



112th | ANNUAL REPORT

2021-2022



T. STANES AND COMPANY LIMITED

www.tstanes.com



T. STANES AND COMPANY LIMITED

CIN : U02421TZ1910PLC000221

CONTENTS	Page No.
Notice of Annual General Meeting	3
Directors' Report and Annexures	17
Auditors' Report	30
Balance Sheet	41
Statement of Profit and Loss	42
Changes in Equity	43
Cash Flow Statement	44
Notes to Financial Statements	46
Form AOC 1	91
Consolidated Financial Statements	92

Board of Directors

- Mr. A. Krishnamoorthy, (Chairman)
- Mr. R. Vijayaraghavan, (Independent Director)
- Mr. K.K. Unni, (Independent Director)
- Mrs. Lakshmi Narayanan, (Whole-time Director)
- Mr. S. Ramanujachari, (Director) (Upto 17th January, 2022)
- Mr. P.M. Venkatasubramanian, (Independent Director)
(Upto 7th August, 2021)
- Mr. N.P. Mani, (Independent Director) (Upto 7th August, 2021)

Auditors

M/s. Fraser & Ross
Chartered Accountants, Coimbatore.

Bankers

Central Bank of India

Registrar & Share Transfer Agent

M/s. Integrated Registry Management Services Pvt. Ltd.,
Second Floor, Kences Towers,
No.1-Ramakrishna Street, North Usman Road, T. Nagar,
Chennai - 600 017.

Registered Office

8/23-24, Race Course Road, Coimbatore - 641 018.
Phone - 0422-2221514, 2223515-17
Email : shares@t-stanes.com
Website : www.tstanes.com



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Email id: shares@t-stanes.com

Website: www.tstanes.com

Registered Office: 8/23-24, Race Course Road, Coimbatore - 641 018.

NOTICE is hereby given that the **112th Annual General Meeting** of the Company will be held on **Wednesday, the 24th August, 2022 at 10.00 A.M.** through Video Conference (VC) or Other Audio Visual Means (OAVM), to transact the following business:-

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Financial Statements (including Consolidated Audited Financial Statements) for the year ended 31st March, 2022 and if thought fit, to pass the following resolution as an Ordinary resolution :**

“RESOLVED THAT the Audited Financial Statements (including Consolidated Audited Financial Statements) of the Company including the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss for the year ended 31st March, 2022, Statement of Changes in Equity for the year, Notes and the Cash Flow Statement for the year ended 31st March, 2022 and the Report of the Directors’ and the Auditors’ thereon be and are hereby received and adopted”.

- 2. To declare Dividend on Equity Shares and to consider and if thought fit, to pass the following resolution as an Ordinary resolution:**

“RESOLVED THAT

- i) The Interim Dividend paid of ₹ 10.00 per share (100%) on the Equity Shares be and is hereby approved.
- ii) A Final Dividend of ₹ 5.00 per share (50%) on the Equity Shares be declared and paid for the year ended 31st March, 2022”.

- 3. To appoint a Director in place of Mr. A Krishnamoorthy (DIN:00001778) retiring by rotation and to consider and if thought fit, to pass the following resolution as an Ordinary resolution:**

“RESOLVED THAT Mr. A Krishnamoorthy (DIN: 00001778), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director”.

- 4. To re-appoint statutory auditors, fix their remuneration and to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Fraser & Ross, Chartered Accountants, (Firm Registration No. 000829S) be and are hereby re-appointed as Auditors of the Company for a period of five years, commencing from the financial year 2022-23 to hold office from the conclusion of this 112th Annual General Meeting till the conclusion of the 117th Annual General Meeting to be held in the year 2027 and that the Audit Committee/ Board of Directors be and are hereby authorized to fix remuneration with applicable taxes and out-of-pocket expenses payable to them”.



SPECIAL BUSINESS:

5. To approve the remuneration of the Cost Auditors for the Financial Year 2022-23 and to consider and if thought fit, to pass the following resolution as an Ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, M/s. S.Mahadevan & Co., Cost Accountants (Firm Registration Number 000007), are appointed as Cost Auditors by the Board of Directors for the Financial Year 2022-23 for the conduct of Cost Audit of the Company, at the remuneration fixed as ₹ 1,00,000/- (Rupees One Lakh only) with applicable taxes and out-of-pocket expenses, as recommended by the Audit Committee be and is hereby ratified”.

6. To approve the re-appointment of Mrs.Lakshmi Narayanan (DIN: 02539061), Whole-time Director as recommended by Nomination and Remuneration Committee from 8th February, 2022:

“RESOLVED THAT subject to the provisions of Section 196 and 197 read with Schedule V to the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force) and Articles of Association of the Company, Mrs.Lakshmi Narayanan (DIN: 02539061) be and is hereby re-appointed as the Whole-time Director of the Company for a period of three years with effect from 8th February, 2022 on the following terms and conditions, as recommended by the Nomination and Remuneration Committee of the Board”.

- a) **Period:** Three years from 8th February, 2022. She is liable to retire by rotation.
- b) **Nature of Duties:** Her responsibilities will include the management and co-ordination of the operational activities of the Company including such other responsibilities as may be entrusted by the Board of the Company from time to time.
- c) **Basic Salary:** ₹ 3,25,000/- (Rupees Three lakh Twenty five thousand only) per month.
- d) **Annual Performance Allowance:** An annual performance allowance of a sum, not exceeding ₹ 70,00,000/- or such other sums that may be decided by the Board of Directors, subject to due recommendation by the Nomination and Remuneration Committee for each financial year.
- e) **Special Allowance:** A Special Allowance of ₹ 2,50,000/- (Rupees Two Lakh Fifty thousand only) per month.
- f) **Perquisites:** Perquisites to be allowed in addition to the Basic Salary, Annual Performance allowance and Special allowance are listed below:
 - ❖ **Housing:** Free Company owned furnished quarters will be provided or leased premises by the Company together with the cost of reimbursement of expenses incurred on security, gas, water and electricity.
 - ❖ **Medical Reimbursement:** Medical expenses including premium applicable on a Medical Group Insurance plan incurred by the Whole-time Director for self, spouse and dependent parents, children not exceeding one month's Basic salary per annum.
 - ❖ **Leave Travel Concession:** For the Whole-time Director and her family, not exceeding one month's Basic salary per annum.
 - ❖ **Club Membership:** Fees for one club which will not include Admission and Life membership fees.



- ❖ **Personal Accident Insurance:** Premium for cover as per the rules of the Company.
- ❖ **Contribution to Superannuation Fund:** Company's contribution @ 15% on Basic salary as per Senior Executives Superannuation Scheme of the Company.
- ❖ **Leave:** As per rules of the Company.

The Whole-time Director shall be entitled to all expenses including reimbursement of travelling and entertainment expenses incurred in the course of the Company's business, which shall not be treated as a perquisite.

All the above perquisites shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such rules, the perquisites shall be evaluated at actuals.

She is not entitled to Sitting Fees.

Apart from the remuneration aforesaid: The Whole-time Director shall be eligible for provision of car with driver, telephone, mobile and other communication facilities at her residence and these will not be considered as perquisites.

Any variation in the Basic Salary, Annual Performance allowance, Special allowance and the above perquisites or any other perquisites, as may be recommended by the Nomination and Remuneration Committee and approved by the Board from time to time, within overall limits.

The appointment and the remuneration payable, as mentioned above, shall be subject to the overall ceiling under applicable provisions of the Companies Act.

Minimum Remuneration: In the event of absence or inadequacy of profits in any financial year during the tenure of the Whole-time Director, the Basic Salary, Annual Performance allowance, Special allowance and the perquisites as specified above would be admissible as Minimum Remuneration, subject to the overall Ceiling provided in the relevant schedule to the Companies Act (including any statutory modifications or enactment thereof for the time being in force and made from time to time) during the tenure of her appointment with an authority to the Board to vary/modify the remuneration from time to time within such ceiling.

Termination: The contract can be terminated by either party by giving three calendar months' notice.

Memorandum of interest : None of the Directors, Key Managerial Personnel including their relatives except Mrs.Lakshmi Narayanan are interested or concerned in the appointment.

By order of the Board

Mrs.Lakshmi Narayanan
Whole-time Director
DIN:02539061

Place : Chennai
Date : 22 July, 2022



NOTES:

1. The relative Statement of Material Facts pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business under Item No. 5 & 6 of the Notice, is annexed hereto and form part of this NOTICE.
2. In view of the continuing COVID-19 pandemic, social distancing is a norm to be followed and Circular No.14/2020 dated 8th April, 2020 issued by the Ministry of Corporate Affairs("MCA") followed by Circular No.17/2020 dated 13th April, 2020 Circular No.20/2020 dated 5th May, 2020, Circular No.02/2021 dated 13th January, 2021 and Circular No. 02/2022 dated 5th May, 2022 and all other relevant circulars issued from time to time (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical attendance of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("ACT") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
3. As this AGM is being held through VC/OAVM pursuant to MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members is not available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, the 18th August, 2022 to Wednesday, the 24th August, 2022 (both days inclusive)** for determining the entitlement of the Shareholders to the Final Dividend for the financial year 2021-22.
5. If the Final Dividend, as recommended by the Board of Directors, is approved at the Annual General Meeting, payment of such dividend will be made after 24th August, 2022. In respect of shares held in Physical form, dividend will be paid to beneficial owners of the shares, whose name appear in the Register of Members of the Company, at the end of business hours on 17th August, 2022. In case of Electronic form, dividend will be paid to the Beneficial Owners, as per the details furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as at the close of business hours on 17th August, 2022.
6. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of Shareholders with effect from 01st April, 2020 and the Company is required to deduct tax at source from dividend paid to Shareholders at the prescribed rates. For the prescribed rates for various categories, the Shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The Shareholders are requested to update their PAN with the Company / Registrar and Share Transfer Agent (in case of shares held in Physical mode) and Depository Participant (in case of shares held in Dematerialized mode).

A Resident Individual Shareholder with PAN and who is not liable to pay income tax, can submit a yearly declaration in Form 15G/H, to avail the benefit of non-deduction of tax at source by email to yuvraj@integratedindia.in. Shareholders are requested to note that in case their PAN is not registered, tax will be deducted at a higher rate of 20%.

Non-resident Shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to yuvraj@integratedindia.in. The aforesaid declarations and documents should reach the said e-mail address from the Shareholders on or before 17th August, 2022.

7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their Bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their **Depository Participant (DP) ONLY**. Changes intimated to the DP will then be



automatically reflected in the Company's records, which will help the Company and the Company's Registrars and Transfer Agents, M/s. Integrated Registry Management Services Private Limited (IRMSPL), to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Integrated Registry Management Services Private Limited (IRMSPL), 2nd Floor, "Kences Towers", No.1-Ramakrishna Street, North Usman Road, T.Nagar, Chennai-600 017. Tel No. 044 - 28140801 / 802 / 803.

8. Members holding shares in physical form are requested to consider for converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Registrar for assistance in this regard.
9. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members, after making requisite changes thereon.
10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
11. Members holding shares in electronic form are requested to submit their Permanent Account Number (PAN) to their Depository Participants, with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
12. Members holding shares in single name are advised to make a nomination in the prescribed form SH-13 in respect of their shareholding in the Company. Members holding shares, in Physical form should file their nomination(s) with the Company or the share transfer registrars (IRMSPL) and if shares are held in Demat mode, the nomination form should be filed only with their Depository Participant.

Transfer of Unclaimed / Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Pursuant to Sections 205A, 205C and other applicable provisions, if any, of the erstwhile Companies Act, 1956 and also Pursuant to Section 124 of the Companies Act, 2013, all unclaimed / unpaid dividend, as applicable, remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, in relation to the Company have been transferred to the IEPF established by the Central Government. The details of the same are displayed in the Website of the Company.

Transfer of Equity Shares to IEPF Authority:

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and IEPF Rules, as amended from time to time, all shares on which the Dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the IEPF Authority, in compliance with the procedure laid down under the Rules. Members are requested to take a note of the same and claim their unclaimed dividends, if any, immediately to avoid transfer of underlying shares to IEPF Authority. The shares transferred to IEPF Authority can be claimed back by the concerned Shareholders from IEPF Authority, after complying with the procedure prescribed under the "Rules".

In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Registrars /Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.tstanes.com.

Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.



Voting:

All Beneficial Owners whose names are recorded in the Register of Members of the Company, as on the cut-off date, i.e., 17th August, 2022, are eligible to cast their vote, by availing the facility of remote e-voting.

E-voting:

In compliance with the provisions of Section 108 of the Companies Act, 2013, to be read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and other applicable provisions, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depository Limited (NSDL), on all resolutions set forth in this Notice.

Remote E-Voting through Electronic means:

The remote e-voting period commences on **Saturday, 20th August, 2022 at 09.30 A.M. and ends on Tuesday, 23rd August, 2022 at 05.00 P.M.** The e-voting module shall be disabled by NSDL for e-voting thereafter. The Members of the Company, whose name appear in the Register of Members, holding shares either in physical form or in dematerialized form, as on the record date (cut-off date) i.e. 17th August, 2022, may cast their vote electronically. Once the vote on a resolution is cast, the Member shall not be allowed to change it subsequently.

The Instructions for e-voting are as under:

A. In case of a member receives an e-mail from NSDL (for members whose e-mail addresses are registered with the Company/Depositories):

The way to vote electronically on NSDL e-Voting system consists of “**Two Steps**” which are mentioned below:

Step 1: Login to NSDL e-voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-voting system.




Details on Step 1 is mentioned below:

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December, 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.

Login method for Individual shareholders holding securities in DEMAT mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in DEMAT mode with NSDL	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting

Type of shareholders	Login Method
Individual Shareholders holding securities in DEMAT mode with NSDL	<p>your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <ol style="list-style-type: none"> If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com / 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
Individual Shareholders holding securities in DEMAT mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their User Id and Password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest, the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com



Type of shareholders	Login Method
Individual Shareholders holding securities in DEMAT mode with CDSL	home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the DEMAT Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in DEMAT mode) login through their depository participants	You can also login using the login credentials of your DEMAT account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in DEMAT mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.
Individual Shareholders holding securities in DEMAT mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43.

B) Login Method for e-Voting and joining virtual meeting for Shareholders other than Individual Shareholders holding securities in DEMAT mode and Shareholders holding securities in physical mode.

How to Login to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL : <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.



3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can login at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you login to NSDL eservices after using your login credentials, click on e-Voting and you can proceed to Step 2. i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. DEMAT (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in DEMAT account with NSDL	8 Character DP ID followed by 8 Digit Client ID. For example, if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****
b) For Members who hold shares in DEMAT account with CDSL	16 Digit Beneficiary ID. For example, if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical form	EVEN Number followed by Folio Number registered with the company. For example, if Folio number is 001*** and EVEN is 101456 then User ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
- i) If your email ID is registered in your DEMAT account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose e-mail IDs are not registered.**

6. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:

- a) Click on **“Forgot User Details/Password?”** (If you are holding shares in your DEMAT account with NSDL or CDSL) option available on www.evoting.nSDL.com.
- b) **“Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.



- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your DEMAT account number/folio number, your PAN, your name and your registered address etc.,
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is mentioned below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

1. Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter, etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sankar@ksrandco.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 / 1800 22 44 30 or send a request at evoting@nsdl.co.in
4. The Members who have cast their votes by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.



B. In case Members whose email addresses are not registered with the Company / Depositories for getting User ID and Password and registration of email address for e-voting on the Resolutions set out in the Notice:

1. In case of shares are held in Physical mode, please send a request with the Folio No., Name of the Shareholder, scanned copy of share certificate (front and back), scanned Self Attested copy of PAN and scanned self attested copy of Aadhar through mail to yuvraj@integratedindia.in with a copy marked to shares@t-stanes.com.
2. In case of shares held in Dematerialised mode, please send a request with DP Id / Client Id, Name of the Shareholder, client master copy of Consolidated Account Statement, scanned Self Attested copy of PAN and scanned self attested copy of Aadhar through mail to yuvraj@integratedindia.in.
3. Alternatively Member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password for e-voting by providing the details mentioned above in Point No.1 or Point No.2, as the case may be.
4. Please follow all steps given in detail on **Step 2** above, to cast vote.
5. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM

1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.
2. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
3. Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more Shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience. Further Shareholders will be required to switch on the video facility and use Internet connection with a good speed to avoid any disturbance during the Meeting.
5. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuations in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to minimize / mitigate any kind of aforesaid glitches.
6. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800 1020 990 / 1800 22 44 30 .



7. In case of any grievance in connection with remote e-Voting, Members may contact Ms. Sarita Mote, NSDL, 4th Floor, "A" Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, e-mail: evoting@nsdl.co.in, Tel: 1800 1020 990 / 1800 22 44 30 .
8. Members who would like to register themselves as a speaker may send their request from their registered email address mentioning their name, DP ID and Client ID/Folio number, PAN, Mobile number through mail to the Company mail ID shares@t-stanes.com on or before 05.00 P.M. on the Saturday, the 20th August, 2022.
9. Those Members who have registered themselves as a speaker will only be allowed to express their views. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE MEETING

1. Procedure for e-Voting on the day of the AGM is same as the Remote e-voting as mentioned above.
2. Only those shareholders who are present in the AGM through VC/OAVM facility and have not cast their votes on the Resolutions through remote e-Voting and are not otherwise barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any votes are cast by shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the Meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the Meeting is available only to the shareholders attending the Meeting.

OTHER INSTRUCTIONS

1. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free No.: 1800 1020 990 / 1800 22 44 30 or send a request at evoting@nsdl.co.in.
2. Shareholders are encouraged to download the user manual available in <https://www.evoting.nsdl.com> well in advance to have a better understanding of the login and voting process.
3. The voting rights of Members shall be in proportion to their shares of the paid up equity Share Capital of the Company held as on **17th August, 2022**.
4. Mr.V.R.Sankaranarayanan, Partner, M/s KSR & Co., Company Secretaries LLP has been appointed by the Board of Directors as the Scrutinizer for voting at 112th Annual General Meeting to scrutinize e-voting both during AGM and remote e-voting process in a fair and transparent manner.
5. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
6. The Chairman / Whole-time Director will declare the results of voting forthwith upon receipt of report from Scrutinizer and the same shall be immediately placed on the Company's website www.tstanes.com and on the website of NSDL www.evoting.nsdl.com.
7. The resolutions shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes through a compilation of Voting results (i.e. remote e-Voting and the e-Voting held at the AGM).



8. In terms of Section 124 of the Act read with MCA General Circular No. 16/2020 dated 13th April, 2020 and other relevant circulars, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, the Company will be transferring the final dividend for the financial year 2014-15 and corresponding shares to IEPF. Members are requested to ensure that they claim the dividends and shares referred above, before they are transferred to the said Fund.
9. Any documents referred to in this Notice of 112th Annual General Meeting and the Statement of Material Facts shall be open for inspection by electronic mode only upto the date of the 112th Annual General Meeting of the Company.

By order of the Board

Mrs. Lakshmi Narayanan
Whole-time Director
DIN:02539061

Place : Chennai

Date : 22 July, 2022



**STATEMENT OF MATERIAL FACTS IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO
SECTION 102 OF THE COMPANIES ACT, 2013**

Item No. 5:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2023.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company.

Accordingly, the consent of the Members, as set out at Item No.5 of the Notice is required for the remuneration payable to the Cost Auditors for the year ending 31st March, 2023.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No.5 of the Notice, for approval / ratification by the Shareholders.

Item No. 6:

The Board of Directors of the Company at the meeting held on 4th February, 2022 has re-appointed Mrs. Lakshmi Narayanan (DIN: 02539061), aged 61 years, as a Whole-time Director, for a period of three years with effect from 8th February, 2022. Mrs. Lakshmi Narayanan holds a Bachelor's Degree in Electrical & Electronics Engineering from University of Madras, Chennai and a Master's Degree in Computer Engineering from University of Southern California, USA.

Mrs. Lakshmi Narayanan joined the Company in the year 2001 and has served the Company with responsibility in different functions including Supply Chain and Human Resources Management. Mrs. Lakshmi Narayanan is the Whole-time Director of the Company with effect from 8th February, 2013.

Mrs. Lakshmi Narayanan is concerned and interested in the resolution.

None of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.6 of the Notice.

The Board recommends as Special Resolution set out at Item No.6 of the Notice, for approval by the Shareholders.

By order of the Board

Mrs.Lakshmi Narayanan
Whole-time Director
DIN:02539061

Place : Chennai
Date : 22 July, 2022



T. STANES AND COMPANY LIMITED

DIRECTORS' REPORT

Your Directors have pleasure in presenting their 112th Annual Report of the Company along with Audited Financial Statements including Audited Consolidated Financial Statements and Auditors' Report thereon for the financial year ended 31st March, 2022.

Standalone Financial Results

Particulars	2021-22 (₹ in Lakhs)	2020-21 (₹ in Lakhs)
Revenue from Operations and Other Income	44,901.81	39,462.09
Profit Before Tax	2,581.76	2,453.50
Less: Current Tax	690.00	640.00
Less: Deferred Tax	(33.58)	(16.06)
Profit After Tax	1,925.34	1,829.56
Other Comprehensive Income/(Loss)	298.77	914.65
Total Comprehensive Income	2,224.11	2,744.21
Earnings per share (₹)	81.37	77.32

Dividend:

Your Directors have recommended a Final Dividend of ₹ 5.00 per share (50%) and with the Interim Dividend already paid at ₹ 10.00 per share (100%), makes a total of ₹ 15.00 per share (150%) for the year ended 31st March, 2022 resulting in a payout of ₹ 354.93 Lakhs.

Reserves:

Your Directors have recommended transfer of ₹ 500.00 Lakhs to General Reserve for the financial year ended 31st March, 2022 as in previous year increasing the total General Reserves to ₹ 7449.97 Lakhs. The details of transfer to other reserves including other comprehensive income consequent to adoption of Ind AS are given in the statement of changes in Equity in the Financial Statements.

Operations:

The year 2021-22 witnessed normal monsoons resulting in improved crop sowing. The Company has achieved a Profit Before Tax of ₹ 2581.76 Lakhs as compared to ₹ 2453.50 Lakhs in 2021, representing 5.23% increase.

Outlook for the current year:

A forecast of a near normal monsoon, filled reservoirs, increased acreages and strong commodity prices should hold, for the Indian agri sector and the Company in good stead.

The Company continues to strengthen its Manufacturing, R&D & new product development, creating new markets and fortifying its efficiency and quality across the value chain.

Farmers remain centric to the Company's business approach and the activities are guided by the intent of providing agri solutions that aims to foster sustainable growth.



Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, is annexed with this Report as **Annexure A**.

Related Party Transactions:

All related party transactions that were entered into during the Financial Year were on arm's length basis and were in the ordinary course of the business. During the year, the Company did not enter into any material transaction with related parties, under Section 188 of the Companies Act, 2013.

The details of the transactions with related parties are given in the Financial Statements.

Directors' Responsibility Statement:

The Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, in the preparation of Financial Statements for the year ended 31st March, 2022 and hereby confirm that:

- a) In the preparation of the Annual Financial Statements, the applicable accounting standards had been followed with no material departures;
- b) The Accounting policies that have been selected and applied consistently and the judgements and estimates based on them are prudent and reasonable to give a true and fair view of the state of the affairs of the Company at the end of the Financial Year and of the profit of the Company for the Financial Year;
- c) Proper and sufficient care have been taken for 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;
- d) The Financial Statements have been prepared on a going concern basis.
- e) Proper internal financial controls to be followed by the Company has been laid down and such internal financial controls are adequate and were operating effectively; and
- f) The Company had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Other Statutory Statements:

- a) The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.
- b) Secretarial Standards - The Company has complied with the applicable Secretarial Standards as amended from time to time.

Code of Conduct:

The Company has adopted a Code of Conduct for the Board of Directors and Key Managerial personnel which have been duly affirmed by them.

**Directors:**

The Directors record their deep appreciation for the valuable contribution made by erstwhile Mr. S. Ramanujachari, Director.

Mrs. Lakshmi Narayanan has been re-appointed by the Board as the Whole-time Director on 4th February, 2022 for a period of three years with effect from 8th February, 2022, subject to the approval of the Members by way of Special resolution in the ensuing Annual General Meeting.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. A. Krishnamoorthy retires by rotation at the Annual General Meeting, being eligible, offers himself for re-appointment.

During the year 2021-22, four Board Meetings were held viz., 25th June, 2021, 20th August, 2021, 29th October, 2021 and 4th February, 2022.

Declaration by the Independent Directors:

All the Independent Directors of the Company have declared that they meet the criteria of Independence in terms of Section 149(6) of the Companies Act, 2013.

Board Evaluation:

Pursuant to the provisions of Schedule IV to the Companies Act, 2013, due evaluation has been carried out.

Particulars of Employees and Related Disclosures:

Particulars of employees required under Rule, 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Section 134(3) & 197 of the Companies Act, 2013, is given in **Annexure B**.

Composition of Audit Committee and details of meetings:

The Committee was functioning under the Chairmanship of Mr. P. M. Venkatasubramanian and Mr. A. Krishnamoorthy, Mr. S. Ramanujachari, Mr. R. Vijayaraghavan and Mr. N. P. Mani were the other Members of the Committee till 7th August, 2021.

The Committee has been re-constituted with Mr. A. Krishnamoorthy as the Chairman and Mr. R. Vijayaraghavan & Mr. K. K. Unni as the other members of the Committee, with effect from 20th August, 2021.

During the year 2021-22, four Committee meetings were held viz., 25th June, 2021, 20th August, 2021, 29th October, 2021 and 4th February, 2022.

Nomination and Remuneration Policy:

Pursuant to Section 178 of the Companies Act, 2013, the Company, through its Board, has formulated a 'Nomination and Remuneration Policy' as recommended by the Nomination and Remuneration Committee, which inter alia covers criteria, terms and conditions for identifying Directors and Key Managerial Personnel, fixation of remuneration and evaluation of performance.

The Nomination and Remuneration policy is available in the Company's website: www.tstances.com.



Nomination and Remuneration Committee and details of meetings:

The Committee was functioning under the Chairmanship of Mr.P.M.Venkatasubramanian and Mr. A. Krishnamoorthy and Mr.R.Vijayaraghavan were the other members of the Committee till 7th August, 2021.

The Committee has been re-constituted with Mr. R.Vijayaraghavan as the Chairman and Mr. A. Krishnamoorthy and Mr. K.K.Unni as the other members of the Committee, with effect from 20th August, 2021.

During the year 2021-22, a Committee meeting was held on 25th June, 2021.

Corporate Social Responsibility:

The Policy on Corporate Social Responsibility (CSR) is available in the Company's website: www.tstanes.com. The Annual Report on CSR activities is given in **Annexure C**.

In terms of amendment to the Companies (Corporate Social Responsibility Policy) Rules, 2014, the requirement for constitution of CSR Committee is not mandatory where the amount to be spent towards CSR does not exceed ₹ 50 Lakhs and therefore the functions of the CSR Committee shall be discharged by the Board of Directors of the Company. Since the amount to be spent by the Company towards CSR activities is less than ₹ 50 Lakhs as on 31st March, 2022, the Board of Directors will discharge the functions of CSR Committee.

Stakeholders' Relationship Committee:

The Committee was functioning under the Chairmanship of Mr.A.Krishnamoorthy and other member was Mr.S.Ramanujachari till 17th January, 2022.

The Committee has been re-constituted with Mr.A.Krishnamoorthy as the Chairman and Mr.K.K.Unni as the new member of the committee with effect from 4th February, 2022.

No complaints were received from any Shareholder(s) during the year 2021-22 and there are no pending complaints as on 31st March, 2022.

Annual return:

As provided under Section 92(3) and 134(3)(a) of the Companies Act, 2013, the draft annual return in form of MGT-7 for the financial year ended 31st March, 2022, is available at the weblink : <https://tstanes.com/wp-content/Draft-MGT-7.pdf>. The final Annual return shall be uploaded after the same is filed with Ministry of Corporate Affairs.

Particulars of Loans, Guarantees or Investments under Section 186(4):

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, are given in the notes to the Financial Statements.

Risks Management:

The Company has adopted a Risk Management Policy for its operations and accordingly the operations are reviewed by the Management. The major risks identified by the Company are systematically addressed through mitigating actions on a continuous basis.

Auditors:

The retiring Auditors of the Company M/s. Fraser & Ross, Chartered Accountants are eligible for re-appointment for a period of five years till the conclusion of the 117th Annual General Meeting to be held in the year 2027. The necessary resolution is being placed before the shareholders for their approval.



Cost Records and Cost Auditors:

The Company has maintained the Cost Records pursuant to Section 148 of the Companies Act, 2013 and as recommended by the Audit Committee, the Board of Directors have appointed M/s. S.Mahadevan & Co., Coimbatore, as Cost Auditors of the Company for the financial year 2022-23. The remuneration payable to them is required to be ratified by the Members in the ensuing Annual General Meeting, as set out in the Notice.

Subsidiaries:

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the Financial Statements of the Company's Subsidiaries (in Form AOC-1) is attached to the Financial Statements.

Consolidated Financial Statements:

The Consolidated Financial Statements (including Standalone Financial Statements) of the Company are prepared in accordance with relevant Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and forms an integral part of this Report.

Secretarial:

The Company has complied with the Secretarial Standards.

A Secretarial Audit Report as required in terms of Section 204 of the Companies Act, 2013, is annexed with this Report as **Annexure D**.

Transfer of Shares in respect of Unclaimed Dividend for seven consecutive years to IEPF Authority:

Pursuant to the provisions of Section 125(2) of the Companies Act, 2013, the Company has transferred the unclaimed dividend amounts, referable to the year ended 31st March, 2014 to the credit of the Investor Education and Protection Fund during the year under review well before their respective due dates.

Further, as per the Regulations, our Company has transferred the shares in respect of which dividend remained unpaid for a period of seven consecutive years, upto Financial Year 2013-14, to the designated account of the Investor Education and Protection Fund. The details of the same are displayed in the website of the Company.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has duly complied with the requirements under the Act and no complaints were reported during the year.

Acknowledgement:

The Directors gracefully acknowledge the continued support and faith reposed on the Company by the Shareholders. The Directors also thank our Principal Companies, Dealers, Customers, Vendors and Bankers for their continued support. The Directors appreciate and value the contribution made by the Company's employees.

For and on behalf of the Board

Place : Chennai
Date : 22 July, 2022

A. Krishnamoorthy
Chairman
DIN:00001778



Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of Energy:

i) The steps taken or impact on conservation of energy:

Our operations require normal consumption of electricity. The Company is taking every necessary step to reduce consumption of energy.

ii) The step taken by the Company for utilising alternate sources of energy:

Continuous review is undertaken for saving energy in the current processes.

iii) The capital investment on energy conservation equipment- Nil

B) Technology Absorption:

i) The efforts made towards technology absorption:

- Technological Improvements in the area of fermentation technology.
- Value addition in the anti-transpirant formulation as per the customer's requirements.
- Development of Bio-stimulants-Natural products either of plant/microbes/mineral origin for plant health management.
- To develop plant extracts with insecticidal, fungicidal to control insects & diseases.
- Tapping the new technological sources for new process and product development.

ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- Improvements in the production unit enhanced the production capabilities & quality of the product.
- Value addition in the anti-transpirant formulations with enhanced activities has expanded the product profile & the market of the product.
- Introduction of new products for better uptake of nutrients in plants.

iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- The Company has not imported any technology.



iv) The expenditure incurred on Research and Development.

S.No.	Particulars	Year ended 31 st March, 2022 Amount ₹ in lakhs	Year ended 31 st March, 2021 Amount ₹ in lakhs
A	Capital	4.34	11.85
B	Revenue	449.51	510.51
C	Total	453.85	522.36
D	% of Turnover	1.02	1.33

C) Foreign Exchange Earnings and Outgo:

S.No.	Particulars	Year ended 31 st March, 2022 Amount ₹ in lakhs	Year ended 31 st March, 2021 Amount ₹ in lakhs
A	Earnings	1,908.18	1,599.30
B	Outgo	11.00	20.93

For and on behalf of the Board

Place : Chennai
Date : 22 July, 2022

A. Krishnamoorthy
Chairman
DIN:00001778



T. STANES AND COMPANY LIMITED

Annexure B

Information as required under Rule 5(2) & 5(3) of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014
Read with Section 134(3) & 197(12) of the Companies Act, 2013 forming part of the Directors' Report for the year ended March 31, 2022

S.No.	Name	Designation	Age	Remuneration (Gross) ₹ in lakhs	Qualifications	Last Employment Experience	Total (Years)	Date of Joining
1	Mrs. Lakshmi Narayanan	Whole-time Director	61 Years	164.63	Bachelor's Degree in Electrical & Electronics Engineering from University of Madras, Chennai and a Master's Degree in Computer Engineering from University of Southern California, USA.	NIL	20 Years	04.10.2001

Note :

- 1) Gross remuneration includes salary, allowances, value of perquisites.
- 2) Nature of employment of the above employee is contractual.
- 3) Not related to any Director of the Company.



Annexure C

Corporate Social Responsibility:

S.No.	Description	Particulars					
1	A brief outline of the Company's CSR Policy, including over-view of projects or programs proposed to be under-taken and a reference to the web-link to the CSR Policy and projects or programs.	The Company has framed the CSR Policy which among other things covers Education, Health, Poverty alleviation and Rural development. The web link to the CSR Policy is http://www.tstances.com/csr .					
2	The Composition of the CSR Committee	Not Applicable					
3	Average net profit of the Company for last three financial years	₹ 2013.40 Lakhs					
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 40.27 Lakhs					
5	Details of CSR spent during the financial year	₹ 40.27 Lakhs					
	a) Total amount to be spent for the financial year;	₹ 40.27 Lakhs					
	b) Amount unspent, if any	Nil					
Manner in which the amount spent during the financial year is detailed below.							
Sl.No	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or (2) Specify the State and projects or programs were undertaken	Amount outlay (budget) project program wise ₹ in Lakhs	Amount spent on the projects/programs-Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads ₹ in Lakhs	Cumulative expenditure up to the reporting period ₹ in Lakhs	Amount spent direct or through implementing agency
1	Sri Paramakalyani Education Society	Education	Alwarkurichi, Tirunelveli, Tamilnadu	35.27	35.27	35.27	Direct to the Institution
2	Chidvikas Trust	Education	Coimbatore, Tamilnadu	1.00	1.00	1.00	Direct to the Institution
3	Ganga Plastic, Reconstructive and Microsurgery Trust	Health	Coimbatore, Tamilnadu	2.00	2.00	2.00	Direct to the Institution
4	Nesam Educational & Social Welfare Trust	Poverty Alleviation	Coimbatore, Tamilnadu	1.00	1.00	1.00	Direct to the Institution
5	We Care Centre	Health	Kanjirapally, Kerala	1.00	1.00	1.00	Direct to the Institution
6	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.					Not applicable	
7	<p>Responsibility Statement :</p> <p>Pursuant to the provisions of Section 135 of the Companies Act, 2013, read with Companies Rules (Corporate Social Responsibility Policy) Rules 2014, we Mrs.Lakshmi Narayanan, Whole-time Director and Mr. A. Krishnamoorthy, Chairman, do confirm that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the Company.</p>						

Lakshmi Narayanan
 Whole-time Director
 DIN:02539061

A. Krishnamoorthy
 Chairman (CSR Committee)
 DIN:00001778

Place : Chennai
 Date : 22 July, 2022

Place : Chennai
 Date : 22 July, 2022



Annexure D

Secretarial Audit Report

(For the Financial year ended on March 31, 2022)
[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
T. Stanes and Company Limited
8/23-24 Race Course Road
Coimbatore 641018

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by T. Stanes and Company Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, 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. We have examined the books, papers, minute books, forms and returns filed and other records maintained by T. Stanes and Company Limited ("**The Company**") for the financial year ended on March 31, 2022 according to the provisions of the Companies Act, 2013 ('the Act') and the Rules made thereunder to the extent notified by Ministry of Corporate Affairs.
- II. Foreign Exchange Management Act, 1999 ('**FEMA**') and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board Meetings, General Meetings and Dividend.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards etc mentioned above, to the extent applicable.

1. We further report that based on the information received and records maintained there are adequate systems and processes in place to monitor and ensure compliance with the below mentioned laws and also all other applicable laws, rules, regulations and guidelines.
 - a) Factories Act, 1948
 - b) Payment of Wages Act, 1936, and rules made thereunder,
 - c) The Minimum Wages Act, 1948, and rules made thereunder,
 - d) Employees' State Insurance Act, 1948, and rules made thereunder,
 - e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder,
 - f) The Payment of Bonus Act, 1965, and rules made thereunder,
 - g) Payment of Gratuity Act, 1972, and rules made thereunder,
 - h) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,
 - i) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013



2. We further report that the Company has, in our opinion, complied with the provisions of the Companies Act, 2013 and the Rules made thereunder with regard to:

- a) maintenance of various statutory registers and documents and making necessary entries therein;
- b) closure of the Register of Members.
- c) filing of forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government ;
- d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) issuing notice of Board meetings and Committee meetings of Directors;
- f) proceedings at the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) the conduct of the 111th Annual General Meeting held on August 6, 2021;
- h) maintenance of minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including Whole-time Director;
- k) payment of remuneration to Directors including Whole-time Director,
- l) appointment and remuneration of Internal Auditor, Secretarial Auditor and Cost Auditor;
- m) transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
- n) declaration and payment of Interim and Final Dividends;
- o) transfer of certain amounts and shares to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
- p) borrowings and registration, modification and satisfaction of charges wherever applicable;
- q) investment of the Company's funds including investments and loans to others;
- r) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;
- s) Directors' report to the shareholders;
- t) contracts, common seal, registered office and publication of name of the Company; and
- u) Generally, all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder.

3. We further report that

- 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.



- Notice of all the Board meetings was given to all the Directors, alongwith agenda and detailed notes on agenda atleast seven days in advance and a proper system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting to enable meaningful participation at the meeting.
 - Majority decisions were carried through and a proper system exists for capturing and recording the dissenting members' views as part of the minutes.
 - The Company has obtained all necessary approvals under the various provisions of the Companies Act, 2013 to the extent applicable; and
 - There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act, 2013, and Rules, Regulations and Guidelines framed under the said Act against / on the Company, its Directors and Officers.
 - The Directors have complied with the disclosure requirements in respect of their eligibility for appointment, their independence, wherever applicable and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
4. The Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.
 5. Compliance with the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act with respect to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings did not arise since there is no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the period under report
 6. The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board and General Meetings and Dividend during the reporting period.

We further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

Place : Chennai
Date : 05-07-2022

For L K & Associates
Company Secretaries

LALITHA KANNAN
C.P. 1894 ACS : 8304
UDIN : A008304D000571231

Note : 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.



Annexure 'A'

To

The Members
T. Stanes and Company Limited
8/23-24 Race Course Road
Coimbatore 641018

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the 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. Our examination was limited to check that there are sufficient systems and processes in place to monitor and ensure compliance with these Acts, Rules and Laws.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Chennai
Date : 05-07-2022

For L K & Associates
Company Secretaries

LALITHA KANNAN
C.P. 1894 ACS : 8304
UDIN : A008304D000571231



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF T.STANES AND COMPANY LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of T.Stanes and Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and 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 a summary of significant accounting policies and other explanatory information.

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 ("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, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 (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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes



maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statement 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, management is 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.

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

Auditor's Responsibility 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 based on these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial 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.
- Obtain an understanding of the internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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.
- 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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, the Cash Flow Statement and Statement of Changes in Equity 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.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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, 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.
- 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, as amended 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 on its financial position in its standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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, 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, as disclosed in the notes to the accounts, 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, 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 has 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.
- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
- As stated in note 13 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
2. 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 "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Fraser & Ross**
Chartered Accountants
(Firm's Registration No. 000829S)

Krishna Prakash E
Partner
(Membership No. 216015)
UDIN: 22216015ANKOCP1428

Place : Coimbatore
Date : 22 July, 2022



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of T.Stanes and Company Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 judgement, including the assessment of the risks of material misstatement of the 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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.

Opinion

In our opinion, 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, 2022, based on the criteria for internal financial control over financial reporting 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 issued by the Institute of Chartered Accountants of India.

For **Fraser & Ross**
Chartered Accountants
(Firm's Registration No. 000829S)

Krishna Prakash E
Partner
(Membership No. 216015)
UDIN: 22216015ANKNZO5499

Place : Coimbatore
Date : 22 July, 2022



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements'
Section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) In respect of Company's Property, Plant and Equipment and investment properties and right-of-use assets:
 - A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, investment properties and relevant details of right-of-use assets.
 - B) The Company does not hold any intangible assets.
 - (b) Some of the Property, Plant and Equipment, investment properties and right-of-use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, investment properties and right-of-use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and investment property are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its property, plant and equipment (including right of use assets) during the year. The company does not have any intangible assets.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories, when compared with the books of account.
 - (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, statements on ageing analysis of the debtors, and other stipulated financial information) filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.
- (iii) The company has made investments in, provided guarantee or security, and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year in respect of which:



	Loans (Amount in Rs. Lakhs)	Guarantees (Amount in Rs. Lakhs)
Aggregate amount granted / provided during the year:		
- Subsidiary company	-	-
Balance outstanding as at balance sheet date: (gross)		
Subsidiary company	30.00	450.00

- (a) The company has provided loans to subsidiary, stood guarantee for subsidiary during the year and details of which are given below :
- (b) The guarantees provided, and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The company has granted Loans which are repayable on demand the details of which are given below:

	Amount Rs. in lakhs
	Related Parties
Aggregate of loans/advances in nature of loans	
- Repayable on demand	30
Percentage of loans/advances in nature of loans to the total loans	100%

- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under clause 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 for manufacture of fertilisers and pesticides. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as



amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues :

- (a) Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income tax, duty of Custom, cess and other material statutory dues applicable to the company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below :

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (INR in Lakhs)
Central Sales Tax Act, 1956	Sales Tax	Sales Tax Appellate Tribunal	2004-2005	33.22
Income Tax Act, 1961	Income tax and interest thereon	Commissioner of Income Tax (Appeals), Coimbatore	2017-2018	80.14

* Out of Rs.80.14 lakhs reported above, Rs.18.27 lakhs have been deposited under protest.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) to (f) of the Order is not applicable to the Company.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.



- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year upto December 2021 and final internal audit reports where issued after the balance sheet date covering the period January 2022 - March 2022 for the period under audit.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company, subsidiary company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause (xvi) (a),(b) and (c) of the Order is not applicable.
- (b) The Group does not have any CIC as part of the group and accordingly reporting under clause 3 (xvi)(d) of the order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the company during the year.
- (xix) 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 and 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 indicating 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Fraser & Ross**
Chartered Accountants
(Firm's Registration No. 000829S)

Krishna Prakash E
Partner
(Membership No. 216015)
UDIN: 22216015ANKOCP1428

Place : Coimbatore
Date : 22 July, 2022



T. STANES AND COMPANY LIMITED

CIN : U02421TZ1910PLC000221

STANDALONE FINANCIAL STATEMENTS



T. STANES AND COMPANY LIMITED

STANDALONE BALANCE SHEET AS AT MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,013.70	3,169.72
Investment property	4	127.85	134.11
Right-of-use assets	33b	103.62	-
Financial assets			
i) Investments	5	3,260.33	2,926.07
ii) Others	6	72.55	45.74
Other non-current assets	7	109.51	21.10
Total non-current assets		6,687.56	6,296.74
Current assets			
Inventories	8	5,946.56	4,767.74
Financial assets			
i) Trade receivables	9	7,879.02	6,989.51
ii) Cash and cash equivalents	10a	849.77	565.29
iii) Bank balance other than (ii) above	10b	949.91	756.23
iv) Loans	11	30.00	40.00
v) Other financial assets	6	48.66	91.64
Current tax assets (net)		-	10.40
Other current assets	7	736.37	611.51
Total current assets		16,440.29	13,832.32
TOTAL ASSETS		23,127.85	20,129.06
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	236.62	236.62
Other equity	13	15281.04	13,352.70
Total equity		15517.66	13,589.32
Liabilities			
Non-current liabilities			
Provisions	17	168.33	140.53
Lease liabilities	33c	103.62	-
Deferred tax liabilities (net)	18	4.79	38.37
Total non-current liabilities		276.74	178.90
Current liabilities			
Financial liabilities			
i) Trade payables	14		
Total outstanding dues of micro enterprises and small enterprises		36.22	18.71
Total outstanding dues of creditors other than micro enterprises and small enterprises		5,269.45	4,363.30
ii) Other financial liabilities	15	979.55	1,050.73
Other current liabilities	16	970.18	875.44
Provisions	17	18.19	52.66
Current tax liability (net)		59.86	-
Total current liabilities		7,333.45	6,360.84
TOTAL EQUITY AND LIABILITIES		23,127.85	20,129.06
Accompanying notes form part of the standalone financial statements			

In terms of our report attached

For and on behalf of the Board of Directors

For Fraser & Ross

Chartered Accountants

Firm's Registration Number : 000829S

KRISHNA PRAKASH E

Partner

Membership No. 216015

Place : Coimbatore

Date : 22 July, 2022

A. KRISHNAMOORTHY

Chairman

DIN : 00001778

Place : Chennai

Date : 22 July, 2022

LAKSHMI NARAYANAN

Whole-time Director

DIN : 02539061

Place : Chennai

Date : 22 July, 2022

T. STANES AND COMPANY LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022



(₹ in lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
REVENUE			
a) Revenue from operations	19	44,702.29	39,305.95
b) Other income	20	199.52	156.14
Total Income		44,901.81	39,462.09
EXPENSES			
a) Cost of materials consumed	21	16,880.14	16,011.57
b) Purchases of stock-in-trade	22	17,855.87	12,226.16
c) Changes in inventories of finished goods and stock-in-trade	23	(795.86)	(175.92)
d) Employee benefits expense	24	3,507.79	3,431.33
e) Finance costs	25	40.48	32.23
f) Depreciation and amortisation expense	28	467.45	373.47
g) Other expenses	26	4,364.18	5,109.75
Total Expenses		42,320.05	37,008.59
Profit before tax		2,581.76	2,453.50
Tax expense			
Current tax		690.00	640.00
Deferred tax		(33.58)	(16.06)
Net tax expense	27	656.42	623.94
Profit for the year		1,925.34	1,829.56
Other comprehensive income/(loss) (OCI)			
i) Items that will not be reclassified to profit or loss			
a) Re-measurements of the defined benefit plans		(35.49)	(29.50)
b) Equity instruments through OCI		334.26	880.20
ii) Income tax on items that will not be reclassified to profit or loss		-	63.95
Total Other comprehensive income/(loss)		298.77	914.65
Total comprehensive income for the year		2,224.11	2,744.21
Earnings per share (of ₹ 10/- each):			
Basic and Diluted (in ₹)	34	81.37	77.32
Accompanying notes form part of the standalone financial statements.			

In terms of our report attached

For and on behalf of the Board of Directors

For Fraser & Ross

Chartered Accountants

Firm's Registration Number : 000829S

KRISHNA PRAKASH E

Partner

Membership No. 216015

Place : Coimbatore

Date : 22 July, 2022

A. KRISHNAMOORTHY

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DIN : 00001778

Place : Chennai

Date : 22 July, 2022

LAKSHMI NARAYANAN

Whole-time Director

DIN : 02539061

Place : Chennai

Date : 22 July, 2022



T. STANES AND COMPANY LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

a. Equity share capital

(₹ in lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Equity shares with voting rights		
At the beginning of the year	236.62	236.62
Movements during the year	-	-
At the end of the year	236.62	236.62

b. Other equity

Particulars	Reserves and Surplus				Other comprehensive income	Total
	Securities premium	Capital redemption reserve	General reserve	Retained earnings		
Opening balance	42.75	13.14	6,449.97	2,932.56	1,454.01	10,892.43
Profit for the year	-	-	-	1,829.56	-	1,829.56
Transfer to general reserve	-	-	500.00	(500.00)	-	-
Re-measurements of the defined benefit liabilities/(asset)	-	-	-	-	(29.50)	(29.50)
Equity instruments through OCI	-	-	-	-	880.20	880.20
Income tax on items that will not be reclassified to profit or loss	-	-	-	-	63.95	63.95
Payment of dividends	-	-	-	(283.94)	-	(283.94)
Balance at 31 March 2021	42.75	13.14	6,949.97	3,978.18	2,368.66	13,352.70
Profit for the year	-	-	-	1,925.34	-	1,925.34
Transfer to general reserve	-	-	500.00	(500.00)	-	-
Re-measurements of the defined benefit liabilities/(asset)	-	-	-	-	(35.49)	(35.49)
Equity instruments through OCI	-	-	-	-	334.26	334.26
Payment of dividends	-	-	-	(295.77)	-	(295.77)
Balance at 31 March 2022	42.75	13.14	7,449.97	5,107.75	2,667.43	15,281.04

Accompanying notes form part of the standalone financial statements.

In terms of our report attached

For and on behalf of the Board of Directors

For Fraser & Ross

Chartered Accountants

Firm's Registration Number : 000829S

KRISHNA PRAKASH E

Partner

Membership No. 216015

Place : Coimbatore

Date : 22 July, 2022

A. KRISHNAMOORTHY

Chairman

DIN : 00001778

Place : Chennai

Date : 22 July, 2022

LAKSHMI NARAYANAN

Whole-time Director

DIN : 02539061

Place : Chennai

Date : 22 July, 2022

T. STANES AND COMPANY LIMITED
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022



(₹ in lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax		2,581.76		2,453.50
Adjustments for :				
Depreciation and amortisation expense	467.45		373.47	
Profit on sale of property, plant and equipment (net)	(18.53)		(3.05)	
Net gain on sale of investments	-		(5.32)	
Allowance for credit losses	25.93		8.59	
Bad debts write off (net)	55.19		53.33	
Dividend income	(29.02)		(29.40)	
Interest income	(40.86)		(36.14)	
Unrealised foreign exchange (gain)/loss	(12.94)		(5.51)	
Finance costs	40.48		32.23	
		487.70		388.20
Operating profit before working capital changes		3,069.46		2,841.70
Changes in working capital				
Adjustments for (increase)/decrease in operating assets:				
Inventories	(1,178.83)		(495.45)	
Trade receivables	(957.68)		2,414.35	
Non-current and current financial assets	15.74		8.35	
Non-current and current assets	(245.02)		(204.65)	
Adjustments for increase/(decrease) in operating liabilities:				
Trade payables	923.66		(1,295.15)	
Other financial liabilities	(2.03)		43.20	
Current liabilities	94.74		195.80	
Non-current and current provisions	28.54		(3.33)	
		(1,320.88)		663.12
Cash generated from operations		1,748.58		3,504.82
Income taxes paid		(654.94)		(748.77)
Net cash flow from operating activities (A)		1,093.64		2,756.05
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipments including capital advances	(325.22)		(757.95)	
Proceeds from sale of property, plant and equipment	25.41		3.05	
Sale/(purchase) of long-term investments	-		5.57	
Loans realised from subsidiaries	10.00		10.00	
Other bank balances	(200.59)		(700.61)	
Interest received				
Interest on loans and advances	4.39		5.14	
Others	36.90		29.60	
Dividend received				
Associates	22.59		22.59	
Others	6.43		6.81	
Net cash flow used in Investing activities (B)		(420.09)		(1,375.80)



T. STANES AND COMPANY LIMITED

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022- (Contd...)

(₹ in lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Net increase/(decrease) in working capital borrowings	-		(608.19)	
Finance costs paid	(40.48)		(32.23)	
Payment of dividends	(295.77)		(283.94)	
Payment of lease liabilities	(52.82)		-	
Net cash flow used in financing activities (C)		(389.07)		(924.36)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		284.48		455.89
Cash and cash equivalents at the beginning of the year		565.29		109.40
Cash and cash equivalents at the end of the year		849.77		565.29
Cash and cash equivalents at the end of the year (Refer Note 10a)				
a) Cash on hand	16.62		17.50	
b) Cheques on hand	227.71		177.87	
c) Balances with banks				
In current accounts	82.17		64.85	
Others - (Cash Credit account)	523.27		305.07	
		849.77		565.29
Note : The above cash flow statement has been prepared under indirect method set out in the Ind AS 7 - Cash Flow Statements Accompanying notes form part of the standalone financial statements.				

In terms of our report attached

For and on behalf of the Board of Directors

For Fraser & Ross

Chartered Accountants

Firm's Registration Number : 000829S

KRISHNA PRAKASH E

Partner

Membership No. 216015

Place : Coimbatore

Date : 22 July, 2022

A. KRISHNAMOORTHY

Chairman

DIN : 00001778

Place : Chennai

Date : 22 July, 2022

LAKSHMI NARAYANAN

Whole-time Director

DIN : 02539061

Place : Chennai

Date : 22 July, 2022

1. Corporate Information

T. Stanes and Company Limited ("the Company") is a public company domiciled in India. The addresses of its registered office and principal place of business are disclosed in the introduction to the Annual Report. The Company is engaged in the manufacture and distribution of Agri inputs for crop protection and crop care in domestic and international markets. The Company is also in the activity of trading in Consumer and Industrial Products.

1.1 Basis of preparation and presentation**a) Statement of compliance**

T. Stanes and Company Limited ("the Company") financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of Companies Act 2013, Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

b) Basis of measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2. Significant Accounting Policies**2.1 Revenue recognition**

Revenue from sale of goods is recognised on transfer of property in goods and the amount of revenue can be measured reliably, regardless of when the payment is being made and where it is probable that economic benefits will flow to the Company and there is neither continuing managerial involvement nor effective control over the goods sold. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Goods and Service Tax (GST) are not received by the Company on its own account. Rather, it is tax collected on value added to the commodity sold by the seller on behalf of the government. Accordingly, it is excluded from revenue.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.1 Revenue recognition — (Contd.)

Revenues from sale of goods and services are shown as net of applicable discounts, other rebates/schemes and incentives to dealers. Agency commission on consignment sales are accounted and recognised on net basis taking into account contractually defined terms of payment and on receipt of commercial invoices from principals. Interest income is accounted on accrual basis. Dividend income is accounted for when the shareholder's right to receive the payment has been established.

2.2 Business segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Whole-time Director of the Company has been identified as being the chief operating decision maker.

2.3 Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

- i) Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.
- ii) Deferred income tax is recognised using the balance sheet approach, deferred tax is recognised on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Current and deferred tax are recognised in Statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

2.4 Impairment of assets

The Company assesses at each balance sheet date the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the company estimates the recoverable amount of the asset in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit which the asset belongs

2.4 Impairment of assets — (Contd.)

to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The recoverable amount is greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is any indication that the previously assessed impairment loss no longer exists, the asset is reassessed to reflect the recoverable amount subject to a maximum of depreciable historical cost.

2.5 Cash and cash equivalents (for purpose of cash flow statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.6 Cash flow statement

Cash flow statement has been prepared in accordance with the indirect method 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.

2.7 Inventories

Raw materials, finished goods and trading stock are valued at lower of cost (identified direct overheads wherever applicable) and net realizable value. Cost is determined using moving average method. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale. Stores and spare parts are valued at average cost. Due allowance is made for slow/non-moving items, based on Management estimates.

2.8 Financial instruments

Financial assets and financial liabilities are recognised when a Company entity 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.

2.9 Financial assets

All regular way purchases or sales of financial assets are recognised and de-recognised on a trade date basis. Regular way purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

i) Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

- a) Those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss);
- b) Those measured at amortised cost and
- c) Those measured at cost



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.9 Financial assets — (Contd.)

The classification depends on the entity's business model for managing the financial assets, the contractual terms of the cash flows and whether the investment meets the definition of interest in associates. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurements

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

a) Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

b) Fair value through profit or loss:

Assets that do not meet the criteria for amortised cost or Fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income/ other expenses in the period in which it arises.

Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments other than investments forming part of interest in associates and joint ventures at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/other expenses in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at cost and amortised cost. The impairment methodology applied depends on whether there has

2.9 Financial assets — (Contd.)

been a significant increase in credit risk. Refer notes to accounts for the details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) De-recognition of financial assets

A financial asset is derecognised only when

- a) The Company has transferred the rights to receive cash flows from the financial asset or
- b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v) Income recognition**a) Interest income**

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example: prepayment, extension, call and similar options) but does not consider the expected credit losses.

b) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.10 Financial liabilities and equity instruments**i) Classification as debt or equity**

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

ii) 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 a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.10 Financial liabilities and equity instruments — (Contd.)

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

iii) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.11 Property, plant and equipment

Property, plant and equipment are stated at cost. Cost includes freight, duties, related taxes and other incidental expenses relating to acquisition and installation.

Property, plant and equipment are stated at the cost of acquisition or construction less accumulated depreciation and write down for, impairment if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

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 profit or loss.

2.12 Investment property

Investment Properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes).

Investment properties are measured initially at cost including transaction cost, subsequent to initial recognition investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The investment property is measured in accordance with Ind AS 16 requirements for cost model. However the fair value of investment property is disclosed in the notes.

An investment property is de-recognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefit are expected from the disposal. Any gain or loss arising out of the de-recognition of the property is included in the statement of profit/loss in the period in which the property is de-recognised.

2.13 Leases

The Company 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 and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company

2.13 Leases — (Contd.)

changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment 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.

The Company 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 Company recognises the lease payments associated with these leases as an expense over the lease term.

In the comparative period, leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments and receipts under operating leases are recognised as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

2.14 Investments

Investments in subsidiaries and associates are stated at cost inclusive of brokerage and stamp duty. Diminution in their market value, if considered temporary in nature is not recognised. The carrying values of such investments are considered as 'deemed cost'. There are very few unquoted equity investments in other companies which are also considered at cost as they are of very insignificant value (materiality). Investments in quoted equity instrument are initially recognised at cost as per the previous GAAP which are subsequently measured at fair value as per the Ind AS requirements and the corresponding gain and losses arising from changes in fair value recognised in the OCI.

2.15 Employee benefits**I. Defined contribution plans:**

Contributions to defined contribution plans are recognised as an expense when employees have rendered services entitling them to contributions:

- i) In respect of provident fund, when payments are due to the Regional Provident Fund Commissioner.
 - ii) Eligible employees, as per the company's superannuation scheme, are entitled to receive retirement benefits and contributions are made annually as per the rules of the scheme to the Life Insurance Corporation through approved superannuation trust.
 - iii) In respect of eligible employees, contributions are remitted to the Employees State Insurance Corporation.
- There are no obligations other than the above.

II. Defined benefit obligations

- i) Provisions for gratuity and compensated absences are defined benefit obligations and are provided for, on actuarial valuation under the Projected Unit Cost method at the end of each financial year. The obligations are measured at the present value of estimated future cash flows discounted at rates reflecting the prevailing market yields of government securities as at the balance sheet date. The Company recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognised in 'Other comprehensive income'. In accordance with Ind AS 19, re-measurement gains and losses on defined benefit plans recognised in OCI are not to be subsequently reclassified to Statement of profit or loss. As required under Ind AS compliant Schedule III, the Company transfers it immediately to retained earnings.
- ii) Compensated absences are paid to eligible employees upon retirement.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.16 Depreciation

Depreciable amount for Property, plant and equipment is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, plant and equipment is provided on straight line method. Depreciation has been charged in accordance with the estimated useful lives as stated in Part C of Schedule II to the Companies Act 2013.

Additions to property plant and equipment costing less than ₹ 5000 are fully depreciated in the year of acquisition, as in the opinion of the Management the useful life of such assets is estimated to be less than one year.

Depreciation is provided on a pro-rata basis from the date the assets are put to use during the financial year. In respect of assets sold or disposed off during the year, depreciation is provided upto the date of sale or disposal of assets.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is de-recognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.17 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 its intended use or sale are capitalized as part of the cost of the respective assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of profit and loss in the period in which they are incurred. Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

2.18 Foreign currencies

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Foreign currency monetary items of the Company outstanding at the balance sheet date are restated at year end exchange rates. Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as other income or other expense in the Statement of Profit and Loss.

2.19 Research and Development

Product research and development cost is charged to Statement of profit or loss. Capital expenses on Research & Development are included in Property, plant and equipment under appropriate heads.

2.20 Provisions and contingent liabilities

A provision is recognised when an enterprise has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but

2.20 Provisions and contingent liabilities — (Contd.)

discloses its existence in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

2.21 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been arrived at, assuming that the proceeds receivable were based on shares having been issued at the average market value of the outstanding shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

2.22 Operating cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.23 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amounts of revenues and expenses for the period reported. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialised.

Key source of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, valuation of deferred tax, provisions and contingent liabilities.

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement 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 judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Estimation of defined benefit obligation – Note 36b

Estimation of current tax expense and payable – Note 27

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 3: PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs, unless otherwise stated)

Description of assets	Land	Buildings	Plant and equipment	Furniture	Office equipment	Electric fitting	Vehicles	Laboratory equipment	Total
Gross block									
Balance as at April 01, 2020	120.48	1,421.08	1,384.80	50.37	48.06	75.70	710.99	149.61	3,961.09
Transferred to investment properties (Note 4)	10.91	24.71	-	-	-	-	-	-	35.62
Additions	-	430.36	139.99	19.72	33.88	52.98	84.36	115.78	877.07
Disposals	-	-	3.20	-	-	0.37	14.98	-	18.55
Balance as at March 31, 2021	109.57	1,826.73	1,521.59	70.09	81.94	128.31	780.37	265.39	4,783.99
Additions	-	-	120.70	1.00	14.91	0.48	115.29	6.85	259.23
Disposals	-	-	24.51	0.13	-	3.28	56.32	-	84.24
Balance as at March 31, 2022	109.57	1,826.73	1,617.78	70.96	96.85	125.51	839.34	272.24	4,958.98
Accumulated depreciation									
Balance as at April 01, 2020	-	242.62	578.29	39.18	31.43	34.62	286.54	55.50	1,268.18
Transferred to investment properties (Note 4)	-	5.25	-	-	-	-	-	-	5.25
Depreciation for the year	-	54.18	184.92	6.36	9.63	6.99	91.02	16.78	369.88
On disposals	-	-	3.19	-	-	0.37	14.98	-	18.54
Balance as at March 31, 2021	-	291.55	760.02	45.54	41.06	41.24	362.58	72.28	1,614.27
Depreciation for the year	-	95.41	160.45	5.56	12.22	11.69	96.55	26.49	408.37
On disposals	-	-	19.69	0.13	-	3.28	54.26	-	77.36
Balance as at March 31, 2022	-	386.96	900.78	50.97	53.28	49.65	404.87	98.77	1,945.28
Carrying amount as at March 31, 2021	109.57	1,535.18	761.57	24.55	40.88	87.07	417.79	193.11	3,169.72
Carrying amount as at March 31, 2022	109.57	1,439.77	717.00	19.99	43.57	75.86	434.47	173.47	3,013.70

T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)



Particulars	Land	Buildings	Total
Note 4: INVESTMENT PROPERTY			
Gross block			
Balance as at April 01, 2020	75.53	41.93	117.46
Transferred from Property, plant and equipment (Note 3)	10.91	24.71	35.62
Balance as at March 31, 2021	86.44	66.64	153.08
Additions/(Deletions) during the year	-	-	-
Balance as at March 31, 2022	86.44	66.64	153.08
Accumulated depreciation			
Balance as at April 01, 2020	-	10.13	10.13
Transferred from Property, plant and equipment (Note 3)	-	5.25	5.25
Depreciation for the year	-	3.59	3.59
Balance as at March 31, 2021	-	18.97	18.97
Depreciation for the year	-	6.26	6.26
Balance as at March 31, 2022	-	25.23	25.23
Carrying amount as at March 31, 2021	86.44	47.67	134.11
Carrying amount as at March 31, 2022	86.44	41.41	127.85

4.1 Information regarding income and expenditure of Investment property

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rental income derived from investment properties	39.99	17.93
Less: Direct operating expenses*	1.55	1.53
Profit arising from investment properties before depreciation and indirect expenses	38.44	16.40
Less: Depreciation	6.26	3.59
Profit arising from investment properties before indirect expenses	32.18	12.81

*As per the lease agreement entered with the lessee the repairs and maintenance expenses are to be borne by the lessee.

4.2 The Company's investment properties consist of seven (previous year seven) properties in India. As at March 31, 2022, the fair values of the properties are ₹ 1,296.30 Lakhs. These valuations are based on valuations performed by an independent valuer.

4.3 The Company has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	Nominal value per share	As at March 31, 2022		As at March 31, 2021	
		No. of shares	Amount	No. of shares	Amount
Note 5 : INVESTMENTS					
NON-CURRENT					
A. Investments carried at cost (unquoted)					
In Equity shares (fully paid)					
Subsidiary companies:					
Stanes Motors (South India) Limited	10	15,00,000	410.57	15,00,000	410.57
Stanes Amalgamated Estates Limited	10	5,56,335	21.14	5,56,335	21.14
Sub Total			431.71		431.71
Other investments carried at cost					
In Government securities - NSC			0.20		0.20
Sub Total			0.20		0.20
Total investment carried at cost			431.91		431.91
B. Investments carried at fair value through OCI (quoted)					
In Equity shares (fully paid)					
The United Nilgiri Tea Estates Company Limited - Associate to the Ultimate Holding Company	10	8,36,688	51.87	8,36,688	51.87
Add: Accumulated gain/(loss) recognised on fair value of investments through OCI			2,776.55		2,442.29
Total investment carried at fair value			2,828.42		2,494.16
Total			3,260.33		2,926.07
Notes:					
Aggregate amount of quoted investments(cost)			51.87		51.87
Aggregate market value of listed and quoted investments			2,828.42		2,494.16
Aggregate amount of unquoted and other investments			431.91		431.91

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 6 : OTHER FINANCIAL ASSETS		
NON-CURRENT		
Unsecured, considered good:		
Security deposit	72.55	45.74
Total	72.55	45.74
CURRENT		
Unsecured, considered good:		
Rent deposits	35.80	38.53
Accrued income receivable	1.16	1.90
Agency commission receivable	3.33	42.84
Dividend income receivable from investments	8.37	8.37
Total	48.66	91.64
Note 7 : OTHER ASSETS		
NON-CURRENT		
Unsecured, considered good:		
Capital advances	18.85	15.10
Prepaid expenses	5.00	6.00
Gratuity	85.66	-
Total	109.51	21.10
CURRENT		
Unsecured, considered good:		
Prepaid expenses	1.00	1.00
Advances to employees	8.57	7.22
Balances with government authorities	206.84	200.03
Advances - trade and supplies	519.89	403.19
Others	0.07	0.07
Total	736.37	611.51
Note 8 : INVENTORIES		
At lower of cost and net realisable value:		
Raw materials	1,588.86	1,254.62
Finished goods	2,137.14	2,123.40
Stock-in-trade	1,755.59	973.47
Stores and spares	464.97	416.25
Total	5,946.56	4,767.74

The cost of inventories recognized as expense during the year ₹ 16,880.14 Lakhs (previous year ₹ 16,011.57 Lakhs).



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 9 : TRADE RECEIVABLES		
a) Unsecured, considered good	7,879.02	6,989.51
b) Considered doubtful	50.67	24.74
Less : Allowance for credit losses	(50.67)	(24.74)
TOTAL	7,879.02	6,989.51

The trade receivables ageing schedule for the years ended as on March 31, 2022 and March 31, 2021

PARTICULARS	Outstanding for following periods from date of invoice					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 Years	
Undisputed trade receivables - considered good	6,637.47 5,968.40	1,169.51 885.53	95.53 82.90	27.18 77.42	0.00 0.00	7,929.69 7,014.25
Undisputed trade receivables - credit impaired	- -	- -	- -	- -	- -	0.00 0.00
Disputed trade receivables - considered good	- -	- -	- -	- -	- -	0.00 0.00
Disputed trade receivables - credit impaired	- -	- -	- -	- -	- -	0.00 0.00
	6,637.47 5,968.40	1,169.51 885.53	95.53 82.90	27.18 77.42	0.00 0.00	7,929.69 7,014.25
Less : Allowance for credit losses						50.67 24.74
Total trade receivables						7,879.02 6,989.51

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 10a : CASH AND CASH EQUIVALENTS (AS PER CASH FLOW STATEMENT)		
a) Cash on hand	16.62	17.50
b) Cheques on hand	227.71	177.87
c) Balances with banks		
i) In current accounts	82.17	64.85
ii) Others - (Cash Credit account)	523.27	305.07
Total	849.77	565.29
Note 10b : BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS		
a) In deposit accounts - remaining maturity less than 12 months	900.00	700.00
b) In earmarked accounts		
i) Unpaid dividend accounts	38.48	45.39
ii) Margin money with bank	11.43	10.84
Total	949.91	756.23
Note 11 : LOANS		
CURRENT		
Unsecured, considered good:		
Loans to subsidiary company *	30.00	40.00
Total	30.00	40.00

* Repayable on demand.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Note 12 : SHARE CAPITAL				
Authorised				
Equity shares of ₹ 10/- each with voting rights	40,00,000	400.00	40,00,000	400.00
Issued				
Equity shares of ₹ 10/- each with voting rights	23,66,184	236.62	23,66,184	236.62
Subscribed and fully paid up				
Equity shares of ₹ 10/- each with voting rights	23,66,184	236.62	23,66,184	236.62
Total	23,66,184	236.62	23,66,184	236.62
12.1. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year :				
Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares with voting rights				
At the beginning of the year	23,66,184	236.62	23,66,184	236.62
Changes during the year	-	-	-	-
At the end of the year	23,66,184	236.62	23,66,184	236.62
12.2 Buy back of shares				
Aggregate number and class of shares bought back for the period of 5 years immediately preceding the balance sheet date:				
The Company in the year 2016-17 has bought back 1,31,424 equity shares for an aggregate amount of ₹ 13.14 Lakhs being 5.55% of the total paid up equity share capital at ₹ 120 per equity share.				
12.3 Details of shares held by Holding Company, Ultimate Holding Company and their Subsidiaries				
Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares with voting rights				
Simpson and Company Limited, the Holding Company	13,77,860	137.79	13,73,040	137.30
Amalgamations Private Limited, the Ultimate Holding Company	3,16,808	31.68	3,16,808	31.68
Subsidiaries of the Holding Company				
Simpson & General Finance Company Limited	25,000	2.50	25,000	2.50
Sri Rama Vilas Service Limited	11,800	1.18	11,800	1.18
Tractors and Farm Equipment Limited	1,300	0.13	1,300	0.13

T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022



12.4. Details of shares held by each shareholder holding more than 5% shares:				
Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	%	No. of shares	%
Equity shares with voting rights				
Simpson and Company Limited, the Holding Company	13,77,860	58.23	13,73,040	58.03
Amalgamations Private Limited, the Ultimate Holding Company	3,16,808	13.39	3,16,808	13.39
12.5 Details of shares held by promoters:				
Promoter Name	As at March 31, 2022			
	Number of shares	% of total shares	% change during the year	
Equity shares with voting rights				
Simpson and Company Limited, the Holding Company	13,77,860	58.23	0.20	
Amalgamations Private Limited, the Ultimate Holding Company	3,16,808	13.39	No change	
Simpson & General Finance Company Limited	25,000	1.06	No change	
Sri Rama Vilas Service Limited	11,800	0.50	No change	
Tractors and Farm Equipment Limited	1,300	0.05	No change	
12.6 Term/rights attached to equity shareholders				
<p>The Company has only one class of equity shares having par value of ₹ 10/- each with voting rights. Each holder of equity shares is entitled to one vote per share and carry a right to dividends. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.</p>				



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 13 : OTHER EQUITY		
Securities premium reserve		
Opening balance	42.75	42.75
Changes during the year	-	-
Closing balance	42.75	42.75
Capital redemption reserve		
Opening balance	13.14	13.14
Changes during the year	-	-
Closing balance	13.14	13.14
General reserve		
Opening balance	6,949.97	6,449.97
Add: Transferred from retained earnings	500.00	500.00
Closing balance	7,449.97	6,949.97
Retained earnings		
Opening balance	3,978.18	2,932.56
Add: Profit for the year	1,925.34	1,829.56
Less: Transferred to:		
General reserve	500.00	500.00
Payment of dividends	295.77	283.94
Closing balance	5,107.75	3,978.18
Reserve for equity instruments through Other comprehensive income		
Opening balance	2,368.66	1,454.01
a) Re-measurements of the defined benefit plans	(35.49)	(29.50)
b) Equity instruments through OCI	334.26	880.20
c) Income tax on items that will not be reclassified to profit or loss	-	63.95
Closing balance	2,667.43	2,368.66
Total	15,281.04	13,352.70
Notes :		
<p>A. Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 (the Act) for specified purposes.</p> <p>B. Capital reserve represents reserve created pursuant to the business combinations upto year end.</p> <p>C. General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, bonus issue, etc.</p> <p>D. Retained earnings comprise of the Company's prior years undistributed earnings after taxes. Other comprehensive income consist of fair value changes on FVTOCI financial assets and re-measurement of net defined benefit plan's liability/asset.</p> <p>E. The Company has paid interim dividend of ₹ 10 per equity share (March 2021: ₹ 10 per equity share)</p> <p>F. In respect of the year ended March 31, 2022, the Board of Directors has proposed a final dividend of ₹ 5 per equity share (March 2021: ₹ 2.50 per equity share) subject to approval by the shareholders at the ensuing Annual General Meeting after which dividend would be accounted and paid out of the retained earnings available for distribution in accordance with the provisions of the Act.</p>		

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021			
Note 14 : TRADE PAYABLES					
Total outstanding dues of creditors, micro enterprises and small enterprises (Refer Note 31)	36.22	18.71			
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,269.45	4,363.30			
Total	5,305.67	4,382.01			
i) Amount payable to related parties					
Amalgamations Private Limited	-	1.67			
Associated Printers (Madras) Private Limited	1.42	-			
Southern Tree Farms Limited	-	0.23			
Speed-A-Way Private Limited	-	0.11			
Stanes Amalgamated Estates Limited	0.06	-			
The United Nilgiri Tea Estates Company Limited	0.85	0.03			
Total	2.33	2.04			
ii) The trade payables ageing schedule for the years ended as on March 31, 2022 and March 31, 2021					
Particulars	Outstanding for following periods from date of invoice				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Outstanding dues to MSME	36.22 18.71	- -	- -	- -	36.22 18.71
Others	5,268.00 4,362.92	1.45 0.03	- 0.03	- 0.32	5,269.45 4,363.30
Total trade payables	5,304.22 4,381.63	1.45 0.03	- 0.03	- 0.32	5,305.67 4,382.01
Particulars	As at March 31, 2022	As at March 31, 2021			
Note 15 : OTHER FINANCIAL LIABILITIES					
Measured at amortised cost					
Current					
Unclaimed dividends *	38.48	45.39			
Dealer/security deposits	938.89	859.95			
Due to gratuity fund	-	80.97			
Payables on purchase of fixed assets	2.18	64.42			
Total	979.55	1,050.73			

*Amount due and outstanding to be credited to Investors Education and Protection Fund ₹ Nil (Previous year ₹ Nil)



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 16 : OTHER CURRENT LIABILITIES		
Advances from customers	772.52	728.78
Statutory remittances	197.66	146.66
Total	970.18	875.44
Note 17 : PROVISIONS		
Non-current		
Provision for employee benefits - compensated absences	168.33	140.53
Total	168.33	140.53
Current		
Provision for income tax (net of advances)	5.85	41.07
Provision for employee benefits - compensated absences	12.34	11.59
Total	18.19	52.66
Note 18 : DEFERRED TAX LIABILITIES (NET)		
Tax effect of items constituting deferred tax liabilities		
On difference between book balance and tax balance of property, plant and equipment	126.96	141.09
Tax effect of items constituting deferred tax assets		
Provision for compensated absences	45.47	38.77
Net gain on fair value of equity instruments	63.95	63.95
Other timing differences	12.75	-
Total	4.79	38.37
Deferred tax expense/(income) recognised in profit and loss	(33.58)	(16.06)
Deferred tax expense/(income) recognised in other comprehensive income	-	(63.95)

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 19 : REVENUE FROM OPERATIONS		
Sale of products (Refer Note (i) below)	44,411.49	38,825.93
Other operating revenues (Refer Note (ii) below)	290.80	480.02
Revenue from operations	44,702.29	39,305.95
a) Revenue by products		
i) Sale of products comprise:		
Manufactured goods:		
Agri inputs	25,262.99	24,981.03
Consumer and industrial products	742.38	951.20
Total - Sale of manufactured goods	26,005.37	25,932.23
Traded goods:		
Agri inputs*	16,931.29	11,540.16
Consumer and industrial products	1,474.83	1,353.54
Total - Sale of traded goods	18,406.12	12,893.70
Total - Sale of products	44,411.49	38,825.93
ii) Other operating revenues comprise:		
Sale of scrap	5.66	6.11
Duty drawback and other export incentives	49.84	31.44
Others		
Agency commission (net)*	91.79	357.72
Rebate/discount from suppliers	142.93	84.51
Miscellaneous income	0.58	0.24
Total - Other operating revenues	290.80	480.02
b) Revenue by geography		
India	42,794.11	37,706.65
Rest of the world	1,908.18	1,599.30
Revenue from operations	44,702.29	39,305.95
Note 20 : OTHER INCOME		
a) Interest income (Refer Note (i) below)	40.86	36.14
b) Dividend income from investments:		
Related parties		
Investment designate at fair value through OCI	22.59	22.59
Others	6.43	6.81
c) Net gain on sale of investments	-	5.32
d) Net gain on foreign currency transactions and translation	44.61	33.19
e) Other non-operating income (Refer Note (ii) below)	85.03	52.09
Total	199.52	156.14
i) Interest income comprise:		
Interest from:		
Deposits	36.47	31.00
Interest on loans and advances	4.39	5.14
Total - Interest income	40.86	36.14
ii) Other non-operating income comprise:		
Rental income	66.50	49.04
Profit on sale of property, plant & equipment (net)	18.53	3.05
Total - Other non-operating income	85.03	52.09
* With effect from 1st January 2021 consignment operation with one of our principal company has been changed to trading operation, which has resulted in increase in sales and reduction in agency commission.		



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 21 : COST OF MATERIALS CONSUMED		
Opening stock	1,254.62	973.90
Add: Purchases	17,214.38	16,292.29
	18,469.00	17,266.19
Less: Closing stock	1,588.86	1,254.62
Total	16,880.14	16,011.57
Note 22 : PURCHASE OF STOCK-IN-TRADE		
Agri inputs	16,590.72	11,004.70
Consumer and industrial products	1,265.15	1,221.46
Total	17,855.87	12,226.16
Note 23 : CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE		
Inventories at the end of the year:		
Finished goods	2,137.14	2,123.40
Stock-in-trade	1,755.59	973.47
Total	3,892.73	3,096.87
Inventories at the beginning of the year:		
Finished goods	2,123.40	2,246.30
Stock-in-trade	973.47	674.65
Total	3,096.87	2,920.95
Net (increase)/decrease	(795.86)	(175.92)
Note 24 : EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	3,025.91	3,000.84
Contribution to provident and other funds	214.35	207.62
Staff welfare expenses	267.53	222.87
Total	3,507.79	3,431.33
Note 25 : FINANCE COSTS		
Interest expense on borrowings from:		
i) Banks	-	0.30
ii) Others	2.21	4.32
Other Finance cost	35.29	27.61
Interest expense on lease liabilities	2.98	-
Total	40.48	32.23

T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)



Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 26 : OTHER EXPENSES		
Consumption of stores and spare parts	51.26	33.00
Power and fuel	125.67	113.04
Rent	146.12	217.75
Repairs and maintenance - Buildings	159.28	184.09
Repairs and maintenance - Machinery	140.04	128.42
Repairs and maintenance - Others	80.68	76.90
Insurance	129.69	122.30
Rates and taxes	112.92	120.11
Allowance for credit losses	25.93	8.59
Communication	77.32	106.26
Travelling and conveyance	661.52	558.23
Printing and stationery	40.17	48.51
Freight and distribution	1,381.65	2,041.44
Business promotion	556.37	579.85
Directors sitting fees	3.90	4.40
Donations and contributions	0.60	0.65
Expenditure on corporate social responsibility (Refer Note 38)	40.27	36.01
Professional and consultancy charges	68.75	88.09
Payments to auditors (Refer Note (i) below)	15.40	15.04
Bad debts write off (net)	55.19	53.33
Commission to non whole time director	26.00	25.00
Miscellaneous expenses	465.45	548.74
Total	4,364.18	5,109.75
Note:		
i) Payments to the auditors comprise:		
To Statutory auditors		
For audit	11.00	11.00
For taxation matters	2.50	2.50
For other services	1.50	1.50
Reimbursement of expenses	0.40	0.04
Total	15.40	15.04



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 27 : TAX EXPENSE		
Tax expense in the statement of profit and loss consists of:		
Current income tax:		
- in respect of the current period	690.00	640.00
Deferred tax:		
- in respect of the current period	(33.58)	(16.06)
Tax expense reported in the statement of profit and loss	656.42	623.94
Tax expense recognised in the other comprehensive income		
Re-measurement of defined benefit obligation, equity instrument through OCI	-	63.95
Total	-	63.95
The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:		
Profit before tax	2,581.76	2,453.50
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	649.78	617.50
Effect of:		
Income exempt from tax	-	(1.34)
Effect of expenses that are not deductible in determining taxable profit	10.29	9.23
Expenses that are deductible in determining taxable profit	(4.74)	(3.29)
Others	1.09	1.84
Total current tax expense recognised in the Statement of profit and loss	656.42	623.94
Note 28 : DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on property, plant and equipment (Refer Note 3)	408.37	369.88
Depreciation on investment property (Refer Note 4)	6.26	3.59
Amortisation on right to use assets	52.82	-
Total	467.45	373.47
Note 29 : STAFF PENSION FUND		
The Company is the sole beneficiary of T. Stanes and Company Limited Staff Pension Fund.		
a) Amount due to/from the fund	-	-
b) Income for the year	6.43	6.81

T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)



Particulars	As at March 31, 2022	As at March 31, 2021
Note 30 : CONTINGENT LIABILITIES AND COMMITMENTS		
(to the extent not provided for)		
i) Contingent liabilities :		
Claims against the company not acknowledged as debt		
Income tax		
Assessment Year 2017-18 (out of which ₹ 18.27 lakhs have been deposited under protest during 2020-21)	80.14	80.14
Central sales tax	33.22	33.22
(Future cash flows in respect of the above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities).		
ii) Commitment:		
a) Estimated amount of contracts to be executed on capital account and not provided	29.04	74.22
b) Financial guarantee to bankers on account of subsidiary company	450.00	450.00
Note 31 : DISCLOSURE REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006		
<p>The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2022 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.</p>		
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	36.22	18.71
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year;	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Note 32 : RATIOS

The ratios for the years ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	As at March 31		Variance (in %)
			2022	2021	
Current ratio	Current assets	Current liabilities	2.24	2.17	3.09%
Debt equity ratio	Total Debt	Shareholder's Equity	-	-	-
Debt service coverage ratio	Earnings available for debt service	Debt Service	Not applicable	Not applicable	Not applicable
Return on equity	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	13.23%	14.80%	(10.63%)
Inventory turnover ratio	Cost of goods sold	Average Inventory	6.34	6.21	2.05%
Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	5.97	4.72	26.55%*
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	7.24	5.65	28.15%^
Net capital turnover ratio	Net Sales	Working Capital	4.88	5.20	(6.15%)
Net profit ratio	Net Profit	Net Sales	4.34%	4.71%	(8.00%)
Return on capital employed	Earning before interest and taxes	Capital Employed	16.35%	17.82%	(8.27%)
Return on investment	Total return	Weighted average investment	11.54%	36.31%	(68.23%)#

* Due to higher realisation

^ Better payment has resulted in improvement

Due to decreased fair value gains

Particulars	As at March 31, 2022	As at March 31, 2021
Note 33 : LEASES		
Note 33(a) : Operating Lease		
The Company has entered into cancellable operating lease agreements for certain office space and has availed short term exemption as per IND AS 116.		
a) Lease term amount charged to the Statement of Profit and Loss Account	146.12	217.75
b) Recognised as rental income on properties under lease	66.50	49.04
Note 33(b) : Right-of-use assets		
Balance as at the beginning of the year	-	-
Additions/(Deletions) during the year	156.44	-
Depreciation for the year	52.82	-
Balance as at the end of the year	103.62	-
Note 33(c) : Lease liabilities		
Balance as at the beginning of the year	-	-
Lease liabilities additions	156.44	-
Payment of lease liabilities	49.85	-
Finance cost incurred	2.97	-
Balance as at the end of the year	103.62	-

T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022



(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 34 : EARNINGS PER SHARE		
For the purpose of computing the earnings per share the net profit after tax has been used as the numerator and the weighted average number of shares outstanding has been considered as the denominator.		
Profit for the year	1,925.34	1,829.56
Weighted average number of equity shares (in nos.)	2,366,184	2,366,184
Par value per share (in ₹)	10	10
Earnings per share - Basic and Diluted (in ₹)	81.37	77.32



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 35 : Related party transactions

(As identified by the Company and relied upon by the Auditors)

Note 35(a) Details of related parties

Description of relationship	Names of related parties
a) Ultimate Holding Company	Amalgamations Private Limited *
b) Holding Company	Simpson and Company Limited *
c) Subsidiaries	Stanes Motors (South India) Limited *
	Stanes Amalgamated Estates Limited *
d) Fellow Subsidiaries	
Addison and Company Limited *	Speed-A-Way Private Limited *
Amalgamations Repco Limited	Sri Rama Vilas Service Limited *
AMCO Batteries Limited	Tractors and Farm Equipment Limited *
Associated Printers (Madras) Private Limited *	TAFE Access Limited *
Associated Publishers (Madras) Private Limited	TAFE Advanced AG Solutions Limited
Alpump Limited	TAFE Motors and Tractors Limited
Bimetal Bearings Limited *	TAFE Reach Limited
George Oakes Limited *	TAFE International Traktor VE Tarim Ekipmani
Higginbothams Private Limited *	Sanayi VE Ticaret Limited Sirketi
India Pistons Limited	TAFE Tractors Changshu Company Limited, China
IP Rings Limited	TAFE Properties Limited
IPL Shaw Solutions Private Limited	The Madras Advertising Company Private Limited *
L. M. Van Moppes Diamond Tools India Private Limited	Wheel & Precision Forgings India Limited
Shardlow India Limited	W J Groom and Company Limited, London
Simpson & General Finance Company Limited *	Wallace Cartwright and Company Limited, London
Southern Tree Farms Limited *	
e) Associates to Holding / Ultimate Holding Company	The United Nilgiri Tea Estates Company Limited *
	Amalgamations Valeo Clutch Private Limited
	BBL Daido Private Limited
	IPR EMINOX Technologies Private Limited
f) Key management personnel	Mr. A. Krishnamoorthy (Chairman) *
	Mrs. Lakshmi Narayanan (Wholetime Director) *
	Mr. R. Vijayaraghavan (Independent Director) *
	Mr. K.K. Unni (Independent Director) *
	Mr. S.Ramanujachari (Non Executive Director) (Upto 17 th Jan, 2022) *
	Mr. P.M. Venkatasubramanian (Independent Director) (Upto 7 th Aug 2021) *
	Mr. N.P. Mani (Independent Director) (Upto 7 th Aug 2021) *
	Mr. K.S.Hegde (Non Executive Director) (Upto 16 th Oct, 2020)
	Mr. G. Ramakrishnan (Company Secretary) (Upto 31 st Dec, 2020)
g) Relative of Key Managerial Personnel	Ms. Kalyani Narayanan *

Note: * Represents Related Parties with whom the company had transactions during.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 35 (b) Details of related party transactions during the year ended March 31, 2022 and balances outstanding as at March 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Companies		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
(A) TRANSACTIONS DURING THE YEAR														
Sales	-	-	17.51	8.50	59.21	45.73	10.64	18.78	18.86	32.12	-	-	106.22	105.13
Service rendered to	6.53	6.53	19.17	31.34	-	-	13.66	9.92	0.48	0.51	-	-	39.84	48.30
Interest received on loan given	-	-	-	-	2.78	3.85	-	-	-	-	-	-	2.78	3.85
Dividend received from	-	-	-	-	-	-	-	-	22.59	22.59	-	-	22.59	22.59
Purchases	-	-	-	-	0.27	0.27	84.00	32.19	7.13	4.76	-	-	91.40	37.22
Service availed from	58.99	63.48	-	-	1.05	2.21	23.40	28.35	-	-	-	-	83.44	94.04
Dividend paid to	39.60	38.02	172.23	164.74	-	-	4.77	4.58	-	-	-	-	216.60	207.34
Remuneration	-	-	-	-	-	-	-	-	-	-	170.78	187.85	170.78	187.85
Sitting fees and commission	-	-	-	-	-	-	-	-	-	-	29.90	29.40	29.90	29.40
Payment received on loan given	-	-	-	-	10.00	10.00	-	-	-	-	-	-	10.00	10.00
Advance paid to	-	-	-	-	-	-	-	15.00	-	-	-	-	-	15.00
(B) BALANCES OUTSTANDING AT THE END OF THE YEAR														
Equity participation in	-	-	-	-	431.71	431.71	-	-	51.87	51.87	-	-	483.58	483.58
Equity participation by	31.68	31.68	137.79	137.30	-	-	3.81	3.81	-	-	-	-	173.28	172.79
Loan/Finance facilities given to	-	-	-	-	30.00	40.00	-	-	-	-	-	-	30.00	40.00
Receivables from	0.64	0.16	6.82	9.93	24.28	1.68	4.49	18.93	0.50	1.41	-	-	36.73	32.11
Payables to	-	1.67	-	-	0.06	-	1.42	0.34	0.85	0.03	-	-	2.33	2.04
Guarantee given to	-	-	-	-	450.00	450.00	-	-	-	-	-	-	450.00	450.00
Guarantee given by	3,300.00	3,300.00	-	-	-	-	-	-	-	-	-	-	3,300.00	3,300.00

1) The above amounts exclude reimbursement of expenses.

2) No amount is/has been written off or written back during the year in respect of debts due from or to related party.

3) Transactions reported above reflect relationship with the parties from the date such relationship came into effect and hence the current year figures may not be comparable to the previous year.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 Note 35 (b) Details of related party transactions during the year ended March 31, 2022 and balances outstanding as at March 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Companies		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
A) TRANSACTIONS DURING THE YEAR														
Sales														
Addison and Company Limited	-	-	-	-	-	-	1.87	1.94	-	-	-	-	1.87	1.94
Bimetal Bearings Limited	-	-	-	-	-	-	0.04	-	-	-	-	-	0.04	-
Higginbothams Private Limited	-	-	-	-	-	-	0.70	-	-	-	-	-	0.70	-
Simpson and Company Limited	-	-	17.51	8.50	-	-	-	14.02	-	-	-	-	17.51	8.50
Southern Tree Farms Limited	-	-	-	-	-	-	2.03	1.11	-	-	-	-	2.03	14.02
Sri Rama Vilas Service Limited	-	-	-	-	-	-	1.07	-	-	-	-	-	1.07	1.11
Stanes Amalgamated Estates Limited	-	-	-	-	58.24	45.09	-	-	-	-	-	-	58.24	45.09
Stanes Motors (South India) Limited	-	-	-	-	0.97	0.64	-	-	-	-	-	-	0.97	0.64
Tafe Access Limited	-	-	-	-	-	-	0.12	-	-	-	-	-	0.12	-
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	18.86	32.12	-	-	18.86	32.12
Tractors and Farm Equipment Limited	-	-	-	-	-	-	4.81	1.71	-	-	-	-	4.81	1.71
Total	-	-	17.51	8.50	59.21	45.73	10.64	18.78	18.86	32.12	-	-	106.22	105.13
Service rendered to														
Amalgamations Private Limited	6.53	-	-	-	-	-	-	-	-	-	-	-	6.53	6.53
Bimetal Bearings Limited	-	-	-	-	-	-	0.48	0.51	-	-	-	-	0.48	0.51
George Oakes Limited	-	-	-	-	-	-	3.01	2.43	-	-	-	-	3.01	2.43
Simpson and Company Limited	-	-	19.17	31.34	-	-	-	1.16	-	-	-	-	19.17	31.34
Speed-A-Way Private Limited	-	-	-	-	-	-	4.36	5.82	-	-	-	-	4.36	1.16
Tafe Access Limited	-	-	-	-	-	-	5.81	-	-	-	-	-	5.81	5.82
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	0.48	0.51	-	-	0.48	0.51
Total	6.53	6.53	19.17	31.34	-	-	13.66	9.92	0.48	0.51	-	-	39.84	48.30
Interest received on loan given														
Stanes Amalgamated Estates Limited	-	-	-	-	2.78	3.85	-	-	-	-	-	-	2.78	3.85
Total	-	-	-	-	2.78	3.85	-	-	-	-	-	-	2.78	3.85
Dividend received														
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	22.59	22.59	-	-	22.59	22.59
Total	-	-	-	-	-	-	-	-	22.59	22.59	-	-	22.59	22.59
Purchases														
Stanes Amalgamated Estates Limited	-	-	-	-	0.27	0.27	-	-	-	-	-	-	0.27	0.27
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	7.13	4.76	-	-	7.13	4.76
Bimetal Bearings Limited	-	-	-	-	-	-	84.00	32.19	-	-	-	-	84.00	32.19
Total	-	-	-	-	0.27	0.27	84.00	32.19	7.13	4.76	-	-	91.40	37.22



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 35 (b) Details of related party transactions during the year ended March 31, 2022 and balances outstanding as at March 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Companies		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Service availed from														
Amalgamations Private Limited	58.99	63.48	-	-	-	-	-	-	-	-	-	-	58.99	63.48
Associated Printers (Madras) Private Limited	-	-	-	-	-	-	1.20	1.30	-	-	-	-	1.20	1.30
George Oakes Limited	-	-	-	-	-	-	2.06	2.25	-	-	-	-	2.06	2.25
Sri Rama Vilas Service Limited	-	-	-	-	-	-	18.00	23.01	-	-	-	-	18.00	23.01
Stanes Motors (South India) Limited	-	-	-	-	1.05	2.21	-	-	-	-	-	-	1.05	2.21
Tate Access Limited	-	-	-	-	-	-	0.30	-	-	-	-	-	0.30	-
The Madras Advertising Company Private Limited	-	-	-	-	-	-	1.84	1.79	-	-	-	-	1.84	1.79
Total	58.99	63.48	-	-	1.05	2.21	23.40	28.35	-	-	-	-	83.44	94.04
Dividend paid to														
Amalgamations Private Limited	39.60	38.02	-	-	-	-	-	-	-	-	-	-	39.60	38.02
Simpson & General Finance Company Limited	-	-	-	-	-	-	3.13	3.00	-	-	-	-	3.13	3.00
Simpson and Company Limited	-	-	172.23	164.74	-	-	-	-	-	-	-	-	172.23	164.74
Sri Rama Vilas Service Limited	-	-	-	-	-	-	1.48	1.42	-	-	-	-	1.48	1.42
Tractors and Farm Equipment Limited	-	-	-	-	-	-	0.16	0.16	-	-	-	-	0.16	0.16
Total	39.60	38.02	172.23	164.74	-	-	4.77	4.58	-	-	-	-	216.60	207.34
Remuneration														
Mrs. Lakshmi Narayanan	-	-	-	-	-	-	-	-	-	-	-	164.63	159.96	159.96
Mr. G. Ramakrishnan	-	-	-	-	-	-	-	-	-	-	-	21.37	-	21.37
Ms. Kalyani Narayanan	-	-	-	-	-	-	-	-	-	-	-	6.15	6.52	6.52
Total	-	-	-	-	-	-	-	-	-	-	170.78	187.85	170.78	187.85
Sitting fees and commission														
Mr. A. Krishnamoorthy	-	-	-	-	-	-	-	-	-	-	-	9.00	9.00	6.50
Mr. S.Ramanujachari	-	-	-	-	-	-	-	-	-	-	-	6.40	6.40	6.30
Mr. K.S.Hegde	-	-	-	-	-	-	-	-	-	-	-	1.00	-	1.00
Mr. P.M. Venkata Subramanian	-	-	-	-	-	-	-	-	-	-	-	1.30	1.30	3.70
Mr. R. Vijaya Raghavan	-	-	-	-	-	-	-	-	-	-	-	6.10	6.10	3.60
Mr. N.P. Mani	-	-	-	-	-	-	-	-	-	-	-	1.20	1.20	3.80
Mr. K.K. Unni	-	-	-	-	-	-	-	-	-	-	-	5.90	5.90	4.50
Total	-	-	-	-	-	-	-	-	-	-	29.90	29.40	29.90	29.40
Payment received on loan given														
Stanes Amalgamated Estates Limited	-	-	-	-	10.00	10.00	-	-	-	-	-	-	10.00	10.00
Total	-	-	-	-	10.00	10.00	-	-	-	-	-	-	10.00	10.00
Advance Paid to														
Bimetal Bearings Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	15.00
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	15.00



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 35 (b) Details of related party transactions during the year ended March 31, 2022 and balances outstanding as at March 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Companies		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
B) BALANCES OUTSTANDING AT THE END OF THE YEAR														
Equity Participation in														
Stanes Motors (South India) Limited	-	-	-	410.57	410.57	-	-	-	-	-	-	-	410.57	410.57
Stanes Amalgamated Estates Limited	-	-	-	21.14	21.14	-	-	-	-	-	-	-	21.14	21.14
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	51.87	51.87	-	-	51.87	51.87
Total	31.68	31.68	137.79	431.71	431.71	3.81	3.81	0.63	51.87	51.87	-	-	483.58	483.58
Equity Participation by														
Amalgamations Private Limited	-	31.68	-	-	-	-	-	-	-	-	-	-	31.68	31.68
Simpson and Company Limited	-	-	137.30	-	-	-	-	-	-	-	-	-	137.30	137.30
Simpson & General Finance Company Limited	-	-	-	-	-	2.50	2.50	-	-	-	-	-	2.50	2.50
Sri Rama Vilas Service Limited	-	-	-	-	-	1.18	1.18	-	-	-	-	-	1.18	1.18
Tractors and Farm Equipment Limited	-	-	-	-	-	0.13	0.13	-	-	-	-	-	0.13	0.13
Total	31.68	31.68	137.79	137.30	30.00	3.81	3.81	0.63	51.87	51.87	-	-	173.28	172.79
Loan/Finance facilities given to														
Stanes Amalgamated Estates Limited	-	-	-	40.00	40.00	-	-	-	-	-	-	-	40.00	40.00
Total	-	-	30.00	40.00	40.00	-	-	-	-	-	-	-	30.00	40.00
Receivables from														
Addison and Company Limited	-	-	-	-	-	0.28	0.28	0.63	-	-	-	-	0.28	0.63
Amalgamations Private Limited	0.64	0.16	-	-	-	-	-	-	-	-	-	-	0.64	0.16
Bimetal Bearings Limited	-	-	-	-	-	0.09	0.09	15.04	-	-	-	-	0.09	15.04
George Oakes Limited	-	-	-	-	-	0.46	0.46	0.83	-	-	-	-	0.46	0.83
Higginbothams Private Limited	-	-	-	-	-	0.77	0.77	-	-	-	-	-	0.77	-
Simpson and Company Limited	-	-	6.82	9.93	-	-	-	-	-	-	-	-	6.82	9.93
Speed-A-Way Private Limited	-	-	-	-	-	1.21	1.21	-	-	-	-	-	1.21	-
Sri Rama Vilas Service Limited	-	-	-	-	-	0.18	0.18	0.36	-	-	-	-	0.18	0.36
Stanes Amalgamated Estates Limited	-	-	-	24.23	24.23	-	-	-	-	-	-	-	24.23	1.68
Stanes Motors (South India) Limited	-	-	-	0.05	0.05	-	-	-	-	-	-	-	0.05	-
TAFE Access Limited	-	-	-	-	-	1.28	1.28	1.39	-	-	-	-	1.28	1.39
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	0.50	0.50	1.41	-	0.50	1.41
Tractors and Farm Equipment Limited	-	-	-	-	-	0.22	0.22	0.68	-	-	-	-	0.22	0.68
Total	0.64	0.16	6.82	24.28	1.68	4.49	18.93	0.50	1.41	1.41	-	-	36.73	32.11



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 35 (b) Details of related party transactions during the year ended March 31, 2022 and balances outstanding as at March 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Companies		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Payables to														
Amalgamations Private Limited	-	1.67	-	-	-	-	-	-	-	-	-	-	-	1.67
Associated Printers (Madras) Private Limited	-	-	-	-	1.42	-	-	-	-	-	-	-	1.42	-
Southern Tree Farms Limited	-	-	-	-	-	0.23	-	-	-	-	-	-	-	0.23
Speed-A-Way Private Limited	-	-	-	-	-	0.11	-	-	-	-	-	-	-	0.11
Stanes Amalgamated Estates Limited	-	-	0.06	-	-	-	-	-	-	-	-	-	0.06	-
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	0.85	-	0.03	-	-	-	0.85	0.03
Total	-	1.67	0.06	-	1.42	0.34	0.85	0.03	0.03	-	-	2.33	2.04	
Guarantee given to														
Stanes Motors (South India) Limited	-	-	450.00	450.00	-	-	-	-	-	-	-	-	450.00	450.00
Total	-	-	450.00	450.00	-	-	-	-	-	-	-	-	450.00	450.00
Guarantee given by														
Simpson and Company Limited and Amalgamations Private Limited	3,300.00	3,300.00	-	-	-	-	-	-	-	-	-	-	3,300.00	3,300.00
Total	3,300.00	3,300.00	-	-	-	-	-	-	-	-	-	-	3,300.00	3,300.00

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 36 : EMPLOYEE BENEFITS PLANS		
a) Defined contribution plans		
The Company makes Provident Fund, Superannuation Fund and Employees' State Insurance Scheme Contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.		
Contribution to Provident Fund	135.80	131.46
Contribution to Superannuation Fund	13.79	14.62
Contribution to Employees' State Insurance Scheme	16.02	21.14
b) Defined benefit plan - Gratuity		
Under the Gratuity plan operated by the Company, every employee who has completed at least five years of service gets a Gratuity on departure calculated as per Gratuity Act, 1972. The scheme is funded through an approved gratuity trust with an Insurance Company in the form of qualifying insurance policy. The following table summarizes the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the Balance Sheet.		
	As at March 31, 2022	As at March 31, 2021
Change in projected benefit obligations		
Projected obligation at beginning of the year	817.89	771.73
Current service cost	49.87	63.30
Interest cost	52.91	60.70
Benefits paid	(122.03)	(107.34)
Actuarial (gain)/loss on obligation	71.87	29.50
Projected obligation as at end of the year	870.51	817.89
Change in plan assets		
Plan assets at beginning of the year, at fair value	881.73	854.20
Expected return on plan assets	61.66	62.46
Contributions	122.77	72.41
Benefits paid	(122.03)	(107.34)
Actuarial gain/(loss) on plan assets	12.04	-
Plan assets at the end of the year, at fair value	956.17	881.73
Amount recognised in the balance sheet		
Projected obligation as at end of the year	870.51	817.89
Plan assets at the end of the year, at fair value	956.16	881.73
Funded status surplus/(deficit)	85.66	63.84
Unrecognized past service cost	-	-
Net asset/(liability) recognised in balance sheet	85.66	63.84
Expenses recognised in statement of profit and loss		
Current service cost	68.31	63.30
Interest cost	62.06	60.70
Expected return on plan assets	(65.61)	(62.46)
Re-measurement - actuarial gain/(loss) recognised in OCI	35.49	29.50
Total expenses recognised in statement of profit and loss	64.76	61.54



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 36 : EMPLOYEE BENEFITS PLANS - Contd.		
Composition of plan assets		
Insurer managed asset *	956.17	881.73
* The details with respect to the composition of investments in the plan assets managed by LIC have not been disclosed in the absence of the above said information.		
Actuarial assumptions		
Discount rate	6.99%	6.61%
Salary escalation	8.00%	7.00%
Attrition rate	15.00%	15.00%
Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.		
Sensitivity analysis DBO end of period		
A. Discount rate +100 BP	(4.57%)	(5.12%)
Defined benefit obligation [PVO]	830.75	775.99
B. Discount rate -100 BP	5.05%	5.66%
Defined benefit obligation [PVO]	914.48	864.20
C. Salary escalation rate +100 BP	4.61%	5.46%
Defined benefit obligation [PVO]	910.62	862.56
D. Salary escalation rate -100 BP	(4.29%)	(5.03%)
Defined benefit obligation [PVO]	833.17	776.72
E. Attrition rate +100 BP	(0.44%)	(0.45%)
Defined benefit obligation [PVO]	866.64	814.19
F. Attrition rate -100 BP	0.48%	0.49%
Defined benefit obligation [PVO]	874.65	821.90
The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.		

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 36 : EMPLOYEE BENEFITS PLANS - Contd.		
Expected cash flows for following years		
1 - 2 years	142.43	115.59
2 - 3 years	103.21	72.45
3 - 4 years	63.85	96.67
4 - 5 years	87.18	61.14
5 - 6 years	86.07	71.88
6 - 10 years	222.42	235.01
<p>The details of experience adjustments arising on account of plan assets and liabilities are not readily available in the valuation report, hence not furnished.</p> <p>These plans typically expose the Company to actuarial risk such as interest rate risk, longevity risk and salary risk.</p> <p>Interest Rate Risk : A decrease in the bond interest rate will increase the plan's liability.</p> <p>Longevity Risk : The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.</p> <p>Salary Risk : The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.</p>		
Particulars	As at March 31, 2022	As at March 31, 2021
c) Long term compensated absences		
Actuarial assumptions		
Discount rate	6.99%	6.71%
Salary escalation	8.00%	7.00%
Attrition rate	15.00%	15.00%
Note 37 : SEGMENT REPORTING		
<p>a) The Company is predominantly engaged in the business of manufacture and distribution of agri inputs, hence there are no separate reportable segment as per IND AS 108.</p> <p>b) The Company's main operating geographical segment is in India. Hence, secondary segment reporting is not applicable.</p>		



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 38 : EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY		
a) Gross amount required to be spent by the company during the year	40.27	36.01
b) Amount spent during the year on:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above (amount fully paid)	40.27	36.01
Note 39: ADDITIONAL REGULATORY INFORMATION		
<p>i) 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(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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.</p> <p>ii) No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.</p> <p>iii) The Company does not have any transactions with Companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.</p> <p>iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.</p> <p>v) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.</p> <p>vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).</p> <p>vii) The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.</p> <p>viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on Number of Layers) Rules, 2017.</p> <p>ix) No Schemes of Arrangements have been applied or approved by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013.</p>		

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Note 40 : FAIR VALUES						
The following table presents the carrying amounts and fair value of each category of financial assets and liabilities:						
Particulars	Carrying value		Fair value			
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021		
Financial assets						
Non-current investments	3,260.33	2,926.07	3,260.33	2,926.07		
Other non-current financial assets	72.55	45.74	72.55	45.74		
Trade receivables	7,879.02	6,989.51	7,879.02	6,989.51		
Cash and cash equivalents	849.77	565.29	849.77	565.29		
Bank balance other than cash and cash equivalents	949.91	756.23	949.91	756.23		
Loans	30.00	40.00	30.00	40.00		
Other current financial assets	48.66	91.64	48.66	91.64		
Total	13,090.24	11,414.48	13,090.24	11,414.48		
Financial liabilities						
Trade payables	5,305.67	4,382.01	5,305.67	4,382.01		
Other current financial liabilities	979.55	1,050.73	979.55	1,050.73		
Total	6,285.22	5,432.74	6,285.22	5,432.74		
The management assessed that cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.						
Financial instruments by category	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	-	2,828.42	431.71	-	2,494.16	431.71
- In Government securities	-	-	0.20	-	-	0.20
Trade receivables	-	-	7,879.02	-	-	6,989.51
Loans	-	-	30.00	-	-	40.00
Cash and cash equivalents	-	-	849.77	-	-	565.29
Bank balance other than cash and cash equivalents	-	-	949.91	-	-	756.23
Other current financial assets	-	-	48.66	-	-	91.64
Other non-current financial assets	-	-	72.55	-	-	45.74
Total financial assets	-	2,828.42	10,261.82	-	2,494.16	8,920.32
Financial liabilities						
Trade payables	-	-	5,305.67	-	-	4,382.01
Other current financial liabilities	-	-	979.55	-	-	1,050.73
Total financial liabilities	-	-	6,285.22	-	-	5,432.74



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Note 40 : FAIR VALUES – (Contd.)

i) 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 and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

At March 31, 2021	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at Cost					
Unquoted equity investments	5	-	-	431.71	431.71
In Government securities	5	-	-	0.20	0.20
Financial investments at FVOCI					
Listed equity investments	5	2,494.16	-	-	2,494.16
Total financial assets		2,494.16	-	431.91	2,926.07
Financial liabilities					
Total financial liabilities		-	-	-	-
At March 31, 2022					
At March 31, 2022	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at cost					
Unquoted equity investments	5	-	-	431.71	431.71
In Government securities	5	-	-	0.20	0.20
Financial investments at FVOCI					
Listed equity investments	5	2,828.42	-	-	2,828.42
Total financial assets		2,828.42	-	431.91	3260.33
Financial liabilities					
Total financial liabilities		-	-	-	-

Level 1:

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Note 40 : FAIR VALUES – (Contd.)

Level 2:

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all 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. This is the case for unlisted equity securities included in level 3.

There are no transfers between levels 1 and 2 during the year.

The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of certain financial instruments have been determined based on the buy back offer made by the originator of the instrument.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

iii) Valuation processes

The company performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

The main level 3 inputs for unlisted equity securities used by the Company are derived and evaluated as follows:

- Discount rates are determined using a capital asset pricing model to calculate a post tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counterparties.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion. As part of this discussion the team presents a report that explains the reason for the fair value movements.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for bonds and debentures, intercorporate deposits, security deposits and other deposits were calculated based on cash flows discounted using the current interest rate as at the respective reporting date for a similar instrument. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 41: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Liabilities	Rolling cash flow forecasts	Availability of liquid investments, committed credit lines and borrowing facilities

The Company's risk management is carried out by the Head of Finance and Accounts under policies approved by the Management.

(A) Credit risk

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

i) Credit risk management:

Credit risk is managed on a Company basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the Company assesses and manages credit risk based on internal rating system. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

C1: High-quality assets, negligible credit risk

C2: Doubtful assets, credit-impaired

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are included,

- Internal credit rating.
- External credit rating (as far as available).
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations.
- Actual or expected significant changes in the operating results of the borrower.
- Significant increase in credit risk on other financial instruments of the same borrower.
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Note 41 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – (Contd.)

- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the company and changes in the operating results of the borrower.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

ii) Allowance for credit losses:

The company provides for expected credit loss based on the following :

Internal credit rating	Category	Description of category	Basis for recognition of expected credit loss provision		
			Investments	Loans and Deposits	Trade receivables
C1	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12-month expected credit losses	12-month expected credit losses	Life-time expected credit losses (simplified approach)
C2	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Assets is written off		

For the Year ended March 31, 2021 to March 31, 2022:

(a) Expected credit loss for loans, security deposits and investments

The estimated gross carrying amount at default is Nil (March 31, 2021: Nil) for investments and loans and deposits. Consequently there are no expected credit loss recognised for these financial assets.

(b) Expected credit loss for trade receivables under simplified approach

Customer credit risk is managed by the Company based on the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an internal credit rating system. Outstanding customer receivables are regularly monitored and assessed for its recoverability. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers have sufficient capacity to meet the obligations and the risk of default is negligible.

Reconciliation of loss allowance provision – Trade receivables

Loss allowance on April 1, 2020	16.15
Changes in loss allowance	8.59
Loss allowance on March 31, 2021	27.74
Changes in loss allowance	25.93
Loss allowance on March 31, 2022	50.67



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Note 41 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – (Contd.)

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying business, the Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The tables below analyses the company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

(₹ in lakhs, unless otherwise stated)

Particulars	Less than 1 year	1-3 years	More than 3 years	Total
March 31, 2022 Non-derivative				
Trade payables	5,305.67	-	-	5,305.67
Other financial liabilities	979.55	-	-	979.55
Total non-derivative liabilities	6,285.22	-	-	6,285.22
March 31, 2021 Non-derivative				
Trade payables	4,382.01	-	-	4,382.01
Other financial liabilities	1,050.73	-	-	1,050.73
Total non-derivative liabilities	5,432.74	-	-	5,432.74

(C) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(D) Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

Particulars	As at	INR
Assets		Non-derivative
USD		
Trade receivables	March 31, 2022	320.66
	March 31, 2021	186.22

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Note 41 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – (Contd.)

Foreign currency sensitivity analysis

The Company is mainly exposed to the currency USD on account of significant outstanding receivables.

The following table details the Company's sensitivity to a 5% increase and decrease in INR against the USD. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the INR weakens 5% against the relevant currency. For a 5% strengthening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Particulars	March 31, 2022	March 31, 2021
	Impact on profit after tax	
USD sensitivity		
INR/USD increases by 5%*	12.00	6.97
INR/USD decreases by 5%*	(12.00)	(6.97)

* Holding all other variables constant.

(E) Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

Dividends proposed but not recognised at the end of the reporting period Refer Note 13F.

The Company is equity financed which is evident from the capital structure table below.

The capital structure is as follows :

Particulars	As at March 31, 2022	As at March 31, 2021
Total equity attributable to the equity share holders of the company	15,517.66	13,589.32
As a percentage of total capital	100%	100%
Borrowings	-	-
As a percentage of total capital	0%	0%
Total capital (borrowings and equity)	15,517.66	13,589.32



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 42 :

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

A. KRISHNAMOORTHY

Chairman

DIN : 00001778

Place : Chennai

Date : 22 July, 2022

LAKSHMI NARAYANAN

Whole-time Director

DIN : 02539061

Place : Chennai

Date : 22 July, 2022



T. STANES AND COMPANY LIMITED

FORM AOC 1

Pursuant to first provision to Sub-section 3 of Section 129 of the Companies Act, 2013 Read with Rule 5 of the Companies (Accounts) Rules, 2014
Statement containing salient features of the Financial Statement of Subsidiary Companies

SUBSIDIARIES

(₹ in lakhs, unless otherwise stated)

S.No.	Subsidiary	Reporting period	Reporting Currency	Equity Share Capital (including share application money pending)	Reserves & Surplus	Other Liabilities	Total Assets	Investment (Except in case of investment in subsidiaries)	Revenue	Profit / (Loss) Before Taxation	Tax Expenses / (Credit)	Profit / (Loss) after Taxation	Proposed Dividend Equity	% of Share Holding
1	Stanes Motors (South India) Limited	31. March 2022	INR	150.00	367.33	363.41	822.93	65.39	1,943.37	75.72	20.46	55.27	Nil	100%
2	Stanes Amalgamated Estates Limited	31. March 2022	INR	110.75	526.82	228.32	1,090.63	155.95	1,376.30	(209.86)	14.70	(224.56)	Nil	50.23%



T. STANES AND COMPANY LIMITED

CIN : U02421TZ1910PLC000221

CONSOLIDATED FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF T. STANES AND COMPANY LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of T. Stanes and Company Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, and 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 a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (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 ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.
- 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's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is 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 consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

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

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

Auditor's Responsibility 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 skepticism throughout the audit. We also:

- 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.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 ability of the Group to continue as a going concern. If we conclude that a material



uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial 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 Group to cease to continue as a going concern.

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities 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 the 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 of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

- a) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs.1,920.72 lakhs as at 31st March, 2022, total revenues of Rs. 3,321.66 lakhs and net cash inflows/ (outflows) amounting to Rs.(40.97) lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable 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 of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent as on March 31, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, is disqualified as on March 31, 2022 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- 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, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.
- 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, as amended 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 on the consolidated financial position of the Group.
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.
- iv. a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their 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 Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the



Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, 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 has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors 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.]
- v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Parent during the year and until the date of this report is in compliance with Section 123 of the Act.

As stated in note 13 to the financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

- 2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **Fraser & Ross**
Chartered Accountants
(Firm's Registration No. 000829S)

Krishna Prakash E
Partner
(Membership No. 216015)
UDIN: 22216015ANKOCP1428

Place : Coimbatore
Date : July 22, 2022



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated IND AS financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of T. Stanes and Company Limited (hereinafter referred to as "Parent") and its subsidiary companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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 respective 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiaries which are companies incorporated in India.



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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, 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, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(I) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to two subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For Fraser & Ross
Chartered Accountants
(Firm's Registration No. 000829S)

Krishna Prakash E
Partner
(Membership No. 216015)
UDIN: 22216015ANKOCP1428

Place : Coimbatore
Date : July 22, 2022

T. STANES AND COMPANY LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022



(₹ in Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current Assets			
Property, plant and equipment	3	3,402.37	3,579.73
Investment property	4	145.27	152.71
Right-of-use assets	31b	103.62	-
Financial assets			
i) Investments	5	2,984.59	2,655.56
ii) Others	6	88.95	66.91
Other non-current assets	7	53.01	21.10
Deferred tax assets (net)	17	10.35	-
Total non-current assets		6,788.16	6,476.01
Current Assets			
Inventories	8	6,550.91	5,328.95
Financial assets			
i) Trade receivables	9	8,294.28	7,386.99
ii) Cash and cash equivalents	10a	911.96	628.20
iii) Bank balance other than (ii) above	10b	1,019.05	899.47
iv) Other financial assets	6	56.48	98.82
v) Investments	5	65.39	60.01
Current tax assets (net)		4.19	23.04
Other current assets	7	805.85	667.72
Total current assets		17,708.11	15,093.20
TOTAL ASSETS		24,496.27	21,569.21
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	236.62	236.62
Other equity	12	15,686.95	13,813.67
Equity attributable to owners of the Company		15,923.57	14,050.29
Non-controlling interest		317.30	429.14
Total Equity		16,240.87	14,479.43
Liabilities			
Non-current liabilities			
Provisions	16	168.33	144.04
Lease liabilities	31c	103.62	-
Deferred tax liabilities (net)	17	-	16.61
Total non-current liabilities		271.95	160.65
Current liabilities			
Financial liabilities			
i) Trade payables	13		
Total outstanding dues of micro enterprises and small enterprises		40.44	20.36
Total outstanding dues of creditors other than micro enterprises and small enterprises		5,711.98	4,736.72
ii) Other financial liabilities	14	998.61	1,107.19
Other current liabilities	15	1,153.51	1,002.12
Provisions	16	18.19	52.66
Current tax liability (net)		60.72	10.08
Total current liabilities		7,983.45	6,929.13
TOTAL EQUITY AND LIABILITIES		24,496.27	21,569.21
Accompanying notes form part of the financial statements.			

In terms of our report attached

For and on behalf of the Board of Directors

For Fraser & Ross

Chartered Accountants

Firm's Registration Number : 000829S

KRISHNA PRAKASH E

Partner

Membership No. 216015

Place : Coimbatore

Date : 22 July, 2022

A. KRISHNAMOORTHY

Chairman

DIN : 00001778

Place : Chennai

Date : 22 July, 2022

LAKSHMI NARAYANAN

Whole-time Director

DIN : 02539061

Place : Chennai

Date : 22 July, 2022



T. STANES AND COMPANY LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
REVENUE			
a) Revenue from operations	18	47,894.88	42,346.47
b) Other income	19	265.29	217.10
Total Income		48,160.17	42,563.57
EXPENSES			
a) Cost of materials consumed	20	16,880.14	16,011.57
b) Purchases of stock-in-trade	21	19,389.26	13,530.78
c) Changes in inventories of finished goods and stock-in-trade	22	(839.70)	88.96
d) Employee benefits expense	23	4,683.03	4,477.90
e) Finance costs	24	43.47	35.85
f) Depreciation and amortisation expense	27	510.45	423.61
g) Other expenses	25	5,045.89	5,642.80
Total Expenses		45,712.54	40,211.47
Profit before tax		2,447.63	2,352.10
Tax expense			
Current tax		723.55	654.53
Deferred tax		(31.98)	(25.05)
Net tax expense	26	691.57	629.48
Profit for the year		1,756.06	1,722.62
Other comprehensive income/(loss) (OCI)			
i) Items that will not be reclassified to profit or loss			
a) Re-measurements of the defined benefit plans		(71.07)	(44.88)
b) Equity instruments through OCI		377.23	922.77
ii) Income tax on items that will not be reclassified to profit or loss		(5.02)	64.48
Total Other comprehensive income/(loss)		301.14	942.37
Total comprehensive income for the year		2,057.20	2,664.99
Profits attributable to			
Non-controlling interest		(111.76)	(64.07)
Owners of the Company		1,867.82	1,786.69
Other comprehensive income attributable to			
Non-controlling interest		(0.09)	15.04
Owners of the Company		301.23	927.33
Total comprehensive income attributable to			
Non-controlling interest		(111.85)	(49.02)
Owners of the Company		2,169.05	2,714.01
		2,057.20	2,664.99
Earnings per share (of ₹ 10/- each):			
Basic and Diluted (in ₹)	32	74.21	72.80
Accompanying notes form part of the financial statements.			

In terms of our report attached

For and on behalf of the Board of Directors

For Fraser & Ross

Chartered Accountants

Firm's Registration Number : 000829S

KRISHNA PRAKASH E

Partner

Membership No. 216015

Place : Coimbatore

Date : 22 July, 2022

A. KRISHNAMOORTHY

Chairman

DIN : 00001778

Place : Chennai

Date : 22 July, 2022

LAKSHMI NARAYANAN

Whole-time Director

DIN : 02539061

Place : Chennai

Date : 22 July, 2022

T. STANES AND COMPANY LIMITED



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

a. Equity share capital

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Equity shares with voting rights		
At the beginning of the year	236.62	236.62
Movements during the year	-	-
At the end of the year	236.62	236.62

b. Other equity

Particulars	Reserves and Surplus					Other comprehensive income	Total
	Capital reserve on consolidation	Securities premium	Capital redemption reserve	General reserve	Retained earnings		
Opening balance	32.47	42.75	14.72	7,019.59	2,873.26	1,400.79	11,383.58
Profit for the year	-	-	-	-	1,786.69	-	1,786.69
Transfer to general reserve	-	-	-	500.00	(500.00)	-	-
Transfer from other comprehensive income	-	-	-	-	0.08	(0.08)	-
Re-measurements of the defined benefit liabilities/(asset)	-	-	-	-	-	(38.90)	(38.90)
Equity instruments through OCI	-	-	-	-	-	901.58	901.58
Income tax on items that will not be reclassified to profit or loss	-	-	-	-	-	64.66	64.66
Payment of dividends	-	-	-	-	(283.94)	-	(283.94)
Balance at 31 March 2021	32.47	42.75	14.72	7,519.59	3,876.09	2,328.05	13,813.67
Profit for the year	-	-	-	-	1,867.82	-	1,867.82
Transfer to general reserve	-	-	-	500.00	(500.00)	-	-
Transfer from other comprehensive income	-	-	-	-	3.14	(3.14)	-
Re-measurements of the defined benefit liabilities/(asset)	-	-	-	-	-	(51.64)	(51.64)
Equity instruments through OCI	-	-	-	-	-	355.84	355.84
Income tax on items that will not be reclassified to profit or loss	-	-	-	-	-	(2.97)	(2.97)
Payment of dividends	-	-	-	-	(295.77)	-	(295.77)
Balance at 31 March 2022	32.47	42.75	14.72	8,019.59	4,951.28	2,626.14	15,686.95
Accompanying notes form part of the financial statements.							

In terms of our report attached

For and on behalf of the Board of Directors

For Fraser & Ross

Chartered Accountants

Firm's Registration Number : 000829S

KRISHNA PRAKASH E

Partner

Membership No. 216015

Place : Coimbatore

Date : 22 July, 2022

A. KRISHNAMOORTHY

Chairman

DIN : 00001778

Place : Chennai

Date : 22 July, 2022

LAKSHMI NARAYANAN

Whole-time Director

DIN : 02539061

Place : Chennai

Date : 22 July, 2022



T. STANES AND COMPANY LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax		2,447.63		2,352.10
Adjustments for:				
Depreciation and amortisation expense	510.45		423.61	
Profit on sale of property, plant and equipment (net)	(22.13)		(3.70)	
Net gain on sale of investments	(10.60)		(12.79)	
Allowance for credit losses	31.19		10.08	
Bad debts write off (net)	55.19		53.33	
Dividend income	(36.64)		(33.99)	
Interest income	(44.14)		(39.55)	
Unrealised foreign exchange (gain)/loss	(12.94)		(5.51)	
Finance costs	43.47		35.85	
		513.85		427.33
Operating profit before working capital changes		2,961.48		2,779.43
Changes in working capital				
Adjustments for (increase)/decrease in operating assets:				
Inventories	(1,221.96)		(229.39)	
Trade receivables	(980.73)		2,549.82	
Non-current and current financial assets	20.30		9.27	
Non-current and current assets	(237.34)		(162.61)	
Adjustments for increase/(decrease) in operating liabilities:				
Trade payables	995.33		(1,440.15)	
Other financial liabilities	(38.57)		44.58	
Current liabilities	151.39		321.72	
Non-current and current provisions	25.02		(239.51)	
		(1,286.56)		853.73
Cash generated from operations		1,674.92		3633.16
Income taxes paid		(689.25)		(523.61)
Net cash flow from operating activities (A)		985.67		3,109.55
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment including capital advances	(345.69)		(777.65)	
Proceeds from sale of property, plant and equipment	29.01		4.48	
Sale/(purchase) of long-term investments	53.41		(64.30)	
Other bank balances	(127.36)		(737.15)	
Interest received	44.14		39.55	
Dividend received	36.64		33.99	
Net cash flow used in Investing activities (B)		(309.85)		(1,501.08)

T. STANES AND COMPANY LIMITED



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022— (Contd.)

(₹ in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Net increase/(decrease) in working capital borrowings	-		(822.22)	
Finance costs paid	(43.47)		(35.85)	
Payment of dividends	(295.77)		(283.94)	
Payment of lease liabilities	(52.82)		-	
Net cash flow used in financing activities (C)		(392.06)		(1,142.01)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		283.76		466.46
Cash and cash equivalents at the beginning of the year		628.20		161.74
Cash and cash equivalents at the end of the year		911.96		628.20
Cash and cash equivalents at the end of the year (Refer Note 10a)				
a) Cash on hand	18.23		20.47	
b) Cheques on hand	241.01		181.79	
c) Balances with banks				
In current accounts	129.45		120.87	
Others - (Cash Credit account)	523.27		305.07	
		911.96		628.20
Note: The above cash flow statement has been prepared under indirect method set out in the Ind AS 7 - Cash Flow Statements Accompanying notes form part of the financial statements.				

In terms of our report attached

For and on behalf of the Board of Directors

For Fraser & Ross

Chartered Accountants

Firm's Registration Number : 000829S

KRISHNA PRAKASH E

Partner

Membership No. 216015

Place : Coimbatore

Date : 22 July, 2022

A. KRISHNAMOORTHY

Chairman

DIN : 00001778

Place : Chennai

Date : 22 July, 2022

LAKSHMI NARAYANAN

Whole-time Director

DIN : 02539061

Place : Chennai

Date : 22 July, 2022



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

1. Corporate Information

T.Stanes and Company Limited (“the Parent Company”) is a public company domiciled in India. The company is engaged in the manufacture and distribution of Agri inputs for crop protection and crop care in domestic and international markets. The Company is also in the activity of trading in Consumer and Industrial Products.

Stanes Motors (South India) Limited is 100% wholly owned subsidiary of the Parent Company which is engaged in Trading of Automobile Parts and accessories and Servicing. Stanes Amalgamated Estates Limited is engaged in the manufacturing of Tea. The Parent Company together with its subsidiaries is hereinafter referred to as the “Group”.

1.1 Basis of preparation and presentation

a) Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under section 133 of Companies Act 2013, the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

b) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control exists when the parent has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity’s returns. Subsidiaries are consolidated from the date control commences until the date control ceases. The financial statements of subsidiaries are consolidated on a line-by-line basis and intra-group balances and transactions including un-realized gain/ loss from such transactions are eliminated upon consolidation. The financial statements are prepared by applying uniform policies in use at the Group.

c) Basis of measurement

The Group’s financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

1.1 Basis of preparation and presentation – (Contd.)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2. Significant Accounting Policies

2.1 Revenue recognition

Revenue from sale of goods is recognised on transfer of property in goods and the amount of revenue can be measured reliably, regardless of when the payment is being made and where it is probable that economic benefits will flow to the Company and there is neither continuing managerial involvement nor effective control over the goods sold. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Goods and Service Tax (GST) are not received by the Company on its own account. Rather, it is tax collected on value added to the commodity sold by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Revenues from sale of goods and services are shown as net of applicable discounts, other rebates/schemes and incentives to dealers. Agency commission on consignment sales are accounted and recognised on net basis taking into account contractually defined terms of payment and on receipt of commercial invoices from principals. Interest income is accounted on accrual basis. Dividend income is accounted for when the shareholder's right to receive the payment has been established.

2.2 Business segments

The Group is engaged in the business of Agri inputs, Consumer and Industrial products, Trading in Automobile Products, Cultivation and Manufacture of Tea. These in context of Ind AS 108 on Segment reporting are considered to constitute the business segments.

2.3 Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

- i) Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.3 Taxation – (Contd.)

- ii) Deferred income tax is recognised using the balance sheet approach, deferred tax is recognised on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Current and deferred tax are recognised in Statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

2.4 Impairment of assets

The Group assesses at each balance sheet date the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the Group estimates the recoverable amount of the asset in order to determine the extent of the impairment loss (if any). 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. If such recoverable amount of the asset or the recoverable amount of the cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The recoverable amount is greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is any indication that the previously assessed impairment loss no longer exists, the asset is reassessed to reflect the recoverable amount subject to a maximum of depreciable historical cost.

2.5 Cash and cash equivalents (for purpose of cash flow statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.6 Cash flow statement

Cash flow statement has been prepared in accordance with the indirect method 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.

2.7 Inventories

Raw materials, finished goods and trading stock are valued at lower of cost (identified direct overheads wherever applicable) and net realizable value. Cost is determined using moving average method. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale. Stores and spare parts are valued at average cost. Due allowance is made for slow/non-moving items, based on Management estimates.

2.8 Financial instruments

Financial assets and financial liabilities are recognised when a Company entity 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.

2.9 Financial assets

All regular way purchases or sales of financial assets are recognised and de-recognised on a trade date basis. Regular way purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

i) Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

- a) Those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss);
- b) those measured at amortised cost; and
- c) those measured at cost

The classification depends on the entity's business model for managing the financial assets, the contractual terms of the cash flows and whether the investment meets the definition of interest in associates. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.9 Financial assets – (Contd.)

ii) Measurements

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

a) Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

b) Fair value through profit or loss:

Assets that do not meet the criteria for amortised cost or Fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income/ other expenses in the period in which it arises.

Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments other than investments forming part of interest in subsidiaries at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income / other expenses in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at cost and amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer notes to accounts for the details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.9 Financial assets – (Contd.)**iv) De-recognition of financial assets**

A financial asset is derecognised only when

- a) The Company has transferred the rights to receive cash flows from the financial asset or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v) Income recognition**a) Interest income**

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example: prepayment, extension, call and similar options) but does not consider the expected credit losses.

b) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.10 Financial liabilities and equity instruments**i) Classification as debt or equity**

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

ii) 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 a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.10 Financial liabilities and equity instruments – (Contd.)

iii) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.11 Property, plant and equipment

Property, plant and equipment are stated at cost. Cost includes freight, duties, related taxes and other incidental expenses relating to acquisition and installation.

Property, plant and equipment are stated at the cost of acquisition or construction less accumulated depreciation and write down for, impairment if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

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 profit or loss.

2.12 Investment property

Investment Properties are properties held to earn rentals and / or for capital appreciation (including property under construction for such purposes).

Investment properties are measured initially at cost including transaction cost, subsequent to initial recognition investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The investment property is measured in accordance with Ind AS 16 requirements for cost model. However the fair value of investment property is disclosed in the notes.

An investment property is de-recognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefit are expected from the disposal. Any gain or loss arising out of the de-recognition of the property is included in the statement of profit / loss in the period in which the property is de-recognised.

2.13 Leases

The Company 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 and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's

2.13 Leases – (Contd.)

estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment 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.

The Company 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 Company recognises the lease payments associated with these leases as an expense over the lease term.

In the comparative period, leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments and receipts under operating leases are recognised as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

2.14 Investments

Investments in subsidiaries and associates are stated at cost inclusive of brokerage and stamp duty. Diminution in their market value, if considered temporary in nature is not recognised. The carrying values of such investments are considered as 'deemed cost'. There are very few unquoted equity investments in other companies which are also considered at cost as they are of very insignificant value (materiality). Investments in quoted equity instrument are initially recognised at cost as per the previous GAAP which are subsequently measured at fair value as per the Ind AS requirements and the corresponding gain and losses arising from changes in fair value recognised in the OCI.

2.15 Employee benefits**I. Defined contribution plans:**

Contributions to defined contribution plans are recognised as an expense when employees have rendered services entitling them to contributions:

- i) In respect of provident fund, when payments are due to the Regional Provident Fund Commissioner.
- ii) Eligible employees, as per the company's superannuation scheme, are entitled to receive retirement benefits and contributions are made annually as per the rules of the scheme to the Life Insurance Corporation through approved superannuation trust.
- iii) In respect of eligible employees, contributions are remitted to the Employees State Insurance Corporation.

There are no obligations other than the above.

II. Defined benefit obligations

- i) Provisions for gratuity and compensated absences are defined benefit obligations and are provided for, on actuarial valuation under the Projected Unit Cost method at the end of each financial year. The obligations are measured at the present value of estimated future cash flows discounted at rates reflecting the prevailing market yields of government securities as at the balance sheet date. The Company recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.15 Employee benefits – (Contd.)

recognised in '*Other comprehensive income*'. In accordance with Ind AS 19, re-measurement gains and losses on defined benefit plans recognised in OCI are not to be subsequently reclassified to Statement of profit or loss. As required under Ind AS compliant Schedule III, the Company transfers it immediately to retained earnings.

ii) Compensated absences are paid to eligible employees upon retirement.

2.16 Depreciation

Depreciable amount for Property, plant and equipment is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, plant and equipment is provided on straight line method. Depreciation has been charged in accordance with the estimated useful lives as stated in Part C of Schedule II to the Companies Act 2013.

Additions to property, plant and equipment costing less than ₹ 5000 are fully depreciated in the year of acquisition, as in the opinion of the Management the useful life of such assets is estimated to be less than one year.

Depreciation is provided on a pro-rata basis from the date the assets are put to use during the financial year. In respect of assets sold or disposed off during the year, depreciation is provided upto the date of sale or disposal of assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.17 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 its intended use or sale are capitalized as part of the cost of the respective assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of profit and loss in the period in which they are incurred. Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

2.18 Foreign currencies

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Foreign currency monetary items of the Company outstanding at the balance sheet date are restated at year end exchange rates. Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as other income or other expense in the Statement of Profit and Loss.

2.19 Research and Development

Product research and development cost is charged to Statement of profit or loss. Capital expenses on Research & Development are included in Property, plant and equipment under appropriate heads.

2.20 Provisions and contingent liabilities

A provision is recognised when an enterprise has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

2.21 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been arrived at, assuming that the proceeds receivable were based on shares having been issued at the average market value of the outstanding shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

2.22 Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.23 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amounts of revenues and expenses for the period reported. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialised.

Key source of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, valuation of deferred tax, provisions and contingent liabilities.

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.23 Use of estimates and judgements – (Contd.)

than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Estimation of defined benefit obligation – Note 34b

Estimation of current tax expense and payable – Note 26

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 3: PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs, unless otherwise stated)

Description of assets	Land	Buildings	Plant and equipment	Furniture	Office equipment	Electric fitting	Vehicles	Laboratory equipment	Bearer plant	Total
Gross block										
Balance as at March 31, 2020	188.01	1,583.36	1,633.93	80.26	48.06	79.56	764.48	149.61	108.22	4,635.49
Transferred to investment properties (Note 4)	10.91	24.71	-	-	-	-	-	-	-	35.62
Additions	-	430.36	147.87	20.93	33.88	52.98	94.96	115.78	-	896.76
Disposals	-	-	4.85	1.57	-	0.37	22.20	-	-	28.99
Balance as at March 31, 2021	177.10	1,989.01	1,776.95	99.62	81.94	132.17	837.24	265.39	108.22	5,467.64
Additions	-	-	130.12	4.67	14.91	0.48	122.67	6.85	-	279.70
Disposals	-	-	24.51	0.13	-	3.28	58.80	-	-	86.72
Balance as at March 31, 2022	177.10	1,989.01	1,882.56	104.16	96.85	129.37	901.11	272.24	108.22	5,660.62
Accumulated depreciation										
As at April 01, 2020	-	308.28	683.60	56.36	31.43	37.10	314.95	55.50	15.31	1,502.53
Transferred to investment properties (Note 4)	-	5.25	-	-	-	-	-	-	-	5.25
Depreciation for the year	-	65.62	209.41	10.48	9.63	7.49	96.88	16.78	2.55	418.84
On disposals	-	-	4.07	1.57	-	0.37	22.20	-	-	28.21
Balance as at March 31, 2021	-	368.65	888.94	65.27	41.06	44.22	389.63	72.28	17.86	1,887.91
Depreciation for the Year	-	105.04	178.56	10.12	12.22	12.05	103.17	26.49	2.54	450.19
On disposals	-	-	19.69	0.13	-	3.28	56.75	-	-	79.85
Balance as at March 31, 2022	-	473.69	1,047.81	75.26	53.28	52.99	436.05	98.77	20.40	2,258.25
Carrying amount as at March 31, 2021	177.10	1,620.36	888.01	34.35	40.88	87.95	447.61	193.11	90.36	3,579.73
Carrying amount as at March 31, 2022	177.10	1,515.32	834.75	28.90	43.57	76.38	465.06	173.47	87.82	3,402.37

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	Land	Buildings	Total
Note 4: INVESTMENT PROPERTY			
Gross block			
Balance as at April 1, 2020	84.81	60.83	145.64
Transferred from property, plant and Equipment (Note 3)	10.91	24.71	35.62
Balance as at March 31, 2021	95.72	85.54	181.26
Additions/(Deletions) during the year	-	-	-
Balance as at March 31, 2022	95.72	85.54	181.26
Accumulated depreciation			
Balance as at April 1, 2020-	18.53	18.53	
Transferred from property, plant and equipment (Note 3)	-	5.25	5.25
Depreciation for the year	-	4.77	4.77
Balance as at March 31, 2021	-	28.55	28.55
Depreciation for the year	-	7.44	7.44
Balance as at March 31, 2022	-	35.99	35.99
Carrying amount as at March 31, 2021	95.72	56.99	152.71
Carrying amount as at March 31, 2022	95.72	49.55	145.27

4.1 Information regarding income and expenditure of Investment property

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rental Income derived from investment properties	78.83	60.95
Direct operating expenses*	4.47	5.03
Profit arising from investment properties before depreciation and indirect expenses	74.36	55.92
Less: Depreciation	7.44	4.77
Profit arising from investment properties before indirect expenses	66.92	51.15

*As per the lease agreement entered with the lessee the repairs and maintenance expenses are to be borne by the lessee.

4.2 The Company's investment properties consist of ten (nine previous year) properties in India. As at March 31, 2022, the fair values of the properties are ₹ 4,942.04 Lakhs. These valuations are based on valuations performed by an independent valuer.

4.3 The Company has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	Nominal value per share	As at March 31, 2022		As at March 31, 2021	
		No. of shares	Amount	No. of shares	Amount
Note 5: INVESTMENTS					
NON-CURRENT					
A. Investments carried at cost (unquoted)					
In Equity shares (fully paid)					
The Tamilnadu Tea Manufacturers' Service Industrial Co-op.Society Limited	5,000	5	0.25	5	0.25
Sub Total			0.25		0.25
Other Investments carried at cost					
In Government Securities - NSC			0.61		0.61
Subtotal			0.61		0.61
Total investments carried at cost			0.86		0.86
B. Investments carried at fair value through OCI (quoted)					
In Equity shares (fully paid)					
The United Nilgiri Tea Estates Company Limited- Associate to the Ultimate Holding Company	10	8,44,194	2,853.80	8,44,194	2,516.54
Coal India Limited	10	3,000	5.49	3,000	3.99
Engineers India Limited	10	2,000	1.28	2,000	1.54
Indian Oil Corporation Limited	10	10,000	11.90	10,000	9.16
NHPC Limited	10	-	-	23,000	5.76
NMDC Limited	10	-	-	7,000	9.28
NTPC Limited	10	-	-	1,800	1.94
NLC India Limited	10	7,000	4.38	7,000	3.60
Oil India Limited	10	12,999	30.99	12,999	16.12
Oil and Natural Gas Corporation Limited	10	14,000	22.95	14,000	14.49
Saint Gobain Glass Limited	10	10,000	8.01	10,000	6.62
SJVN Limited	10	-	-	11,500	3.05
Housing and Urban Development Corporation Limited	10	-	-	10,000	4.41
Bharat Heavy Electricals Limited	10	26,000	12.83	26,000	12.73
Schneider Electric Limited	10	3,000	3.56	3,000	2.83
ITC Limited	10	3,000	7.52	3,000	6.44
Subtotal			2,962.71		2,618.50
Investments in bonds & debentures					
NTPC Limited Tax free secured non-convertible bonds	1,000	474	5.17	474	5.28
IRFC Tax free bonds-2013	1,000	1,000	16.05	1,000	10.87
NTPC Limited non-convertible debentures	10	1,500	0.21	1,500	0.21
Subtotal			21.43		16.36
Investments carried through FVOCI			2,984.14		2,634.86

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	Nominal value per share	As at March 31, 2022		As at March 31, 2021	
		No. of shares	Amount	No. of shares	Amount
Note 5: INVESTMENTS — (Contd.)					
NON-CURRENT					
C. Designated as fair value through profit and loss					
Quoted Investments in Mutual Funds					
Sundaram short term debt fund	10	-	-	31,287	10.13
SBI short term debt fund regular growth	10	-	-	40,387	10.11
Investments carried at FVTPL			-		20.24
Total			2,985.00		2,655.96
Less:- Impairment value of investments carried at cost			0.41		0.40
Total Non-current investments			2,984.59		2,655.56
CURRENT					
D. Designated as fair value through profit and loss					
Quoted Investments in Mutual Funds					
Axis Blue Chip Fund Direct IDCW		-	-	24,899	4.95
SBI Mutual Fund		-	-	1,36,471	15.13
Adithya Birla Capital		-	-	1,32,502	15.20
Axis Blue Chip Fund Direct Growth		-	-	24,381	14.73
Axis Equity Hybrid Fund - Direct Growth (EH-DG)		3,06,779	49.73	-	-
HDFC Balanced Advantage Fund - DP - IDCW		49,306	15.66	34,889	10.00
Investments carried at FVTPL			65.39	-	60.01
Total Current investments			65.39	-	60.01
Notes:					
Aggregate market value of listed and quoted investments			3,049.53		2,715.11
Aggregate amount of unquoted and other investments			0.45		0.46



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 6 : OTHER FINANCIAL ASSETS		
NON-CURRENT		
Unsecured, considered good:		
Security deposit	88.95	66.91
Total	88.95	66.91
CURRENT		
Unsecured, considered good:		
Rent deposits	41.71	44.44
Accrued income receivable	3.07	3.17
Agency commission receivable	3.33	42.84
Dividend income receivable from investments	8.37	8.37
Total	56.48	98.82
Note 7 : OTHER ASSETS		
NON-CURRENT		
Unsecured, considered good:		
Capital advances	18.85	15.10
Prepaid expenses	5.00	6.00
Gratuity	29.16	-
Total	53.01	21.10
CURRENT		
Unsecured, considered good:		
Prepaid expenses	21.49	28.45
Advances to employees	9.30	8.62
Balances with government authorities	232.32	211.83
Advances income tax	3.35	1.40
Advances - trade and supplies	538.59	413.30
Others	0.80	4.12
Total	805.85	667.72
Note 8 : INVENTORIES		
At lower of cost and net realisable value:		
Raw materials	1,588.86	1,254.62
Finished goods	2,423.16	2,363.03
Stock-in-trade	2,020.44	1,240.87
Stores and spares	518.45	470.43
Total	6,550.91	5,328.95

The cost of inventories recognized as expense during the year ₹ 16,880.14 Lakhs (previous year ₹ 16,011.57 Lakhs).

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 9 : TRADE RECEIVABLES		
a) Unsecured, considered good	8,294.28	7,386.99
b) Considered doubtful	68.73	37.54
Less : Allowance for credit losses	(68.73)	(37.54)
TOTAL	8,294.28	7,386.99

The trade receivables ageing schedule for the years ended as on March 31, 2022 and March 31, 2021

Particulars	Outstanding for following periods from date of invoice					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 Years	
Undisputed trade receivables - considered good	7,058.38 6,362.83	1,170.83 887.03	96.41 89.30	31.29 79.79	6.10 5.58	8,363.01 7,424.53
Undisputed trade receivables - credit impaired	-	-	-	-	-	0.00 0.00
Disputed trade receivables - considered good	-	-	-	-	-	0.00 0.00
Disputed trade receivables - credit impaired	-	-	-	-	-	0.00 0.00
	7,058.38 6,362.83	1,170.83 887.03	96.41 89.30	31.29 79.79	6.10 5.58	8,363.01 7,424.53
Less : Allowance for credit losses						68.73 37.54
Total trade receivables						8,294.28 7,386.99

Particulars	As at March 31, 2022	As at March 31, 2021
Note 10a : CASH AND CASH EQUIVALENTS (AS PER CASH FLOW STATEMENT)		
a) Cash on hand	18.23	20.47
b) Cheques on hand	241.01	181.79
c) Balances with banks		
i) In current accounts	129.45	120.87
ii) Others - (Cash Credit account)	523.27	305.07
Total	911.96	628.20



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022		As at March 31, 2021	
Note 10b: BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS				
a) In deposit accounts - remaining maturity less than 12 months		958.15		833.38
b) In earmarked accounts				
i) Unpaid dividend accounts		42.04		49.82
ii) Margin money with bank		18.86		16.27
Total		1,019.05		899.47
Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Note 11 : SHARE CAPITAL				
Authorised				
Equity shares of ₹ 10/- each with voting rights	40,00,000	400.00	40,00,000	400.00
Issued				
Equity shares of ₹ 10/- each with voting rights	23,66,184	236.62	23,66,184	236.62
Subscribed and fully paid up				
Equity shares of ₹ 10/- each with voting rights	23,66,184	236.62	23,66,184	236.62
Total	23,66,184	236.62	23,66,184	236.62
11.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year :				
Equity shares with voting rights				
At the beginning of the year	23,66,184	236.62	23,66,184	236.62
Changes during the year	-	-	-	-
At the end of the year	23,66,184	236.62	23,66,184	236.62
11.2 Buy back of shares				
Aggregate number and class of shares bought back for the period of 5 years immediately preceding the balance sheet date:				
The Company in the year 2016-17 has bought back 1,31,424 equity shares for an aggregate amount of ₹ 13.14 Lakhs being 5.55% of the total paid up equity share capital at ₹ 120 per equity share.				

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

11.3 Details of shares held by Holding Company, Ultimate Holding Company and their Subsidiaries				
Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares with voting rights				
Simpson and Company Limited, the Holding Company	13,77,860	137.79	13,73,040	137.30
Amalgamations Private Limited, the Ultimate Holding Company	3,16,808	31.68	3,16,808	31.68
Subsidiaries of the Holding Company				
Simpson & General Finance Company Limited	25,000	2.50	25,000	2.50
Sri Rama Vilas Service Limited	11,800	1.18	11,800	1.18
Tractors and Farm Equipment Limited	1,300	0.13	1,300	0.13
11.4 Details of shares held by each shareholder holding more than 5% shares:				
Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	%	No. of shares	%
Equity shares with voting rights				
Simpson and Company Limited, the Holding Company	13,77,860	58.23	13,73,040	58.03
Amalgamations Private Limited, the Ultimate Holding Company	3,16,808	13.39	3,16,808	13.39
11.5 Details of shares held by promoters:				
Promoter Name	As at March 31, 2022			
	Number of shares	% of total shares	% change during the year	
Equity shares with voting rights				
Simpson and Company Limited, the Holding Company	13,77,860	58.23	0.20	
Amalgamations Private Limited, the Ultimate Holding Company	3,16,808	13.39	No change	
Simpson & General Finance Company Limited	25,000	1.06	No change	
Sri Rama Vilas Service Limited	11,800	0.50	No change	
Tractors and Farm Equipment Limited	1,300	0.05	No change	
11.6 Term/rights attached to equity shareholders				
<p>The Company has only one class of equity shares having par value of ₹ 10/- each with voting rights. Each holder of equity shares is entitled to one vote per share and carry a right to dividends. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.</p>				



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 12 : OTHER EQUITY		
Capital reserve on consolidation		
Opening balance	32.47	32.47
Closing balance	32.47	32.47
Securities premium reserve		
Opening balance	42.75	42.75
Closing balance	42.75	42.75
Capital redemption reserve		
Opening balance	14.72	14.72
Closing balance	14.72	14.72
General reserve		
Opening balance	7,519.59	7,019.59
Transferred from retained earnings	500.00	500.00
Closing balance	8019.59	7,519.59
Retained earnings		
Opening balance	3,876.09	2,873.26
Add: Profit for the year	1,867.82	1,786.69
Transfer from other comprehensive income	3.14	0.08
Less: Transferred to:		
General reserve	500.00	500.00
Payment of dividends	295.77	283.94
Closing balance	4,951.28	3,876.09
Reserve for equity instruments through Other comprehensive income		
Opening balance	2,328.05	1,400.79
a) Re-measurements of the defined benefit plans	(51.64)	(38.90)
b) Equity instruments through OCI	355.84	901.58
c) Income tax on items that will not be reclassified to profit or loss	(2.97)	64.66
d) Transfer to retained earnings	(3.14)	(0.08)
Closing balance	2,626.14	2,328.05
Total	15,686.95	13,813.67

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Note 12 : OTHER EQUITY - (Contd...)

Notes :

- A. Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 (the Act) for specified purposes.
- B. Capital reserve redemption represents reserve created pursuant to the business combinations upto year end.
- C. General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, bonus issue, etc.
- D. Retained earnings comprise of the Company's prior years undistributed earnings after taxes. Other comprehensive income consist of fair value changes on FVTOCI financial assets and re-measurement of net defined benefit plan's liability/asset.
- E. The Company has paid interim dividend of ₹ 10 per equity share (March 2021: ₹ 10 per equity share).
- F. In respect of the year ended March 31, 2022, the Board of Directors has proposed a final dividend of ₹ 5 per equity share (March 2021: ₹ 2.50 per equity share) subject to approval by the shareholders at the ensuing Annual General Meeting after which dividend would be accounted and paid out of the retained earnings available for distribution in accordance with the provisions of the Act.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021			
Note 13 : TRADE PAYABLES					
Total outstanding dues of creditors, micro enterprises and small enterprises (Refer Note 30)	40.44	20.36			
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,711.98	4,736.72			
Total	5,752.42	4,757.08			
i) Amount payable to related parties					
Amalgamations Private Limited	-	1.67			
Associated Printers (Madras) Private Limited	1.42	-			
Southern Tree Farms Limited	-	0.23			
Speed-A-Way Private Limited	-	0.11			
The United Nilgiri Tea Estates Company Limited	0.85	0.03			
Tractors and Farm Equipment Limited	320.82	320.82			
Total	323.09	322.86			
ii) The trade payables ageing schedule for the years ended as on March 31, 2022 and March 31, 2021					
Particulars	Outstanding for following periods from date of invoice				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Outstanding dues to MSME	40.44 20.36	- -	- -	- -	40.44 20.36
Others	5,387.53 4,413.47	2.07 1.08	0.33 1.02	322.05 321.15	5,711.98 4,736.72
Total trade payables	5,427.97 4,433.83	2.07 1.08	0.33 1.02	322.05 321.15	5,752.42 4,757.08
Particulars	As at March 31, 2022	As at March 31, 2021			
Note 14 : OTHER FINANCIAL LIABILITIES					
Measured at amortised cost					
Current					
Unclaimed dividends *	42.04	49.82			
Dealer/security deposits	954.39	877.86			
Due to gratuity fund	-	115.09			
Payables on purchase of fixed assets	2.18	64.42			
Total	998.61	1,107.19			

*Amount due and outstanding to be credited to Investors Education and Protection Fund ₹ Nil (Previous year ₹ Nil)

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 15 : OTHER CURRENT LIABILITIES		
Advances from customers	775.09	731.05
Statutory remittances	211.37	157.55
Others	167.05	113.52
Total	1,153.51	1,002.12
Note 16 : PROVISIONS		
Non-Current		
Provision for employee benefits - compensated absences	168.33	144.04
Total	168.33	144.04
Current		
Provision for Income tax (net of advances)	5.85	41.07
Provision for employee benefits - compensated absences	12.34	11.59
Total	18.19	52.66
Note 17 : DEFERRED TAX ASSET/(LIABILITIES) (NET)		
Tax effect of items constituting deferred tax liabilities		
On difference between book balance and tax balance of property, plant and equipment	(126.49)	(137.88)
Tax effect of items constituting deferred tax assets		
Provision for compensated absences	52.25	45.33
Net gain on fair value of equity instruments	67.91	74.73
Defined benefit obligations	3.93	1.21
Other timing differences	12.75	-
Total	10.35	(16.61)
Deferred tax expense/(income) recognised in profit and loss	(31.98)	(25.05)
Deferred tax expense/(income) recognised in other comprehensive income	5.02	(64.48)



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 18 : REVENUE FROM OPERATIONS		
Sale of products (Refer Note (i) below)	47,479.16	41,703.58
Sale of service (Refer Note (ii) below)	86.80	96.33
Other operating revenues (Refer Note (iii) below)	328.92	546.56
Revenue from operations	47,894.88	42,346.47
a) Revenue by products		
i) Sale of products comprise:		
Manufactured goods:		
Agri inputs	25,204.74	24,935.93
Consumer and industrial products	741.41	950.56
Tea and other plantation products	1,327.60	1,210.81
Total - Sale of manufactured goods	27,273.75	27,097.30
Traded goods:		
Agri inputs *	16,931.29	11,540.16
Consumer and industrial products	3,274.12	3,066.12
Total - Sale of traded goods	20,205.41	14,606.28
Total - Sale of products	47,479.16	41,703.58
ii) Sale of service:		
Automobile workshop	86.80	96.33
Total - Sale of services	86.80	96.33
iii) Other operating revenues comprise:		
Sale of scrap	5.66	6.11
Duty drawback and other export incentives	78.03	57.89
Others		
Agency commission (net) *	91.79	357.72
Rebate/discount from suppliers	142.93	84.51
Miscellaneous income	10.51	40.33
Total - Other operating revenues	328.92	546.56
b) Revenue by geography		
India	45,207.52	40,186.32
Rest of the world	2,687.36	2,160.15
Revenue from operations	47,894.88	42,346.47

* With effect from 1st January 2021 consignment operation with one of our principal company has been changed to trading operation, which has resulted in increase in sales and reduction in agency commission.

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 19 : OTHER INCOME		
a) Interest income (Refer Note (i) below)	44.14	39.55
b) Dividend income from investments:		
Related parties		
Investment designate at fair value through OCI	22.59	22.59
Others	14.05	11.40
c) Net gain on sale of investments	10.60	12.79
d) Net gain on foreign currency transactions and translation	44.61	33.19
e) Other non-operating income (Refer Note (ii) below)	129.30	97.58
Total	265.29	217.10
i) Interest income comprise:		
Interest from:		
Deposits	38.71	31.23
Interest on loans and advances	1.71	1.29
Interest income on financial assets	3.60	6.90
Interest on income tax refund	0.12	0.13
Total - Interest income	44.14	39.55
ii) Other non-operating income comprise:		
Rental income	105.35	92.06
Profit on sale of property, plant & equipment (net)	22.13	3.70
Miscellaneous income	1.82	1.82
Total - Other non-operating income	129.30	97.58



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 20 : COST OF MATERIALS CONSUMED		
Opening stock	1,254.62	973.90
Add: Purchases	17,214.38	16,292.29
	18,469.00	17,266.19
Less: Closing stock	1,588.86	1,254.62
Total	16,880.14	16,011.57
Note 21 : PURCHASE OF STOCK-IN-TRADE		
Agri inputs	16,536.83	10,958.94
Consumer and industrial products	1,265.15	1,221.46
Automobile parts & accessories	1,587.28	1,350.38
Total	19,389.26	13,530.78
Note 22 : CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE		
Inventories at the end of the year:		
Finished goods	2,423.16	2,363.03
Stock-in-trade	2,020.44	1,240.87
Total	4,443.60	3,603.90
Inventories at the beginning of the year:		
Finished goods	2,363.03	2,543.26
Stock-in-trade	1,240.87	1,149.60
Total	3,603.90	3,692.86
Net (increase)/decrease	(839.70)	88.96
Note 23 : EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	4,022.99	3,898.19
Contribution to provident and other funds	299.66	280.20
Staff welfare expenses	360.38	299.51
Total	4,683.03	4,477.90
Note 24 : FINANCE COSTS		
Interest expense on borrowings from:		
i) Banks	2.92	3.83
ii) Others	2.28	4.32
Other Finance cost	35.29	27.70
Interest expense on lease liabilities	2.98	-
Total	43.47	35.85

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 25 : OTHER EXPENSES		
Consumption of stores and spare parts	192.32	127.40
Power and fuel	216.50	199.07
Subcontracting charges	57.51	67.11
Rent	162.65	232.79
Repairs and maintenance - Buildings	230.75	242.70
Repairs and maintenance - Machinery	166.37	155.34
Repairs and maintenance - Others	91.84	85.11
Insurance	149.48	144.12
Rates and taxes	125.68	132.72
Allowance for credit losses	31.19	10.08
Communication	81.29	111.11
Travelling and conveyance	672.93	565.96
Printing and stationery	46.44	55.91
Freight and distribution	1,518.34	2,120.77
Business promotion	562.99	583.76
Directors sitting fees	4.75	4.89
Donations and contributions	0.60	0.65
Expenditure on corporate social responsibility (Refer Note 36)	40.27	36.01
Professional and consultancy charges	91.14	95.09
Payments to auditors (Refer note (i) below)	18.65	18.27
Bad debts write off (net)	55.19	53.33
Commission to non whole time director	26.00	25.00
Miscellaneous expenses	503.01	575.61
Total	5,045.89	5,642.80
Note:		
i) Payments to the auditors comprise:		
To Statutory auditors		
For audit	14.00	13.98
For taxation matters	2.70	2.70
For other services	1.50	1.50
Reimbursement of expenses	0.45	0.09
Total	18.65	18.27



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 26 : TAX EXPENSE		
Tax expense in the statement of profit and loss consists of:		
Current income tax:		
- in respect of the current period	723.55	654.53
Deferred tax:		
- in respect of the current period	(31.98)	(25.05)
Tax expense reported in the statement of profit and loss	691.57	629.48
Tax expense/(income) recognised in the other comprehensive income		
Re-measurement of defined benefit obligation, equity instrument through OCI	(5.02)	64.48
Total	(5.02)	64.48
Deferred tax (Asset) / Liability		
Opening	16.61	106.14
Closing	(10.35)	16.61
In respect of the current period	(26.96)	(89.53)
Deferred tax expense/(income) recognised in other comprehensive income	5.02	(64.48)
Deferred tax expense/(income) recognised in profit and loss account	(31.98)	(25.05)
The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:		
Profit before tax	2,447.63	2,352.10
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	669.47	624.46
Effect of:		
Income exempt from tax	-	(1.34)
Expenses that are not deductible in determining taxable profit	10.29	9.23
Expenses that are deductible in determining taxable profit	(4.74)	(3.29)
Tax losses and tax offsets	(2.19)	(0.83)
Others	18.74	1.25
Total current tax expense recognised in the Statement of profit and loss	691.57	629.48
Note 27 : DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on property, plant and equipment (Refer Note 3)	450.19	418.84
Depreciation on investment property (Refer Note 4)	7.44	4.77
Amortisation on right to use assets	52.82	-
Total	510.45	423.61

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
<p>Note 28 : STAFF PENSION FUND The Company is the sole beneficiary of T. Stanes and Company Limited Staff Pension Fund.</p> <p>a) Amount due to/from the fund -</p> <p>b) Income for the year 6.43</p>	-	6.81
<p>Note 29 : CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)</p> <p>i) Contingent liabilities: Claims against the company not acknowledged as debt</p> <p>Income tax</p> <p style="padding-left: 20px;">Assessment Year 2017-18 (out of which ₹ 18.27 Lakhs have been deposited under protest during 2020-21) 80.14</p> <p style="padding-left: 20px;">Central sales tax 33.22</p> <p style="padding-left: 20px;">On account of value added tax 5.37 (Duty paid under protest ₹ 0.63 Lakhs (Previous year ₹ 0.63 Lakhs) (Future cash flows in respect of the above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities).</p> <p>ii) Commitment:</p> <p>a) Estimated amount of contracts to be executed on capital account and not provided 29.04</p> <p>b) Financial guarantee to bankers on account of subsidiary company 450.00</p>	80.14 33.22 5.37 29.04 450.00	80.14 33.22 5.37 74.22 450.00
<p>Note 30 : DISCLOSURE REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006</p> <p>The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2022 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.</p> <p>The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year; 40.44</p> <p>The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year; -</p> <p>The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006; -</p> <p>The amount of interest accrued and remaining unpaid at the end of accounting year; -</p> <p>The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23. -</p>	40.44 - - - -	20.36 - - - -



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 31 : LEASES		
Note 31a : Operating Lease		
The Company has entered into cancellable operating lease agreements for certain office space and has availed short term exemption as per IND AS 116.		
a) Lease term amount charged to the statement of profit and loss account	162.65	232.79
b) Recognised as rental income on properties under lease	105.35	92.06
Note 31b : Right-of-use assets		
Balance as at the beginning of the year	-	-
Additions/(Deletions) during the year	156.44	-
Depreciation for the year	52.82	-
Balance as at the end of the year	103.62	-
Note 31c : Lease liabilities		
Balance as at the beginning of the year	-	-
Lease liabilities additions	156.44	-
Payment of lease liabilities	49.84	-
Finance cost incurred	2.98	-
Balance as at the end of the year	103.62	-
Note 32 : EARNINGS PER SHARE		
For the purpose of computing the earnings per share the net profit after tax has been used as the numerator and the weighted average number of shares outstanding has been considered as the denominator.		
Profit for the year	1,756.06	1,722.62
Weighted average number of equity shares (in nos).	23,66,184	23,66,184
Par value per share (in ₹)	10	10
Earnings per share - Basic and Diluted (in ₹)	74.21	72.80

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 33 : Related party transactions

(As identified by the Company and relied upon by the Auditors)

Note 33 (a) Details of related parties

Description of relationship	Names of related parties
a) Ultimate Holding Company	Amalgamations Private Limited *
b) Holding Company	Simpson and Company Limited *
c) Fellow Subsidiaries	
Addison and Company Limited *	Speed-A-Way Private Limited *
Amalgamations Repco Limited *	Sri Rama Vilas Service Limited *
AMCO Batteries Limited	Tractors and Farm Equipment Limited *
Associated Printers (Madras) Private Limited *	TAFE Access Limited *
Associated Publishers (Madras) Private Limited	TAFE Advanced AG Solutions Limited
Alpump Limited	TAFE Motors and Tractors Limited
Bimetal Bearings Limited *	TAFE Reach Limited
George Oakes Limited *	TAFE International Traktor VE Tarim Ekipmani
Higginbothams Private Limited *	Sanayi VE Ticaret Limited Sirketi
India Pistons Limited	TAFE Tractors Changshu Company Limited, China
IP Rings Limited	TAFE Properties Limited
IPL Shaw Solutions Private Limited	The Madras Advertising Company Private Limited *
L. M. Van Moppes Diamond Tools India Private Limited	Wheel & Precision Forgings India Limited
Shardlow India Limited	W J Groom and Company Limited, London
Simpson & General Finance Company Limited *	Wallace Cartwright and Company Limited, London
Southern Tree Farms Limited *	
d) Associates to Holding / Ultimate Holding Company	
	The United Nilgiri Tea Estates Company Limited *
	Amalgamations Valeo Clutch Private Limited
	BBL Daido Private Limited
	IPR EMINOX Technologies Private Limited
e) Key management personnel	
	Mr. A. Krishnamoorthy (Chairman) *
	Mrs. Lakshmi Narayanan (Whole-time Director) *
	Mr. R. Vijayaraghavan (Independent Director) *
	Mr. K.K. Unni (Independent Director) *
	Mr. S.Ramanujachari (Non Executive Director) (upto 17 th Jan, 2022) *
	Mr. P.M. Venkatasubramanian (Independent Director) (upto 7 th Aug 2021) *
	Mr. N.P. Mani (Independent Director) (upto 7 th Aug 2021) *
	Mr. K.S.Hegde (Non Executive Director) (upto 16 th Oct, 2020)
	Mr. G. Ramakrishnan (Company Secretary) (upto 31 st Dec, 2020)
f) Relatives of Key Managerial Personnel	
	Ms. Kalyani Narayanan *

Note : * Represents Related Parties with whom the company had transactions.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 Note 33 (b) Details of related party transactions during the year ended March 31, 2022 and balances outstanding as at March 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	Ultimate Holding Company		Holding Company		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
A) TRANSACTIONS DURING THE YEAR												
Sales	-	-	17.63	8.50	10.72	18.85	18.86	32.12	-	-	47.21	59.47
Service rendered to	6.53	6.53	21.93	34.10	25.66	21.92	0.48	0.51	-	-	54.60	63.06
Dividend received from	-	-	-	-	-	-	22.59	22.59	-	-	22.59	22.59
Purchases	-	-	-	-	89.02	33.89	7.13	4.76	-	-	96.15	38.65
Service availed from	63.81	68.37	-	-	24.33	29.94	-	-	-	-	88.14	98.31
Dividend paid to	39.60	38.02	172.23	164.74	4.77	4.58	-	-	-	-	216.60	207.34
Remuneration	-	-	-	-	-	-	-	-	170.78	187.85	170.78	187.85
Sitting fees and commission	-	-	-	-	-	-	-	-	29.90	29.40	29.90	29.40
Advance Paid to	-	-	-	-	-	15.00	-	-	-	-	-	15.00
B) BALANCES OUTSTANDING AT THE END OF THE YEAR												
Equity participation in	-	-	-	-	-	-	52.63	52.63	-	-	52.63	52.63
Equity participation by	31.68	31.68	137.79	137.30	3.81	3.81	-	-	-	-	173.28	172.79
Receivables from	0.64	0.16	6.84	9.97	5.67	20.11	0.50	1.41	-	-	13.65	31.65
Payables to	-	1.67	-	-	322.24	321.16	0.85	0.03	-	-	323.09	322.86
Guarantee given by	3,300.00	3,300.00	-	-	-	-	-	-	-	-	3,300.00	3,300.00

1) The above amounts exclude reimbursement of expenses

2) No amount is/has been written off or written back during the year in respect of debts due from or to related party.

3) Transactions reported above reflect relationship with the parties from the date such relationship came into effect and hence the current year figures may not be comparable to the previous year.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 33 (b) Details of related party transactions during the year ended March 31, 2022 and balances outstanding as at March 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	Ultimate Holding Company		Holding Company		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
A) TRANSACTIONS DURING THE YEAR												
Sales												
Addison and Company Limited	-	-	-	-	1.87	1.94	-	-	-	-	1.87	1.94
Bimetal Bearings Limited	-	-	-	-	0.04	-	-	-	-	-	0.04	-
Higginbothams Private Limited	-	-	-	-	0.70	-	-	-	-	-	0.70	-
Simpson and Company Limited	-	-	17.63	8.50	-	-	-	-	-	-	17.63	8.50
Southern Tree Farms Limited	-	-	-	-	2.11	14.09	-	-	-	-	2.11	14.09
Sri Rama Vilas Service Limited	-	-	-	-	1.07	1.11	-	-	-	-	1.07	1.11
Tate Access Limited	-	-	-	-	0.12	-	-	-	-	-	0.12	-
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	18.86	32.12	-	-	18.86	32.12
Tractors and Farm Equipment Limited	-	-	-	-	4.81	1.71	-	-	-	-	4.81	1.71
Total	-	-	17.63	8.50	10.72	18.85	18.86	32.12	-	-	47.21	59.47
Service rendered to												
Amalgamations Private Limited	6.53	6.53	-	-	-	-	-	-	-	-	6.53	6.53
Bimetal Bearings Limited	-	-	-	-	0.48	0.51	-	-	-	-	0.48	0.51
George Oakes Limited	-	-	-	-	3.01	2.43	-	-	-	-	3.01	2.43
Simpson and Company Limited	-	-	21.93	34.10	-	-	-	-	-	-	21.93	34.10
Speed-A-Way Private Limited	-	-	-	-	4.36	1.16	-	-	-	-	4.36	1.16
Tate Access Limited	-	-	-	-	17.81	17.82	-	-	-	-	17.81	17.82
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	0.48	0.51	-	-	0.48	0.51
Total	6.53	6.53	21.93	34.10	25.66	21.92	0.48	0.51	-	-	54.60	63.06
Dividend received												
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	22.59	22.59	-	-	22.59	22.59
Total	-	-	-	-	-	-	22.59	22.59	-	-	22.59	22.59
Purchases												
Amalgamations Repco Limited	-	-	-	-	1.05	1.49	-	-	-	-	1.05	1.49
Bimetal Bearings Limited	-	-	-	-	84.00	32.19	-	-	-	-	84.00	32.19
Speed-A-Way Private Limited	-	-	-	-	3.97	0.21	-	-	-	-	3.97	0.21
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	7.13	4.76	-	-	7.13	4.76
Total	-	-	-	-	89.02	33.89	7.13	4.76	-	-	96.15	38.65



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 33 (b) Details of related party transactions during the year ended March 31, 2022 and balances outstanding as at March 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	Ultimate Holding Company		Holding Company		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
A) TRANSACTIONS DURING THE YEAR												
Service availed from												
Amalgamations Private Limited	63.81	68.37	-	-	-	-	-	-	-	-	63.81	68.37
Associated Printers (Madras) Private Limited	-	-	-	-	1.20	1.30	-	-	-	-	1.20	1.30
George Oakes Limited	-	-	-	-	2.06	2.25	-	-	-	-	2.06	2.25
Sri Rama Vilas Service Limited	-	-	-	-	18.00	23.01	-	-	-	-	18.00	23.01
Tate Access Limited	-	-	-	-	0.30	-	-	-	-	-	0.30	-
The Madras Advertising Company Pvt Ltd	-	-	-	-	2.77	3.38	-	-	-	-	2.77	3.38
Total	63.81	68.37	-	-	24.33	29.94	-	-	-	-	88.14	98.31
Dividend paid to												
Amalgamations Private Limited	39.60	38.02	-	-	-	-	-	-	-	-	39.60	38.02
Simpson & General Finance Company Limited	-	-	-	-	3.13	3.00	-	-	-	-	3.13	3.00
Simpson and Company Limited	-	-	172.23	164.74	-	-	-	-	-	-	172.23	164.74
Sri Rama Vilas Service Limited	-	-	-	-	1.48	1.42	-	-	-	-	1.48	1.42
Tractors and Farm Equipment Limited	-	-	-	-	0.16	0.16	-	-	-	-	0.16	0.16
Total	39.60	38.02	172.23	164.74	4.77	4.58	-	-	-	-	216.60	207.34
Remuneration												
Mrs. Lakshmi Narayanan	-	-	-	-	-	-	-	-	159.96	159.96	164.63	159.96
Mr. G. Ramakrishnan	-	-	-	-	-	-	-	-	21.37	21.37	-	21.37
Ms. Kalyani Narayanan	-	-	-	-	-	-	-	-	6.52	6.52	6.15	6.52
Total	-	-	-	-	-	-	-	-	170.78	187.85	170.78	187.85
Sitting fees and commission												
Mr. A. Krishnamoorthy	-	-	-	-	-	-	-	-	9.00	9.00	9.00	9.00
Mr. S.Ramanujachari	-	-	-	-	-	-	-	-	6.40	6.40	6.40	6.30
Mr. K.S.Hegde	-	-	-	-	-	-	-	-	-	-	-	1.00
Mr. P.M. Venkatasubramanian	-	-	-	-	-	-	-	-	1.30	1.30	1.30	3.70
Mr. R. Vijayaraghavan	-	-	-	-	-	-	-	-	6.10	6.10	6.10	3.60
Mr. N.P. Mani	-	-	-	-	-	-	-	-	1.20	1.20	1.20	3.80
Mr. K.K. Unni	-	-	-	-	-	-	-	-	5.90	5.90	5.90	4.50
Total	-	-	-	-	-	-	-	-	29.90	29.40	29.90	29.40
Advance Paid to												
Bimetal Bearings Limited	-	-	-	-	-	15.00	-	-	-	-	-	15.00
Total	-	-	-	-	-	15.00	-	-	-	-	-	15.00



T. STANES AND COMPANY LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
Note 33 (b) Details of related party transactions during the year ended March 31, 2022 and balances outstanding as at March 31, 2022

(₹ in lakhs, unless otherwise stated)

Particulars	Ultimate Holding Company		Holding Company		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
B) BALANCES OUTSTANDING AT THE END OF THE YEAR												
Equity participation in The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	52.63	52.63	-	-	52.63	52.63
TOTAL	-	-	-	-	-	-	52.63	52.63	-	-	52.63	52.63
Equity participation by Amalgamations Private Limited	31.68	31.68	-	-	-	-	-	-	-	-	31.68	31.68
Simpson and Company Limited	-	-	137.79	137.30	-	-	-	-	-	-	137.79	137.30
Simpson & General Finance Company Limited	-	-	-	-	2.50	-	-	-	-	-	2.50	-
Sri Rama Vilas Service Limited	-	-	-	-	1.18	1.18	-	-	-	-	1.18	1.18
Tractors and Farm Equipment Limited	-	-	-	-	0.13	0.13	-	-	-	-	0.13	0.13
TOTAL	31.68	31.68	137.79	137.30	3.81	3.81	-	-	-	-	173.28	172.79
Receivables from Addison & Co Limited	-	-	-	-	0.28	0.63	-	-	-	-	0.28	0.63
Amalgamations Private Limited	0.64	0.16	-	-	-	-	-	-	-	-	0.64	0.16
Bimetal Bearings Limited	-	-	-	-	0.09	15.04	-	-	-	-	0.09	15.04
George Oakes Limited	-	-	-	-	0.46	0.83	-	-	-	-	0.46	0.83
Higginbothams Private Limited	-	-	-	-	0.77	-	-	-	-	-	0.77	-
Simpson and Company Limited	-	-	6.84	9.97	-	-	-	-	-	-	6.84	9.97
Southern Tree Farms Limited	-	-	-	-	-	-	-	-	-	-	-	-
Speed-A-Way Private Limited	-	-	-	-	1.21	-	-	-	-	-	1.21	-
Speed-A-Way Service Limited	-	-	-	-	0.18	0.36	-	-	-	-	0.18	0.36
TAFE Access Limited	-	-	-	-	2.46	2.57	-	-	-	-	2.46	2.57
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	0.50	1.41	-	-	0.50	1.41
Tractors and Farm Equipment Limited	-	-	-	-	0.22	0.68	-	-	-	-	0.22	0.68
TOTAL	0.64	0.16	6.84	9.97	5.67	20.11	0.50	1.41	-	-	13.65	31.65
Payables to Amalgamations Private Limited	-	1.67	-	-	-	-	-	-	-	-	-	1.67
Associated Printers (Madras) Private Limited	-	-	-	-	1.42	-	-	-	-	-	1.42	-
Southern Tree Farms Limited	-	-	-	-	-	0.23	-	-	-	-	-	0.23
Speed-A-Way Private Limited	-	-	-	-	-	0.11	-	-	-	-	-	0.11
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	0.85	0.03	-	-	0.85	0.03
Tractors and Farm Equipment Limited	-	-	-	-	320.82	320.82	-	-	-	-	320.82	320.82
TOTAL	-	1.67	-	-	322.24	321.16	0.85	0.03	-	-	323.09	322.86
Guarantee given by Simpson and Company Limited and Amalgamations Private Limited	3,300.00	3,300.00	-	-	-	-	-	-	-	-	3,300.00	3,300.00
TOTAL	3,300.00	3,300.00	-	-	-	-	-	-	-	-	3,300.00	3,300.00



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 34 : EMPLOYEE BENEFITS PLANS		
a) Defined contribution plans		
The Company makes Provident Fund, Superannuation Fund and Employees' State Insurance Scheme Contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.		
Contribution to Provident Fund	197.52	179.34
Contribution to Superannuation Fund	14.37	15.17
Contribution to Employees' State Insurance Scheme	18.11	23.33
b) Defined benefit plan - Gratuity		
Under the Gratuity plan operated by the Company, every employee who has completed at least five years of service gets a Gratuity on departure calculated as per Gratuity Act, 1972. The scheme is funded through an approved gratuity trust with an Insurance Company in the form of qualifying insurance policy. The following table summarizes the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the Balance Sheet.		
Particulars	As at March 31, 2022	As at March 31, 2021
Change in projected benefit obligations		
Projected obligation at beginning of the year	1,146.28	1,108.34
Current service cost	72.92	84.88
Interest cost	74.38	85.09
Benefits paid	(171.67)	(176.91)
Actuarial (gain)/loss on obligation	107.45	44.88
Projected obligation as at end of the year	1,229.36	1,146.28
Change in plan assets		
Plan assets at beginning of the year, at fair value	1,177.01	1,183.59
Expected return on plan assets	83.12	84.26
Contributions	158.01	86.07
Benefits paid	(171.67)	(176.91)
Actuarial gain/(loss) on plan assets	12.04	-
Plan assets at the end of the year, at fair value	1,258.51	1,177.01
Amount recognised in the balance sheet		
Projected obligation as at end of the year	1,229.36	1,146.28
Plan assets at the end of the year, at fair value	1,258.51	1,177.01
Funded status surplus/(deficit)	29.15	30.73
Unrecognized past service cost	-	-
Net asset/(liability) recognized in balance sheet	29.15	30.73
Expenses recognised in statement of profit and loss		
Current service cost	72.92	84.88
Interest cost	74.38	85.09
Expected return on plan assets	(83.12)	(84.26)
Re-measurement - Actuarial (gain)/loss recognised in OCI	71.07	44.88
Total expenses recognised in statement of profit and loss	87.82	85.70

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 34 : EMPLOYEE BENEFITS PLANS - Contd.		
Composition of plan assets		
Insurer Managed Asset *	1,258.51	1,177.01
* The details with respect to the composition of investments in the plan assets managed by LIC have not been disclosed in the absence of the above said information.		
Actuarial assumptions		
Discount rate	6.99%	6.61%
Salary escalation	8.00%	7.00%
Attrition rate	15.00%	15.00%
Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.		
Sensitivity analysis DBO end of period		
A. Discount rate +100 BP	(4.57%)	(5.12%)
Defined benefit obligation [PVO]	830.75	775.99
B. Discount rate -100 BP	5.05%	5.66%
Defined benefit obligation [PVO]	914.48	864.20
C. Salary escalation rate +100 BP	4.61%	5.46%
Defined benefit obligation [PVO]	910.62	862.56
D. Salary escalation rate -100 BP	(4.29%)	(5.03%)
Defined benefit obligation [PVO]	833.17	776.72
E. Attrition rate +100 BP	(0.44%)	(0.45%)
Defined benefit obligation [PVO]	866.64	814.19
F. Attrition rate -100 BP	0.48%	0.49%
Defined benefit obligation [PVO]	874.65	821.90
The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.		
Details of sensitivity analysis on discount rate, salary increase and attrition rate of subsidiaries are not readily available in the valuation report, hence not furnished.		



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 34 : EMPLOYEE BENEFITS PLANS - Contd.		
Expected cash flows for following years		
1 - 2 years	142.43	115.59
2 - 3 years	103.21	72.45
3 - 4 years	63.85	96.67
4 - 5 years	87.18	61.14
5 - 6 years	86.07	71.88
6 - 10 years	222.42	235.01
<p>The details of experience adjustments arising on account of plan assets and liabilities are not readily available in the valuation report, hence not furnished. Details of expected cash flows of subsidiaries are not readily available in the valuation report, hence not furnished.</p> <p>These plans typically expose the Company to actuarial risk such as interest rate risk, longevity risk and salary risk.</p> <p>Interest Rate Risk : A decrease in the bond interest rate will increase the plan's liability.</p> <p>Longevity Risk : The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.</p> <p>Salary Risk : The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.</p>		
Particulars	As at March 31, 2022	As at March 31, 2021
c) Long term compensated absences		
Actuarial assumptions		
Discount rate	6.99%	6.71%
Salary escalation	8.00%	7.00%
Attrition rate	15.00%	15.00%

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 35: SEGMENT REPORTING		
1. SEGMENT REVENUE		
Net sale/income from each segment		
Agri inputs & Consumer and industrial products	46,243.35	40,850.49
Tea, coffee and minor produce	1,327.60	1,210.81
Others	323.93	285.17
Net sales/income from operations	47,894.88	42,346.47
2. SEGMENT RESULTS		
Profit (+)/Loss (-) before tax and interest from each segment		
Agri inputs & Consumer and industrial products	1,694.80	1,632.72
Tea, coffee and minor produce	(262.67)	(195.27)
Others	323.93	285.17
Total	1,756.06	1,722.62
3. SEGMENT ASSETS AND LIABILITIES		
Segment assets		
Agri inputs & Consumer and industrial products	23,574.35	20,478.58
Tea, coffee and minor produce	921.98	1,090.63
Others	-	-
Total	24,496.33	21,569.21
Segment liabilities		
Agri inputs & Consumer and industrial products	7,971.04	6,861.46
Tea, coffee and minor produce	284.41	228.32
Others	-	-
Total	8,255.45	7,089.78
Note 36 :- EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY		
a) Gross amount required to be spent by the company during the year	40.27	36.01
b) Amount spent during the year on:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above (amount fully paid)	40.27	36.01



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 37 : ADDITIONAL REGULATORY INFORMATION

i) 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 Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ii) No funds (which are material either individually or in the aggregate) have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, 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.

iii) The Group does not have any transactions with Companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

iv) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

v) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

vi) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

vii) The Group has not been declared as wilful defaulter by any bank or financial Institution or other lender.

viii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on Number of Layers) Rules, 2017.

ix) No Schemes of Arrangements have been applied or approved by the Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Note 38 : FAIR VALUES

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities:

Particulars	Carrying value		Fair value	
	As at March 31, 2022	As March 31, 2021	As at March 31, 2022	As March 31, 2021
Financial assets				
Non-current investments	2,984.59	2,655.56	2,984.59	2,655.56
Other non-current financial assets	88.95	66.91	88.95	66.91
Current investments	65.39	60.01	65.39	60.01
Trade receivables	8,294.28	7,386.99	8,294.28	7,386.99
Cash and cash equivalents	911.96	628.20	911.96	628.20
Bank balance other than cash and cash equivalents	1019.05	899.47	1019.05	899.47
Other current financial assets	56.48	98.82	56.48	98.82
Total	13,420.70	11,795.96	13,420.70	11,795.96
Financial liabilities				
Trade payables	5,752.42	4,757.08	5,752.42	4,757.08
Other current financial liabilities	998.61	1107.19	998.61	1107.19
Total	6,751.03	5,864.27	6,751.03	5,864.27

The management assessed that cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial instruments by category	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	-	2,962.71	0.25	-	2,618.50	0.25
- Mutual funds	65.39	-	-	80.25	-	-
- In Bond and debentures	-	21.43	-	-	16.36	-
- In Government securities	-	-	0.20	-	-	0.21
Trade receivables	-	-	8,294.28	-	-	7,386.99
Cash and cash equivalents	-	-	911.96	-	-	628.20
Bank balance other than cash and cash equivalents	-	-	1,019.05	-	-	899.47
Other current financial assets	-	-	56.48	-	-	98.82
Other non-current financial assets	-	-	88.95	-	-	66.91
Total financial assets	65.39	2,984.14	10,371.17	80.25	2,634.86	9,080.85
Financial liabilities						
Trade payables	-	-	5,752.42	-	-	4,757.08
Other current financial liabilities	-	-	998.61	-	-	1,107.19
Total financial liabilities	-	-	6,751.03	-	-	5,864.27



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs, unless otherwise stated)

Note 38 : FAIR VALUES – (Contd.)

(i) 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 and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

At March 31, 2021	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at cost					
Unquoted equity investments	5	-	-	0.25	0.25
In Government securities	5	-	-	0.21	0.21
Financial investments at FVTPL					
Mutual funds		80.25	-	-	80.25
Financial investments at FVOCI					
Listed equity investments	5	2,618.50	-	-	2,618.50
Bonds and Debentures	5	16.36	-	-	16.36
Total financial assets		2,715.11	-	0.46	2,715.57
Financial liabilities					
Total financial liabilities		-	-	-	-
At March 31, 2022					
At March 31, 2022	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at cost					
Unquoted equity investments	5	-	-	0.25	0.25
In Government securities	5	-	-	0.20	0.20
Financial investments at FVTPL					
Mutual funds		65.39	-	-	65.39
Financial investments at FVOCI					
Listed equity investments	5	2,962.71	-	-	2,962.71
Bonds and Debentures	5	21.43	-	-	21.43
Total financial assets		3,049.53	-	0.45	3,049.98
Financial liabilities					
Total financial liabilities		-	-	-	-

Note 38 : FAIR VALUES – (Contd.)

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all 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. This is the case for unlisted equity securities included in level 3. There are no transfers between levels 1 and 2 during the year. The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of certain financial instruments have been determined based on the buy back offer made by the originator of the instrument.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities where the fair values have been determined based on present values and the discount rates used were adjusted for counter party or own credit risk.

(iii) Valuation processes

The company performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

The main level 3 inputs for unlisted equity securities used by the Company are derived and evaluated as follows:

- Discount rates are determined using a capital asset pricing model to calculate a post tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counter parties.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion. As part of this discussion the team presents a report that explains the reason for the fair value movements. The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature. The fair values for bonds and debentures, intercorporate deposits, security deposits and other deposits were calculated based on cash flows discounted using the current interest rate as at the respective reporting date for a similar instrument. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 39 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the Financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Liabilities	Rolling cash flow forecasts	Availability of liquid investments, committed credit lines and borrowing facilities

The Company's risk management is carried out by the Head of Finance and Accounts under policies approved by the Management.

(A) Credit risk

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

1) Credit risk management:

Credit risk is managed on a Company basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the Company assesses and manages credit risk based on internal rating system. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

C1: High-quality assets, negligible credit risk

C2: Doubtful assets, credit-impaired

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are included,

- Internal credit rating.
- External credit rating (as far as available).
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations.
- Actual or expected significant changes in the operating results of the borrower.
- Significant increase in credit risk on other financial instruments of the same borrower.
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the company and changes in the operating results of the borrower.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)

Note 39 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – (Contd.)

ii) Allowance for credit losses

The company provides for expected credit loss based on the following:

Internal credit rating	Category	Description of category	Basis for recognition of expected credit loss provision		
			Investments	Loans and Deposits	Trade receivables
C1	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12-month expected credit losses	12-month expected credit losses	Life-time expected credit losses (simplified approach)
C2	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Asset is written off		

For the Year ended March 31, 2021 to March 31, 2022:

(a) Expected credit loss for loans, security deposits and investments

The estimated gross carrying amount at default is Nil (March 31, 2021: Nil) for investments and loans and deposits. Consequently there are no expected credit loss recognised for these financial assets.

(b) Expected credit loss for trade receivables under simplified approach

Customer credit risk is managed by the Company based on the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an internal credit rating system. Outstanding customer receivables are regularly monitored and assessed for its recoverability. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers have sufficient capacity to meet the obligations and the risk of default is negligible.

Reconciliation of loss allowance provision – Trade receivables

Loss allowance on April 1, 2020	27.46
Changes in loss allowance	10.08
Loss allowance on March 31, 2021	37.54
Changes in loss allowance	31.19
Loss allowance on March 31, 2022	68.73

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying business, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)

Note 39 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – (Contd.)

Maturities of financial liabilities

The tables below analyses the company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual un discounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

Particulars	Less than 1 year	1-3 years	More than 3 years	Total
March 31, 2022 Non-derivative Trade payables	5,752.42	-	-	5,752.42
Other financial liabilities	998.61	-	-	998.61
Total non-derivative liabilities	6,751.03	-	-	6,751.03
March 31, 2021 Non-derivative Trade payables	4,757.08	-	-	4,757.08
Other financial liabilities	1,107.19	-	-	1,107.19
Total non-derivative liabilities	5,864.27	-	-	5,864.27

(C) Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(D) Foreign Currency Exchange Rate Risk

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

Particulars	Receivable in	USD	EURO	GBP	Total
Assets	As at	Non-derivative	Derivative	Derivative	
Trade receivables	March 31, 2022	320.66	45.83	-	366.49
	March 31, 2021	186.22	20.77	50.67	257.66

Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 5% increase and decrease in INR against foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the INR weakens 5% against the relevant currency. For a 5% strengthening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs, unless otherwise stated)

Note 39 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – (Contd.)

Foreign currency sensitivity analysis

Particulars	March 31, 2022	March 31, 2021
	Impact on profit after tax	
USD sensitivity		
INR/USD increases by 5%*	12.00	6.97
INR/USD decreases by 5%*	(12.00)	(6.97)
EURO sensitivity		
INR/EURO increases by 5%*	1.71	0.78
INR/EURO decreases by 5%*	(1.71)	(0.78)
GBP sensitivity		
INR/GBP increases by 5%*	-	1.90
INR/GBP decreases by 5%*	-	(1.90)

* Holding all other variables constant.

(E) Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

Dividends proposed but not recognised at the end of the reporting period Refer Note 12F.

The Company is equity financed which is evident from the capital structure table below.

The capital structure is as follows :

Particulars	As at March 31, 2022	As at March 31, 2021
Total equity attributable to the equity share holders of the company	15,923.57	14,050.29
As a percentage of total capital	100%	100%
Borrowings	-	-
As a percentage of total capital	0%	0%
Total capital (borrowings and equity)	15,923.57	14,050.29

Note 40 :

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

A. KRISHNAMOORTHY

Chairman

DIN : 00001778

Place : Chennai

Date : 22 July, 2022

LAKSHMI NARAYANAN

Whole-time Director

DIN : 02539061

Place : Chennai

Date : 22 July, 2022



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