirmed compliance with the Code of Conduct of the Company for the Financial Year 2024-25.

The declaration stating that all the Members of Board of Directors and Senior Management Personnel have affirmed their compliance with the said code of conduct for the year ended March 31, 2025 as per Para D of Schedule V of Listing Regulation is annexed to this Report.

The Code of conduct is also placed on the Company's website i.e. <https://setcoauto.com/policies-code-of-conduct/>

**vii. Insider Trading:**

The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders. This Code of Conduct is intended to prevent misuse of Unpublished Price Sensitive Information ("UPSI") by designated persons. The same has been placed on the Company's website i.e. <https://setcoauto.com/policies-code-of-conduct/>.

In accordance with such Code of Conduct, the Company closes its trading window for Designated Persons from time to time. The trading window is also closed during and after occurrence of price sensitive events as per the said Code of Conduct.

**viii. Material Subsidiary Companies:**

Setco Auto Systems Private Limited and Lava Cast Private Limited both come under the purview of the Material Non-Listed Subsidiaries as per the criteria given in Regulation 16(1) (c) of the Listing Regulations.

Setco Auto Systems Private Limited was incorporated at Ahmedabad, Gujarat on October 30, 2010. M/s. Sharp & Tannan Associates were appointed as Statutory Auditor at the Annual General Meeting of Setco Auto Systems Private Limited held on September 29, 2021.

Lava Cast Private Limited was incorporated at Mumbai, Maharashtra on November 13, 2011. M/s. Sharp & Tannan Associates were appointed as Statutory Auditor at the Annual General Meeting of Lava Cast Private Limited held on November 30, 2021.

Mr. Vijay Kalra and Dr. Suresh Shanbhogue, Independent Director of the Company, are the Directors on the Board of Lava Cast Private Limited and Mr. Vijay Kalra, Independent Director of the Company is the Directors on the Board of Setco Auto Systems Private Limited. The Company is not required to nominate an Independent Director on the Board of any other subsidiary companies. The Audit Committee of the Company reviews the Financial Statements and Investments made by unlisted subsidiary companies and the minutes of the unlisted subsidiary companies are placed at the Board Meeting of the Company.

The Policy for determining material subsidiary is available on the website of the Company i.e. <https://setcoauto.com/policies-code-of-conduct/>.

**ix. Disclosure of Accounting Treatment in preparation of Financial Statements:**

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules thereunder. The Significant Accounting Policies which are consistently applied have been set out in the notes to the financial statements.

**x. Vigil Mechanism/Whistle Blower Policy:**

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. In its endeavor to provide its employee(s), secure and fearless working environment, the Company has established the 'Vigil Mechanism Policy' for its Directors, employee(s) and other stakeholders ("**Policy**"). The purpose of the Policy is to provide a framework to promote responsible and secure whistle blowing and to provide a channel to the employee(s), Directors and other stakeholders to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct or policy/ies of the Company, as adopted / framed from time to time. The mechanism provides for adequate safeguards against victimization of employee(s), Directors and other stakeholders to avail of the mechanism and also provide for direct access to the CEO / Chairman of the Audit Committee in exceptional cases. No personnel have been denied access to the Audit Committee under the Whistle Blower Policy.

The Policy is in line with the vision and objectives of the Company and should be read in conjunction with applicable regulations and existing policies and procedures of the Company.

**xi. Details of preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the Listing Regulations:**

The Company has not raised funds through preferential allotment or qualified institutional placement.

**xii. Certificate from Practicing Company Secretary:**

The Company has obtained a certificate from Practicing Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this Report.

**xiii. Recommendations of Committees of the Board:**

There were no instances during the financial year 2024-25, wherein the Board had not accepted recommendations made by any committee of the Board.

**xiv. Total fees paid to Statutory Auditors of the Company:**

Total fees of Rs. 67.85 Lakhs (Rupees Sixty Seven Lakhs Eighty Five Thousand Only) for financial year 2024-25, for all services, was paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

**xv. Credit Ratings and any revisions thereto for debt instruments or any fixed deposit program or any scheme or proposal involving mobilization of funds, whether in India or abroad:**

The Company has not issued any debt instruments and does not have any fixed deposit programme/ borrowing or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31<sup>st</sup> March 2025. The Company was not required to obtain credit ratings in respect of the same.

**xvi. Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the financial year 2024-25 are as under:

- a. Number of complaints filed during the financial year: NIL
- b. Number of complaints disposed of during the financial year: NIL
- c. Number of complaints pending as on end of the financial year: NIL

**xvii. Directors and Officers Liability Insurance (D&O) as specified under Regulation 25(10) of the SEBI Listing Regulations:**

The Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including Independent Directors, Officers, Managers and Employees of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

**E. General Shareholder Information:**

<b>(i)</b>	42nd Annual General Meeting	
	Day & Date	Thursday, September 25, 2025,
	Time	2:30 P.M.
	Venue	Vadodara – Godhra Highway, Kalol, District Panchmahal, Pin Code – 389 330, Gujarat.
<b>(ii)</b>	Financial year	April 1 to March 31
	Tentative schedule for declaration of financial results during the financial year 2025-26	
	First Quarterly Results	On or before 14th August, 2025
	Second Quarterly Results	On or before 14th November, 2025
	Third Quarterly Results	On or before 14th February, 2026
<b>(iii)</b>	Dates of Book Closure	Friday, September 19, 2025 to Thursday September 25, 2025 (both days inclusive)
	Dividend Payment Date	During the year under review, the Board of Directors of the Company has not recommended any dividend for the year ended March 31, 2025.
<b>(v)</b>	Listing details	
	<b>Name of Stock Exchanges &amp; Stock Code(s)</b>	<b>Address</b>
	BSE Ltd (Stock Code- 505075)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
	National Stock Exchange of India Ltd. (Scrip Symbol: SETCO)	Exchange Plaza, C -1, Block G, Bandra – Kurla Complex, Bandra (E), Mumbai - 400 051
	ISIN for Depositories	INE878E01021
	Listing Fees and Custodial Fees	The Company has paid the requisite Annual Listing and Custodial Fees to the Stock Exchanges and Depositories viz. CDSL and NSDL, respectively for the financial years 2024-25 and 2025-26.

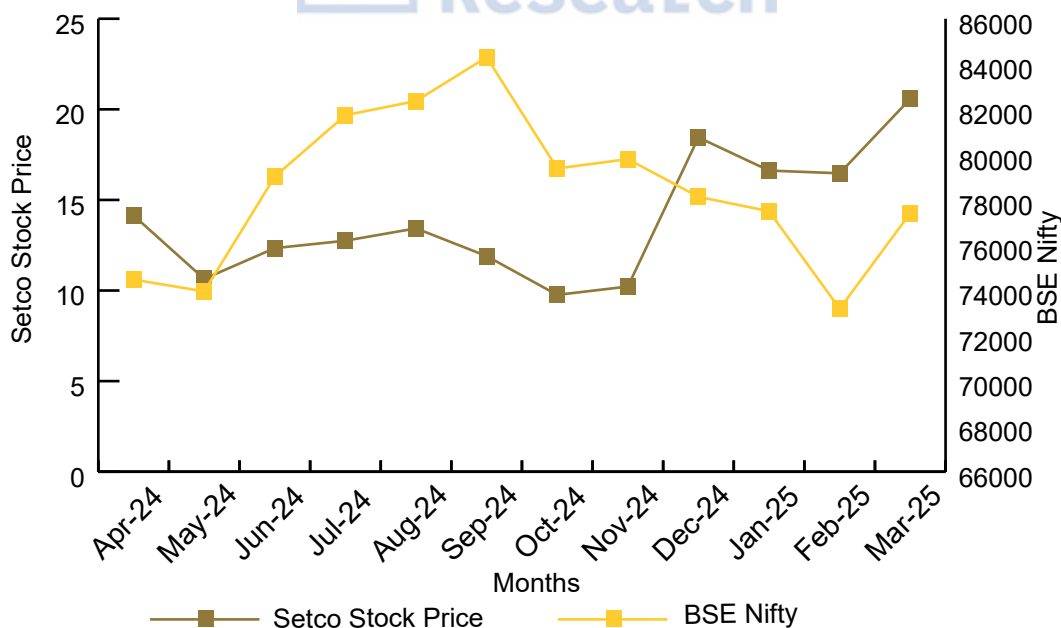
(vi) **Market Price Data – the monthly high and low prices of the company’s shares at BSE and NSE for the financial year ended 31<sup>st</sup> March, 2025 are as follows:**

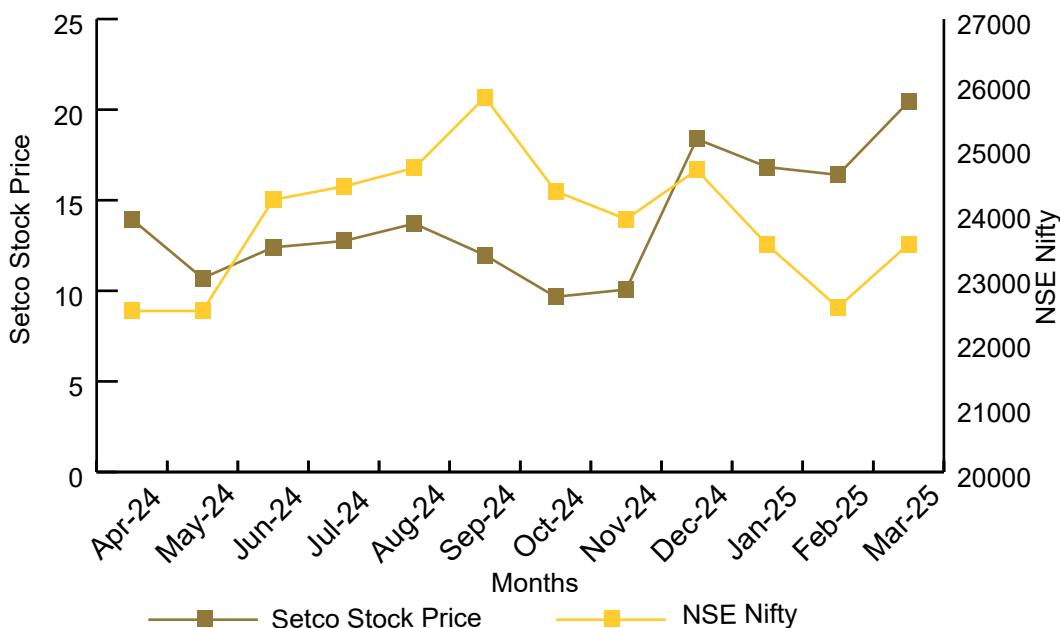
Month(s)	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
<b>FY2024-25</b>				
April-24	14.14	6.09	13.95	6.35
May-24	14.49	10.44	13.95	10.40
June-24	13.24	9.71	13.24	9.71
July-24	16.00	11.73	15.82	11.78
August-24	14.63	11.34	14.60	11.03
September-24	13.69	11.45	13.52	11.51
October-24	13.24	9.45	13.29	9.36
November-24	12.11	9.29	11.89	9.52
December-24	21.20	9.91	21.39	9.91
January-25	21.03	16.10	21.25	16.00
February-25	19.75	16.25	19.68	16.17
March-25	21.66	15.65	21.68	15.58

Source: BSE and NSE website

(vii) **Performance of share price in comparison with board – based indicates viz. BSE Sensex and NSE Nifty:**

The Chart below shows the comparison of the Company’s share price movement on BSE vis-à-vis the movement of the BSE Sensex and NSE Nifty for the financial year ended 31<sup>st</sup> March, 2025 (based on month end closing):





**(viii) Registrar and Share Transfer Agents:**

Share transfer, dividend payment and all other investor related matters are attended to and processed by our Registrar and Transfer Agents, i.e. MUFG Intime India Pvt Ltd. (formerly Link Intime India Pvt Ltd.) having their office at:

**MUFG Intime India Pvt Ltd. (formerly Link Intime India Pvt Ltd.):**

Unit: Setco Automotive Limited, C-101, 247 Park, LBS. Marg, Vikhroli (West), Mumbai – 400083, Tel No.: +91-022-4918 6000, Fax: +91-022 49186060, Website: <https://in.mpms.mufg.com/>.

**Technology led initiatives taken by Registrar and Share Transfer Agent**

The Company's RTA has implemented various investor-related initiatives as detailed below in order to enhance their investor service levels:

**Investor Self-Service portal:** 'SWAYAM' is a secure, user-friendly web-based application that empowers investors to effortlessly access information through a dashboard and avail various services in digital mode.

**Following are the key features and benefits of 'SWAYAM' Portal:**

- Updated status on electronic holdings across various companies serviced by the RTA and its subsidiaries.
- Tracking of corporate actions.
- Generate and track service requests/ complaints raised on this portal.
- Shareholders holding shares in physical form can register on the said portal only after updating their KYC details in their folio.

The investors are requested to get themselves registered and access the 'SWAYAM' Portal at <https://swayam.in.mpms.mufg.com>.

**Chatbot Facility:**

The RTA of the Company has a Chatbot facility named 'iDIA' to enable the investors to ask questions and get information about queries. 'iDIA' is a Chatbot that utilises conversational technology to provide investors with a round-the-clock intuitive platform to ask questions and get information about queries. Investors may talk to iDIA by logging in to <https://in.mpms.mufig.com>.

**Web-based Investor Query facility:**

The shareholders are requested to take note that all queries, service requests or complaints in electronic mode, by any genuine shareholders, are to be raised only through website of RTA, the link for which is: [https://web.in.mpms.mufig.com/helpdesk/Service\\_Request.html](https://web.in.mpms.mufig.com/helpdesk/Service_Request.html). Following is the step-by-step procedure to be followed by shareholders to raise query/service request through website of RTA:

Please click on the following weblink: [https://web.in.mpms.mufig.com/helpdesk/Service\\_Request.html](https://web.in.mpms.mufig.com/helpdesk/Service_Request.html). Thereafter, the person is required to –

- (i) Enter email id & answer a math question, based on which OTP will be received for entering the same;
- (ii) Select name of the Company from drop down, fill in DP ID Client ID/Folio No., Mobile No., and Request Type; and
- (iii) Input the query details and submit. Provision has been made for attaching 5 separate files of 1 MB each.

Once a service request is submitted, an auto acknowledgement is sent providing the URN (Unique Reference No.) assigned. The acknowledgement also has a URL through which the person can view the status of his service request. The said email is sent to [noreply@in.mpms.mufig.com](mailto:noreply@in.mpms.mufig.com).

**(ix) Share Transfer System:**

The Company has a Board-level Stakeholders' Relationship Committee to examine and redress investors' complaints. The status on complaints and share transfers are reported periodically to the Committee. Securities of listed companies can be transferred only in dematerialised form from w.e.f. April 1, 2019. Further, SEBI vide its Circular dated January 25, 2022, mandated all listed companies to issue securities in dematerialised form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. During the year under review, Mitsubishi UFJ Trust & Banking Corporation, a member of MUFG, a global financial group, has acquired Link Group, parent company of Link Intime India Pvt Ltd. Accordingly, the name of RTA of the Company is changed from Link Intime India Private Limited to MUFG Intime India Private Limited.

Shareholders are advised to refer the latest SEBI guidelines/circular issued for all the holder holding securities in listed companies in physical form from time to time and keep their KYC detail updated at all times to avoid freezing of their folios as prescribed by SEBI.

**Annual Certificate on Security Transfer:**

In terms of Regulation 40(9) of the SEBI Listing Regulations, certificate, on annual basis, has been issued by a Company Secretary in Practice with respect to due compliance of share and security transfer formalities by the Company.

Corporate Governance Report (Contd.)

(x) **Dematerialization of Shares and Liquidity:**

The Equity Shares of the Company are tradable in compulsory dematerialized segment of the Stock Exchanges and are available in depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The demat security (ISIN) code for the Equity Share is INE878E01021.

As on March 31, 2025, 13,28,03,305 equity shares (constituting 99.28%) were in dematerialized form.

The Company's Equity Shares are regularly traded on the BSE Limited and National Stock Exchange of India Limited.

(xi) **The Distribution of Shareholding and Category-wise Shareholding Pattern as on March 31, 2025 is as follows:**

(a) **Distribution of Shareholding as on March 31, 2025:**

Distribution of Shareholding						
No. of Shares			Shareholders		Shares Held	
			No.	%	Shares	%
1	-	500	22022	68.69	3394497	2.53
501	-	1000	4255	13.27	3610259	2.70
1001	-	2000	2543	7.93	3859644	2.89
2001	-	3000	1002	3.13	2583391	1.93
3001	-	4000	419	1.31	1520926	1.14
4001	-	5000	471	1.47	2274081	1.70
5001	-	10000	675	2.11	5179324	3.87
10001	-	*****	673	2.10	111345153	83.24
			<b>32060</b>	<b>100.00%</b>	<b>133767275</b>	<b>100.00%</b>

(b) **Category-wise Shareholding Pattern as on March 31, 2025:**

Category	No. of Shares held	% of Shares held
Promoters and Promoter Group	79,257,488.00	59.25
Nationalised Banks	750.00	0
Foreign Nationals	34,790.00	0.03
Foreign Portfolio Investor	100,000.00	0.07
Central Government	4,350.00	0
Clearing Members	3,949.00	0
Other Bodies Corporate	2,715,202.00	2.03
Hindu Undivided Family	2,078,039.00	1.55
Non Resident Indians	1,510,461.00	1.13
Public	45,155,148.00	33.76
Trusts	750.00	0
Body Corporate - Ltd Liability Partnership	1,042,770.00	0.78
Unclaimed or Suspense or Escrow Account	113,875.00	0.09
Investor Education and Protection Fund	1,733,276.00	1.3
Relatives of promoters (other than "Immediate relatives" of promoters disclosed under Promoter and Promoter Group & apos; category)	16,427.00	0.01
<b>TOTAL:</b>	<b>133,767,275.00</b>	<b>100</b>

**(xii) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments:**

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments during the year under review and hence, as on March 31, 2025, the Company does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

**(xiii) Disclosures of Commodity price risk or foreign exchange risk and hedging activities:**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities, please refer to the Management Discussion and Analysis Report.

**(xiv) CFO & CEO Certification:**

The CFO & CEO have issued a certificate pursuant to the provisions of SEBI Regulations certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

**(xv) Disclosure on resignation of Independent Directors:**

During the year under review, Dr. Arun Arora, Mr. Ashok Kumar Jha, and Mrs. Suhasini Sathe, Independent Directors of the Company, resigned from the Board effective September 30, 2024, upon completion of their respective tenures as Independent Directors. They also confirmed that there were no material reasons for their resignations other than the completion of their tenure.

**(xvi) Details of loans and advances in the nature of loans given to firms / companies in which Directors are interested:**

Rs. In Crores

Sr. No.	Particular	Investments	Loans given	Guarantees
<b>A.</b>	<b>Aggregate amount granted / provided during the year:</b>			
	Subsidiaries	0.00	0.00	9.75
	Related party	0.00	0.00	0.00
<b>B</b>	<b>Balance outstanding as at balance sheet date in respect of above cases:</b>			
	Subsidiaries	139.97	26.20	684.80
	Related party	81.97	0.00	0.00

**(xvii) Plant locations of the Company and its Subsidiaries Companies:****Setco Auto Systems Private Limited:**

Location	Address
Gujarat	Vadodara - Godhra Highway, Kalol, District Panchmahal, Pin Code 389 330, Gujarat.
Uttarakhand	Plot No. 196/A Phase 1, Eldeco Sidcul Industrial Park (E.S.I.P), Village Lalarpatti, P.O. Sia Camp, Udham Singh Nagar, Pin Code – 262 403, Uttarakhand.

**Lava Cast Private Limited:**

Location	Address
Gujarat	Alindra Village, Vadodara Godhra Highway, Kalol, Panchmahal, Gujarat – 389330

## Corporate Governance Report (Contd.)

**(xviii) Address for correspondence:**

The members are requested to write to the Registrar & Share Transfer Agents of the Company, MUFG Intime India Pvt Ltd. (formerly Link Intime India Pvt Ltd.) for any query related to share transfers, dematerialization, transmissions, change of address, non-receipt of dividend or any other related queries.

**The address of MUFG Intime India Pvt Ltd. (formerly Link Intime India Pvt Ltd.) is as follows:**

Unit: Setco Automotive Limited, C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400083, Tel No.:(022) 4918 6000

The members can also send their grievances, if any, to the Company Secretary at the Corporate Office of the Company at 54A, Tardeo, Near Film Centre Building, Tardeo Road, Mumbai – 400 034 or email at investor.relations@setcoauto.com.

**GREEN INITIATIVE**

As a responsible corporate entity, the Company wholeheartedly endorses and supports the 'Green Initiative' launched by the Ministry of Corporate Affairs, Government of India. This initiative facilitates electronic delivery of documents, including the Annual Report, quarterly & half-yearly results and other such documents, to shareholders' registered e-mail addresses by their Depositories and/or RTAs. We urge shareholders who have not yet registered their e-mail addresses to do so without delay. Shareholders who hold shares in Demat form can register their e-mail address with their respective DPs. For shareholders who hold shares in physical form, we kindly request that they register their e-mail addresses with the RTA by sending a signed letter, quoting their Folio Number details.

**F. Other Mandatory / Non-Mandatory Requirements:**

A certificate from the Practicing Company Secretary Auditor of the Company certifying compliance of Corporate Governance is annexed herewith.

Discretionary Requirements as per Part E of Schedule II under SEBI (LODR) Regulations, 2015.

The Company complied with majority of such non-mandatory requirements, details of which are as follows:

- a. The Board: The Board of the Company is chaired by Executive Chairman who maintains the Chairman's Office at the Company's expense.
- c. Shareholder Rights: The quarterly, half yearly and annual financial results are published in newspapers having wide circulation in English and Gujarati and are also available on Company's website. The Annual Report is sent to all shareholders of the Company.
- d. Reporting of internal auditor as per the requirements, the internal auditor may report directly to the Audit Committee. The same is reported by briefing the Audit Committee through discussion and presentation of the observations, review, comments and recommendations etc. in the Internal Audit presentation by the Internal Auditor of the Company.

The Company has made all disclosures regarding compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 of SEBI Listing Regulations, in the section on corporate governance of the annual report.

**Other Shareholder Information:**

- **Transfer of Unclaimed/Unpaid Amounts to the Investor Education and Protection Fund:**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), dividend, if not claimed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF').

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website <https://www.setcoauto.com/investors>.

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for seven consecutive years, of the Company. Further, shares of the Company, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF during F.Y 2024-25 are as follows:

Financial Year	Amount of unclaimed dividend transferred (Rs. In Lakhs)	Number of shares transferred
Final Dividend 2016-17	16.30	81,211

The Members who have a claim on the shares of the Company and dividends which have been transferred to the IEPF in the past, may claim the same from the IEPF Authority by submitting an online application in Form No. IEPF-5, which is available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and send a duly signed copy of the same to the Company at [investor.relations@setcoauto.com](mailto:investor.relations@setcoauto.com) along with the requisite attachments to Form No. IEPF-5.

The following table gives information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's Registrar and Transfer Agent:

Financial Year	Date of declaration of Dividend	Due date to transfer to IEPF
Final Dividend 2017-18	28.09.2018	27.09.2025
Final Dividend 2018-19	27.09.2019	26.09.2026

**To claim above unpaid dividend or in case you need any information/clarification, please write to or contact our RTA M/s. MUFG Intime India Pvt Ltd. (formerly Link Intime India Pvt Ltd.) , C-101, 247 Park, LBS. Marg, Vikhroli (West), Mumbai - 400083, Tel No.:022 - 4918 6000, Toll-free number : 1800 1020 878, e-mail: [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com)**

- **DISCLOSURE IN RESPECT OF EQUITY SHARES TRANSFERRED TO UNCLAIMED SUSPENSE ACCOUNT AND SUSPENSE ESCROW DEMAT ACCOUNT**

**Suspense Escrow Demat Account:**

In accordance with the SEBI Circular No. SEBI/HO/ MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25th January 2022 (subsumed as part of the SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/ CIR/2024/37 dated 7th May 2024), the Company had opened a Suspense Escrow Demat Account with the DP for transfer of shares lying unclaimed for more than 120 days from the date of issue of Letter of Confirmation to the shareholders in lieu of physical share certificates to enable them to make a request to DP for dematerialising their shares. NIL equity shares are lying in Suspense Escrow Demat Account as on 31<sup>st</sup> March, 2025.

**Unclaimed Suspense Account:**

In accordance with the requirements of Regulations 34 and 39 read with Schedule V(F) of the Listing Regulations, details of equity shares in Setco Automotive Limited – Unclaimed Suspense Account are as follows:

Particulars	No. of Shareholders	No. of equity shares
<b>Opening Balance:</b> Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on 1st April 2024	128	112995
<b>Less:</b> Number of shareholders who approached the Company for transfer of shares and shares transferred from Unclaimed Suspense Account during FY 2024-25	2	3,750
<b>Less:</b> Number of shareholders whose shares got transferred from Unclaimed Suspense Account to IEPF during FY 2024-25	0	0
<b>Closing Balance:</b> Aggregate number of shareholders and outstanding shares lying in the Unclaimed Suspense Account as on 31st March 2025	126	1,12,995

All the corporate benefits against these shares like bonus shares, split, etc., would also be transferred to the Unclaimed Suspense Account of the Company. While the dividend for the shares which are lying in Unclaimed Suspense Account would be credited back to the relevant dividend accounts of the Company. The voting rights on shares lying in Unclaimed Suspense Account shall remain frozen till the rightful owner claims the shares

● **Norms for furnishing of PAN, KYC, Bank details and Nomination.**

Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSDPoD- 1/P/CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/MIRSD/MIRSD RTAMB /P/CIR/2021/655 and SEBI/HO/MIRSD/MIRSD RTAMB/ P/CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated all the listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. **The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, shall be frozen by the RTA.**

The securities in the frozen folios shall be eligible:

- To lodge any grievance or avail of any service, only after furnishing the complete documents / details as mentioned above;
- To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.

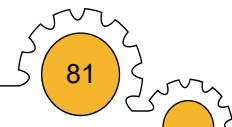
The forms for updation of PAN, KYC Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website [www.setcoauto.com](http://www.setcoauto.com). In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest.

The Company is in the process of dispatching a letter to the Members holding shares in physical form in relation to the above-referred SEBI Circular.

Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

**Certificate on Corporate Governance**

The Certificate from the Practicing Company Secretaries regarding compliance of conditions of corporate governance is annexed and forms part of this Annual Report.in terms of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached and forms part of this Annual Report.



## Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members

**SETCO AUTOMOTIVE LIMITED**

CIN: L35999GJ1982PLC005203

Baroda Godhra Highway Kalol (Panchmahal),

Gujarat, India, 389330

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SETCO AUTOMOTIVE LIMITED** having CIN L35999GJ1982PLC005203 and having registered office at Baroda Godhra Highway Kalol (Panchmahal), Gujarat, India, 389330 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)), as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment
1.	Mr. Harish Kiritbhai Sheth	01434459	05/05/1982
2.	Mr. Udit Harish Sheth	00187221	30/06/2008
3.	Mrs. Urja Harshal Shah	02675341	28/09/2015
4.	Dr. Suresh Shanbhogue	00517958	11/11/2024
5.	Mr. Vijay Kalra	07217974	11/11/2024
6.	Mr. Alok Shyamkrishna Parashar	06722651	31/01/2025

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company.

Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Shravan A. Gupta & Associates**

Practicing Company Secretary

P.R. No. 2140/2022

**Shravan A. Gupta**

ACS: 27484, CP: 9990

UDIN: A027484G001000676

Date: 13.08.2025

Place: Mumbai

Corporate Governance Report (Contd.)

## Certificate under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,  
The Members of  
**Setco Automotive Limited**

We, Harish K. Sheth, Chairman and Managing Director and Udit Sheth, Vice Chairman of Setco Automotive Limited, hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31st March, 2025.

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

**Udit Sheth**  
Vice Chairman  
DIN: 00187221

Place: Mumbai  
Date: August 12, 2025



## CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

The Board of Directors  
Setco Automotive Limited

We hereby certify that on the basis of review of the financial statements and the cash flow statement for the financial year ended 31st March, 2025 and to the best of our knowledge and belief that:

- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

We hereby certify that, to the best of our knowledge and belief, no transactions entered into during the financial year ended 31st March, 2025 are fraudulent, illegal or violative of the Company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit Committee:

- (1) significant changes, if any, in internal controls over financial reporting during the financial year ended 31st March, 2025;
- (2) significant changes, if any, in accounting policies during the financial year ended 31st March, 2025 and that the same have been disclosed in the notes to the financial statements; and
- (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**Harish Sheth**  
Chairman and Managing Director

**Anurag Jain**  
Chief Financial Officer

Date: August 12, 2025

Place: Mumbai

## PRACTICING COMPANY SECRETARY'S CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To

The Members of

**Setco Automotive Limited**

CIN: L35999GJ1982PLC005203

Baroda Godhra Highway Kalol (Panchmahal),

Gujarat, India, 389330

1. We have examined the compliance of conditions of Corporate Governance by Setco Automotive Limited ("the Company"), for the year ended on 31st March, 2025, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the secretarial and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

### Opinion

5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and para C and D of Schedule V of the Listing Regulations during the financial year ended 31st March, 2025.
6. We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

**Shravan A. Gupta & Associates**  
Practicing Company Secretary

**Shravan A. Gupta**  
ACS: 27484, CP: 9990  
UDIN: A027484G001000731

Date: 13th August, 2025

Place: Mumbai

## INDEPENDENT AUDITOR'S REPORT

To the members of Setco Automotive Limited

Report on the audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying Standalone Financial Statements of **Setco Automotive Limited** (hereinafter referred as "the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and Notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter collectively referred as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (hereinafter referred as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed Under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended (hereinafter referred as "Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2025, its losses (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (hereinafter referred as "SAs") 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 Statements 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 (hereinafter referred as "ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules there under, 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

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

- a. The company has not charged interest on unsecured loan to the subsidiaries. (Refer Note no. 3 and 9 of Standalone Ind AS Financial Statements).
- b. The Company has not provided Interest on the Unsecured Loan from Setco Auto Systems Private Limited ('SASPL'), a subsidiary Company, as the same is repayable as per mutually agreed terms / period and no interest is accordingly accrued on such liability. (Refer Note No. 13 of Standalone Ind AS Financial Statements).
- c. The Company has total Non-Current Investment of Rs 23,350 Lakhs (Previous Year Rs. 23,357 Lakhs) as at the balance sheet date, out of the same company has provided for 'Impairment in Value of Investments' of Rs 11,133 Lakhs (Previous Year Rs. 11,133 Lakhs) in earlier years and stated at net value of Rs 12,217 Lakhs (Previous Year Rs. 12,224 Lakhs), which is in the opinion of the management is fair value of the net investment.

Our opinion is not modified in respect of these matters

### Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements taken as a whole; in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the key audit matter as described below:

## Independent Auditor's Report (Contd.)

Determination of fair value of carrying amount of investments

### Description of key audit matter:

The Company has investments (net of impairment provisions) of Rs. 12,217 Lakhs as at 31 March 2025 consisting of investments in the equity instruments of subsidiaries and other related entities which are valued as per Ind AS 109, "Financial instruments". By their nature, these are subjected to various factors related to respective investee entities including but not limited to, economic factors, business dynamics, financial performance etc. and impact a fair valuation of these investments. Accordingly, this necessitates a close monitoring by the management of these situations and judgement, based on appropriate evaluation criteria to arrive at a fair value of carrying amounts of these assets as at balance sheet date. Against this background, this matter was of significance in the context of our audit.

### Description of Auditor response:

We have carried out a comparison between carrying value of investment as at balance sheet date and net worth as reflected by latest audited and / or management certified financials of investee companies. Wherever carrying amount of investment is more than the net-worth of investee Company we have discussed and enquired with the management the process followed by them to identify permanent diminution, if any, in the value of investment and necessary accounting treatment adopted in the books. In addition, management has provided us with the future business plans, wherever necessary and how in their business judgement such gap between investment and net-worth of the investee is either compensated with improving business conditions or valuations of such entities. Going forward our regular audit procedures are designed to keep a follow up on outcomes of these management assertions.

### Information other than the Standalone Financial Statements and Auditor's Report thereon (hereinafter referred as "other information")

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the Board's report and management discussion and analysis included in the annual report but does not include the Standalone Financial Statements and our report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance and / or conclusions thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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 Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, Company's Management and 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 management either intends to liquidate the Company or to cease

operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the audit of the Standalone Financial Statements:

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements 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 these Standalone Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the Standalone Financial Statements, 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.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's 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 Company's ability 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 Standalone Financial Statements 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.
- e) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit

## Independent Auditor's Report (Contd.)

matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act and based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;
  - e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
  - g) With respect to the other matters to be included in the auditor's report in accordance with the requirements of Section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act; and
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations as at March 31, 2025 on its financial position in its Standalone Financial Statements - Refer Note 31 to the Standalone Financial Statements.
    - ii. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
    - iv. Reporting on rule 11(e):
      - a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the

- Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement; and
- v. During the year, Company has not declared / paid any dividend hence reporting under rule 11 f is not applicable to that extent.
- vi. Based on our examination which included test checks and based on explanations and details provided to us, *except for the instance listed below*, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with:
- a. Table schema level changes carried out from the application are not tracked; and
- b. The company uses SAP application, which is operated by a third-party software service provider, for maintaining its books of account and in absence of either SOC2 report or Independent auditor's report, we are unable to comment whether audit trail feature of the said software was enabled at database and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

Additionally, except for the consequential impact of the points mentioned above, the audit trail has been preserved by the Company as per the statutory requirements for records retention.

Sharp & Tannan Associates  
Chartered Accountants  
Firm's Registration No.: 0109983W

by the hand of

CA Pramod Bhise  
Partner

Membership No.: (F) 047751  
UDIN: 25047751BMKXDL3214

Mumbai, May 27, 2025

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" Section of our report on even date)

- (i) The Company does not have any Property, Plant and Equipment (PPE) and intangible assets. Hence Clause 3(i) is not applicable to the Company.
- (ii) The Company does not have any inventory, hence reporting on paragraphs 3 (ii) of the Order is not applicable to the Company.
- (iii) In our opinion and according to the information and explanations given to us; during the year the Company has not made investments in, provided loans or advances in the nature of loans, or stood guarantee, or security to the subsidiaries, joint ventures and associates and other than subsidiaries, joint ventures and associates. Hence reporting on paragraphs 3 (iii) of the Order is not applicable to the Company. Refer Note No. 10 (b) of the financial statement related to amount of Rs. 29.28 Lakhs receivable from KMP pertaining to earlier years.
- (iv) According to the information and explanations provided to us, in respect of loans, investments, guarantees and security, the company has complied with the provisions of section 185 and section 186 of the Act. Board of Directors have passed appropriate resolutions with respect to loans given without specifying repayment schedule. As informed to us, compliance with section 185 & 186 will be met considering transactions in its entirety.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the order is not applicable.
- (vi) As per the information and explanations given to us in respect of the class of industry the company falls under, the maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, CESS and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they become payable, There are no dues of Income tax, Sales-tax, Service tax, Goods and Service tax, Customs Duty and Cess which have not been deposited as on March 31, 2025 on account of disputes except the following :

Sr.	Name of the Statute	Nature of the dues	Amount (Rs. In Lakhs)	Related F.Y. / A.Y.	Forum where dispute is pending	Remark, if any
1	Income Tax Act, 1961	Order u/s 143	0.35 **	A.Y. 17-18	CIT(A) – Vadodara	*

\*Matter covered by ITAT Judgement in Company's own case for earlier years for allowing product development expenses as revenue expense

\*\*Amount are paid by the Company

- (viii) According to the information & explanations given to us and the records examined by us, there are no such transactions which are not recorded in the books of account, which have been surrendered or disclosed as income

during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), Accordingly, reporting on paragraphs 3 (viii) of the Order is not applicable to the Company.

- (ix) According to the information and explanations given to us and the records examined by us:
- (a) the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
  - (b) the Company has not declared wilful defaulter by banks or financial institutions or other lenders. Accordingly, reporting on paragraphs 3 (ix) (b) of the Order is not applicable to the Company.
  - (c) In our opinion and according to the information and explanations given to us, the company has not raised an additional term loan or disbursed the balance sanction. Accordingly, reporting on paragraphs 3 (ix) (c) of the Order is not applicable to the Company.
  - (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
  - (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
  - (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies,
- (x) According to the information and explanations given to us and the records examined by us:
- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, money raised by way of term loan has been applied for the purposes for which they were raised. Accordingly, clause 3(x)(a) of the order is not applicable.
  - (b) According to the information and explanation provided to us, during the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) as per the provision of the act and regulation made by the securities exchange board of India. Accordingly, clause 3(x)(b) of the order is not applicable.
- (xi) According to the information and explanations given to us and the records examined by us:
- (a) Based upon the audit procedures performed by us no material fraud by the Company or any material fraud on the Company has been noticed or reported during the year.
  - (b) Based on the audit procedures performed by us there is no any report under sub-section (12) of section 143 of the companies act 2013 has been filed by the auditors in the form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

**Independent Auditor's Report (Contd.)**

- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Ind AS.
- (xiv) According to the information and explanations given to us and the records examined by us
- (a) the company has an internal audit system commensurate with the size and nature of its business.
  - (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- (xv) According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) According to the information and explanations given to us and the records examined by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, Accordingly, reporting on Para 3(xvi) (a) (b) (c) and (d) is not applicable.
- (xvii) In our opinion and according to the information and explanations given to us, the company has incurred cash losses amounting to Rs 130.11 lakhs in the current year (Previous Year Nil).
- (xviii) There has been no resignation of the statutory auditors during the year, and we have taken into consideration the issues, objections or concerns, if any, raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanation given to us and on the basis of the accounts and record examined by us, CSR provisions as per the section 135 of the act are not applicable to the Company, accordingly para 3 clause (xx) of the order are not applicable.
- (xxi) In our opinion and according to the information and explanations given to us, this report is on the standalone financials and accordingly para 3 clause (xxi) of the order is not applicable.

**Sharp & Tannan Associates**

Chartered Accountants

Firm's Registration No.: 0109983W

by the hand of

**CA Pramod Bhise**

Partner

Membership No. (F) 047751

UDIN: 25047751BMKXDL3214

Mumbai, May 27, 2025

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under the heading, "Report on other legal and regulatory requirements" of our report on even date)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) Section 143 (3) of the Companies Act, 2013 ("the Act")

#### Opinion

We have audited the internal financial controls over financial reporting of **Setco Automotive Limited** (hereinafter referred as "the Company") as of March 31, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (hereinafter referred as "the guidance note") issued by the Institute of Chartered Accountants of India (hereinafter referred as "ICAI").

#### Management's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance note and the Standards on Auditing issued by ICAI and deemed to be prescribed Under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

**Independent Auditor's Report (Contd.)**

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Sharp & Tannan Associates**

Chartered Accountants

Firm's Registration No.: 0109983W

by the hand of

**CA Pramod Bhise**

Partner

Membership No. (F) 047751

UDIN: 25047751BMKXDL3214

Mumbai, May 27, 2025



## Balance Sheet as at 31st March 2025

(Rs. In Lakhs)

Particulars	Note No.	As at 31st March 2025	As at 31st March, 2024
<b>ASSETS :</b>			
<b>1. Non-current assets</b>			
a. Property, plant and equipment		-	-
b. Capital work-in-progress		-	-
c. Right of use of assets		-	-
d. Intangible assets		-	-
e. Intangible Assets Under Development		-	-
f. Financial assets			
(i) Investments	2	12,216.95	12,223.83
(ii) Loans Receivables	3	1,729.14	2,192.66
(iii) Other financial assets	4	0.25	0.25
g. Deferred tax assets (net)	5	518.45	518.45
h. Other non-current assets		-	-
<b>Total non-current assets</b>		<b>14,464.79</b>	<b>14,935.19</b>
<b>2. Current assets</b>			
a. Inventories		-	-
b. Financial assets			
(i) Trade receivables	6	83.34	81.23
(ii) Cash and cash equivalents	7	57.62	76.87
(iii) Bank Balances Other Than (ii) Above	8	29.83	46.18
(iv) Loans	9	61.56	61.36
c. Current tax assets (net)		-	-
d. Other current assets	10	406.42	474.32
<b>Total current assets</b>		<b>638.77</b>	<b>739.96</b>
<b>Total assets</b>		<b>15,103.56</b>	<b>15,675.15</b>
<b>EQUITY AND LIABILITIES :</b>			
<b>EQUITY</b>			
Equity share capital	11	2,675.35	2,675.35
Other equity	12	4,711.33	4,841.43
<b>Total equity</b>		<b>7,386.68</b>	<b>7,516.78</b>
<b>LIABILITIES</b>			
<b>1. Non-current liabilities</b>			
a. Financial liabilities			
(i) Borrowings	13	6,955.81	6,939.58
(ii) Lease liability		-	-
(iii) Other financial liabilities	14	653.45	675.61
b. Other non current liabilities		-	-
c. Provisions		-	-
<b>Total non-current liabilities</b>		<b>7,609.26</b>	<b>7,615.19</b>
<b>2. Current Liabilities</b>			
a. Financial liabilities			
(i) Borrowings		-	-
(ii) Lease liability		-	-
(iii) Trade payables			
(a) Dues of micro, small and medium enterprises	15	2.69	4.17
(b) Dues of creditors other than micro, small and medium enterprises		32.47	440.31
(iv) Other financial liabilities	16	47.59	82.13
b. Other current liabilities	17	24.87	16.57
c. Provisions		-	-
d. Current tax liabilities (net)		-	-
<b>Total current liabilities</b>		<b>107.62</b>	<b>543.18</b>
<b>Total liabilities</b>		<b>7,716.88</b>	<b>8,158.37</b>
<b>Total equity and liabilities</b>		<b>15,103.56</b>	<b>15,675.15</b>

Notes including Material Accounting Policies are an integral part of the Financial Statements : 1 To 47

As per our report of even date attached

For and on behalf of the Board

For **Sharp & Tannan Associates**

Chartered accountants

(ICAI Firm registration No. : 109983W)

**HARISH SHETH**

[DIN: 01434459]  
Chairman & Managing Director

**UDIT SHETH**

[DIN: 00187221]  
Vice Chairman and Whole time Director

**(CA Pramod Bhise)**

Partner

Membership No. : 047751

**ANURAG JAIN**

Chief Financial Officer

**HIREN VALA**

Company Secretary

Membership No. : A42685

Place : Mumbai

Date : 27<sup>th</sup> May, 2025

Place : Mumbai

Date : 27<sup>th</sup> May, 2025

## Statement of Profit and Loss for the year ended on 31st March 2025

(Rs. In Lakhs)

Particulars	Note No.	Year ended	
		31st March 2025	31st March 2024
<b>INCOME :</b>			
I. Revenue from operations	18	114.38	115.00
II. Other income	19	158.61	56.07
<b>III. Total Income (I + II)</b>		<b>272.99</b>	<b>171.07</b>
<b>IV. EXPENSES :</b>			
Cost of materials consumed		-	-
Changes in inventories of finished goods and work-in-progress		-	-
Employee benefit expenses	20	397.37	41.29
Finance costs	21	31.29	29.00
Depreciation and amortization expenses		-	-
Other expenses	22	194.78	74.45
<b>Total expenses (IV)</b>		<b>623.44</b>	<b>144.74</b>
<b>V. Profit/(loss) before exceptional items and tax (III - IV)</b>		<b>-350.45</b>	<b>26.33</b>
<b>VI. Exceptional items</b>	23	-	6.34
<b>VII. Profit/(loss) before tax (V - VI)</b>		<b>-350.45</b>	<b>19.99</b>
<b>VIII. Tax expense/(credit)</b>			
- Current tax		-	-
- Deferred tax		-	-
<b>MAT credit entitlement</b>			
- Previous years		-	-
- Current year		-	-
Tax Refund for earlier years		220.34	-
<b>Total Tax expense</b>		<b>220.34</b>	-
<b>IX. Profit/(loss) for the year from continuing operations (VII - VIII)</b>		<b>-130.11</b>	<b>19.99</b>
<b>X. Other comprehensive income/(loss)</b>			
A. (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of gain /(loss) on defined benefit plans		-	-
(b) Gain / (loss) on FVTOCI Equity securities		-	-
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
B. (i) Items that will be reclassified to Profit or Loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Other Comprehensive Income (Net of Tax)</b>		-	-
<b>XI. Total comprehensive income for the year (IX + X)</b>		<b>-130.11</b>	<b>19.99</b>
<b>XII. Earnings/(loss) per equity share (face value of Rs. 2/- Each)</b>	24		
<b>Earnings/(loss) per equity share from continuing operations</b>			
- Basic ( In Rs. per share)		-0.10	0.01
- Diluted ( In Rs. Per share)		-0.10	0.01

Notes including Material Accounting Policies are an integral part of the Financial Statements : 1 To 47

As per our report of even date attached  
For **Sharp & Tannan Associates**  
Chartered accountants  
(ICAI Firm registration No. : 109983W)

For and on behalf of the Board

**(CA Pramod Bhise)**  
Partner  
Membership No. : 047751

**HARISH SHETH**  
[DIN: 01434459]  
Chairman & Managing Director

**UDIT SHETH**  
[DIN: 00187221]  
Vice Chairman and Whole time Director

**ANURAG JAIN**  
Chief Financial Officer

**HIREN VALA**  
Company Secretary  
Membership No. : A42685

Place : Mumbai  
Date : 27<sup>th</sup> May, 2025

Place : Mumbai  
Date : 27<sup>th</sup> May, 2025

## Cash Flow Statement for the year ended on 31st March 2025

(Rs. In lakhs)

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	-350.45	20.00
Adjustment for :		
Unrealized exchange loss/(gain)	-83.10	39.94
Write back of Financial Guarantee	-18.19	-
Impairment loss allowance on advances/receivables	-	6.34
Interest expense	31.22	28.98
Other Financial charges	0.07	0.02
Finance Income Related to Financial Guarantee Measured at Fair Value	-15.29	-7.22
<b>Operating profit / (loss) before changes in working capital</b>	<b>-435.74</b>	<b>88.05</b>
<b>Adjustments for changes in :</b>		
Trade receivables	-	-2.32
Loans and other assets	544.34	3,293.61
Other non-current and current assets	248.44	256.22
Trade payables	-409.33	-3,436.81
Other non-current and current liabilities	8.31	-15.01
<b>Change in current assets/liabilities</b>	<b>391.75</b>	<b>95.69</b>
<b>Cash generated from operations</b>	<b>-43.99</b>	<b>183.75</b>
Direct taxes (net of refund)	39.80	-257.62
<b>Net Cash flow from Operating Activities</b>	<b>-4.19</b>	<b>-73.87</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
<b>Net Cash used in Investing Activities</b>	-	-
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Term Loans	16.23	87.02
Interest expense	-31.22	-28.98
Other Financial charges	-0.07	-0.02
<b>Net Cash used in Financing Activities</b>	<b>-15.06</b>	<b>58.02</b>
<b>Opening Cash and Cash Equivalents</b>	76.87	92.72
<b>Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>-19.25</b>	<b>-15.85</b>
<b>Closing Cash and Cash Equivalents</b>	<b>57.62</b>	<b>76.87</b>

**Notes:-**

- The above Cash Flow Statement has been prepared under the "Indirect method" as set out in the Indian Accounting Standard - 7 on Statement of Cash Flows, as notified under section 133 of Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015.
- Previous year's figures have been regrouped / restated / reclassified whenever necessary.
- Purchase of Property, Plant & Equipment includes cost incurred on Capital Work-in-Progress.
- Cash and Cash Equivalents includes cash on hand, cheques on hand and readily convertible deposit accounts held with scheduled banks.

Notes including Material Accounting Policies are an integral part of the Financial Statements : 1 To 47

As per our report of even date attached

For and on behalf of the Board

For **Sharp & Tannan Associates**

Chartered accountants

(ICAI Firm registration No. : 109983W)

**HARISH SHETH**

[DIN: 01434459]

Chairman &amp; Managing Director

**UDIT SHETH**

[DIN: 00187221]

Vice Chairman and Whole time Director

**(CA Pramod Bhise)**

Partner

Membership No. : 047751

**ANURAG JAIN**

Chief Financial Officer

**HIREN VALA**

Company Secretary

Membership No. : A42685

Place : Mumbai

Date : 27<sup>th</sup> May, 2025

Place : Mumbai

Date : 27<sup>th</sup> May, 2025

## Statement of Changes in Equity for the year ended on 31st March 2025

### A. Equity share capital

Particulars	Rs. In Lakhs
<b>Balance as at April 1, 2023</b>	<b>2,675.35</b>
Changes in Equity Share Capital due to prior period errors	-
<b>Restated Balance as at April 1, 2023</b>	<b>2,675.35</b>
Changes in Equity Share Capital during the year	-
<b>Balance as at 31st March, 2024</b>	<b>2,675.35</b>
<b>Balance as at April 1, 2024</b>	<b>2,675.35</b>
Changes in Equity Share Capital due to prior period errors	-
<b>Restated Balance as at April 1, 2024</b>	<b>2,675.35</b>
Changes in Equity Share Capital during the year	-
<b>Balance as at 31st March, 2025</b>	<b>2,675.35</b>



## Statement of Changes in Equity for the year ended on 31st March 2025

### B. Other Equity

Particulars	(Rs. In Lakhs)							Share option outstanding amount	Other Items of Other Comprehensive Income - Equity Instruments at FVOCI	Total
	Capital Reserve	Reserves and Surplus General Reserve	Security Premium	Retained Earnings	Share option outstanding amount	Other Items of Other Comprehensive Income - Equity Instruments at FVOCI	Total			
<b>Balance as at 1st April, 2023</b>	13,224.31	1,948.62	239.29	-10,590.79	-	-	-	-	<b>4,821.44</b>	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	
Restated Balance as at 1st April, 2023	13,224.31	1,948.62	239.29	-10,590.79	-	-	-	-	4,821.44	
Employee stock option cancelled during the year	-	-	-	-	-	-	-	-	-	
Dividends	-	-	-	-	-	-	-	-	-	
Profit for the year	-	-	-	19.99	-	-	-	-	19.99	
Other Comprehensive Income (net of tax)	-	-	-	-	-	-	-	-	-	
<b>Total comprehensive income for the year ended 31st March, 2024</b>	-	-	-	<b>19.99</b>	-	-	-	-	<b>19.99</b>	
<b>Balance as at 31st March, 2024</b>	<b>13,224.31</b>	<b>1,948.62</b>	<b>239.29</b>	<b>-10,570.80</b>	-	-	-	-	<b>4,841.43</b>	
<b>Balance as at 1st April, 2024</b>	<b>13,224.31</b>	<b>1,948.62</b>	<b>239.29</b>	<b>-10,570.80</b>	-	-	-	-	<b>4,841.43</b>	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	
Restated Balance as at 1st April, 2024	13,224.31	1,948.62	239.29	-10,570.80	-	-	-	-	4,841.43	
Employee stock option granted during the year	-	-	-	-	-	-	-	-	-	
Dividends	-	-	-	-	-	-	-	-	-	
Profit for the year	-	-	-	-130.11	-	-	-	-	-130.11	
Other Comprehensive Income (net of tax)	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the year ended 31st March, 2025	-	-	-	-130.11	-	-	-	-	-130.11	
<b>Balance as at 31st March, 2025</b>	<b>13,224.31</b>	<b>1,948.62</b>	<b>239.29</b>	<b>-10,700.91</b>	-	-	-	-	<b>4,711.32</b>	

Notes including Material Accounting Policies are an integral part of the Financial Statements : 1 To 47

As per our report of even date attached  
For **Sharp & Tannan Associates**  
Chartered accountants  
(ICAI Firm registration No. : 109983W)

For and on behalf of the Board

**HARISH SHETH**  
[DIN: 01434459]  
Chairman & Managing Director

**UDIT SHETH**  
[DIN: 00187221]  
Vice Chairman and Whole time Director

**(CA Pramod Bhise)**  
Partner  
Membership No. : 047751

**ANURAG JAIN**  
Chief Financial Officer

**HIREN VALA**  
Company Secretary  
Membership No. : A42685

Place : Mumbai  
Date : 27<sup>th</sup> May, 2025

Place : Mumbai  
Date : 27<sup>th</sup> May, 2025

# Notes Forming Part of the Standalone Financial Statements for the Year Ended 31<sup>st</sup> March 2025

## General Information

Setco Automotive Limited (The “Company”) is a public limited Company incorporated in India with its registered office at Kalol, India. The Company is listed on Bombay Stock Exchange Limited, Mumbai and National Stock Exchange of India Limited, Mumbai.

### 1. Material Accounting Policies

#### 1.1 Basis of Preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the “Act”) [Companies (Indian Accounting Standards) Rules, 2015] (as amended) and other relevant provisions of the Act.

The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except for the following:

- ♦ certain financial assets and liabilities that are measured at fair value;
- ♦ defined benefit plans where plan assets are measured at fair value; and

Estimates and assumptions used in the preparation of the financial statements and disclosures are based upon management’s evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date. The critical estimates and judgments are presented in detail in Material Accounting Policy no. 1.15.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle. An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As set out in the Schedule III to the Companies Act, 2013, since normal operating cycle cannot be identified for the Company and hence it is assumed to have duration of twelve months.

#### Functional and presentation currency

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company’s functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs with two decimals.

#### 1.2 Business Combination:

In accordance with IND AS 103, Business combinations involving entities or business under common control shall be accounted for using the pooling of interest method whereby the assets and liabilities of the transferred entity is accounted at their carrying amounts in the transferee books.

The difference if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately from other capital reserves. Transaction cost are expensed as incurred.

#### 1.3 Revenue Recognition

##### (1) Sale of Goods:

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the probable consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, and it is adjusted for volume

discounts, cash discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, based on which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for. Contract costs are expensed of as and when incurred.

#### **Use of significant judgments and estimates in revenue recognition**

- Contracts with customers could include promise to transfer multiple products and services to a customer. The company assesses a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- The company needs to decide transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, cash discounts, price concessions and incentives. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The company exercises judgment in determining whether the performance obligation is satisfied. The Company considers indicators such as how the customers consume the benefit or who controls the asset, transfer of significant risk and rewards to the customers, acceptance of delivery by the customer, specific bill and hold instructions from customers, etc.

#### **(2) Other Operating Revenue:**

Other operating revenue comprises of income from activities incidental to the operations of the company and is recognised when the right to receive the income is established and there exists no uncertainty of its ultimate realization or collection.

- (3)** Other Income is accounted on accrual basis except when the realization of such income is uncertain. Interest income on financial asset is recognized using the effective interest rate method. Dividend income is accounted when right to receive the same is established.

### **1.4 Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### **Classification of Financial Assets**

The financial assets are initially measured at fair value along with transaction cost.

#### **After initial recognition**

- i. Financial assets (other than Investments) are subsequently measured at amortised cost using the effective interest method.

Effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost:

- ♦ the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows;
- ♦ the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments on principal and interest on the principal amount outstanding.

Interest Income and Impairment loss on such debt instruments is recognised in statement of profit or loss.

The Company has not designated any debt instruments as fair value through other comprehensive income.

I. Investments in equity instruments of subsidiaries:

The Company measures its investments in equity instruments of subsidiaries at cost in accordance with Ind AS 27.

II. Investment in Equity instruments of Related Entity:

The company has designated its investments in Equity Shares of one of its related entity at fair value through OCI. Such financial assets are measured at fair value at the end of each reporting period, with gains or losses arising on re-measurement recognised in OCI which are not subsequently reclassified to P & L and are reported in Other Equity.

III. Investment in Preferential instruments of Related Entity:

At initial recognition, the company measures its investments in preference shares at fair value and on re-measurement it is carried out at amortised cost. Gains or losses arising on re-measurement are recognized in P & L.

IV. Other Financial assets which are not carried at amortised cost or FVTOCI are measured at fair value through P & L.

Such financial assets are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss.

### Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Company applies the expected credit loss model for recognising impairment loss on financial assets (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the Company expects to receive).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Losses (ECLs) at each reporting date, right from its initial recognition.

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Expected Credit Losses / impairment loss allowance (or reversal) recognized during the period is recognized as expense / income in the statement of profit and loss.

#### De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

#### Financial liabilities and equity instruments

##### Classification as debt or equity

Equity instruments issued by the Company is classified as equity in accordance with the substance of the contractual arrangements and the definitions of an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

##### Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance Costs".

##### Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and are subsequently measured (if not designated as at Fair value though profit or loss) at the higher of:

- ♦ the amount of impairment loss allowance determined in accordance with requirements of Ind AS 109; and
- ♦ the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

##### De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether

or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

## 1.5 Foreign Currency Transactions

Transactions in foreign currency in respect of exports are recorded at exchange rates as notified by the concerned authorities at regular intervals. Transactions in foreign currency in respect of other items are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are restated at year end exchange rates. Non-monetary items (Investments) denominated in foreign currency are stated using the exchange rate on the date of transaction. Exchange differences arising on settlement of transactions and on restatement of monetary items are recognized as income or expense in the year in which they arise, except in respect of the foreign borrowing liabilities, if any for acquisition of fixed assets, where such exchange difference is adjusted in the carrying cost of fixed assets.

## 1.6 Taxes on Income

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income. In which case, the tax is also recognised in Other Comprehensive Income.

### A. Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

### B. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance

Sheet when it is probable that future economic benefit associated with it will flow to the Company.

## 1.7 Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## 1.8 Provisions, Contingent Liabilities and Contingent Assets

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS-37 "Provisions, Contingent Liabilities and Contingent Assets".

### A. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

### B. Contingent Liabilities

The Contingent Liabilities are disclosed by way of a note to the Financial Statements, after careful evaluation by the management of the facts and legal aspects of the matter involved.

Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

### C. Contingent Assets

A Contingent Asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset, if any is not recognised but disclosed where an inflow of economic benefit is probable.

## 1.9 Selling/Marketing Expenses

- a) Commission, Discount and other expenses payable on sales are recognized on determination of amount payable in accordance with arrangement/contracts with the parties.

## 1.10 Employee Benefits

### A. Short Term Employee Benefits

Short Term Employee benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit & Loss of year in which the related services are rendered.

**B. Defined Contribution Plans**

Provident Fund & ESIC are defined contribution schemes established under a State Plan. The contributions to the schemes are charged to the Statement of Profit & Loss in the year of incurrence.

**C. Defined Benefits Plans**

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post-employment at 15 days' salary (last drawn salary) for each completed year of services as per the rules of the company. The aforesaid liability is provided for on the basis of an actuarial valuation made using Projected Unit Credit Method at the end of financial year. The scheme is funded with an insurance company in the form of a qualifying insurance policy. Remeasurement gains/losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income. These gains/ losses which are recognised in Other Comprehensive Income are reflected in retained earnings and are not reclassified to profit or loss.

**D. Compensated Absences**

Employees are entitled to accumulate leave subject to certain limits for future encashment. The liability in respect of compensated absences is provided for on the basis of actuarial valuation made at the end of the financial year using Projected Unit Credit Method. The said liability is not funded.

**1.11 Dividends**

Provision is made for the amount of any final dividend declared in the accounts on the date of its approval by the shareholders and no longer at the discretion of the board. Interim dividends, if any are recorded as a liability on the date of declaration by the company's board of directors.

**1.12 Earnings Per Share**

The Earnings considered for ascertaining the Company's Earnings Per Share (EPS) comprises the Net Profit / Loss after Tax. The Number of Shares used in computing Basic EPS is the Weighted Average Number of Shares outstanding during the year. The number of shares used in computing diluted EPS comprises weighted average number of shares considered for deriving basis EPS, and also the weighted average number of equity shares that would be issued on the conversion of all dilutive potential equity shares. In case of dilutive potential equity shares, the difference between the number of shares issuable and number of shares that would have been issued at fair value are treated as diluted potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

**1.13 Share-based payment arrangements**

Equity-settled share-based payments to employees (employee stock option plan) are measured by reference to the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity at the end of the year. At the end of each year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options outstanding account.

**1.14 Exceptional items**

When an item of income or expense within Statement of profit and loss from ordinary activity is of such size, nature or incidence that its disclosure is relevant to explain more meaningfully the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

### 1.15 Summary Critical Estimates & Judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgment in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included below.

#### A. Deferred taxes

The company recognises that net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the company to make significant estimates related to expectations of future taxable income, which may have a scope of causing a material adjustment to the carrying amounts of assets and liabilities.

#### B. Contingent liabilities

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, the Company treats them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome, the Company does not expect them to have a materially adverse impact on our financial position or profitability.

#### C. Fair Value Measurements and Valuation Processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements. In estimating the fair value of an asset or a liability, the Company used market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engaged third party qualified valuers to perform the valuations in order to determine the fair values based on the appropriate valuation techniques and inputs to fair value measurements. Fair Value of Financial Guarantees extended by the Company to secure credit facilities availed by the Company's subsidiaries from bank, has been determined based on estimated amount that would be payable to a third party for assuming the obligations.

Notes Forming Part of the Standalone Financial Statements for the Year Ended 31st March 2025

(Rs. In Lakhs)

2 Non-current investment		As at	As at
Particulars	Refer Note No.	31st March 2025	31st March, 2024
<b>i) Investment in Subsidiary Companies (At Deemed Cost) :</b>			
20,94,269 (20,94,269) Equity Shares of £ 1 each fully paid up of wholly owned ultimate foreign subsidiary - Setco Automotive UK Limited (UK)		1,691.84	1,691.84
Less : Impairment in Value of Investments		1,269.06	1,269.06
		<b>422.78</b>	<b>422.78</b>
1,28,778 (1,28,778) Equity shares of MUR 100 each fully paid up of wholly owned foreign subsidiary - WEW Holdings Limited (Mauritius)		190.81	190.81
Less : Impairment in Value of Investments	(b)	143.10	143.10
		<b>47.71</b>	<b>47.71</b>
2,15,014 (2,15,014) 0% redeemable preference shares of MUR 100 each fully paid up of wholly owned foreign subsidiary - WEW Holdings Limited (Mauritius)		316.79	316.79
Less : Impairment in Value of Investments	(b)	237.59	237.59
		<b>79.20</b>	<b>79.20</b>
11,70,90,000 (11,70,90,000) Equity share of Rs. 10/- each fully paid up of subsidiary - Lava Cast Private Limited		11,709.00	11,709.00
Less : Impairment in Value of Investments		8,289.97	8,289.97
		<b>3,419.03</b>	<b>3,419.03</b>
Deemed Investment in Equity - Fair Value of Financial Guarantees extended to Lava Cast Private Limited		1,156.69	1,163.57
100 (100) Equity shares of AED 1000 each fully paid up of wholly owned foreign subsidiary - Setco MEA DMCC (Dubai)	(c)	17.75	17.75
7,10,000 (7,10,000) equity share of Rs. 10/- each fully paid up of subsidiary - Setco Auto Systems Private Limited (SASPL)	(d)	71.00	71.00
<b>Sub total (i)</b>		<b>5,214.16</b>	<b>5,221.04</b>
<b>ii) Investment in other related entities (At Amortised Cost) :</b>			
8,19,65,000 (8,19,65,000) 9% Non Convertible Cumulative Compulsorily Redeemable Preference Share of Rs. 10/- each fully paid of Setco Engineering Private Limited		8,196.50	8,196.50
Less : Impairment in Value of Investments		1,193.71	1,193.71
<b>Sub total (ii)</b>		<b>7,002.79</b>	<b>7,002.79</b>
<b>iv) Non trade investment (unquoted) (at Deemed cost) :</b>			
10 (10) Equity shares of Rs. 25/- each of Kalol Urban Co.op.Bank Limited Rs. 250/- (Rs. 250/-)		-	-
<b>Sub total (iii)</b>		-	-
<b>Total (non-current investments)</b>		<b>12,216.95</b>	<b>12,223.83</b>

- (a) Investments in other related entities, Subsidiaries/Joint Venture have been made in terms of investment limits approved by Board of Directors of the company from time to time.
- (b) This investment in 0% Redeemable Preference Shares is, in substance investment in Equity instruments based on terms of the said instruments and hence treated accordingly at Deemed Cost.
- (c) Pending compliance of bank condition, company could not remit amount towards share capital 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. However, due to the pending compliance procedures of DMCC, the Subsidiary could not be wound up. The matter will be handled afresh as per new guidelines to be complied.
- (d) Nominee shareholders are Harish Sheth & Sneha Sheth - 70 Shares, Udit Sheth - 10 Shares, Sneha Sheth - 10 Shares, and Neethu Sheth - 10 Shares.

**3 Loans Receivables** (Rs. In Lakhs)

Particulars	As at	As at
	31st March 2025	31st March, 2024
<b>Considered good, Unsecured</b>		
Setco Automotive (UK) Ltd.	2,619.95	3,083.47
Less : Impairment Loss Allowance	890.81	890.81
<b>Total</b>	<b>1,729.14</b>	<b>2,192.66</b>

Company has not charged interest to its Subsidiary

**4 Others Financial Assets** (Rs. In Lakhs)

Particulars	As at	As at
	31st March 2025	31st March, 2024
<b>Considered good, Unsecured</b>		
Other deposits	0.25	0.25
<b>Total</b>	<b>0.25</b>	<b>0.25</b>

**5 Deferred Tax Assets (Net)** (Rs. In Lakhs)

Particulars	As at	As at
	31st March 2025	31st March, 2024
<b>Deferred tax liabilities:</b>		
Timing Differences related to Property, Plant & Equipment and Intangible Assets	-	-
<b>Deferred Tax Assets:</b>		
Timing differences related to Expenses	-	-
MAT credit entitlement	518.45	518.45
Deferred Tax Assets (Liability)	-	-
MAT Credit utilization	-	-
Net Deferred Tax Assets	518.45	518.45
<b>Total provision made in Statement of Profit and Loss</b>	<b>-</b>	<b>-</b>

**6 Trade Receivables (Unsecured)** (Rs. In Lakhs)

Particulars	As at	As at
	31st March 2025	31st March, 2024
<b>Undisputed, Considered good, Secured</b>		
Related parties	83.34	81.23
Others	-	-
	<b>83.34</b>	<b>81.23</b>
<b>Undisputed, Considered doubtful, Secured</b>		
Related parties	-	-
Others	-	-
	-	-
Less : Allowance for Credit Loss	-	-
	-	-
<b>Total</b>	<b>83.34</b>	<b>81.23</b>

**Movement in Allowance for Credit Loss is as follows :**

Particulars	As at	As at
	31st March 2025	31st March, 2024
Opening	-	-
Add : Additions	-	-
Less: Utilisations / Reversals	-	-
Closing	-	-

Notes Forming Part of the Standalone Financial Statements for the Year Ended 31st March 2025

**Trade Receivables ageing as at 31st March, 2025 :**

(Rs. In Lakhs)

Particulars	Not Due	Outstanding from due date of payment					Total
		Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Receivables</b>							
Considered good					-	83.34	83.34
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
<b>Disputed Trade Receivables</b>							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	<b>83.34</b>	<b>83.34</b>
Less : Allowance for credit impaired balances							
<b>Total</b>	-	-	-	-	-	<b>83.34</b>	<b>83.34</b>

**Trade Receivables ageing as at 31st March, 2024 :**

(Rs. In Lakhs)

Particulars	Not Due	Outstanding from due date of payment					Total
		Upto 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Receivables</b>							
Considered good						81.23	81.23
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
<b>Disputed Trade Receivables</b>							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	<b>81.23</b>	<b>81.23</b>
Less : Allowance for credit impaired balances							
<b>Total</b>	-	-	-	-	-	<b>81.23</b>	<b>81.23</b>

- An amount of Rs. 83.34 lakhs (Rs.81.23 lakhs) against export receivables as on 31st March 2025, beyond the timelines stipulated under the Foreign Exchange Management Act, 1999. The management of the Company has submitted necessary applications 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.

**7 Cash and Cash Equivalents** (Rs. In Lakhs)

Particulars	As at	As at
	31st March 2025	31st March, 2024
Cash balance	7.40	2.00
Bank balances	26.60	55.07
Fixed Deposit Account (Lien-marked on Margin Account)	-	19.80
Fixed Deposit Account	23.62	-
<b>Total</b>	<b>57.62</b>	<b>76.87</b>

**8 Bank Balances Other Than Cash and Cash Equivalents Above** (Rs. In Lakhs)

Particulars	As at	As at
	31st March 2025	31st March, 2024
Other bank balance		
Unclaimed dividends	29.83	46.18
<b>Total</b>	<b>29.83</b>	<b>46.18</b>

**9 Loans Receivables** (Rs. In Lakhs)

Particulars	As at	As at
	31st March 2025	31st March, 2024
<b>Considered good, Unsecured</b>		
Loans to subsidiary companies		
Setco MEA Limited, UAE	61.56	61.36
<b>Total</b>	<b>61.56</b>	<b>61.36</b>

- Company has not charged interest from its Subsidiary.

**10 Other Current Assets** (Rs. In Lakhs)

Particulars	Refer Note No.	As at	As at
		31st March 2025	31st March, 2024
<b>Advances to related parties</b>			
<b>Pre-payments</b>			
Prepaid expenses		2.79	2.86
Advances to suppliers		1.27	0.03
<b>Sub total</b>		<b>4.06</b>	<b>2.89</b>
<b>Balance with Statutory / Government Authorities</b>			
Balance with Income Tax	31(B)	-	143.03
Appeal fees paid to GST	31(B)(iii)	10.43	-
Statutory dues receivable - Income Tax		323.57	257.62
GST/VAT refund receivables		453.17	455.59
Less : Impairment Loss Allowance	(a)	414.09	414.09
<b>Sub total</b>		<b>373.08</b>	<b>442.15</b>
Other Loans And Advances			
Employees advances [ Refer Note No. (b)]		29.28	29.28
<b>Total</b>		<b>406.42</b>	<b>474.32</b>

(a) Recognition of income of refund of IGST/CGST, share of state of uttrakhand pending notification by state government. In the absence of any notification on the matter, the company had provided impairment of 100% of amount receivable.

Notes Forming Part of the Standalone Financial Statements for the Year Ended 31st March 2025

- (b) The Company reviewed the balance earlier disclosed under “Employee Advances” as receivable from the CMD for FY 2021-22 and determined that it represents unutilised TDS payment available on the TRACES portal. The Company is in the process of claiming the refund of this amount.

**11 Equity**

(Rs. In Lakhs)

Particulars	As at	
	31st March 2025	31st March, 2024
<b>(i) Authorised capital</b>		
25,00,00,000 (25,00,00,000) Equity Shares of Rs. 2/- each	5,000.00	5,000.00
<b>Total</b>	<b>5,000.00</b>	<b>5,000.00</b>
<b>Issued, subscribed and fully paid up share capital</b>		
13,37,67,275 (13,37,67,275) Equity Shares of Rs. 2/- each	2,675.35	2,675.35
<b>Total</b>	<b>2,675.35</b>	<b>2,675.35</b>

- (a) Pursuant to the approval of members in the Annual General Meeting held on 28th September, 2015 the equity shares of face value of Rs. 10/- each have been subdivided into equity shares of face value of Rs. 2/- each with effect from 17th December, 2015. As a result, the number of equity shares has increased from 2,67,19,335 to 13,35,96,675 shares.
- (b) The company has only one class of equity shares having a par value of Rs. 2 per share. Each shareholder of equity share is entitled to one vote per share.
- (c) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**(ii) Movement of number of shares and share capital**

Particulars	As at 31st March 2025		As at 31st March, 2024	
	Number	(Rs. In Lakhs)	Number	(Rs. In Lakhs)
<b>Equity shares</b>				
As at the beginning of the year	13,37,67,275	2,675.35	13,37,67,275	2,675.35
Add : Shares issued on exercise of employee stock options	-	-	-	-
	13,37,67,275	2,675.35	13,37,67,275	2,675.35
Less : Changes, if any during the year	-	-	-	-
Outstanding at the end of the year	13,37,67,275	2,675.35	13,37,67,275	2,675.35

**(iii) Details of shareholders holding more than 5% shares in the company**

Name of Shareholders	As at 31st March 2025		As at 31st March, 2024	
	Number	% Holding	Number	% Holding
Equity shares of Rs. 2/- each fully paid				
Setco Engineering Private Limited	6,40,63,845	47.89	6,40,63,845	47.89

(iv) Disclosure of Shareholding of Promoters

Promoter Name	As at 31st March 2025		As at 31st March, 2024		% change during the year
	Number	% Holding	Number	% Holding	
<b>Equity shares of Rs. 2/- each fully paid</b>					
Setco Engineering Private Limited	6,40,63,845	47.89	6,40,63,845	47.89	-
Transstadia Enterprises Private Limited	16,50,000	1.23	16,50,000	1.23	-
Urja Harshal Shah	42,84,725	3.20	42,84,725	3.20	-
Sneha Harish Sheth	35,37,400	2.64	35,37,400	2.64	-
Harish Kiritbhai Sheth	28,97,575	2.17	28,97,575	2.17	-
Udit Harish Sheth	27,62,863	2.07	27,62,863	2.07	-
Harish Kiritbhai Sheth - HUF	61,080	0.05	61,080	0.05	-
<b>Total</b>	<b>7,92,57,488</b>	<b>59.25</b>	<b>7,92,57,488</b>	<b>59.25</b>	<b>-</b>

Promoter Name	As at 31st March, 2024		As at 31st March, 2023		% change during the year
	Number	% Holding	Number	% Holding	
<b>Equity shares of Rs. 2/- each fully paid</b>					
Setco Engineering Private Limited	6,40,63,845	47.89	6,40,63,845	47.89	-
Transstadia Capital Private Limited	16,50,000	1.23	16,50,000	1.23	-
Urja Harshal Shah	42,84,725	3.20	42,84,725	3.20	-
Sneha Harish Sheth	35,37,400	2.64	35,37,400	2.64	-
Harish Kiritbhai Sheth	28,97,575	2.17	28,97,575	2.17	-
Udit Harish Sheth	27,62,863	2.07	27,62,863	2.07	-
Harish Kiritbhai Sheth - HUF	61,080	0.05	61,080	0.05	-
<b>Total</b>	<b>7,92,57,488</b>	<b>59.25</b>	<b>7,92,57,488</b>	<b>59.25</b>	<b>-</b>

Notes Forming Part of the Standalone Financial Statements for the Year Ended 31st March 2025

**12 Other Equity**

(Rs. In Lakhs)

Particulars	As at 31st March 2025	As at 31st March, 2024
<b>(i) Capital Reserve (Opening &amp; Closing Balance)</b>		
a) On forfeiture of Shares	0.21	0.21
b) Gain on Sale of Clutch Business	13,224.10	13,224.10
<b>Total</b>	<b>13,224.31</b>	<b>13,224.31</b>
<b>(ii) Securities Premium</b>		
As per Last Balance Sheet	239.29	239.29
<b>Total</b>	<b>239.29</b>	<b>239.29</b>
<b>(iii) General Reserve</b>		
As per Last Balance Sheet	1,948.62	1,948.62
<b>Total</b>	<b>1,948.62</b>	<b>1,948.62</b>
<b>(iv) Retained Earnings</b>		
As per Last Balance Sheet	-10,570.78	-10,590.78
Add : Profit for the year	-130.11	19.99
<b>Total</b>	<b>-10,700.89</b>	<b>-10,570.79</b>
<b>Total (i to iv)</b>	<b>4,711.33</b>	<b>4,841.43</b>

**13 Borrowings**

(Rs. In Lakhs)

Particulars	As at 31st March 2025	As at 31st March, 2024
<b>Other loans</b>		
From Related Party		
Unsecured	6,955.81	6,939.58
<b>Total</b>	<b>6,955.81</b>	<b>6,939.58</b>
<b>The above amount includes</b>		
Secured borrowings	-	-
Unsecured borrowings	6,955.81	6,939.58

- The Company has not provided Interest on the Unsecured Loan from Setco Auto Systems Pvt. Ltd. (SASPL), (Subsidiary Company) as the same is repayable as per mutually agreed terms/period and no interest is accordingly accrued on such liability.

**14 Other financial liabilities**

(Rs. In Lakhs)

Particulars	As at 31st March 2025	As at 31st March, 2024
Financial Guarantee Contracts - LCPL	653.45	675.61
<b>Total</b>	<b>653.45</b>	<b>675.61</b>

**15 Trade payables**

(Rs. In Lakhs)

Particulars	As at	As at
	31st March 2025	31st March, 2024
<b>Undisputed</b>		
Dues of Micro, small and medium enterprises	2.69	4.17
Dues other than of Micro, small and medium enterprises	32.47	440.31
<b>Total</b>	<b>35.16</b>	<b>444.48</b>

This information as required to be disclosed under Micro Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

**Information in terms of Section 22 of Micro, Small and Medium enterprises Development Act, 2006 are given below :**

(Rs. In Lakhs)

Particulars	As at	As at
	31st March 2025	31st March, 2024
Principal amount remaining unpaid to any supplier at the end of each accounting year	2.69	4.17
Interest accrued & remaining unpaid	-	0.09

**Trade Payables ageing as at 31st March, 2025 :**

(Rs. In Lakhs)

Particulars	Not Due	Outstanding from the due date of payment				Total
		Upto 1 year	1-2 years	2-3 years	More than 3 years	
<b>Outstanding dues of Micro, small and medium enterprises</b>						
Disputed dues						-
Undisputed dues	2.69					2.69
<b>Total</b>	<b>2.69</b>	-	-	-	-	<b>2.69</b>
<b>Outstanding dues other than of Micro, small and medium enterprises</b>						
Disputed dues						-
Undisputed dues	24.80	2.58	5.09	-	-	32.47
<b>Total</b>	<b>24.80</b>	<b>2.58</b>	<b>5.09</b>	-	-	<b>32.47</b>
<b>Balance as at 31st March, 2025</b>	<b>27.49</b>	<b>2.58</b>	<b>5.09</b>	-	-	<b>35.16</b>

**Trade Payables ageing as at 31st March, 2024 :**

(Rs. In Lakhs)

Particulars	Not Due	Outstanding from the due date of payment				Total
		Upto 1 year	1-2 years	2-3 years	More than 3 years	
<b>Outstanding dues of Micro, small and medium enterprises</b>						
Disputed dues	-	-	-	-	-	-
Undisputed dues	1.68	2.49	-	-	-	4.17
<b>Total</b>	<b>1.68</b>	<b>2.49</b>	-	-	-	<b>4.17</b>
<b>Outstanding dues other than of Micro, small and medium enterprises</b>						
Disputed dues	-	-	-	-	-	-
Undisputed dues	5.56	0.05	434.70	-	-	440.31
<b>Total</b>	<b>5.56</b>	<b>0.05</b>	<b>434.70</b>	-	-	<b>440.31</b>
<b>Balance as at 31st March, 2024</b>	<b>7.24</b>	<b>2.54</b>	<b>434.70</b>	-	-	<b>444.48</b>

Notes Forming Part of the Standalone Financial Statements for the Year Ended 31st March 2025

**16 Other financial liabilities**

(Rs. In Lakhs)

Particulars	Refer Note No.	As at 31st March 2025	As at 31st March, 2024
Unpaid/unclaimed dividend	(a)	29.83	46.18
Other Payable		17.76	17.76
Financial Guarantee Contracts - SANAI		-	18.19
<b>Total</b>		<b>47.59</b>	<b>82.13</b>

(a) There are no amounts due for payment to the Investor Education and Protection Fund u/s. 125 of Companies Act, 2013 at the year end.

**17 Other current liabilities**

(Rs. In Lakhs)

Particulars	As at 31st March 2025	As at 31st March, 2024
Payable towards statutory liabilities	24.87	16.57
<b>Total</b>	<b>24.87</b>	<b>16.57</b>

**18 Revenue from operations**

(Rs. In Lakhs)

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
(i) Sales of products	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
(ii) Other Operating Revenue		
Management Service Fees	114.38	115.00
<b>Total</b>	<b>114.38</b>	<b>115.00</b>
<b>Total (i) + (ii)</b>	<b>114.38</b>	<b>115.00</b>

**19 Other Income**

(Rs. In Lakhs)

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
<b>Interest Income from</b>		
Others	85.37	1.07
<b>Other non-operating income</b>		
Finance Income - Financial Guarantee	15.29	7.22
Foreign Exchange Fluctuation Gain (Net)	57.85	46.68
Others	0.10	1.10
<b>Total</b>	<b>158.61</b>	<b>56.07</b>

**20 Employee Benefit Expenses**

(Rs. In Lakhs)

Particulars	Refer Note No.	Year ended 31st March 2025	Year ended 31st March 2024
Salaries, wages and bonus	(a)	397.35	40.00
Contribution to employees welfare funds		0.02	1.29
<b>Total</b>		<b>397.37</b>	<b>41.29</b>

(a) Ex-gratia payment to Chairman of Rs. 393.39 lakhs (Rs. 40.00 lakhs).

**21 Finance Cost**

(Rs. In Lakhs)

Particulars	Year ended	Year ended
	31st March 2025	31st March 2024
Interest expense	31.22	28.98
Other financial charges	0.07	0.02
<b>Total</b>	<b>31.29</b>	<b>29.00</b>

**22 Other Expenses**

(Rs. In Lakhs)

Particulars	Year ended	Year ended
	31st March 2025	31st March 2024
Computer expenses	0.02	-
Insurance	10.06	7.26
Travelling expenses	0.35	-0.86
Legal and professional charges	74.15	41.84
Statutory auditors' remuneration	6.00	10.00
Printing and stationary	2.24	0.14
Communication expenses	0.21	-
Books, subscription and membership	0.59	-
Directors' sitting fees	16.25	14.10
Donation	5.00	-
General expenses	69.35	1.77
Marketing and sales promotion	1.56	0.20
Discount, commission and other expenses on sales	9.00	-
<b>Total</b>	<b>194.78</b>	<b>74.45</b>

**23 Exceptional Items**

(Rs. In Lakhs)

Particulars	Year ended	Year ended
	31st March 2025	31st March 2024
Provision for expected losses	-	6.34
<b>Total</b>	<b>-</b>	<b>6.34</b>

- Impairment provision provided for old VAT Receivables.

**24 EARNING/(LOSS) PER SHARE (EPS)**

Particulars	2024-2025	2023-2024
Profit available to Equity Shareholders after tax (Rs. In Lakhs)	-130.11	19.99
Weighted average number of equity shares of Rs. 2/- each		
Basic - No. of Shares	13,37,67,275	13,37,67,275
Diluted - No. of Shares	13,37,67,275	13,37,67,275
Earnings per share in Rs. :		
Basic in Rs.	-0.10	0.01
Diluted in Rs.	-0.10	0.01

## 25 Related Party Disclosures as per Indian Accounting Standard - 24 "RELATED PARTY DISCLOSURES"

### A. Names of Related Parties and Nature of Relationship :

S r . No.	Name of the Related Party	Relationship
1	Setco Automotive (UK) Limited UK	Wholly Owned Ultimate Foreign Subsidiary Companies
2	Setco Automotive N.A. Inc. (USA)	
3	WEW Holdings Limited, Mauritius	Wholly Owned Foreign Subsidiary Companies
4	Setco MEA DMCC, UAE	
5	Setco Auto Systems Private Limited	Indian Subsidiary Company
6	Lava Cast Private Limited	Indian Subsidiary Company
7	<b>Key Managerial Personnel *</b>	
	Mr. Harish Sheth	Chairman and Managing Director
	Mr. Udit Sheth	Vice Chairman and Whole time Director
	Mrs. Urja Shah	Whole time Director
	Dr. Arun Arora	Independent Director (Resigned on 30.09.2024)
	Mr. Ashok Jha	Independent Director (Resigned on 30.09.2024)
	Mrs. Suhasini Sathe	Independent Director (Resigned on 30.09.2024)
	Mr. Vijay Kalra	Independent Director (Appointed on 11.11.2024)
	Mr. Suresh Shanbhogue	Independent Director (Appointed on 11.11.2024)
	Mr. Alok Shyamkrishna Parashar	Independent Director (Appointed on 31.01.2025)
	Mr. Shrinivasan Sivasubrahmanyam	Chief Financial Officer (upto 31.08.2023)
	Mr. Kuldeep Singh	Chief Financial Officer (Resigned on 18.04.2025)
	Mr. Hiren Vala	Company Secretary
8	Setco Engineering Private Limited	Enterprises over which key managerial personnel are able to exercise significant influence
9	Setco Holdings Private Limited	
10	SE Transstadia Private Limited	
11	Transstadia Holdings Private Limited	
12	Transstadia Technologies Private Limited	
13	Transstadia Enterprises Private Limited	
14	Transstadia Boxing India Private Limited	
15	Pahadi Goodness Private Limited	
16	Transstadia Education and Research Foundation	
17	Transstadia Institute & Research Council	
18	SMERII Diving Foundation	
19	Hrehan Venture Advisors Pvt. Ltd.	
20	Wingspun Funds Advisors LLP	
21	Sportscom Industry Confederation	
22	YSL Yogasana Development Private Limited	
23	Autofridge India Private Limited	
24	Metal Care Alloys Limited	
25	Norspin International Limited	
26	Info Corporation of Goa Limited	
27	Avasara Leadership Institute	
28	Urdit Exports (Proprietary concern)	
29	Western Engineering Works (Partnership)	
30	Harish K. Sheth (HUF)	
31	Setco Foundation (Trust)	
32	Mrs. Sneha Sheth	Relatives of Key Managerial Personnel
33	Mr. Harshal Shah	

\* The Company has designated Managing Director, Chief Financial Officer, Company Secretary and Chief Executive Officer as key managerial personnel for the purposes of Section 203 of Companies Act, 2013.

**B. Transactions with Related Parties :**

(Rs. In Lakhs)

Sr. No.	Nature of transaction	2024-2025	2023-2024
<b>A)</b>	<b>Transactions with wholly owned ultimate foreign subsidiaries :</b>		
	<b>Outstanding at year end :</b>		
	<b>Investment</b>		
	- Setco Automotive (UK) Limited	1,691.84	1,691.84
	- WEW Holding Limited	507.60	507.60
	- Setco MEA DMCC	17.75	17.75
	<b>Financial Guarantees Liabilities</b>		
	- Setco Automotive (NA), INC.	-	18.19
	<b>Loans and advances</b>		
	- Setco Automotive (UK) Limited	2,619.95	3,083.47
	- Setco MEA DMCC	61.56	61.36
	<b>Amount receivable</b>		
	- Setco MEA DMCC	83.34	81.23
	<b>Amount Payable</b>		
	- Setco Automotive (NA), INC.	-	519.10
	- Setco MEA DMCC	17.75	17.75
<b>B)</b>	<b>Transactions with Indian subsidiary :</b>		
	<b>Expenditure recovered</b>		
	- Setco Auto Systems Private Limited	1.50	2.85
	<b>Management Service Fees recovered</b>		
	- Setco Auto Systems Private Limited	114.38	115.00
	<b>Finance Income</b>		
	- Lava Cast Private Limited	15.29	7.22
	<b>Outstanding at year end :</b>		
	<b>Investment</b>		
	- Setco Auto Systems Private Limited	71.00	71.00
	- Lava Cast Private Limited	11,709.00	11,709.00
	<b>Borrowings - Other loans</b>		
	- Setco Auto Systems Private Limited	6,955.81	6,939.58
	<b>Financial Guarantees Liabilities</b>		
	- Lava Cast Private Limited	653.45	675.61
	Deemed Equity Investment		
	- Lava Cast Private Limited	1,156.69	1,163.57
<b>C)</b>	<b>Transactions with enterprises over which key managerial personnel are able to exercise significant influence :</b>		
	<b>Outstanding at year end :</b>		
	<b>Investment</b>		
	- Setco Engineering Private Limited	8,196.50	8,196.50
<b>D)</b>	<b>Transactions with key managerial personnel and their relatives :</b>		
	<b>Managerial remuneration (directors)</b>		
	<b>(Including provident fund and excluding commission to non-executive directors)</b>		
	- Mr. Harish Sheth [Refer Note (a)]	393.39	40.00
	- Mr. Shrinivasan Sivasubrahmanyam [Refer Note (b)]	3.96	-
	<b>Outstanding at year end :</b>		
	<b>Amount receivable</b>		
	- Mr. Harish Sheth [Refer footnote No. b to Note No. 10]	29.28	29.28

Notes Forming Part of the Standalone Financial Statements for the Year Ended 31st March 2025

- (a) In pursuance of special resolutions passed by the members and in view of inadequacy of profits, the Chairman & Managing Director has been paid remuneration of Rs.393.39 lakhs (Rs. 40.00 lakhs) as Ex-gratia, within the limits laid down under Part-II of Schedule V of the Companies Act, 2013.
- (b) Arrears amount paid of Rs.3.96 lakhs (Nil).

**26 Loans and advances in the nature of loans given to subsidiaries in terms of schedule V of SEBI (LODR) Regulations 2015**

(Rs. In Lakhs)

S r. No.	Name of the company	As at 31.03.2025	As at 31.03.2024	Maximum Balance during 2024-2025	Maximum Balance during 2023-2024
1	Setco Automotive (UK) Limited, UK	2,619.95	3,083.47	3,176.22	6,053.82
2	Setco Automotive (NA) Inc., USA	-	-	-	397.20
3	Setco MEA DMCC	61.56	61.36	61.56	61.36

**27** Disclosures for loans or advances in the nature of loans are granted to promoters, directors, key managerial personnel (KMPs) and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person are as under :

- a) Repayable on demand : Nil
- b) Without specifying any terms or period of repayment :

Type of Borrower	Amount of loan or advance in the nature of loan outstanding (Rs. in lakhs)	Percentage to the total loans and advances in the nature of loans
Promoters	-	0.00%
Directors	-	0.00%
KMPs	-	0.00%
Related parties	2,681.51	100.00%

**28 Disclosure under section 186 (4) of the Companies Act , 2013**

Details of Investments made, loans and corporate guarantee given in respect of subsidiaries are presented at Note no. 2, 3, 9, 13, 14, 26, 27 and 28. Loans and corporate guarantees given are for business purpose of subsidiaries.

**29 Segment information**

The Company does not have any reportable segment.

**30 Payment to Auditors**

(Rs. In Lakhs)

Particulars	As at 31st March 2025	As at 31st March, 2024
As Auditor :		
Statutory Audit Fees	6.00	10.00
<b>Total</b>	<b>6.00</b>	<b>10.00</b>

### 31 Contingent Liabilities and Commitments :

#### A. Contingent Liabilities :

- (i) Guarantee given for maximum Rs. 16,678.00 lakhs (Rs. 16,678.00 lakhs) to Bank of Baroda, Mumbai, India, for subsidiary's credit facilities. The carrying amounts of related financial guarantee contracts are recognised in books of account are Rs. 653.45 lakhs as at 31.03.2025 (Rs. 675.61 lakhs).
- (ii) Guarantee given for maximum Rs. 56,500.00 lakhs (Rs. 56,500.00 lakhs) to Vistra ITCL (India) Limited, Mumbai, India (Debenture Trustee) for non convertible debentures issued by the company in previous year and its subsidiary Setco Auto Systems Private Limited.

#### B. Note on Pending Litigation :

- (i) The Company had filed a case against a competitor for cancellation of registration of design granted by Controller of Patents and Designs in Kolkata High Court. In view of the settlement of differences under a consent terms, the said case became infructuous and the process of withdrawal of the case is under process.
- (ii) The Company has received Assessment Orders under section 143(3) read with section 144C (3) for A.Y. 2017-18 & A.Y.2018-19 in which certain additions are made resulting in demand of Rs.0.35 lakhs and Rs Nil amount respectively. The matters on which additions are made in respect of product development expenses, are adjudicated in favour of the Company by the Income tax Appellate Tribunal. These adjudicated matters are not contested further by the Income tax Department.

The company's appeals in which additions are made are contested before the Commissioner of Income tax (Appeals) which are pending for disposal. Based on adjudication by the Income tax appellate tribunal, the appeal before the CIT Appeals are expected to decide in favour of the company. Therefore, the demand arising on account of such additions are expected to be deleted and hence not provided for.

The penalty proceedings initiated by the Department under section 271(1)(c) of the Income tax Act, 1961 based on additions made in the assessments referred to above are requested to be kept in abeyance till the disposal of appeal. Based on adjudication of the matters decided in favour of the company it is expected that such proceedings will be dropped.

- (iii) During the year Company received order from GST Authorities raising a demand of Rs. 208 lakhs along with interest and penalties amount of Rs. 104 lakhs. The Company has contested the matter before GST CIT (Appeals) and made part payment of Rs. 10.43 lakhs against the demand raised as prescribed. The matter is pending for final adjudication.
- (iv) During the year under review, the Securities and Exchange Board of India ("SEBI") issued a show cause notice dated October 14, 2024, to, inter alia, the Company, alleging contraventions of: (i) the SEBI Act, 1992; (ii) the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003; and (iii) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The allegations pertain to certain related party transactions undertaken in prior financial years.

The Company has submitted detailed responses to SEBI, denying the allegations and asserting, inter alia, that the said transactions were undertaken in compliance with applicable laws and regulatory requirements. The matter is currently pending adjudication before SEBI's Quasi-Judicial Authority. The Company continues to believe that the transactions were entered into in compliance with applicable law.

The company's management reasonably expects that these cases when ultimately concluded/ adjudicated will not have any material or adverse effect on the company's results or the operations or financial condition.

### 32 Trade payable and receivables

Trade payables' balances for which balance confirmations have been received, have been reconciled and necessary adjustments, if any, has been accounted. In respect of trade receivables and other debit/credit balances, for which balance confirmations have been received, have been reconciled and necessary adjustments, if any, has been accounted.

### 33 Employee Benefits

#### Disclosure pursuant to Ind AS – 19 “Employee Benefits”

#### i) Defined Contribution Plans

An amount of Rs 0.02 lakhs (Rs. 1.29 lakhs) (Provident Fund & ESIC) is recognized as an expense and included in Note 20 under the head “Employee Benefits”.

### 34 (i) Tax Expenses :

Particulars	(Rs. In Lakhs)	
	Year ended 31st March 2025	Year ended 31st March 2024
<b>(a) Tax expense :</b>		
<b>Current tax</b>		
Current tax on profits for the year - Utilization of MAT	-	-
Adjustments for current tax of prior periods	220.34	-
<b>Total current tax expense</b>	<b>220.34</b>	<b>-</b>
<b>Deferred tax</b>		
Decrease/(increase) in deferred tax assets	-	-
(Decrease)/increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	-	-
<b>Tax Expenses</b>	<b>220.34</b>	<b>-</b>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate :</b>		
(Loss)/Profit before tax	-350.45	19.99
Tax at the Indian tax rate of 15.60% ( Previous year 15.60%)		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income :		
– Disallowance of expenditure	-	-
Tax effect of amounts which are deductible (non-taxable) in calculating taxable income :		
<b>Revised Accounting (Loss)/Profit</b>	<b>-350.45</b>	<b>19.99</b>
<b>Tax Expenses on 15.60%</b>	<b>-54.67</b>	<b>3.12</b>
<b>Current Tax as per Profit &amp; Loss Account</b>	<b>-</b>	<b>-</b>

(ii) **Movement in Deferred Tax :**

(Rs. In Lakhs)

Particulars	As at	As at
	31st March 2025	31st March, 2024
DTA / (DTL)	-	-
MAT Credit Entitlement	518.45	518.45
<b>Net Deferred Tax Assets</b>	<b>518.45</b>	<b>518.45</b>

**35 Fair Value Measurements :**

(i) **Financial instruments by category :**

The carrying amounts of financial instruments by class are as follows :

(Rs. In Lakhs)

Particulars	As at	As at
	31st March 2025	31st March, 2024
<b>A. Financial assets</b>		
<b>I. Measured at amortised cost</b>		
Loans	1,790.70	2,254.02
Trade Receivables	83.34	81.23
Cash and Cash Equivalents	23.62	19.80
Investment in Equity Instruments of Related Entity	7,002.79	7,002.79
<b>II. Measured at fair value through profit and loss (FVTPL)</b>		
Financial Guarantees-Deemed Investment	1,156.69	1,163.57
Other Financial Assets	0.25	0.25
	<b>10,057.39</b>	<b>10,521.66</b>
<b>B. Financial liabilities</b>		
<b>I. Measured at amortised cost</b>		
Borrowings	6,955.81	6,939.58
Unclaimed Dividend	29.83	46.18
Trade Payables	35.16	444.48
<b>II. Measured at fair value through profit and loss (FVTPL)</b>		
Financial Guarantees	653.45	693.80
	<b>7,674.25</b>	<b>8,124.04</b>

(ii) **Fair value hierarchy :**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the entity has classified its financial instruments into 3 levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measure quoted prices.

Level 2: The fair values of financial instruments that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all the significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(Rs. In Lakhs)

Particulars	Level 1	Level 2	Level 3
<b>Measured at fair value through profit and loss (FVTPL)</b>			
<b>As at 31st March 2025</b>			
Financial Guarantees-Deemed Investment	-	-	1,156.69
Other Financial Assets	-	-	0.25
Financial Guarantees	-	-	653.45
	-	-	<b>1,810.39</b>
<b>As at 31st March 2024</b>			
Financial Guarantees-Deemed Investment	-	-	1,163.57
Other Financial Assets	-	-	0.25
Financial Guarantees	-	-	693.80
	-	-	<b>1,857.62</b>

**(iii) Valuation techniques used to determine the fair value- Level 3 :**

Valuation is based on Income approach, wherein discounted cash flow method is used to capture present value of the expected future economic benefits to be derived from the ownership of particular financial instrument.

**36 Financial Risk Management :**

The company's activities expose it to credit risk, liquidity risk, market risk, price risk & operational risk. In order to minimise any adverse effects on the financial performance, the company takes various mitigation initiatives and measures. This note explains the source of risks which the entity is exposed to and how the entity manages the risks to minimise their impact on financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and Cash equivalents, Trade Receivables, Financial assets measured at amortised cost	Review of fixed Deposits and bank balances, Review of Ageing analysis & financial assets on quarterly basis	Fixed Deposits are kept with large nationalised bank. Ensuring strict credit control through standard operating procedures. Review of financial assets on regular basis
Liquidity Risk	Borrowings, Trade Payables and Other financial liabilities	Cash flow projections are made based on business projections	Availability of undrawn credit lines and borrowing facilities are analysed & monitored.
Market Risk-Interest Rate	Term Loans & Working Capital facilities availed at floating interest rates	Review of interest rates at regular intervals	The company through review of the interest rates at regular intervals makes sensitivity analysis and take appropriate measures to mitigate adverse impact, if any on the financial performance

### 37 Capital Management :

#### Risk Management

The Company manages its capital to ensure that it will be able to continue as going concern and to maximise shareholders value. The Company monitors capital using Debt-Equity ratio which is total debt divided by total equity.

For the purposes of Capital Management, the Company considers following components of its Balance sheet to manage Capital:

Total equity includes Share Capital and Other Equity (Free Reserves). Total Debt includes current debt plus non-current debt.

Particulars	As at 31st March 2025	As at 31st March, 2024
Total Debt (Rs. In Lakhs)	6,955.81	6,939.58
Total Equity (Rs. in Lakhs)	7,386.68	7,516.78
Debt-Equity Ratio	0.94	0.92

### 38 Disclosure of ratios :

Ratios	As at 31st March 2025	As at 31st March, 2024	Change	Reason for Change
a) Current ratio	5.94	1.36	336%	Due to decrease in current liabilities
[Current Assets / (Current Liabilities - Current Maturities of Long Term Borrowings - Interest Accrued)]				
b) Debt-Equity ratio	0.94	0.92	2%	Note (i)
[(Long Term Borrowings + Short Term Borrowings + Interest Accrued) / Equity]				
c) Debt service coverage ratio	-10.20	1.91	-635%	Due to no repayment and loss during the year
[Profit/(loss) before exceptional items and tax + Finance Costs / (Finance Costs + Principal payment of borrowings)]				
d) Return on equity ratio	-0.02	0.00	-756%	Due to increase in loss for the year
[Net Profit/(loss) after tax / Average Shareholder's equity]				
e) Inventory turnover ratio	-	-	0%	Note (i)
[Cost of Materials consumed + Changes in inventories of finished goods and work-in-progress / Average Inventory]				
f) Trade receivables turnover ratio	1.39	1.43	-3%	Note (i)
[Revenue from operations / Average Trade Receivables]				
g) Trade payables turnover ratio	-	-	0%	Note (i)
[Net Purchase / Average Trade Payables]				
h) Net capital turnover ratio	0.31	-0.20	-257%	Due to decrease in current liabilities
[Revenue from operations / Average Working Capital]				
i) Net profit ratio	-114%	17%	-754%	Due to loss during the year
[Net Profit(Loss) after Tax / Revenue from operations]				
j) Return on capital employed	-0.29	0.04	-736%	Due to loss during the year
[Profit before interest and taxes / Capital Employed]				
k) Return on investment	0%	0%	0%	Note (i)
[Net Income / Cost of Investment]				

## Notes Forming Part of the Standalone Financial Statements for the Year Ended 31st March 2025

- (i) In respect of aforesaid mentioned ratios, there is no significant change (25% or more) in FY 2024-25 in comparison to FY 2023-24.

**39 Audit Trail :**

The company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. There are two exceptions noted by the Company's management

- a) Table schema level changes carried out from the application are not tracked; and
- b) The company uses SAP application, which is operated by a third-party software service provider, for maintaining its books of account and said party has not provided either SOC2 report or Independent auditor's report.

However, these exceptions do not impact the internal control environment of the Company.

- 40** The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 41** The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 42** The Company has not traded or invested in Crypto currency or Virtual Currency.
- 43** No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 44** The Company has not entered any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- 45** The Company has not made any contribution to the political parties.
- 46** Figures in brackets represent previous year's figures.
- 47** Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date attached  
For **Sharp & Tannan Associates**  
Chartered accountants  
(ICAI Firm registration No. : 109983W)

**(CA Pramod Bhise)**  
Partner  
Membership No. : 047751

Place : Mumbai  
Date : 27<sup>th</sup> May, 2025

For and on behalf of the Board

**HARISH SHETH**  
[DIN: 01434459]  
Chairman & Managing Director

**ANURAG JAIN**  
Chief Financial Officer

Place : Mumbai  
Date : 27<sup>th</sup> May, 2025

**UDIT SHETH**  
[DIN: 00187221]  
Vice Chairman and Whole time Director

**HIREN VALA**  
Company Secretary  
Membership No. : A42685

# INDEPENDENT AUDITOR'S REPORT

To the members of Setco Automotive Limited

## Report on the audit of the Consolidated Financial Statements

### Opinion:

We have audited the accompanying Consolidated Financial Statements of **Setco Automotive Limited** (hereinafter referred as "the Holding Company"), and its subsidiaries (Holding company and its subsidiaries together referred as 'the Group') which comprise the consolidated Balance sheet as at March 31, 2025, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended and Notes to the consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter collectively referred as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except the possible effects of the matter described in the *Other Matter* section of our report, and based on the consideration of the reports of the auditors on the financial statement of the subsidiaries, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (hereinafter referred as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed Under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended (hereinafter referred as "Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2025, its Consolidated losses (including Consolidated other comprehensive income), its Consolidated cash flows and the Consolidated changes in equity for the year ended on that date.

### Emphasis of Matter:

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

- a) 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.
- b) The Company has total investment of Rs. 8,196.50 lacs in 9% Cumulative Compulsory Redeemable Preference Shares of Setco Engineering Private Limited (SEPL) a Company in which directors have an interest. As this investment is compulsory redeemable on its maturity, the company has treated it as investment in debt instruments and valued at amortised basis. The company is reasonably certain to recover principal amount and the accumulated unpaid dividend.

### Material Uncertainty related to Going Concern:

- a) We reproduce hereunder the 'Material Uncertainty related to Going concern' paragraphs forming part of our audit report dt. 22<sup>nd</sup> May 2025, issued by us for a subsidiary viz. SETCO Auto Systems Private Limited (SASPL), which is reproduced as below:

"We draw attention to the Note No. 45 to the Statement about company's 'Going Concern' status. The financial statement of the Company indicates that the Company has incurred a net loss (i.e., total comprehensive income) of Rs. 11,224 Lakhs during the year ended on 31 March 2025 (Rs. 11,790 Lakhs for the year ended on March 31, 2024) and reports a negative net worth of Rs. 69,577 Lakhs as on March 31, 2025 (Rs. 58,352 Lakhs as of March 31, 2024). The magnitude of accumulated losses and negative net worth of the Company, indicates the material uncertainty related to going concern and needs to be addressed by the Management.

**Our opinion is not modified in respect of this matter".**

- b) We reproduce hereunder the 'Material Uncertainty related to Going concern' paragraphs forming part of our audit report dt. 23<sup>rd</sup> May 2025, issued by us for a subsidiary viz. Lava Cast Private Limited (LCPL), which is reproduced as below:

"We draw attention to note 37 to the financial statement related to 'Material uncertainty related to going concern'. Company's financial statement discloses that it has incurred a net loss (i.e., total comprehensive income) of Rs. 1,609 Lakhs during the year ended on 31 March 2025 (Rs. 1,822 L for the year ended on March 31, 2024) and reports a negative net worth of Rs. 10,257 Lakhs as on March 31, 2025 (Rs. 8,641 Lakhs as of March 31, 2024). The magnitude of accumulated losses and negative net worth of the Company, indicates the material uncertainty related to going concern.

Our opinion is not modified in respect of this matter".

### **Key audit matters:**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements taken as a whole; in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

### **Information other than the Consolidated Financial Statements and Auditor's Report thereon (hereinafter referred as "other information")**

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the Board's report and management discussion and analysis included in the annual report but does not include the Consolidated Financial Statements and our report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance and / or conclusions thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management Responsibilities for the Consolidated Financial Statements**

The Holding Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, Company's Management and 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Holding Company's Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements 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 these Consolidated Financial Statements.

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

- a) Identify and assess the risks of material misstatement of the Consolidated Financial Statements, 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.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's 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 Company's ability 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 Statements 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.
- e) Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the

matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

- a) Attention is also invited to note 42 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.
- b) We did not audit the financial statements of four (4) wholly owned ultimate foreign subsidiaries prepared in accordance with local laws of countries in which they operate and which have been restated / recompiled by the Holding company's management to meet Ind As requirements, whose Ind AS financial statements reflect total assets of Rs. 12,047 Lakhs as at 31st March, 2025, total revenues of Rs. 10,243.27 Lakhs and net comprehensive income of Rs. 208 Lakhs (net) for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements of wholly owned ultimate foreign subsidiaries have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these wholly owned ultimate foreign subsidiaries, is based solely on the reports of the other auditors and Holding company's restatement/re-compilation of audited figures of wholly owned foreign subsidiaries to meet Ind AS requirements.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, 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 and the financial statements / financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act and based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;
  - e) On the basis of the written representations received from the directors of the group companies incorporated in the India as on March 31, 2025 taken on record by the Board of Directors of the Holding Company, none of the directors of the group companies incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

- g) With respect to the other matters to be included in the auditor's report in accordance with the requirements of Section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2025 on its financial position in its Consolidated Financial Statements - Refer Note 37 to the Consolidated Financial Statements.
  - ii. The Group has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
  - iv. Reporting on rule 11(e):
    - a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement; and
  - v. During the year Company as not declared / paid any dividend hence reporting under rule 11(f) is not applicable to that extent.
  - vi. Based on our examination which included test checks, audit reports issued by us for domestic subsidiaries and based on explanations and details provided to us, *except for the instance listed below*, the Parent Company and two domestic subsidiaries have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with:
    - a. Table schema level changes carried out from the application are not tracked; and
    - b. The Parent Company and two domestic subsidiaries uses SAP application, which is operated by a third-party software service provider, for maintaining its books of account and in absence

of either SOC2 report or Independent auditor’s report, we are unable to comment whether audit trail feature of the said software was enabled at database and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

Additionally, except for the consequential impact of the points mentioned above, the audit trail has been preserved by the Company as per the statutory requirements for records retention.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order” / “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us for the holding company and of its subsidiaries included in the consolidated financial statements of the holding company, to which reporting under CARO is applicable, we draw attention to certain qualifications, or adverse remarks in these CARO reports:

S. No.	Name of the Entity and CIN	Holding Company / Subsidiary / Associate / Joint Venture	Clause number of the CARO report
1	Setco Automotive Limited (CIN: L35999GJ1982PLC005203)	Holding Company	Clause (iii) – Amount due from KMP
			Clause (vii)(b) - Status of disputed Statutory Dues
			Clause (xvii) – Reporting of Cash losses.
2	Setco Auto Systems Private Limited (CIN: U35100GJ2010PTC062770)	Subsidiary Company	Clause (ii) – Discrepancy in physical inventory verification above 10%.
			Clause (iii) - Loans and advances granted to various parties and related parties and its terms and repayment.
			Clause (iv) - Compliance with Sections 185 and 186 regarding loans, investments, guarantees, and securities.
			Clause (vii)(a)&(b) – Delay in payment of undisputed Statutory Dues
			Clause (ix)(e) – Loan to Associate.
			Clause (xvii) – Reporting of Cash losses.
3	Lava Cast Private Limited (CIN: U27205GJ2011PTC100777)	Subsidiary Company	Clause (ii b) – Difference in Reporting to bankers about Inventory (stock) & Trade Receivables compared to books.
			Clause (xiv) – Non-compliance with internal audit procedure.
			Clause (xvii) – Reporting of Cash losses.

**Sharp & Tannan Associates**  
Chartered Accountants  
Firm’s Registration No.: 0109983W

by the hand of

**CA Pramod Bhise**  
Partner

Membership No. (F) 047751  
UDIN: 25047751BMKXDM4359

Mumbai, May 27, 2025

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under the heading, "Report on other legal and regulatory requirements" of our report on even date)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) Section 143 (3) of the Companies Act, 2013 ("the Act")

#### Opinion

We have audited the internal financial controls over financial reporting of **Setco Automotive Limited** (hereinafter referred as "the holding Company") and its subsidiary companies which are incorporated in India, as of that date (collectively referred as "Companies") as of March 31, 2025 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (hereinafter referred as "the guidance note") issued by the Institute of Chartered Accountants of India (hereinafter referred as "ICAI").

#### Management's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance note and the Standards on Auditing issued by ICAI and deemed to be prescribed Under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial

reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Sharp & Tannan Associates**  
Chartered Accountants  
Firm's Registration No.: 0109983W

by the hand of

**CA Pramod Bhise**  
Partner  
Membership No. (F) 047751  
UDIN: 25047751BMKXDM4359



Mumbai, May 27, 2025

## Consolidated Balance Sheet as at 31st March 2025

(Rs. In Lakhs)

Particulars	Note No.	As at 31st March, 2025	As at 31st March, 2024
<b>ASSETS :</b>			
<b>1. Non-current assets</b>			
a. Property, plant and equipment	2	17,580.31	19,155.31
b. Capital work-in-progress	2	21.73	-
c. Right of use of assets	2	345.17	349.54
c. Intangible assets	2	5,170.00	6,218.05
d. Intangible Assets Under Development	2	129.40	29.47
e. Financial assets			
(i) Investments	3	8,310.55	8,310.55
(ii) Loans Receivables		-	-
(iii) Other financial assets	4	144.58	111.71
f. Deferred tax assets (net)	5	1,592.09	1,474.29
g. Other non-current assets	6	175.54	177.22
<b>Total non-current assets</b>		<b>33,469.35</b>	<b>35,826.14</b>
<b>2. Current assets</b>			
a. Inventories	7	13,647.70	12,733.53
b. Financial assets			
(i) Trade Receivables	8	6,926.11	4,138.35
(ii) Cash and cash equivalents	9	2,018.79	1,394.87
(iii) Bank balances other than (ii) above	10	29.83	46.18
(iv) Loans Receivables		-	-
(v) Other financial assets		-	-
c. Current tax assets (net)		-	-
d. Other current assets	11	1,397.38	1,431.15
<b>Total current assets</b>		<b>24,019.81</b>	<b>19,744.08</b>
<b>Total assets</b>		<b>57,489.16</b>	<b>55,570.22</b>
<b>EQUITY AND LIABILITIES :</b>			
<b>EQUITY</b>			
Equity share capital	12	2,675.35	2,675.35
Other equity	13	(72,057.47)	(59,320.21)
<b>Total Equity</b>		<b>(69,382.13)</b>	<b>(56,644.86)</b>
<b>LIABILITIES</b>			
<b>1. Non-current liabilities</b>			
a. Financial liabilities			
(i) Borrowings	14	1,07,236.75	92,200.49
(ii) Lease liability		8.39	15.24
(iii) Other financial liabilities	15	-	2.00
b. Provisions	16	397.00	372.74
c. Deferred tax liabilities (net)		-	-
d. Other non-current liabilities	17	2,248.82	1,233.89
<b>Total non-current liabilities</b>		<b>1,09,890.95</b>	<b>93,824.36</b>
<b>2. Current liabilities</b>			
a. Financial liabilities			
(i) Borrowings	18	4,319.21	6,562.40
(ii) Lease liability		7.27	5.83
(iii) Trade payables			
(a) Dues of micro, small and medium enterprises	19	3,499.45	1,565.26
(b) Dues of creditors other than micro, small and medium enterprises		6,195.68	8,073.33
(iv) Other financial liabilities	20	29.84	107.47
b. Other current liabilities	21	2,757.49	1,862.43
c. Provisions	22	171.36	214.00
d. Current tax liabilities (net)	23	0.03	-
<b>Total current liabilities</b>		<b>16,980.33</b>	<b>18,390.72</b>
<b>Total liabilities</b>		<b>1,26,871.28</b>	<b>1,12,215.08</b>
<b>Total equity and liabilities</b>		<b>57,489.16</b>	<b>55,570.22</b>

Notes including Material Accounting Policies are an integral part of the Consolidated Financial Statements : 1 To 54

As per our report of even date attached  
For **Sharp & Tannan Associates**  
Chartered accountants  
(ICAI Firm registration No. : 109983W)

For and on behalf of the Board

**HARISH SHETH**  
[DIN: 01434459]  
Chairman & Managing Director

**UDIT SHETH**  
[DIN: 00187221]  
Vice Chairman and Whole time Director

**(CA Pramod Bhise)**  
Partner  
Membership No. : 047751

**ANURAG JAIN**  
Chief Financial Officer

**HIREN VALA**  
Company Secretary  
Membership No. : A42685

Place : Mumbai  
Date : 27<sup>th</sup> May, 2025

Place : Mumbai  
Date : 27<sup>th</sup> May, 2025

## Consolidated Statement of Profit and Loss for the year ended on 31st March 2025

(Rs. In Lakhs)

Particulars	Note No.	Year ended 31st March 2025	Year ended 31st March 2024
<b>INCOME :</b>			
I. Revenue from operations	24	71,862.76	64,066.71
II. Other income	25	1,170.71	271.68
<b>III. Total Income (I + II)</b>		<b>73,033.47</b>	<b>64,338.39</b>
<b>EXPENSES :</b>			
IV. Cost of materials consumed	26	31,194.90	31,874.55
Purchases of stock-in-trade	27	2,227.42	650.61
Changes in inventories of finished goods and work-in-progress	28	370.74	(352.89)
Employee benefit expenses	29	10,678.63	9,747.27
Finance costs	30	21,741.08	17,968.92
Depreciation and amortization expenses	2	3,208.74	3,465.10
Other expenses	31	16,473.09	14,901.50
<b>Total expenses (IV)</b>		<b>85,894.60</b>	<b>78,255.06</b>
<b>V. Profit/(loss) before exceptional items and tax (III - IV)</b>		<b>(12,861.13)</b>	<b>(13,916.67)</b>
VI. Exceptional items	32	56.70	220.18
<b>VII. Profit/(loss) before tax (V - VI)</b>		<b>(12,917.83)</b>	<b>(14,136.85)</b>
<b>VIII. Tax expense/(credit)</b>			
- Current tax		-	-
- Deferred tax		(64.63)	(622.84)
<b>MAT credit entitlement</b>			
- Previous years		-	-
- Current year		-	-
<b>Tax adjustment for earlier years</b>		<b>(220.34)</b>	<b>-</b>
<b>IX. Profit/(loss) for the year from continuing operations (VII - VIII)</b>		<b>(12,632.86)</b>	<b>(13,514.01)</b>
<b>X. Other comprehensive income/(loss)</b>			
A. (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of gain /(loss) on defined benefit plans		(95.12)	(15.25)
(b) Gain / (loss) on FVTOCI Equity securities		-	-
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		15.98	0.81
B. (i) Items that will be reclassified to profit or loss		-	-
(a) Exchange differences in translating the financial statements of foreign operations		(9.77)	(39.08)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
		<b>(88.91)</b>	<b>(53.52)</b>
<b>XI. Total comprehensive income for the year (IX + X)</b>		<b>(12,721.77)</b>	<b>(13,567.53)</b>
Profit for the year attributable to Owners of the company		(10,509.36)	(11,268.99)
Non-controlling Interest		(2,123.50)	(2,245.01)
<b>Other Comprehensive Income for the year attributable to Owners of the company</b>		<b>(76.73)</b>	<b>(52.70)</b>
Non-controlling Interest		(12.18)	(0.82)
<b>Total Comprehensive Income for the year attributable to Owners of the company</b>		<b>(10,586.09)</b>	<b>(11,321.69)</b>
Non-controlling Interest		<b>(2,135.68)</b>	<b>(2,245.83)</b>
<b>XII. Earnings per equity share (face value of Rs. 2/- Each)</b>			
- Basic (In Rs. per share) to the extent of profit attributable to the owners	33	(7.86)	(8.42)
- Diluted (In Rs. per share) to the extent of profit attributable to owners		(7.86)	(8.42)

Notes including Material Accounting Policies are an integral part of the Consolidated Financial Statements : 1 To 54

As per our report of even date attached  
For **Sharp & Tannan Associates**  
Chartered accountants  
(ICAI Firm registration No. : 109983W)

For and on behalf of the Board

**(CA Pramod Bhise)**  
Partner  
Membership No. : 047751

**HARISH SHETH**  
[DIN: 01434459]  
Chairman & Managing Director

**UDIT SHETH**  
[DIN: 00187221]  
Vice Chairman and Whole time Director

**ANURAG JAIN**  
Chief Financial Officer

**HIREN VALA**  
Company Secretary  
Membership No. : A42685

Place : Mumbai  
Date : 27<sup>th</sup> May, 2025

Place : Mumbai  
Date : 27<sup>th</sup> May, 2025

## Consolidated Cash Flow Statement for the year ended on 31st March 2025

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before tax</b>	(12,917.83)	(14,136.85)
<b>Adjustment for :</b>		
Depreciation and amortisation expense	3,208.74	3,465.10
(Profit)/loss on sale of property, plant and equipment	(64.77)	(12.25)
Unrealized exchange loss/(gain)	(25.49)	(46.76)
Impairment loss allowance on Other Current Assets	18.53	213.84
Impairment loss allowance on Intangible Asset	29.47	-
Impairment loss allowance on Debtors	0.11	0.63
Interest expense	21,429.59	17,758.60
Other Financial charges	311.49	210.32
Interest income	(108.53)	(9.89)
Reversal of deferred gain on financial liability	(181.45)	(136.63)
Corporate tax / Deferred Tax	300.95	623.65
Employee Benefits Designated Through Other Comprehensive Income	(95.12)	(15.25)
<b>Operating profit / (loss) before changes in working capital</b>	<b>11,905.69</b>	<b>7,914.51</b>
Trade receivables	(2,787.87)	(313.25)
Inventories	(914.17)	(301.90)
Other Financial Assets	(32.87)	(1.27)
Other Current / Non-Current Assets	322.04	(355.91)
Trade payables	56.55	263.03
Provisions	(18.35)	45.73
Other Current / Non-Current Liabilities	895.06	22.02
Other Financial Liabilities	(79.63)	(7.39)
<b>Change in current assets/liabilities</b>	<b>(2,559.25)</b>	<b>(648.92)</b>
<b>Net cash flow generated from operating activities before tax</b>	<b>9,346.44</b>	<b>7,265.58</b>
Direct taxes (tax deducted at source)	(422.68)	(348.80)
<b>Net cash flow from operating activities</b>	<b>8,923.75</b>	<b>6,916.79</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(1,056.33)	(703.87)
Proceeds on Sale of property, plant and equipment	583.99	36.04
Purchase of Intangible asset	(171.30)	(58.72)
Interest income	108.53	9.89
<b>Net cash used in investing activities</b>	<b>(535.10)</b>	<b>(716.67)</b>

## Consolidated Cash Flow Statement for the year ended on 31st March 2025

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Non Convertible Debentures	975.00	-
Proceeds from term loans	-	2,327.29
Proceed from lease	-	24.75
Repayment of cash credit	(177.20)	(2,577.68)
Repayment of short term loans	(397.25)	0.03
Repayment of term loans	(362.18)	(796.47)
Reversal of deferred gain on financial liability	181.45	136.63
Repayment of lease	(5.41)	(3.68)
Interest Accrued on Debentures	13,769.61	12,402.34
Unclaimed Dividend	16.35	18.60
Interest expense	(21,429.59)	(17,758.60)
Other Financial charges	(311.49)	(210.32)
<b>Net cash used in financing activities</b>	<b>(7,740.70)</b>	<b>(6,437.11)</b>
<b>D. Net effect of exchange gain/(loss) on cash and cash equivalents</b>	<b>(24.04)</b>	<b>(23.51)</b>
<b>Net Increase in Cash and Cash Equivalents (A + B + C + D)</b>	<b>623.91</b>	<b>(260.50)</b>
<b>Opening Cash and Cash Equivalents</b>	<b>1,394.87</b>	<b>1,655.37</b>
<b>Closing Cash and Cash Equivalents</b>	<b>2,018.78</b>	<b>1,394.87</b>

**Note:**

- The above Cash Flow Statement has been prepared under the "Indirect method" as set out in the Indian Accounting Standard - 7 on Statement of Cash Flows, as notified under section 133 of Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015.
- Previous year's figures have been regrouped / restated / reclassified whenever necessary.
- Purchase of property, plant & equipment includes cost incurred on capital work-in-progress.
- Cash and cash equivalents includes cash on hand, cheques on hand and readily convertible deposit accounts held with scheduled banks.

Notes including Material Accounting Policies are an integral part of the Consolidated Financial Statements : 1 To 54

As per our report of even date attached

For and on behalf of the Board

For **Sharp & Tannan Associates**

Chartered accountants

(ICAI Firm registration No. : 109983W)

**HARISH SHETH**

[DIN: 01434459]

Chairman & Managing Director

**UDIT SHETH**

[DIN: 00187221]

Vice Chairman and Whole time Director

**(CA Pramod Bhise)**

Partner

Membership No. : 047751

**ANURAG JAIN**

Chief Financial Officer

**HIREN VALA**

Company Secretary

Membership No. : A42685

Place : Mumbai

Date : 27<sup>th</sup> May, 2025

Place : Mumbai

Date : 27<sup>th</sup> May, 2025

## Consolidated Statement of Changes in Equity for the year ended on 31st March, 2025

### A. Equity share capital

Particulars	Rs. In Lakhs
<b>Balance as at April 1, 2023</b>	2,675.35
Changes in Equity Share Capital due to prior period errors	-
Restated Balance as at April 1, 2023	2,675.35
Changes in Equity Share Capital during the year	-
<b>Balance as at 31st March, 2024</b>	<b>2,675.35</b>
<b>Balance as at April 1, 2024</b>	2,675.35
Changes in Equity Share Capital due to prior period errors	-
Restated Balance as at April 1, 2024	2,675.35
Changes in Equity Share Capital during the year	-
<b>Balance as at 31st March, 2025</b>	<b>2,675.35</b>



**B. Other Equity**

Particulars	Capital Reserve	Reserves and Surplus General Reserve	Security Premium	Retained Earnings	Share option outstanding	Currency Translation reserve	Total	Non-Controlling Interest	Owners' Equity
<b>Balance as at 1st April, 2023</b>	953.89	1,954.73	5,201.06	(47,081.14)	-	554.06	(38,417.41)	(7,329.38)	(45,746.79)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
<b>Restated Balance as at 1st April, 2023</b>	953.89	1,954.73	5,201.06	(47,081.14)	-	554.06	(38,417.41)	(7,329.38)	(45,746.79)
Unrealised Profit Margin on Stock	-	-	-	(7.68)	-	(39.08)	(7.68)	-	(7.68)
Currency Translation Reserve for the year	-	1.79	-	(11,268.99)	-	-	(37.29)	-	(37.29)
Profit for the year	-	-	-	(13.62)	-	-	(11,268.99)	-	(13,514.01)
Other Comprehensive Income (net of tax)	-	-	-	(11,282.61)	-	-	(13.62)	-	(14.44)
Total comprehensive income for the year ended 31st March, 2024	-	-	-	(11,282.61)	-	-	(11,282.61)	-	(13,528.45)
<b>Balance as at 31st March, 2024</b>	953.89	1,956.52	5,201.06	(58,371.44)	-	514.98	(49,744.99)	(9,575.21)	(59,320.21)
<b>Balance as at 1st April, 2024</b>	953.89	1,956.52	5,201.06	(58,371.44)	-	514.98	(49,744.99)	(9,575.21)	(59,320.21)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated Balance as at 1st April, 2024	953.89	1,956.52	5,201.06	(58,371.44)	-	514.98	(49,744.99)	(9,575.21)	(59,320.21)
Add : Received during the year on issue of Shares Warrants	-	-	320.72	-	-	-	-	-	-
Less : Transferred to Interest Accrued on Unlisted NCD [Refer Note 11(i)]	-	-	(320.72)	(15.72)	-	-	(15.72)	-	(15.72)
Unrealised Profit Margin on Stock	-	-	-	-	-	(9.77)	(9.77)	-	(9.77)
Currency Translation Reserve for the year	-	-	-	(10,509.36)	-	-	(10,509.36)	-	(12,632.86)
Profit for the year	-	(43.96)	-	44.18	-	-	(43.96)	-	(43.96)
Less : Transfer to General Reserve	-	-	-	(66.96)	-	-	44.18	-	44.18
Add : Transfer from Profit & Loss	-	-	-	(10,532.15)	-	-	(66.96)	-	(79.14)
Other Comprehensive Income (net of tax)	-	(43.96)	-	(10,532.15)	-	-	(10,576.10)	-	(12,711.78)
<b>Total comprehensive income for the year ended 31st March, 2025</b>	-	(43.96)	-	(10,532.15)	-	-	(10,576.10)	-	(12,711.78)
<b>Balance as at 31st March, 2025</b>	953.89	1,912.56	5,201.06	(68,919.30)	-	505.21	(60,346.58)	(11,710.89)	(72,057.48)

Notes including Material Accounting Policies are an integral part of the Financial Statements : 1 To 54  
As per our report of even date attached  
For **Sharp & Tannan Associates**  
Chartered accountants  
(ICAI Firm registration No. : 109983W)

(CA Pramod Bhise)  
Partner  
Membership No. : 047751

Place : Mumbai  
Date : 27<sup>th</sup> May, 2025

**HARISH SHETH**  
[DIN: 01434459]  
Chairman & Managing Director

**ANURAG JAIN**  
Chief Financial Officer

Place : Mumbai  
Date : 27<sup>th</sup> May, 2025

**UDIT SHETH**  
[DIN: 00187221]  
Vice Chairman and Whole time Director

**HIREN VALA**  
Company Secretary  
Membership No. : A42685

## Notes Forming Part of the Consolidated Financial Statements for the year ended on 31st March, 2025

### 1 Material Accounting Policies

- 1.1** The consolidated financial statements relate to Setco Automotive Limited ("the Company" / "Parent Company" / "Holding Company") and its subsidiary companies (referred to as "Group"). The group engaged in manufacturing and trading of clutches and other automotive component. The consolidated financial statements have been prepared on following basis :
- 1.2** These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended and other relevant provisions of the Act. The consolidated Financial Statement has been approved by the board of directors in their meeting held on May 27, 2025.

The group follows the mercantile system of accounting and recognises income and expenditure on an accrual basis. The financial statements are prepared under historical cost convention, except for the following:

- certain financial assets and liabilities that are measured at fair value;
- defined benefit plans where plan assets are measured at fair value; and
- share-based payments at fair value as on the grant date of options given to employees.

Estimates and assumptions used in the preparation of the financial statements and disclosures are based upon group management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date. The critical estimates and judgments are presented in detail in Material Accounting Policy no. 1.26

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

#### Functional and presentation currency

These Ind AS Financial Statements are prepared in Indian Rupee which is the Parent Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs with two decimals.

### 1.3 Principles of Consolidation

- a. The consolidated financial statements are based on the audited accounts of the company and the audited accounts of the subsidiaries of the same reporting date.
- b. The financial statements of the company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after fully eliminating significant intra group balances and intra group transactions in accordance with Indian Accounting Standard (Ind AS) 110 – "Consolidated Financial Statements". Intergroup transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.
- c. In case of foreign subsidiaries, revenue items are converted at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in other comprehensive income and accumulated under "Foreign Currency Translation Reserve."

- d. The consolidated financial statements have been prepared, as far as possible, using uniform accounting policies for all material like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the parent company's financial statements.
- e. Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- f. Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries.

**1.4 Property, Plant and Equipment (PPE):**

- i. The Group has initially recognised property, plant & Equipment at Cost. The cost of Property, Plant & Equipment includes directly attributable expenses incurred for the purpose of acquiring / constructing these assets, net of GST credit if any, on qualifying assets. The Group has chosen Cost Model for Property, Plant & Equipment accounting. Press Tools and such type of machinery items developed in house are capitalised at direct cost plus directly attributable overheads. Capital Work in progress comprises of the cost of Property, Plant & Equipment that are not ready for their intended use at the reporting date.
- ii. The ministry of corporate affairs has made the component accounting approach for fixed assets mandatory from 1st April, 2015 vide notification dated 29th August, 2014. As per the external technical expert's opinion, the Group's fixed assets are of such nature that separate components are not distinctly identifiable having different useful life and therefore, component level accounting and reporting is not practically feasible for the Group.

**iii. Depreciation**

Depreciation is provided on straight line method (SLM) and is based on useful lives of the assets as determined by external technical experts in accordance with requirement of Schedule II to the Companies Act, 2013. Depreciation on additions made during the year to Property, Plant & Equipment is charged on pro-rata basis.

Freehold land is not depreciated. The carrying value of long term leasehold land is amortized over a period of lease.

**iv. The Group estimates the useful lives of Property, Plant & Equipment as follows:**

Asset Classification	Useful Life
Buildings	3-40 Years
Plant & Machinery	1-15 Years
Furniture & Fixtures	1-10 Years
Equipment's	2-5 Years
Electric Fittings	10 Years
Vehicle	4-8 Years
Pollution Equipment's	2-8 Years
Computers	1-3 Years

The useful lives of these assets are periodically reviewed.

**v. De-recognition**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement

of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit or loss.

### 1.5 Intangible Assets

i. Intangible Assets are stated at their cost of acquisition, net of GST credit if any, less accumulated amortization and impairment loss, if any. Expenditure, identifiable and reliably measurable, incurred on product development yielding future economic benefits is capitalized as Intangible Asset as per Ind AS-38 "Intangible Assets". The expenses incurred on product till such time its production commences are shown under the head "Assets Under Development" in the Property Plant and Equipment.

#### ii. Amortization

**Intangible Assets are amortized as follows:**

- a) Product development: Product Development expenses incurred on the new product developed and whose commercial production started during the year are treated as Intangible Assets & are amortised over a period of Five to ten years after commencement of commercial production of relevant product.
- b) Computer Software (including License Fees) is amortized over a period of 3 years.

### 1.6 Research and development

- a) Revenue expenses pertaining to research activities are charged to statement of profit and loss under the respective heads of expenses.
- b) Expenditure incurred on fixed assets used for R & D is capitalized under the respective heads of PPE and Intangible Assets.
- c) Expenditure incurred on development activities which do not qualify as Intangible Asset is charged to the statement of Profit and Loss in other cases it is capitalised

### 1.7 Goodwill

Goodwill appearing in one of the wholly owned ultimate foreign subsidiary's books is tested annually for impairment, if any event occurs or circumstances change that more likely than not would indicate the carrying amount may be impaired. As of 31st March, 2021, goodwill is not considered to be impaired.

### 1.8 Impairment of Assets

At the end of each reporting period, the Group determines whether there is any indication that its assets have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount (i.e. higher of the fair value less costs of disposal and value in use) of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

## 1.9 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as expense in profit or loss in the period in which they are incurred.

## 1.10 Inventories

Inventories are valued at lower of weighted average Cost (exclusive of Taxes & GST credits availed on inputs) and Net Realizable Value. Raw Material and Consumables are valued at weighted average Cost basis. Finished Goods and Work-in-Progress are valued at aggregate cost determined comprising Material Cost and Manufacturing Overheads. Scrap is valued at Net Realizable Value.

## 1.11 Revenue Recognition

### (1) Sale of Goods:

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, and it is adjusted for volume discounts, cash discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, on the basis of which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for. Contract costs are expensed of as and when incurred. For each contract with customer, the group applies the below five steps process before revenue can be recognised:

- Identify contracts with the customers,
- Identify separate performance obligation,
- Determine the transaction price of the contract,
- Allocate the transaction price to each of the separate performance obligations, and
- Recognise the revenue as each performance obligation is satisfied.

### (2) Other Operating Revenue:

Other operating revenue comprises of income from activities incidental to the operations of the Group and is recognised when the right to receive the income is established and there exists no uncertainty of its ultimate realization or collection.

### (3) Rendering of Services :

Revenue from job work services is recognized when the services are performed as per the contract and when there is no uncertainty of its realization or collection.

## 1.12 Leases

The Group has accounted Lease transactions on the same lines of that of the Parent Company in compliance with Ind As 116.

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 and this may require significant judgment. The Group also uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The discount rate is generally based on the interest rate specific to the lease being evaluated or if that cannot be easily determined the incremental borrowing rate for similar term is used.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received.

The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the lease terms indicates transfer of ownership of the underlying asset to the lessee at the end of the lease term or the exercise price of purchase option reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

In addition, the right-of-use asset is reduced by impairment losses, if any. The lease liability is initially measured at amortised cost at the present value of the future lease payments. When a lease liability is remeasured, the corresponding adjustment of the lease liability is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

On Derecognition of the finance lease agreement, the difference between the carrying amount of the financial liability derecognised and the carrying amount of ROU is recognised in profit or loss account

### 1.13 Taxes on Income

#### A. Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### B. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

#### 1.14 Goodwill

Goodwill appearing in one of the wholly owned ultimate foreign subsidiary's books is tested annually for impairment, if any event occurs or circumstances change that more likely than not would indicate the carrying amount may be impaired. As of 31st March, 2021, goodwill is not considered to be impaired.

#### 1.15 Impairment of Assets

At the end of each reporting period, the Group determines whether there is any indication that its assets have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount (i.e. higher of the fair value less costs of disposal and value in use) of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### 1.16 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### Classification of Financial Assets

The financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial assets on initial recognition.

#### After initial recognition

Financial assets (other than Investments) are subsequently measured at amortised cost using the effective interest method.

Effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows;
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments on principal and interest on the principal amount outstanding.
- Income on such debt instruments is recognised in profit or loss and is included in the "Other Income".

The Group has not designated any debt instruments as fair value through other comprehensive income.

#### I. Investment in Equity instruments of Related Entity:

The parent company has designated its investments in Equity Shares of one of its related entity at fair value through OCI. Such financial assets are measured at fair value at the end of each reporting period, with gains or losses arising on re-measurement recognised in OCI which are not subsequently reclassified to P & L and are reported in Other Equity.

#### II. Investment in Preferential instruments of Related Entity:

At initial recognition, the group measures its investments in preference shares at fair value and on re-measurement it is carried out at amortised cost. Gains or losses arising on re-measurement are recognized in P & L.

#### III. Other Financial assets which are not carried at amortised cost or FVTOCI are measured at fair value through P & L.

Such financial assets are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss.

#### Impairment of financial assets

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Group applies the expected credit loss model for recognising impairment loss on financial assets (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the Group expects to receive).

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it

recognises impairment loss allowance based on lifetime Expected Credit Losses (ECLs) at each reporting date, right from its initial recognition.

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Expected Credit Losses/ impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected/reported under the head 'other expenses' in the statement of profit and loss. Expected Credit Losses/ impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss.

#### De-recognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

#### Financial liabilities and equity instruments

##### Classification as debt or equity

Equity instruments issued by the Group are classified as equity in accordance with the substance of the contractual arrangements and the definitions of an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

##### Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance Costs".

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

##### Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and are subsequently measured (if not designated as at Fair value through profit or loss) at the higher of:

- the amount of impairment loss allowance determined in accordance with requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

The Intra group financial guarantees are eliminated in consolidation.

#### **De-recognition of financial liabilities**

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### **1.17 Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The group is operating only in one segment viz. Auto Components.

### **1.18 Cash Flow Statement**

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

### **1.19 Dividends**

Provision is made for the amount of any final dividend declared in the accounts on the date of its approval by the shareholders. Interim dividends, if any are recorded as a liability on the date of declaration by the board of directors.

### **1.20 Earnings per Share**

The earnings considered for ascertaining the Group's Earnings Per Share (EPS) comprises the net profit after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted EPS comprises the weighted average number of shares considered for deriving basic EPS, and also the weighted average number of equity shares that would be issued on the conversion of all dilutive potential equity shares. In case of dilutive potential equity shares, the difference between the number of shares issuable and the number of shares that would have been issued at fair value are treated as diluted potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

### **1.21 Employee Benefits**

#### **A. Short Term Employee Benefits**

Short Term Employee benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit & Loss of year in which the related services are rendered.

#### **B. Defined Contribution Plans**

Provident Fund & ESIC, Pension Scheme Fund (UK) are defined contribution schemes established under a State Plan. The contributions to the schemes are charged to the Statement of Profit & Loss in the year of incurrence.

### C. Defined Benefits Plans

The Parent Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post-employment at 15 days' salary (last drawn salary) for each completed year of services as per the rules of the Parent Company. The aforesaid liability is provided for on the basis of an actuarial valuation made using Projected Unit Credit Method at the end of financial year. The scheme is funded with an insurance Group in the form of a qualifying insurance policy. Remeasurement gains/losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income. These gains/ losses which are recognised in Other Comprehensive Income are reflected in retained earnings and are not reclassified to profit or loss.

### D. Compensated Absences

Employees are entitled to accumulate leave subject to certain limits for future encashment. The liability in respect of compensated absences is provided for on the basis of actuarial valuation made at the end of the financial year using Projected Unit Credit Method. The said liability is not funded.

#### Retirement Plans adopted by Setco Automotive (NA),Inc (Subsidiary)

On January 1, 2007 the Group's foreign subsidiary adopted identical safe-harbor 401K plans for union and non-union employees. All employees employed on January 1, 2007 are immediately eligible to participate. Employees hired after that date will be eligible the first day of the month following one year of employment if they worked at least 1,000 hours during that year. Employees are 100% vested in all accounts. Deferrals are permitted up to the maximum amount allowed by the Internal Revenue Code and Roth deferrals are also permitted. The plans permit hardship distributions under certain circumstances and in-service distributions are permitted from fully vested accounts once the participant reaches age 59 and half. The plans allow for a discretionary employer match contribution. There were no employer match contributions made to the plans for the years ended March 31, 2023 and 2022.

## 1.22 Share-based Payments:

### Employee Stock Option Scheme

Stock options granted to the employees under the stock option scheme established are evaluated as per the accounting treatment prescribed by Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Indian Accounting Standard (Ind AS)- 102 "Share-based Payments". The Parent Company follows the fair value method of accounting for the options and accordingly, the excess of market value of the stock options as on date of grant over the exercise price of the options, if any, is recognized as deferred employee compensation and is charged to the statement of profit and loss on graded vesting basis over the vesting period of the options. The unamortized portion of the deferred employee compensation is netted out against "Stock options Outstanding".

## 1.23 Government Grants

Government grants (including export incentives) are recognised only when there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate

## 1.24 Exceptional items

When an item of income or expense within Statement of profit and loss from ordinary activity is of such size, nature or incidence that its disclosure is relevant to explain more meaningfully the performance of the Group for the year, the nature and amount of such items is disclosed as exceptional items.

## 1.25 Provisions, Contingent Liabilities and Contingent Assets

### A. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

### B. Contingent Liabilities

The Contingent Liabilities are disclosed by way of a note to the Financial Statements, after careful evaluation by the management of the facts and legal aspects of the matter involved.

Group has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

### C. Contingent Assets

A Contingent Asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset, if any is not recognised but disclosed where an inflow of economic benefit is probable.

## 1.26 Summary Critical Estimates & Judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgment in applying the Group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included below.

### A. Deferred taxes

The Group recognises that net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the group to make significant estimates related to expectations of future taxable income, which may have a scope of causing a material adjustment to the carrying amounts of assets and liabilities.

### B. Inventories

The impairment of inventories is done on the basis of its ageing, discontinuance of products/model, damage conditions of goods, obsolesce, expected saleability. The value is written down at its estimated realisable value less cost to sell.

**C. Contingent liabilities**

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Group. Where the potential liabilities have a low probability of crystallising or are very difficult to quantify reliably, the Group treats them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome, the Group does not expect them to have a materially adverse impact on its financial position or profitability.

**Provision for product Warranty**

The Group's product warranty obligations and estimations thereof are determined using historical information on the type of product, nature, frequency and average cost of warranty claims and the estimates regarding possible future incidences of product failures. Changes in estimated frequency and amount of future warranty claims, which are inherently uncertain, can materially affect warranty expense.

**Fair Value Measurements and Valuation Processes**

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements. In estimating the fair value of an asset or a liability, the Group used market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engaged third party qualified valuers to perform the valuations in order to determine the fair values based on the appropriate valuation techniques and inputs to fair value measurements.



**Note - 2 Property, Plant and Equipment**

SR. NO.	PARTICULARS	GROSS BLOCK		DEPRECIATION		NET BLOCK					
		Cost as on 01.04.2024	Additions for the year	Adjustment for the year	Cost as on 31.03.2025	Up to 01.04.2024	Additions for the year	Adjustment for the year	Up to 31.03.2025	As on 31.03.2025	As on 31.03.2024
<b>A Property, Plant &amp; Equipment</b>											
1	Free Hold Land	4,245.55	12.47	(112.14)	4,145.87	-	-	-	-	4,145.87	4,245.55
	Previous year	4,217.97	24.84	2.74	4,245.55	-	-	-	-	4,245.55	4,217.97
2	Buildings	6,844.12	18.58	24.82	6,887.52	1,451.30	299.60	11.08	1,761.98	5,125.54	5,392.82
	Previous year	6,654.09	176.72	13.31	6,844.12	1,136.66	308.00	6.64	1,451.30	5,392.82	5,517.44
3	Plant & Machinery	17,322.75	865.22	(1,376.15)	16,811.82	8,542.59	1,522.08	(974.00)	9,090.67	7,721.15	8,780.16
	Previous year	16,985.71	423.04	(86.00)	17,322.75	6,913.93	1,682.56	(53.90)	8,542.59	8,780.16	10,071.78
4	Furniture & Fixtures	182.05	3.27	1.06	186.39	110.37	19.35	1.07	130.79	55.60	71.69
	Previous year	177.88	3.46	0.71	182.05	77.46	32.22	0.69	110.37	71.69	100.42
5	Office Equipments	95.04	11.21	(0.73)	105.52	49.56	13.03	(0.74)	61.86	43.66	45.48
	Previous year	51.03	44.66	(0.65)	95.04	42.07	8.16	(0.67)	49.56	45.48	8.96
7	Computers	419.05	12.18	(27.64)	403.58	387.92	12.79	(28.38)	372.33	31.25	31.13
	Previous year	400.46	6.69	11.90	419.05	365.43	11.24	11.25	387.92	31.13	35.02
8	Electric Fittings	1,964.54	22.62	-	1,987.16	1,555.65	196.68	-	1,752.33	234.83	408.89
	Previous year	1,959.29	5.26	-	1,964.54	1,322.52	233.12	-	1,555.65	408.89	636.76
9	Vehicles	223.38	91.45	2.93	317.76	43.78	50.88	0.69	95.35	222.41	179.60
	Previous year	285.21	8.95	(70.78)	223.38	89.30	50.35	(95.86)	43.78	179.60	195.91
	<b>Sub Total (Property, Plant &amp; Equipment)</b>	<b>31,296.49</b>	<b>1,037.00</b>	<b>(1,487.87)</b>	<b>30,845.63</b>	<b>12,141.18</b>	<b>2,114.40</b>	<b>(990.27)</b>	<b>13,265.32</b>	<b>17,580.31</b>	<b>19,155.31</b>
	Previous year	30,731.63	693.63	(128.77)	31,296.49	9,947.36	2,325.64	(131.85)	12,141.18	19,155.31	20,784.25
<b>B Right of Use of Assets</b>											
1	Land	360.96	-	-	360.96	11.42	4.37	-	15.79	345.17	349.54
	Previous year	360.96	-	-	360.96	7.05	4.37	-	11.42	349.54	353.91
<b>C Intangible Assets</b>											
1	Goodwill	280.91	-	-	280.91	280.91	-	-	280.91	-	-
	Previous year	280.91	-	-	280.91	280.91	-	-	280.91	-	-
2	Product Development	3,218.94	25.40	-	3,244.35	1,320.85	450.29	-	1,771.14	1,473.21	1,898.09
	Previous year	3,218.94	-	-	3,218.94	836.68	484.17	-	1,320.85	1,898.09	2,382.26
3	Technical Know how	5,757.81	-	-	5,757.81	1,466.88	627.22	-	2,094.10	3,663.70	4,290.92
	Previous year	5,757.81	-	-	5,757.81	839.66	627.22	-	1,466.88	4,290.92	4,918.14
4	Computer Software	774.67	16.50	41.92	833.09	745.63	12.44	41.92	800.00	33.09	29.04
	Previous year	718.75	29.25	26.67	774.67	703.94	15.02	26.67	745.63	29.04	14.81
	<b>Sub Total (Intangible Assets)</b>	<b>10,032.33</b>	<b>41.90</b>	<b>41.92</b>	<b>10,116.16</b>	<b>3,814.27</b>	<b>1,089.95</b>	<b>41.92</b>	<b>4,946.15</b>	<b>5,170.00</b>	<b>6,218.05</b>

Notes Forming Part of the Consolidated Financial Statements for the year ended on 31st March 2025

SR. NO.	PARTICULARS	GROSS BLOCK		DEPRECIATION		NET BLOCK	
		Cost as on 01.04.2024	Additions for the year	Additions for the year	Adjustment for the year	As on 31.03.2025	As on 31.03.2024
	Previous year	9,976.41	29.25	1,126.41	26.67	6,218.05	7,315.20
	<b>Intangible Asset Under Development :</b>						
1	Product Development	-	129.40	-	-	129.40	-
2	Computer Software	29.47	(29.47)	-	-	-	29.47
	<b>Sub Total</b>	<b>29.47</b>	<b>129.40</b>	<b>129.40</b>	<b>-</b>	<b>129.40</b>	<b>29.47</b>
	Previous year	-	29.47	-	-	29.47	-
	<b>Capital Work in Progress :</b>						
	Capital Work in Progress	-	21.73	-	-	21.73	-
	Previous year	-	-	-	-	-	-
	<b>Grand Total (A+B+C+D+E)</b>	<b>41,719.25</b>	<b>1,230.03</b>	<b>3,208.73</b>	<b>(948.34)</b>	<b>23,246.60</b>	<b>25,752.36</b>
	Previous year	<b>41,069.00</b>	<b>752.35</b>	<b>3,456.42</b>	<b>(105.18)</b>	<b>25,752.36</b>	<b>28,453.37</b>

Note :

(i) Adjustment for the year include net impact of foreign exchange fluctuation of Rs. -24.04 lakhs (Rs. -23.51 lakhs).

**3 Non-current investment**

(Rs. In Lakhs)

Particulars	Refer Note No.	As at 31st March, 2025	As at 31st March, 2024
<b>Investment in other related entities (At Amortised Cost) :</b>			
a) 8,19,65,000 (8,19,65,000) 9% Non Convertible Cumulative Compulsorily Redeemable Preference Share of Rs. 10/- each fully paid of Setco Engineering Private Limited		8,196.50	8,196.50
Less : Impairment in Value of Investments		(1,193.71)	(1,193.71)
<b>Sub total (a)</b>		<b>7,002.79</b>	<b>7,002.79</b>
b) 1,30,77,550 (1,30,77,550) - 0.01% Non Convertible Redeemable Cumulative Preference Share of Rs. 10/- each fully paid of Setco Engineering Private Limited		1,307.76	1,307.76
<b>Sub total (b)</b>		<b>1,307.76</b>	<b>1,307.76</b>
<b>Total (non-current investments)</b>		<b>8,310.55</b>	<b>8,310.55</b>

**4 Other financial assets**

(Rs. In Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
<b>Considered Good, Unsecured</b>		
Other deposits (at amortised cost)	144.58	111.71
<b>Total</b>	<b>144.58</b>	<b>111.71</b>

**5 Deferred tax assets (net)**

(Rs. In Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
<b>Deferred tax liabilities:</b>		
Timing Differences related to Property, Plant & Equipment and Intangible Assets	3,174.18	3,812.16
<b>Deferred tax assets :</b>		
Timing differences related to Expenses	(409.52)	(367.67)
Timing differences related to unabsorbed depreciation	2,541.48	2,541.48
Timing differences related to unabsorbed business losses	2,467.15	2,467.15
Deferred Tax Asset (Liability)	1,073.63	955.83
MAT credit entitlement	518.45	518.45
<b>Net Deferred Tax Assets</b>	<b>1,592.09</b>	<b>1,474.29</b>
<b>Total provision made in Statement of Profit and Loss</b>	<b>(64.63)</b>	<b>(622.84)</b>

Notes Forming Part of the Consolidated Financial Statements for the year ended on 31st March 2025

**6 Other non-current assets**

(Rs. In Lakhs)

Particulars	As at	As at
	31st March, 2025	31st March, 2024
<b>Unsecured, considered good</b>		
Other deposits	174.96	176.64
Capital advances	0.58	0.58
<b>Total</b>	<b>175.54</b>	<b>177.22</b>

**7 Inventories**

(Rs. In Lakhs)

Particulars	As at	As at
	31st March, 2025	31st March, 2024
Raw materials [Including Goods in transit Rs. 77.97 lakhs (Rs. 76.75 lakhs)]	6,842.83	6,114.09
Work-in-progress	1,259.07	1,388.57
Finished goods	4,889.49	4,648.07
Stores and Packing Materials	651.25	580.91
Scrap	5.07	1.90
<b>Total</b>	<b>13,647.70</b>	<b>12,733.53</b>

**8 Trade receivables (Unsecured)**

(Rs. In Lakhs)

Particulars	As at	As at
	31st March, 2025	31st March, 2024
Undisputed, Considered good, Secured	6,926.11	4,138.35
Undisputed, Considered doubtful, Secured	340.62	340.51
Less : Allowance for Credit Loss	340.62	340.51
	-	-
<b>Total</b>	<b>6,926.11</b>	<b>4,138.35</b>

**Movement in Allowance for Credit Loss is as follows :**

(Rs. In Lakhs)

Particulars	As at	As at
	31st March, 2025	31st March, 2024
<b>Opening</b>	340.51	339.88
Add : Additions	0.11	0.63
Less: Utilisations / Reversals	-	-
<b>Closing</b>	<b>340.62</b>	<b>340.51</b>

**Trade Receivables ageing as at 31st March, 2025 :**

(Rs. In Lakhs)

Particulars	Not Due	Outstanding from due date of payment					Total
		Upto 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Receivables</b>							
Considered good	5,889.24	939.49	74.50	22.88	-	-	6,926.11
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
<b>Disputed Trade Receivables</b>							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	340.62	340.62
<b>Total</b>	<b>5,889.24</b>	<b>939.49</b>	<b>74.50</b>	<b>22.88</b>	<b>-</b>	<b>340.62</b>	<b>7,266.73</b>
Less : Allowance for credit loss	-	-	-	-	-	-340.62	-340.62
<b>Total</b>	<b>5,889.24</b>	<b>939.49</b>	<b>74.50</b>	<b>22.88</b>	<b>-</b>	<b>-</b>	<b>6,926.11</b>

**Trade Receivables ageing as at 31st March, 2024 :**

(Rs. In Lakhs)

Particulars	Not Due	Outstanding from due date of payment					Total
		Upto 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Receivables</b>							
Considered good	3,247.79	856.44	0.77	31.59	1.76	-	4,138.35
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
<b>Disputed Trade Receivables</b>							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	340.51	340.51
<b>Total</b>	<b>3,247.79</b>	<b>856.44</b>	<b>0.77</b>	<b>31.59</b>	<b>1.76</b>	<b>340.51</b>	<b>4,478.86</b>
Less : Allowance for credit loss	-	-	-	-	-	-340.51	-340.51
<b>Total</b>	<b>3,247.79</b>	<b>856.44</b>	<b>0.77</b>	<b>31.59</b>	<b>1.76</b>	<b>-</b>	<b>4,138.35</b>

**9 Cash and Cash Equivalents**

(Rs. In Lakhs)

Particulars	As at	As at
	31st March, 2025	31st March, 2024
Cash balance	9.28	3.19
Bank balances	1,917.92	1,358.36
Fixed deposit account (lien-marked on margin account)	67.97	33.32
Fixed deposit account	23.62	-
<b>Total</b>	<b>2,018.79</b>	<b>1,394.87</b>

Notes Forming Part of the Consolidated Financial Statements for the year ended on 31st March 2025

**10 Bank Balances Other Than Cash and Cash Equivalents Above** (Rs. In Lakhs)

Particulars	As at	As at
	31st March, 2025	31st March, 2024
<b>Other bank balance</b>		
Unclaimed dividends	29.83	46.18
<b>Total</b>	<b>29.83</b>	<b>46.18</b>

**11 Other current assets** (Rs. In Lakhs)

Particulars	Refer Note No.	As at	As at
		31st March, 2025	31st March, 2024
<b>i) Advances to related parties</b>			
<b>Unsecured, Considered doubtful</b>			
a) Transstadia Technology Private Limited		299.97	299.97
Less : Impairment Loss Allowance		299.97	299.97
<b>Sub total</b>		<b>-</b>	<b>-</b>
b) SE Transstadia Private Limited		426.49	426.49
Less : Impairment Loss Allowance		426.49	426.49
<b>Sub total</b>		<b>-</b>	<b>-</b>
<b>ii) Pre-payments</b>			
Prepaid expenses		466.82	382.58
Capital advances		82.13	195.53
Advances to suppliers		1,099.18	1,156.67
Less : Impairment Loss Allowance		906.68	888.15
<b>Sub total</b>		<b>741.45</b>	<b>846.64</b>
<b>iii) Balance with Statutory / Government Authorities</b>			
Balance with Income Tax		-	143.03
Appeal fees paid to GST	37(B)(iii)	10.43	-
Statutory dues receivable - Income Tax		422.68	348.80
GST/VAT refund receivables	(a)	465.18	466.86
Less : Impairment Loss Allowance		414.09	414.09
<b>Sub total</b>		<b>484.20</b>	<b>544.59</b>
<b>iv) Other Loans And Advances</b>			
Other advances [ Refer Note No. (b)]		54.70	39.92
Assets Held for Sale (Part of Land Area)		117.03	-
<b>Sub total</b>		<b>171.73</b>	<b>39.92</b>
<b>Total</b>		<b>1,397.38</b>	<b>1,431.15</b>

(a) Recognition of income of refund of IGST/CGST, share of state for uttrakhand pending notification by state government.

(b) The Company reviewed the balance earlier disclosed under "Employee Advances" as receivable from the CMD for FY 2021-22 and determined that it represents unutilised TDS payment available on the TRACES portal. The Company is in the process of claiming the refund of this amount.

**12 Equity**

(Rs. In Lakhs)

Particulars	Refer Note No.	As at 31st March, 2025	As at 31st March, 2024
<b>(i) Authorised capital</b>			
25,00,00,000 (25,00,00,000) Equity Shares of Rs. 2/- each		5,000.00	5,000.00
<b>Total</b>		<b>5,000.00</b>	<b>5,000.00</b>
<b>Issued, subscribed and fully paid up share capital</b>			
13,37,67,275 (13,37,67,275) Equity Shares of Rs. 2 each		2,675.35	2,675.35
<b>Total</b>		<b>2,675.35</b>	<b>2,675.35</b>
<b>Share Warrants</b>			
163,218 (Nil) partly paid-up convertible Share warrants of face value of INR 10/- each	(d)	4.08	
Less : Lapsed during the financial year		(4.08)	
<b>Total</b>		<b>-</b>	<b>-</b>

- a) Pursuant to the approval of members in the Annual General Meeting held on 28th September, 2015 the equity shares of face value of Rs. 10/- each have been subdivided into equity shares of face value of Rs. 2/- each with effect from 17th December, 2015. As a result, the number of equity shares has increased from 2,67,19,335 to 13,35,96,675 shares.
- b) The company has only one class of equity shares having a par value of Rs. 2 per share. Each shareholder of equity share is entitled to one vote per share.
- c) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.
- d) Issue and Lapse of Partly Paid-up Conditional Convertible Share Warrants : - During the financial year under review, the Indian subsidiary Company, Setco Auto Systems Pvt. Ltd. has issued 1,63,218 partly paid-up conditional convertible share warrants having a face value of Rs. 10/- each, at a premium of Rs. 786/- per warrant, aggregating to Rs. 796/- per warrant. These warrants were issued on a preferential basis to India Resurgence Asset Management Business Private Limited, acting as the investment manager for India Resurgence Fund – Scheme 1 and India Resurgence Fund – Scheme 2, both being equity shareholders of the Company.

As per the terms of the issue, 25% of the total consideration was paid by the subscribers at the time of allotment, with the remaining 75% payable upon conversion of the warrants into equity shares. However, the conditions stipulated in the Warrant Subscription Agreement dated 21st March 2024 were not fulfilled, and accordingly, the said convertible share warrants lapsed during the financial year.

In accordance with the amended Debenture Trust Deed dated 21st March, 2024, the amount received in respect of the lapsed share warrants has been accounted for as accrued Interest on unlisted debentures amounting to Rs. 320.72 lakhs. The Interest has been calculated from the date of allotment of the share warrants, i.e., 26th July 2024, at an Internal Rate of Return (IRR) of 23% (inclusive of face value and premium).

Notes Forming Part of the Consolidated Financial Statements for the year ended on 31st March 2025

(ii) **Movement of number of shares and share capital**

Particulars	As on 31-03-2025		As on 31-03-2024	
	Number	(Rs. In Lakhs)	Number	(Rs. In Lakhs)
<b>Equity shares</b>				
As at the beginning of the year	13,37,67,275	2,675.35	13,37,67,275	2,675.35
Add : Shares issued on exercise of employee stock options	-	-	-	-
	13,37,67,275	2,675.35	13,37,67,275	2,675.35
Less : Changes, if any during the year	-	-	-	-
Outstanding at the end of the year	13,37,67,275	2,675.35	13,37,67,275	2,675.35

(iii) **Details of shareholders holding more than 5% shares in the company**

Name of Shareholders	As on 31-03-2025		As on 31-03-2024	
	Number	% Holding	Number	% Holding
<b>Equity shares of Rs. 2/- each fully paid</b>				
Setco Engineering Private Limited	6,40,63,845	47.89	6,40,63,845	47.89

(iv) **Disclosure of Shareholding of Promoters**

Promoter Name	As on 31-03-2025		As on 31-03-2024	
	Number	% Holding	Number	% Holding
<b>Equity shares of Rs. 2/- each fully paid</b>				
Setco Engineering Private Limited	6,40,63,845	47.89	6,40,63,845	47.89
Transstadia Enterprises Private Limited	16,50,000	1.23	16,50,000	1.23
Urja Harshal Shah	42,84,725	3.20	42,84,725	3.20
Sneha Harish Sheth	35,37,400	2.64	35,37,400	2.64
Harish Kiritbhai Sheth	28,97,575	2.17	28,97,575	2.17
Udit Harish Sheth	27,62,863	2.07	27,62,863	2.07
Harish Kiritbhai Sheth - HUF	61,080	0.05	61,080	0.05
<b>Total</b>	<b>7,92,57,488</b>	<b>59.25</b>	<b>7,92,57,488</b>	<b>59.25</b>

Promoter Name	As on 31-03-2024		As on 31-03-2023	
	Number	% Holding	Number	% Holding
Equity shares of Rs. 2/- each fully paid				
Setco Engineering Private Limited	6,40,63,845	47.89	6,40,63,845	47.89
Transstadia Enterprises Private Limited	16,50,000	1.23	16,50,000	1.23
Urja Harshal Shah	42,84,725	3.20	42,84,725	3.20
Sneha Harish Sheth	35,37,400	2.64	35,37,400	2.64
Harish Kiritbhai Sheth	28,97,575	2.17	28,97,575	2.17
Udit Harish Sheth	27,62,863	2.07	27,62,863	2.07
Harish Kiritbhai Sheth - HUF	61,080	0.05	61,080	0.05
<b>Total</b>	<b>7,92,57,488</b>	<b>59.25</b>	<b>7,92,57,488</b>	<b>59.25</b>

**13 Other Equity**

(Rs. In Lakhs)

Particulars	Refer Note No.	As at 31st March, 2025	As at 31st March, 2024
<b>(i) Capital Reserve</b>			
As per Last Balance Sheet		953.89	953.89
<b>Total</b>		<b>953.89</b>	<b>953.89</b>
<b>(ii) Securities Premium</b>			
As per Last Balance Sheet		5,201.06	5,201.06
Add : Received during the year on issue of Shares Warrants		320.72	-
Less : Transferred to Interest Accrued on Unlisted NCD [Refer Note 12(i)(d)]		-320.72	-
<b>Total</b>		<b>5,201.06</b>	<b>5,201.06</b>
<b>(iii) General Reserve</b>			
As per Last Balance Sheet		1,956.52	1,956.52
Transfer from Profit & Loss		43.96	-
<b>Total</b>		<b>1,912.57</b>	<b>1,956.52</b>
<b>(iv) Retained Earnings</b>			
As per Last Balance Sheet		-58,371.44	-47,081.14
Less : Unrealised Profit Margin on Stock		-15.72	-7.68
Add : Profit for the year		-10,576.32	-11,282.61
Less : Transfer to General Reserve		44.18	-
<b>Total</b>		<b>-68,919.30</b>	<b>-58,371.44</b>
<b>(v) Currency Translation reserve</b>			
As per Last Balance Sheet		514.98	554.06
Add : Currency Translation Reserve for the year		-9.77	-39.08
<b>Total</b>		<b>505.21</b>	<b>514.98</b>
<b>(vi) Non-Controlling Interest</b>			
		-11,710.90	-9,575.22
<b>Total</b>		<b>-11,710.90</b>	<b>-9,575.22</b>
<b>Total (i to vi)</b>		<b>-72,057.47</b>	<b>-59,320.21</b>

Notes Forming Part of the Consolidated Financial Statements for the year ended on 31st March 2025

**14 Borrowings (At amortized cost)**

(Rs. In Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
<b>i) Term loans</b>		
<b>From banks</b>		
Secured	6,661.28	5,403.34
Unsecured	-	-
<b>From others</b>		
Secured	79.17	25.54
Unsecured	-	-
<b>Total (i)</b>	<b>6,740.45</b>	<b>5,428.89</b>
<b>ii) Other loans</b>		
<b>From banks</b>		
Secured	8.52	12.31
<b>From others</b>		
Secured	-	-
Unsecured	-	-
<b>Total (ii)</b>	<b>8.52</b>	<b>12.31</b>
<b>iii) Lease liability</b>		
<b>From others</b>		
Secured	8.39	15.24
<b>Total (iii)</b>	<b>8.39</b>	<b>15.24</b>
<b>iv) Debentures</b>		
<b>From banks</b>		
0.01% Secured Optionally Convertible Debentures (SOCD) (3,20,800 Debenture issued at face value of Rs. 1000)	3,207.04	3,208.00
Less: Deferred Gain	2,248.24	1,233.08
<b>Total (iv)</b>	<b>958.80</b>	<b>1,974.92</b>
<b>v) Non Convertible Debentures</b>		
<b>From others</b>		
<b>Secured</b>		
Listed - 2150 Nos. of Rs. 10,00,000 each	21,500.00	21,500.00
Listed - 975 Nos. of Rs. 1,00,000 each	975.00	-
Unlisted - 3500 Nos. of Rs. 10,00,000 each	35,000.00	35,000.00
	57,475.00	56,500.00
Interest accrued on NCD	42,032.14	28,262.53
<b>Total (v)</b>	<b>99,507.14</b>	<b>84,762.53</b>
<b>vi) Compulsorily Convertible Debentures</b>		
<b>From others</b>		
<b>Unsecured</b>		
0.0001% Compulsorily Convertible Debentures - 2,18,462 Nos. of Rs. 10 each	21.85	21.85
<b>Total (vi)</b>	<b>21.85</b>	<b>21.85</b>
<b>Total (i) to (vi)</b>	<b>1,07,245.14</b>	<b>92,215.73</b>
The above amount includes		
Secured borrowings	1,07,223.29	92,193.88
Unsecured borrowings	21.85	21.85

- Refer Note no. 18 for Current maturities of long term borrowing.
- **Security Structure for Non Convertible Debentures issued by Indian Subsidiary is as under :**  
Interest Rate @23.00% p.a. is on XIRR basis & only 5% p.a. coupon is payable on monthly basis.  
First and exclusive mortgage charge on all fixed assets of the company.  
First and exclusive hypothecation on all the movable assets of the company (other than cars which have been secured for certain car loans) including current assets and bank/escrow accounts.  
Pledge of 100% shares of the company held by holding company  
Personal Guarantee of the Promoters  
Corporate Guarantee of Setco Automotive Ltd. & Setco Engineering Pvt. Ltd.  
Pledge of Promoters holding of Setco Automotive Ltd. and Setco Engineering Pvt. Ltd. Shares (including all preference shares and convertible securities)  
Demand Promissory Notes and Letter of Continuity thereto  
Undated Cheques from the Setco Automotive Ltd.
- Indian rupee vehicle loan from HDFC Bank is repayable in 84 EMI each of Rs. 0.38 lakhs to be repaid by March, 2028. The loan is secured by hypothecation of particular vehicle and Interest Rate @7.65% p.a.
- During the financial year under review, the Indian subsidiary company Setco Auto Systems Private Limited has issued and allotted 975 secured, listed, redeemable Non-Convertible Debentures (Debentures) having a face value of ₹1,00,000/- (Rupees One Lakhs only) each aggregating to INR 9,75,00,000/- (Indian Rupees Nine Crore and Seventy Five Lakhs Only) to India Resurgence Fund – Scheme 1 and India Resurgence Fund – Scheme 2, the schemes of India Resurgence Fund managed by India Resurgence Asset Management Business Private Limited (“Allottees”), in dematerialised form, and on private placement basis, both being existing debenture holders of the Company with same terms and conditions as described in note of issue of Non Convertible Debentures (Listed & Unlisted).  
  
The amount corresponding to the lapsed Share Warrants has been accounted in accrued Interest of Unlisted Debentures of Rs.350 crores from the date of allotment of the Share Warrants i.e. 26th July 2024 at an IRR of 23% (including face value and premium), in accordance with the amended deed executed on 21st March 2024.
- In case of Indian subsidiary company, Lava Cast Private Limited, received a recall notice on 16 January 2023 from its lender i.e. Bank of Baroda (“Lender”). However, vide letter dated 1st July 2024, the Lender, sanctioned the Restructuring of Credit Facilities, with various terms and conditions. Also, the Lender has withdrawn the ‘Proceeding under section 7 of the IBC which were filed with the NCLT, Ahmedabad. The Hon’ble NCLT vide its order dt. 9th July, 2024 has disposed said matter, accordingly, the said matter stands withdrawn. The Company is in the process of adhering to the restructuring plan and financial effect, if any, will be given in the books on the implementation of the plan.

**Terms and Conditions for Unrated, Unlisted, Unsecured Non Convertible Debentures (NCD) issued by Indian Subsidiary is as under :**

- In the previous year, a private placement allotment of 1,00,000 NCDs of Rs. 1,000 each was made on 21st March 2024.
- During the year, a private placement allotment of 40,000 NCDs of Rs. 1,000 each was made on 7th October 2024, with the same terms and consideration as the previous year’s private placement of NCDs.
- 8% (Eight Percent) per annum payable at the time of Redemption.
- The Debentures shall be redeemable at INR 1,000/- (Indian Rupees One Thousand Only) per debenture at any time at the option of the Company, but not later than 10 years from the date of allotment of the Debentures.
- NCD issued in dematerialised form.

Notes Forming Part of the Consolidated Financial Statements for the year ended on 31st March 2025

- India subsidiary, Lava Cast Private Limited's Loan is secured by first charge by way of Equitable Mortgage of Factory Land and Building & Hypothecation of Plant & Machinery & Other Movable Fixed Assets of the Company & Second Charge on Company's entire Current Assets. Loan is further Secured by Corporate Guarantee of Parent Company, M/s. Setco Automotive Limited. and Personal Guarantee of Mr. Udit Sheth.
- US \$ Car loan obtained by wholly owned ultimate foreign subsidiary company, Setco Automotive (N.A.) INC. from Huntingdon Bank is to be repaid in 57 EMI each of \$1294.22 to be repaid by October, 2028. The loan is secured by hypothecation of particular vehicle and Interest Rate @7.94% p.a.
- US \$ Car loan obtained by wholly owned ultimate foreign subsidiary company, Setco Automotive (N.A.) INC. from Ally Financial is to be repaid in 60 EMI each of \$642.99 to be repaid by September, 2028. The loan is secured by hypothecation of particular vehicle and Interest Rate @10.89% p.a.
- US \$ Car loan obtained by wholly owned ultimate foreign subsidiary company, Setco Automotive (N.A.) INC. from Nissan is to be repaid in 72 EMI each of \$711.39 to be repaid by April, 2029. The loan is secured by hypothecation of particular vehicle and Interest Rate @8.30% p.a.

US \$ loan obtained by wholly owned ultimate foreign subsidiary company, Setco Automotive (N.A.) INC. from Med One Capital Funding LLC is to be repaid in 48 EMI each of \$ 814.98 to be repaid by November, 2028.

Wholly owned ultimate foreign subsidiary company, Setco Automotive (N.A.) INC. entered into a lease for the rent / purchase of a used forklift. The Company has the option to purchase the equipment at the conclusion of the lease for \$1 and therefore it is a finance lease. The lease ends on April 15, 2028, the monthly lease payment is \$703, and the imputed interest rate is 6.75%. The amortization of lease assets included in depreciation expense is \$4,214 (\$2,810). Financing cash flows from lease activity was \$4,382 (\$4,382).

US \$ Term loan obtained by wholly owned ultimate foreign subsidiary company, Setco Automotive (N.A.) INC. from Simmons Bank is to be repaid in 180 EMI each of \$3,350.00 to be repaid by May, 2038. The loan is cross collateralized with LOC and interest Rate @9% p.a.

US \$ revolving line of credit obtained by wholly owned ultimate foreign subsidiary company, Setco Automotive (N.A.) INC. sanctioned by Simmons Bank with a variable interest rate based on prime and debt to equity ratios with a maximum borrowing amount of \$2,200,000 is secured by first charge by way of hypothecation of current assets including stocks, book debts etc. and second charge on fixed assets of the company and corporate guarantee of Setco Automotive (UK) Limited, wholly owned ultimate foreign subsidiary company. On October 11, 2024 the Simmons Bank line of credit note and term note were both assigned to Bank3.

There were no changes in the terms of the notes at that time.

The Company has a revolving line of credit with Bank3. with a variable interest rate based on prime and debt to equity ratios with a maximum borrowing amount of \$2,200,000.

**15 Other financial liabilities**

(Rs. In Lakhs)

Particulars	As at	As at
	31st March, 2025	31st March, 2024
Deposits	-	2.00
<b>Total</b>	<b>-</b>	<b>2.00</b>

**16 Provisions**

(Rs. In Lakhs)

Particulars	As at	As at
	31st March, 2025	31st March, 2024
Provision for employee benefits		
Provision for gratuity	98.14	89.19
Provision for compensated absences	298.86	283.55
<b>Total</b>	<b>397.00</b>	<b>372.74</b>

**17 Other non - current liabilities** (Rs. In Lakhs)

Particulars	As at	As at
	31st March, 2025	31st March, 2024
Deferred Gain on Financial Liability (OCDs)	2,248.82	1,233.89
<b>Total</b>	<b>2,248.82</b>	<b>1,233.89</b>

**18 Borrowings (At amortized cost)** (Rs. In Lakhs)

Particulars	As at	As at
	31st March, 2025	31st March, 2024
<b>i) Loans repayable on demand from banks</b>		
Secured	968.05	1,145.44
Unsecured	0.20	-
<b>Total (i)</b>	<b>968.25</b>	<b>1,145.44</b>
<b>ii) From other parties</b>		
Unsecured	2,598.56	2,996.61
<b>Total (ii)</b>	<b>2,598.56</b>	<b>2,996.61</b>
Loan from Related parties		
Unsecured	0.80	-
<b>Total (ii)</b>	<b>0.80</b>	<b>-</b>
<b>iii) Lease liability</b>		
<b>From others</b>		
Secured	7.27	5.83
<b>Total (iii)</b>	<b>7.27</b>	<b>5.83</b>
<b>iv) Current maturities of long term loans</b>	751.59	2,420.35
<b>Total (iv)</b>	<b>751.59</b>	<b>2,420.35</b>
<b>Total (i) to (iv)</b>	<b>4,326.48</b>	<b>6,568.23</b>

- Indian rupee Unsecured loan is from Tata Motors Finance Limited till 13th March, 2025 with Interest Rate 12.55% p.a. taken by Indian subsidiary company, Setco Auto Systems Pvt. Ltd.
- Indian rupee working capital (cash credit) obtained by Indian subsidiary company, Lava Cast Private Limited is sanctioned by Bank of Baroda is secured by first charge by way of hypothecation of current assets including stocks, book debts etc. and second charge on entire fixed assets of the Indian subsidiary company. Working capital loan is further secured by corporate guarantee of parent company, Setco Automotive Limited.

**19 Trade payable** (Rs. In Lakhs)

Particulars	As at	As at
	31st March, 2025	31st March, 2024
<b>Undisputed</b>		
Dues of Micro, small and medium enterprises	3,499.45	1,565.26
Dues other than of Micro, small and medium enterprises	6,195.68	8,073.33
<b>Total</b>	<b>9,695.13</b>	<b>9,638.59</b>

This information as required to be disclosed under Micro Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the parent Company and its Indian subsidiary.

**Information in terms of Section 22 of Micro, Small and Medium enterprises Development Act, 2006 are given below :**

Particulars	As at	As at
	31st March, 2025	31st March, 2024
Principal amount remaining unpaid to any supplier at the end of each accounting year	3,499.45	1,565.26
Interest accrued & remaining unpaid	19.11	6.49

Notes Forming Part of the Consolidated Financial Statements for the year ended on 31st March 2025

Trade Payables ageing as at 31st March, 2025 :

(Rs. In Lakhs)

Particulars	Not Due	Outstanding from the due date of payment				Total
		Upto 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of Micro, small and medium enterprises						
Disputed dues	-	-	-	-	-	-
Undisputed dues	2,326.66	1,170.97	1.82	-	-	3,499.45
<b>Total</b>	<b>2,326.66</b>	<b>1,170.97</b>	<b>1.82</b>	<b>-</b>	<b>-</b>	<b>3,499.45</b>
Outstanding dues other than of Micro, small and medium enterprises						
Disputed dues	-	-	-	-	-	-
Undisputed dues	4,825.06	1,291.87	38.37	31.80	8.58	6,195.68
<b>Total</b>	<b>4,825.06</b>	<b>1,291.87</b>	<b>38.37</b>	<b>31.80</b>	<b>8.58</b>	<b>6,195.68</b>
<b>Balance as at 31st March, 2025</b>	<b>7,151.72</b>	<b>2,462.84</b>	<b>40.19</b>	<b>31.80</b>	<b>8.58</b>	<b>9,695.13</b>

Trade Payables ageing as at 31st March, 2024 :

(Rs. In Lakhs)

Particulars	Not Due	Outstanding from the due date of payment				Total
		Upto 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of Micro, small and medium enterprises						
Disputed dues	-	-	-	-	-	-
Undisputed dues	703.34	851.81	-	-	10.11	1,565.26
<b>Total</b>	<b>703.34</b>	<b>851.81</b>	<b>-</b>	<b>-</b>	<b>10.11</b>	<b>1,565.26</b>
Outstanding dues other than of Micro, small and medium enterprises						
Disputed dues	-	-	-	-	-	-
Undisputed dues	6,065.14	1,729.10	72.24	21.78	185.07	8,073.33
<b>Total</b>	<b>6,065.14</b>	<b>1,729.10</b>	<b>72.24</b>	<b>21.78</b>	<b>185.07</b>	<b>8,073.33</b>
<b>Balance as at 31st March, 2024</b>	<b>6,768.48</b>	<b>2,580.91</b>	<b>72.24</b>	<b>21.78</b>	<b>195.18</b>	<b>9,638.59</b>

## 20 Other financial liabilities

(Rs. In Lakhs)

Particulars	Refer Note No.	As at	As at
		31st March, 2025	31st March, 2024
Unpaid/unclaimed dividend	(a)	29.83	46.18
Creditors for Capital Expenditure		-	61.28
Other Payable		0.01	0.01
<b>Total</b>		<b>29.84</b>	<b>107.47</b>

(a) There are no amounts due for payment to the investor education and protection fund u/s. 125 of Companies Act, 2013 at the year end.

## 21 Other current liabilities

(Rs. In Lakhs)

Particulars	As at	As at
	31st March, 2025	31st March, 2024
Payable towards statutory liabilities	1,382.81	908.52
Payable to employees	931.30	758.29
Advance received from Sale of Land	159.19	-
Advance received from Customer	46.55	-
Other Payables	237.64	195.61
<b>Total</b>	<b>2,757.49</b>	<b>1,862.43</b>

**22 Provisions** (Rs. In Lakhs)

Particulars	As at	As at
	31st March, 2025	31st March, 2024
Provision for gratuity	131.56	119.35
Provision for compensated absences	28.53	20.58
Provision For warranty	-	65.65
Other Provision	11.27	8.43
<b>Total</b>	<b>171.36</b>	<b>214.00</b>

**23 Current tax liabilities (net)** (Rs. In Lakhs)

Particulars	As at	As at
	31st March, 2025	31st March, 2024
Provision for taxation	0.03	-
<b>Total</b>	<b>0.03</b>	<b>-</b>

**24 Revenue from operations** (Rs. In Lakhs)

Particulars	Year ended	Year ended
	31st March 2025	31st March 2024
Sales of products	71,862.76	64,066.71
<b>Total</b>	<b>71,862.76</b>	<b>64,066.71</b>

**25 Other income** (Rs. In Lakhs)

Particulars	Year ended	Year ended
	31st March 2025	31st March 2024
Interest Income	108.53	9.89
Other non-operating income		
Profit on sale of property, plant and equipment (net)	64.77	12.25
Miscellaneous Income	40.46	5.05
Sundry balances written back	169.42	-
Reversal of deferred gain on financial liability	181.45	136.63
Exchange gain (net)	67.35	72.83
Government Grants - Duty drawback	41.77	28.90
Others	496.95	6.13
<b>Total</b>	<b>1,170.71</b>	<b>271.68</b>

**26 Cost of material consumed** (Rs. In Lakhs)

Particulars	Year ended	Year ended
	31st March 2025	31st March 2024
Opening stock	5,976.90	6,277.48
Add : Purchases (net)	34,248.34	33,520.41
Less : Closing Stock	7,040.17	5,976.90
Less : Sales of manufacturing scrap	1,990.17	1,946.44
<b>Total</b>	<b>31,194.90</b>	<b>31,874.55</b>

Notes Forming Part of the Consolidated Financial Statements for the year ended on 31st March 2025

**27 Cost of material consumed**

(Rs. In Lakhs)

Particulars	Year ended	Year ended
	31st March 2025	31st March 2024
Opening stock	137.19	-
Add : Purchases (net)	2,372.48	787.79
Less : Closing Stock	282.25	137.19
<b>Total</b>	<b>2,227.42</b>	<b>650.61</b>

**28 Changes in inventories of finished goods and work in progress**

(Rs. In Lakhs)

Particulars	Year ended	Year ended
	31st March 2025	31st March 2024
(Increase) /decrease in inventories	370.74	(352.89)
<b>Total</b>	<b>370.74</b>	<b>(352.89)</b>

**29 Employee benefit expenses**

(Rs. In Lakhs)

Particulars	Refer Note No.	Year ended	Year ended
		31st March 2025	31st March 2024
Salaries, wages and bonus	(a)	9,949.12	9,053.30
Contribution to employees welfare funds		566.47	540.12
Staff welfare expenses		163.04	153.84
<b>Total</b>		<b>10,678.63</b>	<b>9,747.27</b>

(a) Ex-gratia payment to Chairman of Rs. 393.39 lakhs (Rs. 40.00 lakhs) by parent company.

**30 Finance cost**

(Rs. In Lakhs)

Particulars	Year ended	Year ended
	31st March 2025	31st March 2024
Interest expense	21,429.59	17,758.60
Other financial charges	130.04	75.86
Finance expenses	181.45	134.46
<b>Total</b>	<b>21,741.08</b>	<b>17,968.92</b>

**31 Other expenses**

(Rs. In Lakhs)

Particulars	Year ended	Year ended
	31st March 2025	31st March 2024
Stores and Tools Consumed	1,638.33	1,414.00
Carriage Inward	645.93	833.82
Power and fuel	2,658.65	2,494.60
Job work charge	616.61	569.76
Factory expenses	134.84	163.74
Repairs and maintenance to machineries	202.36	150.71
Repairs to building	65.75	96.66
Computer expenses	292.32	344.02
Printing and stationary	43.42	50.37
Rent	310.83	289.95
Rates and taxes	77.29	71.90
Insurance	519.42	493.20
Travelling & conveyance expenses	862.32	634.12
Legal and professional charges	933.02	708.76
Communication expenses	61.50	67.41
Books, subscription and membership	3.73	7.68
Security Expenses	173.89	174.00
Recruitment Expenses	9.41	27.77
Motor Car Expenses	14.52	21.46
General expenses	117.55	55.42
Marketing and sales promotion	698.90	482.94
Discount, commission and other expenses on sales	2,798.11	2,461.19
Packing and forwarding expenses	3,310.95	3,020.24
Advertisement expenses	18.71	6.90
Directors' sitting fees	37.45	30.04
Corporate social responsibility expenses	129.00	141.65
Donation	5.56	5.90
Office expenses	24.86	15.93
Auditors remuneration	67.85	67.38
<b>Total</b>	<b>16,473.09</b>	<b>14,901.50</b>

**32 Exceptional Items**

(Rs. In Lakhs)

Particulars	Refer Note No.	Year ended	Year ended
		31st March 2025	31st March 2024
Provision for advance	(b) & (c)	48.00	213.84
Provision for ECL	(d)	-	6.34
Provision for Inventory	(c)	8.70	-
<b>Total</b>		<b>56.70</b>	<b>220.18</b>

- (a) In compliance with IND As provisions, the parent company has made appropriate provisions for impairment/expected credit losses in respect of its investments , loans, receivables etc from its subsidiaries and associate concerns , based on review of the respective balance sheets and valuation reports obtained from approved valuers.
- (b) The Indian subsidiary company, Setco Auto Systems Pvt. Ltd. has provided additional ECL provision of Rs. Nil (Rs. 213.84 lakhs) on amount receivable towards sharing of common expenses from SE Transstadia Pvt. Ltd.
- (c) The Indian Subsidiary company, Setco Auto Systems Pvt. Ltd. has provided :
- ECL on the amount of advance given to vendor of Rs. 48.00 lakhs (Rs.Nil).
  - Provision for stock lying to sub-contractor of Rs. 8.70 lakhs (Rs.Nil).

Notes Forming Part of the Consolidated Financial Statements for the year ended on 31st March 2025

- (d) During the previous year the parent company, Setco Automotive Ltd. has provided impairment provision of Rs. 6.34 lakhs on amount receivable towards VAT, due to uncertainty of recoverability.

**33 Earning per share**

Particulars	2024-2025	2023-2024
Profit available to Equity Shareholders after tax (Rs. In Lakhs)	-10,509.36	-11,268.99
Weighted average number of equity shares of Rs. 2/- each		
Basic - No. of Shares	13,37,67,275	13,37,67,275
Diluted - No. of Shares	13,37,67,275	13,37,67,275
<b>Earnings per share in Rs. :</b>		
Basic in Rs.	-7.86	-8.42
Diluted in Rs.	-7.86	-8.42

**34 Related Party Disclosures as per Indian Accounting Standard - 24 "RELATED PARTY DISCLOSURES"**

**A. Names of Related Parties and Nature of Relationship :**

S r . No.	Name of the Related Party	Relationship
1	Setco Automotive (UK) Limited UK	Wholly Owned Ultimate Foreign Subsidiary Companies
2	Setco Automotive N.A. Inc. (USA)	
3	WEW Holdings Limited, Mauritius	Wholly Owned Foreign Subsidiary Companies
4	Setco MEA DMCC, UAE	
5	Setco Auto Systems Private Limited	Indian Subsidiary Company
6	Lava Cast Private Limited	Indian Subsidiary Company
<b>7</b>	<b>Key Managerial Personnel *</b>	
	Mr. Harish Sheth	Chairman and Managing Director
	Mr. Udit Sheth	Vice Chairman and Whole time Director
	Mrs. Urja Shah	Whole time Director
	Dr. Arun Arora	Independent Director (Resigned on 30.09.2024)
	Mr. Ashok Jha	Independent Director (Resigned on 30.09.2024)
	Mrs. Suhasini Sathe	Independent Director (Resigned on 30.09.2024)
	Mr. Vijay Kalra	Independent Director (Appointed on 11.11.2024)
	Mr. Suresh Shanbhogue	Independent Director (Appointed on 11.11.2024)
	Mr. Alok Parashar	Independent Director (Appointed on 31.01.2025)
	Mr. Shrinivasan Sivasubrahmanyam	Chief Financial Officer (upto 31.08.2023)
	Mr. Sunil Gupta	Executive Director and Chief Executive Officer (Resigned on 31.12.2024) in Indian Subsidiary company
	Mr. Neeraj Singhal	Executive Director and Chief Executive Officer (Appointed on 01.01.2025) in Indian Subsidiary company
	Mr. Deepak Shrikrishna Diwan	Executive Director and Chief Executive Officer (w.e.f. 11.07.2024) in Indian Subsidiary company
	Mr. Kuldeep Singh	Chief Financial Officer (Resigned on 18.04.2025)
	Mr. Hiren Vala	Company Secretary

S r . No.	Name of the Related Party	Relationship
3	Setco Engineering Private Limited	Enterprises over which key managerial personnel are able to exercise significant influence
4	Setco Holdings Private Limited	
5	SE Transstada Private Limited	
6	Transstada Holdings Private Limited	
7	Transstada Technologies Private Limited	
8	Transstada Enterprises Private Limited	
9	Transstada Boxing India Private Limited	
10	Pahadi Goodness Private Limited	
11	Transstada Education and Research Foundation	
12	Transstada Institute & Research Council	
13	SMERII Diving Foundation	
14	Hrehan Venture Advisors Pvt. Ltd.	
15	Wingspun Funds Advisors LLP	
16	Sportscom Industry Confederation	
17	YSL Yogasana Development Private Limited	
18	Autofridge India Private Limited	
19	Metal Care Alloys Limited	
20	Norspin International Limited	
21	Info Corporation of Goa Limited	
22	Avasara Leadership Institute	
23	Urdit Exports (Proprietary concern)	
24	Western Engineering Works (Partnership)	
25	Harish K. Sheth (HUF)	
26	Setco Foundation (Trust)	
27	Mrs. Sneha Sheth	Relatives of Key Managerial Personnel
28	Mr. Harshal Shah	

\* The Company has designated Managing Director, Chief Financial Officer, Company Secretary and Chief Executive Officer as key managerial personnel for the purposes of Section 203 of Companies Act, 2013.

Notes Forming Part of the Consolidated Financial Statements for the year ended on 31st March 2025

<b>B. Transactions with Related Parties :</b>		<b>(Rs. In Lakhs)</b>	
<b>Sr. No.</b>	<b>Nature of transaction</b>	<b>2024-2025</b>	<b>2023-2024</b>
<b>A)</b>	<b>Transactions with enterprises over which key managerial personnel are able to exercise significant influence :</b>		
	<b>Office Rent</b>		
	- Western Engineering Works	60.00	60.00
	- Transstadia Technologies Private Limited	84.00	84.00
	- SE Transstadia Private Limited	0.69	-
	<b>Reimbursement of Expenses</b>		
	- SE Transstadia Private Limited	0.13	1.58
	- Setco Foundation	-	4.45
	- Transstadia Education & Research	9.20	-
	- Pahadi Goodness Pvt Ltd	1.13	-
	<b>Marketing commission paid</b>		
	- Setco Engineering Private Limited	528.13	250.00
	- SE Transstadia Private Limited	3.14	-
	<b>CSR Activity</b>		
	- Setco Foundation	129.00	141.65
	<b>Outstanding at year end :</b>		
	<b>Investment</b>		
	- Setco Engineering Private Limited	9,504.26	9,504.26
	<b>Amount receivable</b>		
	- SE Transstadia Private Limited	426.49	426.49
	- Transstadia Technologies Private Limited	299.97	299.97
	<b>Amount payable</b>		
	- Setco Engineering Private Limited	24.17	24.58
	- SE Transstadia Private Limited	-	5.90
	- Transstadia Technologies Private Limited	7.56	7.56
	- Setco Foundation	5.00	8.65
	- Western Engineering Works	6.41	6.41
<b>B)</b>	<b>Transactions with key managerial personnel and their relatives :</b>		
	<b>Managerial remuneration (directors)</b>		
	<b>(Including provident fund and excluding commission to non-executive directors)</b>		
	- Mr. Harish Sheth [Refer Note No. (a)]	393.39	40.00
	- Mr. Udit Sheth	150.00	150.00
	- Mrs. Urja Shah	66.48	66.48
	- Mr. Shrinivasan Sivasubrahmanyam [Refer Note (b)]	3.96	-
	<b>Remuneration of other Key Managerial Personnel</b>	293.01	210.84
	<b>Outstanding at year end :</b>		
	<b>Amount receivable</b>		
	- Mr. Harish Sheth [Refer footnote No. b to Note No. 11]	29.28	29.28

(a) In pursuance of special resolutions passed by the members and in view of inadequacy of profits, the Chairman & Managing Director has been paid remuneration of Rs. 393.39 lakhs (Rs. 40.00 lakhs) as Ex-gratia, within the limits laid down under Part-II of Schedule V of the Companies Act, 2013.

(b) During the year, arrears amount paid of Rs. 3.96 lakhs (Nil).

**35 Enterprises consolidated as subsidiary in accordance with IND-AS-110 "Consolidated Financial Statements"**

S r . No.	Names of Subsidiaries with country of incorporation	Percentage of Voting Power	Financial Year
i	Setco Automotive (UK) Limited – UK (SAUL)	32.19% by Setco Automotive Ltd. 67.81% by WEW Holding Ltd.	April to March
ii	Setco Automotive (N.A.) Inc. – U.S.A. (SANAI) (Wholly owned Subsidiary of Setco Automotive (UK) Ltd.)	100%	April to March
iii	WEW Holding Limited Mauritius - (WEW) (Wholly owned subsidiary of Setco Automotive Ltd. India)	100%	April to March
iv	Setco MEA DMCC (Wholly owned subsidiary of Setco Automotive Ltd. India)	100%	April to March
v	Lava Cast Private Limited - (India) (Partly owned subsidiary of Setco Automotive Ltd. India)	89.68% by Setco Automotive Ltd. 10.32% by Setco Auto Systems Pvt. Ltd.	April to March
vi	Setco Auto Systems Private Limited (Partly owned subsidiary of Setco Automotive Ltd. India)	81.25%	April to March

**36 Additional Information, as required under Schedule III to the Companies Act, 2013**

Sr. No.	Name of the Entity	Share of net assets		Share of profit or loss	
		As at 31st March 2025		As at 31st March 2025	
		As % of consolidated net assets	Rs. in lakhs	As % of consolidated profit or loss	Rs. in lakhs
<b>I</b>	<b>Parent</b>				
	Setco Automotive Limited	0.45%	-314.32	17.49%	-2,209.14
<b>II</b>	<b>Subsidiaries</b>				
	<b>a. Indian</b>				
	Lava Cast Private Limited	14.78%	-10,256.69	12.47%	-1,575.61
	Less : Non-controlling interest	-0.29%	-198.47	-0.25%	-31.13
	Setco Auto Systems Private Limited	100.28%	-69,576.71	88.49%	-11,178.76
	Less : Non-controlling interest	-18.80%	-13,045.63	-16.66%	-2,104.55
		<b>95.97%</b>	<b>-66,589.29</b>	<b>84.06%</b>	<b>-10,618.69</b>
	<b>b. Foreign</b>				
	1. Setco Automotive (UK) Limited	5.32%	-3,691.70	1.69%	-213.36
	2. Setco Automotive (NA) Inc.	-2.39%	1,660.08	-2.21%	279.53
	3. WEW Holdings Limited	0.02%	-13.97	0.03%	-3.88
	4. SETCO MEA DMCC	0.62%	-432.92	-1.05%	132.67
	<b>Total</b>	<b>100.00%</b>	<b>-69,382.13</b>	<b>100.00%</b>	<b>-12,632.86</b>

S r . No.	Name of the Entity	Share of other comprehensive income		Share of total comprehensive income	
		31st March 2025		31st March 2025	
		As % of consolidated other comprehensive income	Rs. in lakhs	As % of consolidated total comprehensive income	Rs. in lakhs
<b>I</b>	<b>Parent</b>				
	Setco Automotive Limited	0.00%	-	17.41%	-2,215.10
<b>II</b>	<b>Subsidiaries</b>				
	<b>a. Indian</b>				
	Lava Cast Private Limited	35.36%	-33.64	12.65%	-1,609.24
	Less : Non-controlling interest	0.00%	-	-0.24%	-31.13
	Setco Auto Systems Private Limited	64.64%	-61.48	88.35%	-11,240.24
	Less : Non-controlling interest	-12.80%	-12.18	-16.64%	-2,116.73
		<b>87.20%</b>	<b>-82.94</b>	<b>84.12%</b>	<b>-10,701.63</b>
	<b>b. Foreign</b>				
	1. Setco Automotive (UK) Limited	-	-	1.68%	-213.36
	2. Setco Automotive (NA) Inc.	-	-	-2.20%	279.53
	3. WEW Holdings Limited	-	-	0.03%	-3.88
	4. SETCO MEA DMCC	-	-	-1.04%	132.67
	<b>Total</b>	<b>100.00%</b>	<b>-95.12</b>	<b>100.00%</b>	<b>-12,721.77</b>

### 37 Contingent Liabilities and Commitments

#### A. Contingent liabilities:

- i) Guarantee given for maximum Rs. 16,678.00 lakhs (Rs. 16,678.00 lakhs) to Bank of Baroda, Mumbai, India, for subsidiary's credit facilities. The carrying amounts of related financial guarantee contracts are recognised in books of account are Rs. 653.45 lakhs as at 31.03.2025 (Rs. 675.61 lakhs).
- ii) Guarantee given for maximum Rs. 56,500.00 lakhs (Rs. 56,500.00 lakhs) to Vistra ITCL (India) Limited, Mumbai, India (Debenture Trustee) for non convertible debentures issued by the parent company and its indian subsidiary company, Setco Auto Systems Private Limited.
- iii) Guarantees given by the bank on behalf of the Indian subsidiary company Setco Auto Systems Pvt Ltd Rs. 53.64 lakhs (Rs.1.98 lakhs).

#### B. Note on Pending Litigation:

- i) The parent company had filed a case against a competitor for cancellation of registration of design granted by Controller of Patents and Designs in Kolkata High Court. In view of the settlement of differences under a consent terms, the said case became infructuous and the process of withdrawal of the case is under process.
- ii) The parent company has received Assessment Orders under section 143(3) read with section 144C (3) for A.Y. 2017-18 & A.Y.2018-19 in which certain additions are made resulting in demand of Rs. 0.35 lakhs and Rs. Nil respectively. The matters on which additions are made in respect of product development expenses, are adjudicated in favour of the Company by the Income tax Appellate Tribunal. These adjudicated matters are not contested further by the Income tax Department.

The parent company's appeals in which additions are made are contested before the Commissioner of Income tax (Appeals) which are pending for disposal. Based on adjudication by the Income tax appellate

tribunal, the appeal before the CIT Appeals are expected to decide in favour of the company. Therefore, the demand arising on account of such additions are expected to be deleted and hence not provided for.

The penalty proceedings initiated by the Department under section 271(1)(c) of the Income tax Act, 1961 based on additions made in the assessments referred to above are requested to be kept in abeyance till the disposal of appeal. Based on adjudication of the matters decided in favour of the company it is expected that such proceedings will be dropped.

- iii) The parent company received order from GST Authorities raising a demand of Rs. 208 lakhs along with interest and penalties amount of Rs. 104 lakhs. The Company has contested the matter before GST CIT (Appeals) and made part payment of Rs. 10.43 lakhs against the demand raised as prescribed. The matter is pending for final adjudication.
- iv) During the year under review, the Securities and Exchange Board of India ("SEBI") issued a show cause notice dated October 14, 2024, to, inter alia, that the parent company alleging contraventions of: (i) the SEBI Act, 1992; (ii) the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003; and (iii) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The allegations pertain to certain related party transactions undertaken in prior financial years.

The Company has submitted detailed responses to SEBI, denying the allegations and asserting, inter alia, that the said transactions were undertaken in compliance with applicable laws and regulatory requirements. The matter is currently pending adjudication before SEBI's Quasi-Judicial Authority. The Company continues to believe that the transactions were entered into in compliance with applicable law.

- vi) The Indian Subsidiary Setco Auto Systems Private Limited has contested certain disallowances made in the Assessment Year 2022-2023 before CIT (Appeals). There is no tax liability in such contested matters.
- v) During the year, the Indian subsidiary company, Setco Auto Systems Pvt Ltd received a Show Cause Notice (SCN) from SEBI, alleging regulatory violations committed by its Holding Company. There are no specific allegations targeting the independent operations or activities of the Company (SASPL). Therefore, the current Shareholders and Directors of the Company are not subject to the said SCN in their capacity as such the appropriate actions are being taken, as legally advised.

The parent company's management reasonably expects that these cases when ultimately concluded/ adjudicated will not have any material or adverse effect on the company's results or the operations or financial condition.

### C. Commitments: ( For Indian subsidiary company )

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 82.13 lakhs (Rs. 195.53 lakhs).

## 38 TRADE PAYABLES & RECEIVABLES

- i) In Respect of parent company & Indian subsidiary company, Setco Auto Systems Pvt. Ltd., Trade payables' balances for which balance confirmations have been received, have been reconciled and necessary adjustments, if any, has been accounted. In respect of trade receivables and other debit/credit balances, for which balance confirmations have been received, have been reconciled and necessary adjustments, if any, has been accounted. In respect of Indian subsidiary company, Lava Cast Pvt. Ltd., trade payables and trade receivables are subject to reconciliation and / or confirmation.
- ii) In the opinion of the management, current and non-current assets are recoverable in the normal course of business.

**39 Fair Value Measurements :**

**(i) Financial instruments by category :**

The carrying amounts of financial instruments by class are as follows :

(Rs. In Lakhs)

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
<b>A. Financial assets</b>		
<b>I. Measured at amortised cost</b>		
Trade Receivables	6,926.11	4,138.35
Cash and Cash Equivalents	67.97	33.32
Other Financial Assets	144.33	111.46
Investment in Preference Shares of Related Entity	7,002.79	7,002.79
<b>II. Measured at fair value through profit and loss (FVTPL)</b>		
Other Financial Assets	0.25	0.25
<b>III. Measured at fair value through other comprehensive income (FVOCI)</b>		
Investment in Equity Instruments of Related Entity	-	-
	<b>14,141.45</b>	<b>11,286.17</b>
<b>B. Financial liabilities</b>		
<b>I. Measured at amortised cost</b>		
Borrowings	1,07,988.35	94,620.84
Lease Liability	15.66	21.07
Unclaimed Dividend	29.83	46.18
Trade Payables	9,695.13	9,638.60
<b>II. Measured at fair value through profit and loss (FVTPL)</b>		
Finance lease obligation	-	-
	<b>1,17,728.97</b>	<b>1,04,326.69</b>

**(ii) Fair value hierarchy :**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the entity has classified its financial instruments into 3 levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measure quoted prices.

Level 2: The fair values of financial instruments that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all the significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(Rs. In Lakhs)			
Particulars	Level 1	Level 2	Level 3
<b>Measured at fair value through profit and loss (FVTPL)</b>			
<b>As at 31st March 2025</b>			
Other Financial Assets	-	-	0.25
<b>As at 31st March 2024</b>			
Other Financial Assets	-	-	0.25
Particulars	Level 1	Level 2	Level 3
<b>Measured at fair value through other comprehensive income (FVOCI)</b>			
<b>As at 31st March 2025</b>			
Investment in Equity Instruments of Related Entity	-	-	-
<b>As at 31st March 2024</b>			
Investment in Equity Instruments of Related Entity	-	-	-

**(iii) Valuation techniques used to determine the fair value- Level 3 :**

Valuation is based on Income approach, wherein discounted cash flow method is used to capture present value of the expected future economic benefits to be derived from the ownership of particular financial instrument.

**40 Disclosure of ratios :**

Ratios	Year ended 31st March 2025	Year ended 31st March 2024	Change	Reason for Change
a) Current ratio [Current Assets / (Current Liabilities - Current Maturities of Long Term Borrowings - Interest Accrued)]	1.48	1.24	20%	Note (i)
b) Debt-Equity ratio [(Long Term Borrowings + Short Term Borrowings + Interest Accrued) / Equity]	-1.61	-1.74	-8%	Note (i)
c) Debt service coverage ratio [Profit/(loss) before exceptional items and tax + Finance Costs / (Finance Costs + Principal payment of borrowings)]	0.39	0.21	88%	Due to increase in profit before interest and tax for the year
d) Return on equity ratio [Net Profit/(loss) after tax / Average Shareholder's equity]	0.20	0.27	-26%	Due to loss during the year
e) Inventory turnover ratio [Cost of Materials consumed + Changes in inventories of finished goods and work-in-progress / Average Inventory]	2.39	2.51	-4%	Note (i)
f) Trade receivables turnover ratio [Revenue from operations / Average Trade Receivables]	12.99	16.09	-19%	Note (i)

	Ratios	Year ended 31st March 2025	Year ended 31st March 2024	Change	Reason for Change
g)	Trade payables turnover ratio [Net Purchase / Average Trade Payables]	3.54	3.53	0%	Note (i)
h)	Net capital turnover ratio [Revenue from operations / Average Working Capital]	12.43	25.50	-51%	Due to higher revenue
i)	Net profit ratio [Net Profit(Loss) after Tax / Revenue from operations]	-17%	-21%	-17%	Note (i)
j)	Return on capital employed [Profit before interest and taxes / Capital Employed]	0.21	0.10	119%	Due to increase in profit before interest and tax for the year
k)	Return on investment [Net Income / Cost of Investment]	0%	0%	0%	Note (i)

- (i) In respect of aforesaid mentioned ratios, there is no significant change (25% or more) in FY 2024-25 in comparison to FY 2023-24.

#### 41 Going Concern :

The Indian subsidiary company, Setco Auto Systems Pvt Ltd has prepared the financial statements on a going concern basis, reflecting management's confidence in the Company's ability to continue its operations and meet financial obligations in the foreseeable future, despite a negative net worth resulting from accumulated losses.

To support this assumption, management has undertaken a comprehensive revival strategy, which includes advanced discussions with potential investors for additional fund raising, significant EBITDA growth (from INR 14 crores in FY 2021-22 to over INR 100 crores in FY 2024-25) and market share recovery across key OEMs. The Company's expansion into the farm tractor clutch segment and successful tender wins worth INR 17 crores further strengthening revenue visibility. Operational performance has shown consistent year-over-year improvement, with steady growth in revenue and EBITDA, reinforcing the Company's financial stability and liquidity position. Additionally, proactive steps such as structured financial planning, debt optimization, and product diversification continue to support long-term sustainability.

Based on these positive indicators, the Company is confident that the going concern assumption remains appropriate.

- 42** Disclosure in respect of materials & component consumption, inventories, deferred tax assets, deferred tax liabilities, trade receivables, trade payables 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.
- 43** The audited financial statements of the wholly owned ultimate foreign subsidiaries have been prepared in accordance with local laws of the country in which these subsidiaries 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.
- 44** In Financial Year 2017-18, Setco Automotive UK Ltd had revalued its investment in Setco Automotive (NA) Inc. from Rs. 1,483.11 lakhs to Rs. 2,665.50 lakhs and in Financial Year 2018-19 it has revalued Land and Building from Rs. 813.35 lakhs to Rs. 1,078.63 lakhs. Upon consolidation, these inter company balances have been eliminated and consequent effect on Retained Earnings have been derecognised.
- 45** Other Notes specific to parent company have been mentioned in the Notes of Parent company's Standalone Financial Statement.

**46 Audit Trail :**

The company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. There are two exceptions noted by the Company's management

- a) Table schema level changes carried out from the application are not tracked; and
- b) The company uses SAP application, which is operated by a third-party software service provider, for maintaining its books of account and said party has not provided either SOC2 report or Independent auditor's report.

However, these exceptions do not impact the internal control environment of the Company.

- 47** The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 48** The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 49** The Company has not traded or invested in Crypto currency or Virtual Currency.
- 50** No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 51** The Company has not entered any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- 52** The Company has not made any contribution to the political parties.
- 53** Figures in brackets represent previous year's figures.
- 54** Previous year's figures have been regrouped/ reclassified wherever necessary to confirm with the current year's classification/ disclosure.

As per our report of even date attached  
For **Sharp & Tannan Associates**  
Chartered accountants  
(ICAI Firm registration No. : 109983W)

For and on behalf of the Board

**HARISH SHETH**  
[DIN: 01434459]  
Chairman & Managing Director

**UDIT SHETH**  
[DIN: 00187221]  
Vice Chairman and Whole time Director

**(CA Pramod Bhise)**  
Partner  
Membership No. : 047751

**ANURAG JAIN**  
Chief Financial Officer

**HIREN VALA**  
Company Secretary  
Membership No. : A42685

Place : Mumbai  
Date : 27<sup>th</sup> May, 2025

Place : Mumbai  
Date : 27<sup>th</sup> May, 2025

**ATTENDANCE SLIP**

CIN: L35999GJ1982PLC005203

Regd. Office: Baroda - Godhra Highway, Kalol (Panchmahals), Pincode - 389 330, Gujarat, India  
 Phone: 02676-270600, Fax: 02676-235524. Email: [investor.relations@setcoauto.com](mailto:investor.relations@setcoauto.com), Website: [www.setcoauto.com](http://www.setcoauto.com)  
**42<sup>nd</sup> ANNUAL GENERAL MEETING ON THURSDAY, SEPTEMBER 25, 2025**

Serial No. \_\_\_\_\_

Registered Folio No./ DP ID/Client ID	
Name and address of the Member(s)	
Joint Holder 1	
Joint Holder 2	

I/We hereby record my/our presence at the 42<sup>nd</sup> Annual General Meeting of the Company at the Registered Office on Thursday, September 25, 2025 at 2:30 p.m.

.....  
 Member's/Proxy's name in Block Letters Member's/Proxy's Signature

Please hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL.



**PROXY FORM**

CIN: L35999GJ1982PLC005203

Regd Office: Baroda - Godhra Highway, Kalol (Panchmahals), Pincode - 389 330, Gujarat, India  
 Phone: 02676-270600, Fax: 02676-235524. Email: [investor.relations@setcoauto.com](mailto:investor.relations@setcoauto.com), Website: [www.setcoauto.com](http://www.setcoauto.com)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]  
**42<sup>nd</sup> ANNUAL GENERAL MEETING ON THURSDAY, SEPTEMBER 25, 2025**

Name of the Member(s):
Registered Address:
E-mail ID: Folio No./DP ID/Client ID:

I/We being member(s) of Setco Automotive Limited, holding .....shares of the Company, hereby appoint:

- (1) Name ..... Address.....  
 Email ID: ..... Signature.....or failing him;
- (2) Name ..... Address.....  
 Email ID: ..... Signature.....or failing him;
- (3) Name ..... Address.....  
 Email ID: ..... Signature.....  
 Signature.....

**ELECTRONIC VOTING PARTICULARS**

EVSN (Electronic Voting Sequence Number)	*Default PAN / Sequence No.
250814021	

\*Only Members who have not updated their PAN with Company / Depository Participant shall use default PAN / sequence number in the Pan field.

- Note:
- Please read the instructions for electronic voting printed along with the notice of the 42<sup>nd</sup> Annual General Meeting dated August 12, 2025.
  - The remote e-Voting period starts from 9.00 a.m. on Monday, September 22, 2025 and ends at 5.00 p.m. on Wednesday, September 24, 2025. The voting module shall be disabled by CDSL for voting thereafter.

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As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 42<sup>nd</sup> Annual General Meeting of the Company to be held on Thursday, September 25, 2025 at 2:30 p.m at the Registered Office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Ordinary Resolutions:</b>	
1	Adoption of standalone and consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2025 together with the Reports of the Board of Directors and the Auditors thereon.
2.	To appoint a director in place of Mr. Udit Sheth (DIN: 00187221), who retires by rotation and being eligible, offers himself for re-appointment.
3.	Re-Appointment of M/s. Sharp & Tannan Associates, Chartered Accountants, as statutory auditors of the Company.
<b>Special Resolutions:</b>	
4.	To appoint M/s. Shravan A. Gupta & Associates as Secretarial Auditor for a term of Five (5) consecutive years and to fix their remuneration.
5.	Appointment of Mr. Vijay Kalra (DIN: 07217974) as a Director and as an Independent Director of the Company.
6.	Appointment of Dr. Suresh Shanbhogue (DIN: 00517958) as a Director and as an Independent Director of the Company.
7.	Appointment of Mr. Alok Shyamkrishna Parashar (DIN: 06722651) as a Director and as an Independent Director of the Company

Signed this ..... day of ....., 2025

Signature of the Shareholder .....

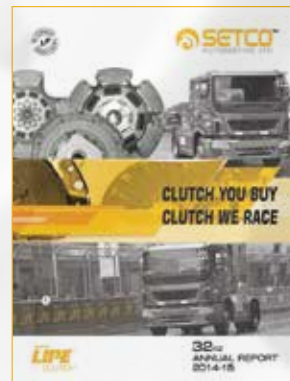
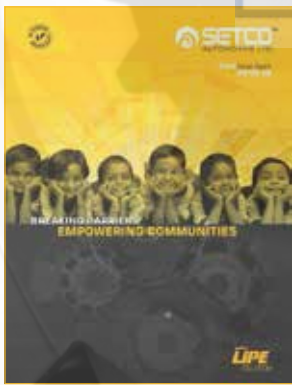
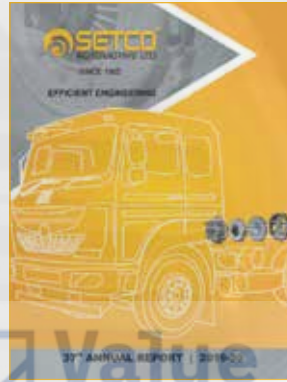
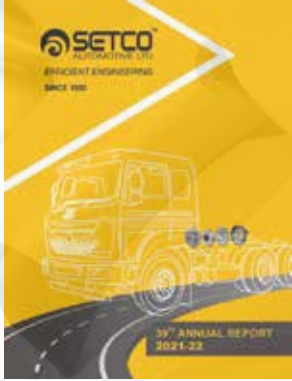
Signature of the Proxy holder(s) .....

Affix  
Revenue  
Stamp  
Re.1/-

**Notes:**

1. The Proxy to be effective should be deposited at the Registered office of the company not less than FORTY-EIGHT HOURS before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. A person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share of the Company carrying voting rights.
5. In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns "For" or "Against" as appropriate.

# VALUE RESEARCH PREMIUM





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@setco-auto-systems



investor.relations@setcoauto.com



@SetcoAutomotive



@SetcoAutomotive



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