



110th
Annual Report
2019 - 2020

T. STANES AND COMPANY LIMITED



T. STANES AND COMPANY LIMITED

CIN : U02421TZ1910PLC000221

Board of Directors

Mr. A.KRISHNAMOORTHY, (Chairman)
Mr. S.RAMANUJACHARI, (Director)
Mr. K.S.HEGDE, (Director)
Mrs. LAKSHMI NARAYANAN, (Whole-time Director)
Mr. P.M.VENKATASUBRAMANIAN, (Independent Director)
Mr. R.VIJAYARAGHAVAN, (Independent Director)
Mr. K.K.UNNI, (Independent Director)
Mr. N.P.MANI, (Independent Director)

Company Secretary

Mr. G.RAMAKRISHNAN

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, 2223515-18
Email : g.ramakrishnan@t-stanes.com
Website : www.tstanes.com

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T. STANES AND COMPANY LIMITED

CIN: U02421TZ1910PLC000221
Email id: shares@t-stanes.com
Website: www.tstances.com

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

NOTICE is hereby given that the **110th Annual General Meeting** of the Company will be held on **Friday, the 28th August, 2020 at 12.15 P.M.** through Video Conference (VC) / Other Audio Visual Means (OAVM), to transact the following business:-

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) for the year ended 31st March, 2020 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, 2020, the Statement of Profit and Loss for the year ended on 31st March, 2020, Statement of Changes in Equity for the period, Notes and the Cash Flow Statement for the year ended 31st March, 2020 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 ₹ 7.00 per share (70%) on the Equity Shares be and is hereby approved.
- ii) A Final Dividend of ₹ 2.00 per share (20%) on the Equity Shares be declared and paid for the year ended 31st March, 2020.”

- 3. To appoint a Director in place of Mr.K.S.Hegde (DIN.00012283) retiring by rotation and to consider and if thought fit, to pass the following resolution as an Ordinary resolution:**

“**RESOLVED THAT** Mr.K.S.Hegde (DIN.00012283), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director.”

SPECIAL BUSINESS:

- 4. To approve the remuneration of the Cost Auditors for the Financial Year 2020-21 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 there under, as amended from time to time, M/s.S.Mahadevan & Co., Cost Accountants (Firm Registration Number 000007), appointed as Cost Auditors by the Board of Directors for the Financial Year 2020-21 for the conduct of Cost Audit with remuneration fixed at ₹ 1,00,000/- (Rupees One Lakh only) with applicable taxes and out-of-pocket expenses as recommended by Audit Committee be and is hereby ratified”.

By order of the Board

Place : Hyderabad
Date : 24 July, 2020

G. Ramakrishnan
Company Secretary



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. 4 of the Notice, is annexed hereto and forms part of this NOTICE
2. In view of the global outbreak and continuing Covid-19 pandemic, the Ministry of Corporate Affairs (MCA), Government of India, has vide its General Circular No. 14/ 2020 dated 8th April, 2020, General Circular No. 17/ 2020 dated 13th April, 2020 and General Circular No. 20/ 2020 dated 5th May, 2020 (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 presence 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 **Saturday, the 22nd August, 2020 to Friday, the 28th August, 2020 (both days inclusive)** for determining the entitlement of the Shareholders to the Final Dividend for the financial year 2019 – 20.
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 28th August, 2020. In respect of Shares held in Physical form, dividend will be paid to beneficial owners of the Shares, whose name shall appear in the Register of Members of the Company, at the end of business hours on 21st August, 2020. 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 21st August, 2020.
6. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of Shareholders with effect from April 1, 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 yuvaraj@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 yuvaraj@integratedindia.in. The aforesaid declarations and documents should reach the said e-mail address from the Shareholders on or before 21st August, 2020.

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 2019-20 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 2019-20 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., 21st August, 2020, 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.

The instructions for e-voting are as under:

A. In case 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 : Log-in 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:

How to Log-into 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 'Shareholders/Members' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in 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/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*****



4. Your User ID details are given below : — (Contd.)

Manner of holding shares i.e. DEMAT (NSDL/CDSL) or Physical	Your User ID is:
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 your folio number is 001*** and EVEN is 101456 then User ID is 101456001***

5. Your password details 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'?

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'.

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.
- 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 given 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 the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the Companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of Company for which you wish to cast your vote.
4. Now you are ready for e-voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution(s), 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 madhu@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.: 1800-222-990 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 yuvaraj@integratedindia.in or in the link provided by Share Transfer Registrars viz., <https://www.integratedindia.in/emailupdatation.aspx>.
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 copy of Share certificate (front and back), scanned Self Attested copy of PAN and scanned self attested copy of Aadhar through mail to yuvaraj@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.

C. Other Instructions:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through NSDL e-voting system. Members may access the same at <https://www.evoting.nsdl.com> under Share holders/Members login by using the remote e-voting credentials. The link for VC/OAVM will be available in Shareholder/Members login where the EVEN of Company will be displayed. Please note that those 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 One Time Password (OTP) based login for logging into the e-Voting system of NSDL
2. 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
3. Members are encouraged to join the meeting through laptops for better experience.
4. Further members will be required to use Internet 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 fluctuation in their respective network. It is therefore recommended to use stable WiFi or LAN connection to mitigate any kind of aforesaid glitches.
6. Members who would like to register themselves as speaker may send their request from their registered e-mail address mentioning their name, DP ID and Client ID / Folio number, PAN, email ID, mobile number to shares@t-stanes.com on or before 05.00 PM IST on Monday, the 24th August, 2020.
7. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. Member desirous of seeking any information with regard to the Financial Statements, etc., are requested to write to the Company on or before 24.08.2020 through mail to shares@t-stanes.com. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

D. Instructions for members

- i) The e-voting period commences on **Tuesday, the 25th August, 2020 at 09.30 A.M. and ends on Thursday, the 27th August, 2020 at 05.00 P.M.** During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 21st August, 2020 may cast their vote electronically. The e-voting module shall be disabled by NSDL for e-voting thereafter. Once the vote on a resolution is cast, the Member shall not be allowed to change it subsequently.
- ii) Any person who acquires shares of the Company and becomes Member of the Company after



despatch of the Notice of AGM and holding shares as on the cut-off date i.e., Friday, the 21st August, 2020, may obtain login ID and password by sending a request at evoting@nsdl.co.in However, if you are already registered with NSDL for remote e-voting, then you can use your existing password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com

- iii) 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 **21st August, 2020**.
- iv) Mr.C.V.Madhusudhanan, Partner, M/s KSR & Co., Company Secretaries LLP has been appointed by the Board of Directors as the Scrutinizer for voting at 110th Annual General Meeting to scrutinize both e-voting during AGM and remote e-voting process, in a fair and transparent manner.
- v) The facility for voting through electronic voting system shall also be made available at the meeting and Members attending the meeting, who have not already cast their vote by remote e-voting, shall be able to exercise their right at the meeting.
- vi) The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their vote again.
- vii) The Scrutinizers shall immediately after the conclusion of the voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any. The consolidated report will be submitted to the Chairman / Whole-time Director not later than three days of the conclusion of the meeting.
- viii) 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.tstances.com and on the website of NSDL www.evoting.nsdl.com
- ix) Any documents referred to in this Notice of 110th Annual General Meeting and the Statement of Material Facts shall be open for inspection by electronic mode only upto the date of the 110th Annual General Meeting of the Company.

By order of the Board

Place : Hyderabad
Date : 24 July, 2020

G. Ramakrishnan
Company Secretary



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

Item No.4:

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, 2021.

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.4 of the Notice is required for the remuneration payable to the Cost Auditors for the Year ending 31st March, 2021.

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.4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No.4 of the Notice, for approval / ratification by the Shareholders.

By order of the Board

Place : Hyderabad
Date : 24 July, 2020

G. Ramakrishnan
Company Secretary



T. STANES AND COMPANY LIMITED

DIRECTORS' REPORT

Your Directors have pleasure in presenting their 110th 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, 2020.

Financial Results

Particulars	2019-20 (₹ in Lakhs)	2018-19 (₹ in Lakhs)
Revenue from Operations and Other Income	32,737.15	29,809.58
Profit Before Tax	1,859.38	1,828.29
Less: Current Tax	488.00	627.00
Less: Deferred Tax	(60.53)	2.28
Profit After Tax	1,431.91	1,199.01
Other Comprehensive Income / (Loss)	(1,034.67)	(271.85)
Total Comprehensive Income	397.25	927.16
Earnings per share (₹)	60.52	50.67

Dividend:

Your Directors have recommended a Final Dividend of ₹ 2.00 per Share (20%) and with the Interim Dividend already paid at ₹ 7.00 per share (70%), makes a total of ₹ 9.00 per share (90%) for the year ended 31st March, 2020 resulting in a payout of ₹ 247.01 Lakhs including tax on dividend.

Reserves:

Your Director have recommended transfer of ₹ 500.00 Lakhs to General Reserve for the financial year ended 31st March, 2020 as in previous year increasing the total General Reserves to ₹ 6449.97 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 Country witnessed an above normal South West and North East monsoon during the year resulting in improved crop sowing. The Company has achieved a turnover of ₹ 32560.45 Lakhs as compared to ₹ 29644.30 Lakhs in 2018-19, an increase of 10%.

Outlook for the current year:

The business environment was severely impacted by COVID-19. The pandemic crisis had enforced a lockdown impacting trade and mobility.

In India, the agricultural sector has remained relatively insular during COVID-19. The Government has classified agriculture and related industries under essential commodities, to ensure food security and provide livelihood opportunities to the rural workforce.

The onset of the South West monsoon has been vigorous and the rainfall has covered most parts of India.



Our Company has planned new approaches to deal with new normal of business and strategies that will reach the projected level of activity and turnover.

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, 2020 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; and
- e) 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.

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:

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

During the year 2019-20, four Board Meetings were held. Viz., 29th May, 2019, 20th August, 2019, 8th November, 2019 and 6th February, 2020.



Declaration by the Independent Directors:

All the Independent Directors meet the eligibility criteria as provided in 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, given in **Annexure B**.

Composition of Audit Committee and details of meetings:

Mr.P.M.Venkatasubramanian is the Chairman of the Committee and Mr.A.Krishnamoorthy, Mr.S.Ramanujachari, Mr.R.Vijayaraghavan and Mr.N.P.Mani are other Members of the Committee. Mr. G.Ramakrishnan, Company Secretary is the Secretary of the Audit Committee.

During the year 2019-20 four Committee meetings were held viz., 29th May, 2019, 20th August, 2019, 8th November, 2019 and 6th February, 2020.

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.tstanes.com.

Nomination and Remuneration Committee and details of meetings:

Mr.P.M.Venkatasubramanian is the Chairman of the Committee and Mr.A.Krishnamoorthy and Mr.R.Vijayaraghavan are other members of the Committee. Mr. G.Ramakrishnan, Company Secretary is the Secretary of the Nomination and Remuneration Committee.

During the year 2019-20 a Committee meeting was held on 29th May, 2019.

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**.

The CSR Committee is functioning under the Chairmanship of Mr.A.Krishnamoorthy and other members are Mr. N.P.Mani and Mrs. Lakshmi Narayanan. Mr. G.Ramakrishnan, Company Secretary is the Secretary of the Corporate Social Responsibility Committee.

During the year 2019-20 a Committee meeting was held on 6th February, 2020.



Stakeholders' Relationship Committee:

The Committee is functioning under the Chairmanship of Mr.A.Krishnamoorthy and other member is Mr. S.Ramanujachari, Director. Mr. G.Ramakrishnan, Company Secretary is the Secretary of the said Committee. No complaints were received from any Shareholders during the year 2019-20 and there are no pending complaints as on 31st March, 2020.

Extract of Annual return:

As required under Section 92(3) read with Section 134(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules,2014, an extract of the Annual Return in Form No. MGT-9 is annexed with this report as **Annexure D** and the same is available in the Company's website: www.tstanes.com.

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

Auditors:

The Members approved in their 107th Annual General Meeting, the appointment of M/s. Fraser & Ross, Chartered Accountants, as Auditors pursuant to the provisions of Section 139 and other applicable provisions for a period of five years till the conclusion of the 112th Annual General Meeting to be held in the year 2022.

The Companies (Amendment) Act, 2017 has omitted the requirement of ratification of appointment of Auditors by Members in the Annual General Meeting. Therefore the business of ratification of appointment of Auditors has not been included in the ensuing 110th Annual General Meeting.

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 2020-21. 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 and Associate (in Form AOC-1) is attached to the Financial Statements.

Stanes Motor Parts Limited, the wholly owned Subsidiary Company has been merged with our wholly owned Subsidiary Company Stanes Motors (South India) Limited pursuant to The National Company Law Tribunal, Division Bench, order dated 25th September, 2019 with appointed date being 1st April, 2019.



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 E**.

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 2012 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, up to Financial Year 2011-12, 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

A. Krishnamoorthy

Chairman

DIN:00001778

Place : Chennai

Date : 24 July, 2020



Annexure A

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 steps 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.
- 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, 2020 Amount in ₹	Year ended 31 st March, 2019 Amount in ₹
A	Capital	29,54,394	21,23,952
B	Revenue	4,05,56,067	4,49,91,652
C	Total	4,35,10,461	4,71,15,604
D	% of Turnover	1.33	1.58

C) Foreign Exchange Earnings and Outgo:

S.No.	Particulars	Year ended 31 st March, 2020 Amount in ₹	Year ended 31 st March, 2019 Amount in ₹
A	Earnings	16,63,75,273	19,36,78,286
B	Outgo	63,41,166	1,68,55,332

For and on behalf of the Board

A. Krishnamoorthy

Chairman

DIN:00001778

Place : Chennai

Date : 24 July, 2020

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, 2020

S.No.	Name	Designation	Age	Remuneration (Gross)	Qualifications	Last Employment Experience	Total (Years)	Date of Joining
1	Mrs. Lakshmi Narayanan	Whole-time Director	59 Years	1,40,22,782	Bachelor's Degree in Electrical & Electronics Engineering, University of Madras, Chennai and a Master's Degree in Computer Engineering from University of Southern California, USA.	NIL	18 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 overview 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.tstanes.com/finance.html						
2	The Composition of the CSR Committee	1. Mr.A.Krishnamoorthy 2. Mr.N.P.Mani 3. Mrs.Lakshmi Narayanan						
3	Average net profit of the Company for last three financial years	₹ 1,739.51 Lakhs						
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 34.79 Lakhs						
5	Details of CSR spent during the financial year	₹ 34.80 Lakhs						
	a) Total amount to be spent for the financial year;	₹ 34.79 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	31.80	31.80	31.80	Direct to the Institution	
2	Ganga Plastic, Reconstructive and Microsurgery Trust	Health	Coimbatore Tamilnadu	2.00	2.00	2.00	Direct to the Institution	
3	Nesam Educational & Social Welfare Trust	Poverty Alleviation	Coimbatore Tamilnadu	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, CSR Committee, 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 : Coimbatore

Date : 24 July, 2020

Place : Chennai

Date : 24 July, 2020

**Annexure D**

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company
(Management & Administration) Rules, 2014.**I. REGISTRATION & OTHER DETAILS :**

- i) CIN : U02421TZ1910PLC000221
- ii) Registration Date : 28th June, 1910
- iii) Name of the Company : T.Stanes and Company Limited
- iv) Category/Sub-category of the Company : Company Limited by Shares /
Indian Non-Government Company
- v) Address of the Registered Office & Contact details : 8/23-24, Race Course Road,
Coimbatore - 641 018.
Phone: 0422-2221514, 2223515-18
Email: shares@t-stanes.com
- vi) Whether Listed Company : No
- vii) Name, Address & Contact details of the Registrar & Transfer Agent, if any. : M/s.Integrated Registry Management Services Pvt. Ltd.,
Second Floor, Kences Towers,
No.1 - Ramakrishna Street, North Usman Road,
T.Nagar, Chennai - 600 017.

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

S. No.	Name & Description of main products/services	NIC Code of the Product/Service	% to total turnover of the company
1	Agro Products	2021	89.97

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary /Associate Company	% of Shares Held	Applicable Section held under Companies Act, 2013
1	Amalgamations Private Limited, 861, Anna Salai, Chennai - 600 002.	U35999TN1938PTC000019	Ultimate Holding	13.39	2(46)
2	Simpson & Company Limited, 861, Anna Salai, Chennai - 600 002.	U65991TN1925PLC002345	Holding	58.02	2(46)
3	Stanes Motors (South India) Limited, 1596, Trichy Road, Coimbatore - 641 018.	U50101TZ1930PLC000171	Subsidiary	100	2(87)
4	Stanes Amalgamated Estates Limited, "SAE" Gardens, 3A&B Kamaraj Road, Coimbatore - 641 018.	U01132TZ1946PLC000180	Subsidiary	50.23	2(87)



IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

i) CATEGORY - WISE SHARE HOLDING

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2019				No. of Shares held at the end of the year 31.03.2020				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	Total Shares	% of Shares
A. PROMOTERS										
1) Indian										
a) Individual/HUF										
b) Central Govt. / State Govt.										
c) Bodies Corporate	17,26,943	0	17,26,943	72.98	17,27,703	0	17,27,703	73.02	760	0.03
d) Banks/FI										
e) Any other										
Sub Total : (A)(1)	17,26,943	0	17,26,943	72.98	17,27,703	0	17,27,703	73.02	760	0.03
2) Foreign	0	0	0	0.00	0	0	0	0.00	0	0.00
a) NRI- Individuals										
b) Other Individuals										
c) Bodies Corporate										
d) Banks/FI										
e) Any other										
Sub Total : (A)(2)	0	0	0	0.00	0	0	0	0.00	0	0.00
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	17,26,943	0	17,26,943	72.98	17,27,703	0	17,27,703	73.02	760	0.03
B. PUBLIC SHAREHOLDING										
1) Institutions										
a) Mutual Funds										
b) Banks / FI	1,080	0	1,080	0.05	1,080	0	1,080	0.05	0	0.00
c) Central Govt.										
d) State Govt.										
e) Venture Capital Fund										
f) Insurance Companies	59,628	0	59,628	2.52	59,628	0	59,628	2.52	0	0.00
g) FIs										
h) Foreign Venture Capital Funds										
i) Others										
Sub Total : (B)(1)	60,708	0	60,708	2.57	60,708	0	60,708	2.57	0	0.00
2) Non Institutions										
a) Bodies Corporate										
i) Indian	9,313	10	9,323	0.39	11,801	10	11,811	0.50	2,488	0.11
ii) Overseas										
b) Individuals										
i) Individual shareholders holding nominal share capital upto ₹ 1 Lakh	2,48,513	1,27,677	3,76,190	15.90	2,45,510	1,18,221	3,63,731	15.37	-12,459	-0.53
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	69,272	68,688	1,37,960	5.83	78,073	68,688	1,46,761	6.20	8,801	0.37
c) Others (specify)										
N R I	4,240	391	4,631	0.20	4,340	391	4,731	0.20	100	0.00
Trust	0	744	744	0.03	0	744	744	0.03	0	0.00
IEPF Authority	49,685	0	49,685	2.10	49,995	0	49,995	2.11	310	0.01
Sub Total : (B)(2):	3,81,023	1,97,510	5,78,533	24.45	3,89,719	1,88,054	5,77,773	24.42	-760	-0.03
Total Public shareholding										
(B) = (B)(1) + (B)(2)	4,41,731	1,97,510	6,39,241	27.02	4,50,427	1,88,054	6,38,481	26.98	-760	-0.03
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0	0.00
Grand Total (A+B+C)	21,68,674	1,97,510	23,66,184	100.00	21,78,130	1,88,054	23,66,184	100.00	0	0.00



ii) SHAREHOLDING OF PROMOTERS

S. No.	Shareholders Name	Shareholding at the beginning of the year 01.04.2019			Shareholding at the end of the year 31.03.2020			% Change in Share Holding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total Shares	
1	M/s. Simpson and Company Limited	13,72,035	57.98	0.00	13,72,795	58.02	0	0.03
2	M/s. Amalgamations Private Limited	3,16,808	13.39	0.00	3,16,808	13.39	0	0.00
3	M/s. Simpson and General Finance Company Ltd.	25,000	1.06	0.00	25,000	1.06	0	0.00
4	M/s. Sri Rama Vilas Service Limited	11,800	0.50	0.00	11,800	0.50	0	0.00
5	M/s. Tractors and Farm Equipment Limited	1,300	0.05	0.00	1,300	0.05	0	0.00
	Total	17,26,943	72.99	0.00	17,27,703	73.02	0	0.03

iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

S. No.	Particulars	Shareholding at the beginning of the year 01-04-2019		Increase/Decrease during the year 2019 - 2020		Cumulative Shareholding during the year 31.03.2020	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	At the beginning of the year 01-04-2019	17,26,943	72.99	0.00	0.00	17,26,943	72.99
2	Date wise increase / decrease in Promoters Share holding during the year: M/s. Simpson and Company Limited PAN No. AAACS4909F Transfer of shares on 15/11/2019			760	0.03	760	0.03
3	At the end of the year 31-03-2020	17,26,943	72.99	760	0.03	17,27,703	73.02

iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GDRS & ADRS)

S. No.	Name of Shareholders	Shareholding at the beginning of the year 01-04-2019			Changes in the Shareholding			Shareholding at the end of the year 31-03-2020		
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total Shares
1	Mr. A. Krishnamoorthy, Mr.K.S. Hegde, Mr. R.J. Fowler and Mr. Philip John	68,688	2.903	0.000	0	0.000	0.000	68,688	2.903	0.000
2	M/s. United India Insurance Company Limited	59,628	2.520	0.000	0	0.000	0.000	59,628	2.520	0.000
3	Mr. P.P. Zibi Jose	25,690	1.086	0.000	0	0.000	0.000	25,690	1.086	0.000
4	Mr. Mahendra Girdharilal	23,108	0.977	0.000	0	0.000	0.000	23,108	0.977	0.000
5	Mr. Sarju Bhupendra Shah	10,141	0.429	0.000	7499	0.317	0.000	17,640	0.746	0.000
6	Mr. Ajay Kumar	10,333	0.437	0.000	1302	0.055	0.000	11,635	0.492	0.000
7	Mrs. Parvathy Mallikarjunan	7,756	0.328	0.000	0	0.000	0.000	7,756	0.328	0.000
8	Mr. I.P.J. Albuquerque	7,014	0.296	0.000	0	0.000	0.000	7,014	0.296	0.000
9	Mr. Pares S Shah	6,562	0.277	0.000	0	0.000	0.000	6,562	0.277	0.000
10	Mrs. Nagasundari Prabhakar	6,200	0.262	0.000	0	0.000	0.000	6,200	0.262	0.000



v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL : Nil

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,34,87,810	-	-	1,34,87,810
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,34,87,810	-	-	1,34,87,810
Change in Indebtedness during the financial year				
Additions	4,73,31,299	-	-	4,73,31,299
Reduction	-	-	-	-
Net Change	4,73,31,299	-	-	4,73,31,299
Indebtedness at the end of the financial year				
i) Principal Amount	6,08,19,109	-	-	6,08,19,109
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	6,08,19,109	-	-	6,08,19,109

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole - time Director and / or Manager

(Amount in ₹)

S. No.	Particulars of Remuneration	Name of the MD / WTD / Manager
		Mrs.Lakshmi Narayanan Whole-time Director
1	Gross salary	
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act,1961	57,00,000
	b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	19,77,782
	c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0
2	Stock option	0
3	Sweat Equity	0
4	Commission	0
	as % of profit	0
	Others (specify) Superannuation Fund	3,45,000
5	Others, specify - Performance Remuneration	60,00,000
	Total (A)	1,40,22,782

B. Remuneration to other Directors (Amount in ₹)

S. No.	Particulars of Remuneration	Name of the Directors				Total Amount
		Mr. P.M. VENKATA SUBRAMANIAN	Mr. R. VIJAYARAGHAVAN	Mr. N.P. MANI	Mr. K.K. UNNI	
1	Independent Directors					
	a) Fee for attending Board / Committee meetings	60,000	70,000	1,00,000	30,000	2,60,000
	b) Commission	2,80,000	2,80,000	2,80,000	2,80,000	11,20,000
	c) Others, please specify	-	-	-	-	-
	Total (1)	3,40,000	3,50,000	3,80,000	3,10,000	13,80,000
	Other Non Executive Directors					
	a) Fee for attending Board / Committee meetings	1,00,000	80,000	40,000	-	2,20,000
	b) Commission	2,80,000	2,80,000	2,80,000	-	8,40,000
	c) Others, please specify	-	-	-	-	-
	Total (2)	3,80,000	3,60,000	3,20,000	-	10,60,000
	Total (B)=(1+2)	7,20,000	7,10,000	7,00,000	3,10,000	24,40,000
	Total Managerial Remuneration					1,64,62,782

C. Remuneration to Key Managerial Personnel other than Managing Director / Managers/ Whole-time Director (Amount in ₹)

S. No.	Particulars of Remuneration	Key Managerial Personnel
1	Gross Salary	
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	17,88,000
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	1,92,400
	c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0
2	Stock option	0
3	Sweat Equity	0
4	Commission	0
	as % of profit	0
	others specify	0
5	Others (specify) - Superannuation Fund	0
	Others (specify) - Performance Remuneration	2,00,000
	Total	21,80,400

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES - Nil



Secretarial Audit Report

(For the Financial year ended on March 31, 2020)
[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, 2020, 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 31st March, 2020 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 109th Annual General Meeting held on 20th August 2019;
- 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 Directors;
- k) payment of remuneration to Directors including Whole-time Directors;
- l) appointment and remuneration of Internal Auditors, Secretarial Auditors and Cost Auditors;
- 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.

For L K & Associates
Company Secretaries

Place : Chennai
Date : 13-07-2020

LALITHA KANNAN
C.P. 1894 ACS : 8304
UDIN : A008304B000442529

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. Due to the current Covid 19 situation, part of the audit was completed by verifying scanned copies of documents which was sent via mail by the Company and taking representations from Management wherever required.
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.

For L K & Associates
Company Secretaries

Place : Chennai
Date : 13-07-2020

LALITHA KANNAN
C.P. 1894 ACS : 8304
UDIN : A008304B000442529



**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, 2020, 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, 2020, 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 preparation of other information. The other information comprises the information included in the Directors' report including annexures to Director's report, but does not include the 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 on the basis of 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 internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 relevant 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("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)

Balaji. M.N
Partner

Place : Bengaluru
Date : 24 July, 2020

(Membership No. 202094)
UDIN:20202094AAAACC4405



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph (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, 2020 in conjunction with our audit of the standalone Ind AS 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 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 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, 2020, based on the criteria for internal financial control over financial reporting established by the respective 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)

Balaji. M.N
Partner
(Membership No. 202094)
UDIN:20202094AAAACC4405

Place : Bengaluru
Date : 24 July, 2020



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)

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of plant, property and equipment.
- b) Some of the plant, property and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the plant, property and equipment at reasonable intervals. According to the information and explanation given to us no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date.
- ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii) According to the information and explanations given to us, the Company has granted loans, unsecured, to two companies covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - b) As per the terms of agreement these loans are repayable on demand, and repayments of principal amounts and interest have been regular as per stipulations.
 - c) There is no overdue amount remaining outstanding as at the year-end
- iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v) According to the information and explanations given to us, the Company has not accepted any deposit during the year hence the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 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 Fertilizer industry. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. 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) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Service Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Service Tax, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
 - c) Details of dues of Income tax, Sales Tax and Excise Duty which have not been deposited as on March 31, 2020 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)	Amount Unpaid (INR in Lakhs)
Central Excise Act, 1944	Excise duty	Hon'ble Supreme Court of India	1996 - 2006	229.37	229.37
Central Sales Tax Act, 1956	Sales Tax	Sales Tax Appellate Tribunal	2004 - 2005	33.22	33.22
Income Tax Act 1961	Income tax and interest thereon	Commissioner of Income Tax (Appeals), Coimbatore	2017-2018	80.14	80.14

- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of borrowings to banks. There are no loans or borrowings from financial institutions and government. The Company has not issued any debentures.
- ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- xv) In our opinion and according to information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of Section 192 of Companies Act, 2013 are not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Balaji. M.N
Partner

(Membership No. 202094)
UDIN:20202094AAAACC4405

Place : Bengaluru
Date : 24 July, 2020



T. STANES AND COMPANY LIMITED

CIN : U02421TZ1910PLC000221

STANDALONE FINANCIAL STATEMENTS



T. STANES AND COMPANY LIMITED

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS		₹	₹
Non-current Assets			
Property, plant and equipment	3	26,92,89,927	24,75,63,788
Investment property	4	1,07,32,523	1,11,37,446
Financial assets			
i) Investments	5	20,46,11,853	30,70,52,136
ii) Others	6	43,07,828	41,04,875
Other non-current assets	7	84,35,108	33,57,000
Total non-current assets		49,73,77,239	57,32,15,245
Current Assets			
Inventories	8	42,72,27,894	42,14,48,751
Financial assets			
i) Trade receivables	9		
Trade receivables considered good - Unsecured		94,60,26,894	88,15,16,796
ii) Cash and cash equivalents	10	1,65,88,680	6,36,49,277
iii) Loans	11	50,00,000	10,00,000
iv) Other financial assets	6	1,01,24,811	1,27,67,900
Other current assets	7	4,05,85,422	6,12,97,239
Total current assets		144,55,53,701	144,16,79,963
TOTAL ASSETS		194,29,30,940	201,48,95,208
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	2,36,61,840	2,36,61,840
Other equity	13	108,92,42,829	108,08,96,911
Total Equity		111,29,04,669	110,45,58,751
Liabilities			
Non-current Liabilities			
Financial liabilities			
Borrowings	14	-	-
Provisions	19	1,43,47,582	1,31,32,806
Deferred tax liabilities (net)	20	1,18,37,779	1,78,91,252
Total non-current liabilities		2,61,85,361	3,10,24,058
Current Liabilities			
Financial liabilities			
i) Borrowings	15	6,08,19,109	1,19,87,804
ii) Trade payables	16		
Total outstanding dues of micro enterprises and small enterprises		13,61,397	25,60,359
Total outstanding dues of creditors other than micro enterprises and small enterprises		56,99,61,844	69,75,70,260
iii) Other financial liabilities	17	9,22,05,538	9,44,34,388
Current tax liabilities (net)		1,39,37,828	1,65,21,172
Other current liabilities	18	6,43,57,115	5,50,21,481
Provisions	19	11,98,079	12,16,935
Total current liabilities		80,38,40,910	87,93,12,399
TOTAL EQUITY AND LIABILITIES		194,29,30,940	201,48,95,208
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)

BALAJI. M.N

Partner

Membership No. 202094

Place : Bengaluru

Date : 24 July, 2020

A. KRISHNAMOORTHY

Chairman

DIN : 00001778

P.M. VENKATASUBRAMANIAN

Director

DIN : 00001579

Place : Chennai

Date : 24 July, 2020

S. RAMANUJACHARI

Director

DIN : 00001776

LAKSHMI NARAYANAN

Whole-time Director

DIN : 02539061

Place : Coimbatore

Date : 24 July, 2020

G. RAMAKRISHNAN

Company Secretary

Place : Hyderabad

Date : 24 July, 2020

T. STANES AND COMPANY LIMITED



STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
REVENUE		₹	₹
a) Revenue from operations	21	325,60,45,357	296,44,30,371
b) Other income	22	1,76,69,376	1,65,28,002
Total Income		327,37,14,733	298,09,58,373
EXPENSES			
a) Cost of materials consumed	23	127,45,15,618	122,91,50,562
b) Purchases of stock-in-trade (traded goods)	24	98,90,60,292	81,09,20,615
c) Changes in inventories of finished goods and stock-in-trade	25	(3,09,13,157)	(6,73,67,991)
d) Employee benefits expense	26	34,86,96,980	32,80,49,630
e) Finance costs	27	50,48,062	72,96,708
f) Depreciation expense	30	3,03,95,772	2,75,26,217
g) Other expenses	28	47,09,73,454	46,25,53,341
Total Expenses		308,77,77,021	279,81,29,082
Profit before tax		18,59,37,712	18,28,29,291
Tax expense			
Net current tax		4,88,00,000	6,27,00,000
Deferred tax		(60,53,473)	2,28,337
Net tax expense	29	4,27,46,527	6,29,28,337
Profit for the year		14,31,91,185	11,99,00,954
Other comprehensive income (OCI)			
i) Items that will not be reclassified to profit or loss			
a) Re-measurements of the defined benefit plans		(11,46,755)	(79,17,205)
b) Equity instruments through OCI		(10,26,19,783)	(2,19,67,316)
ii) Income tax on items that will not be reclassified to profit or loss		(3,00,000)	(27,00,000)
Total Other comprehensive income / (loss)		(10,34,66,538)	(2,71,84,521)
Total comprehensive income for the year		3,97,24,647	9,27,16,433
Earnings per share (of ₹ 10/- each):			
Basic and Diluted (in ₹.)		60.52	50.67
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)

BALAJI. M.N

Partner

Membership No. 202094

Place : Bengaluru

Date : 24 July, 2020

A. KRISHNAMOORTHY

Chairman

DIN : 00001778

P.M. VENKATASUBRAMANIAN

Director

DIN : 00001579

S. RAMANUJACHARI

Director

DIN : 00001776

Place : Chennai

Date : 24 July, 2020

LAKSHMI NARAYANAN

Whole-time Director

DIN : 02539061

Place : Coimbatore

Date : 24 July, 2020

G. RAMAKRISHNAN

Company Secretary

Place : Hyderabad

Date : 24 July, 2020



T. STANES AND COMPANY LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

a. Equity share capital

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Equity shares with voting rights		
At the beginning of the year	2,36,61,840	2,36,61,840
Less :- Buy back of Shares	-	-
At the end of the year	2,36,61,840	2,36,61,840

b. Other equity

Particulars	Reserves and Surplus				Other comprehensive income	Total
	Securities premium	Capital redemption reserve	General reserve	Retained earnings		
Opening balance	42,75,420	13,14,240	54,49,96,830	18,29,36,495	27,60,51,694	100,95,74,679
Profit for the year 2018-19				11,99,00,954		11,99,00,954
Transfer to General Reserve			5,00,00,000	(5,00,00,000)		-
Remeasurements of the defined benefit liabilities / (asset)					(79,17,205)	(79,17,205)
Equity instruments through OCI					(2,19,67,316)	(2,19,67,316)
Income tax on items that will not be reclassified to profit or loss					27,00,000	27,00,000
Payment of Dividends				(1,77,46,380)		(1,77,46,380)
Corporate tax on dividend				(36,47,821)		(36,47,821)
Balance at 31 March 2019	42,75,420	13,14,240	59,49,96,830	23,14,43,248	24,88,67,173	108,08,96,911
Profit for the year 2019-20				14,31,91,185		14,31,91,185
Transfer to General Reserve			5,00,00,000	(5,00,00,000)		-
Remeasurements of the defined benefit liabilities / (asset)					(11,46,755)	(11,46,755)
Equity instruments through OCI					(10,26,19,783)	(10,26,19,783)
Income tax on items that will not be reclassified to profit or loss					3,00,000	3,00,000
Payment of Dividends				(2,60,28,024)		(2,60,28,024)
Corporate tax on dividend				(53,50,705)		(53,50,705)
Balance at 31 March 2020	42,75,420	13,14,240	64,49,96,830	29,32,55,704	14,54,00,635	108,92,42,829
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)

BALAJI. M.N

Partner
Membership No. 202094

Place : Bengaluru
Date : 24 July, 2020

A. KRISHNAMOORTHY

Chairman
DIN : 00001778

P.M. VENKATASUBRAMANIAN

Director
DIN : 00001579

Place : Chennai
Date : 24 July, 2020

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Director
DIN : 00001776

LAKSHMI NARAYANAN

Whole-time Director
DIN : 02539061
Place : Coimbatore
Date : 24 July, 2020

G. RAMAKRISHNAN

Company Secretary
Place : Hyderabad
Date : 24 July, 2020

T. STANES AND COMPANY LIMITED



STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	18,59,37,712	18,28,29,291
Adjustments for :		
Depreciation expense	3,03,95,772	2,75,26,217
Profit on sale of property plant and equipment(net)	(20,15,963)	(4,66,340)
Net gain on sale of investments	-	-
Allowance for bad and doubtful debts	3,27,000	2,93,000
Bad debts write off net	27,70,153	27,77,849
Re-measurement gains and (losses) on defined benefit/Plans	(11,46,755)	(79,17,205)
Dividend income	(29,90,159)	(29,89,513)
Interest Income	(9,92,507)	(17,64,637)
Finance costs	50,48,062	72,96,708
	3,13,95,603	2,47,56,079
Operating profit before working capital changes	21,73,33,315	20,75,85,370
Changes in working capital		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(57,79,143)	(132018,495)
Trade receivables	(6,76,07,251)	(17829,864)
Other financial assets	26,36,519	(485,979)
Other assets	2,08,11,817	(15497,807)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(12,88,07,378)	11,70,33,471
Other financial liabilities	(9,04,970)	94,46,502
Other liabilities	93,35,634	26,79,528
Provisions	11,95,920	14,22,046
	(16,91,18,852)	(3,52,50,598)
Cash generated from operations	4,82,14,463	17,23,34,772
Income taxes paid	(5,10,83,344)	(5,76,17,754)
Net cash flow from operating activities (A)	(28,68,881)	11,47,17,018
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(5,72,69,231)	(3,54,05,329)
Proceeds from sale of property, plant and equipment	22,80,433	7,85,566
Purchase of long-term investments	(1,79,500)	(11,10,495)
Loans realised from Subsidiaries	(40,00,000)	85,00,000
Other bank balances	15,93,304	(1,46,959)
Interest received		
Subsidiaries	2,83,970	2,58,536
Others	7,06,724	15,04,797
Dividend received		
Related parties	22,59,058	22,58,032
Others	7,31,101	7,31,101
Net cash flow used in Investing activities (B)	(5,35,94,141)	(2,26,24,751)



T. STANES AND COMPANY LIMITED

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020 — (Contd.)

Particulars	For the year ended 31 st March, 2020 ₹		For the year ended 31 st March, 2019 ₹	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Loans repaid to Holding company	-		(60,00,000)	
Net increase / (decrease) in working capital borrowings	4,88,31,305		(3,03,58,738)	
Repayment of long-term borrowings	(15,00,006)		(41,28,279)	
Finance costs paid	(50,48,062)		(73,38,749)	
Dividends paid	(2,60,28,024)		(1,77,46,380)	
Distribution tax on dividend	(53,50,705)		(36,47,821)	
Net cash flow used in financing activities (C)		1,09,04,508		(6,92,19,967)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(4,55,58,514)		2,28,72,300
Cash and cash equivalents at the beginning of the year		5,64,98,087		3,36,25,787
Cash and cash equivalents at the end of the year		1,09,39,573		5,64,98,087
Cash and cash equivalents at the end of the year comprises				
a) Cash on hand	23,78,734		20,90,082	
b) Cheques on hand	49,12,355		3,58,78,610	
c) Balances with banks In current accounts	36,48,484		1,85,29,395	
		1,09,39,573		5,64,98,087
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)

BALAJI. M.N

Partner

Membership No. 202094

Place : Bengaluru

Date : 24 July, 2020

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Place : Chennai

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Whole-time Director

DIN : 02539061

Place : Coimbatore

Date : 24 July, 2020

G. RAMAKRISHNAN

Company Secretary

Place : Hyderabad

Date : 24 July, 2020

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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 the section 133 of Companies Act 2013, Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

Except for the changes below, the company has consistently applied accounting policies to all periods.

1. The company adopted Ind AS 116 'leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 - Leases and related interpretation guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Company has evaluated the effect of this amendment on the financial statements and concluded that the impact is not material. As a result, the comparative information has not been restated.
2. **Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments:** On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.
3. **Amendment to Ind AS 19 'Employee Benefits':** On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 'Employee Benefits' in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that this amendment is currently not applicable.
4. **Amendment to Ind AS 12 'Income Taxes':** On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

income or equity according to where the entity originally recognised those past transactions or events. The amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.

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 Use of estimates

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.

2.2 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.

2.3 Cash flow statement

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

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

2.4 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 de-recognised 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 the statement of profit or loss.

2.5 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.

2.6 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 to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The recoverable amount is the 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.

2.7 Inventories

Raw materials, finished goods and trading stock are valued at lower of cost (identified direct overheads where ever 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 is 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 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



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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 and other rebates/ schemes 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.

2.9 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 the 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.

2.10 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

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

2.10 Leases — (Contd.)

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 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.

2.11 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 up to 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.

2.12 Business segments

The company is engaged in the business of Agri inputs and in Consumer and Industrial products. These in context of Ind AS 108 on Segment reporting are considered to constitute the business segments.

2.13 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 the 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.

2.14 Taxation

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



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

2.14 Taxation — (Contd.)

- 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 the 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.

2.15 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.

2.16 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.

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

2.17 Investments — (Contd.)

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 gains and losses arising from changes in fair value recognised in the OCI.

2.18 Research and Development

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

2.19 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.

2.20 Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 3: PROPERTY, PLANT AND EQUIPMENT

DESCRIPTION OF ASSETS	Land	Buildings	Plant and Equipment	Furniture	Office Equipment	Electric Fitting	Vehicles	Laboratory Equipment	Total
DEEMED COST	₹	₹	₹	₹	₹	₹	₹	₹	₹
Balance as at April 01, 2018	1,20,47,698	12,37,92,513	10,64,36,858	48,19,225	36,66,729	47,69,296	5,12,25,814	83,24,902	31,50,83,035
Additions	-	40,92,975	1,44,32,054	1,44,377	7,15,466	5,34,792	1,21,14,844	28,48,829	3,48,83,337
Disposals	-	-	68,937	1	4	-	20,72,181	-	21,41,123
Balance as at March 31, 2019	1,20,47,698	12,78,85,488	12,07,99,975	49,63,601	43,82,191	53,04,088	6,12,68,477	1,11,73,731	34,78,25,249
Additions	-	1,42,22,195	1,80,01,762	72,964	4,40,772	23,25,756	1,33,25,492	37,87,087	5,21,76,028
Disposals	-	-	3,21,281	7	17,208	59,501	34,95,211	-	38,93,208
Balance as at March 31, 2020	1,20,47,698	14,21,07,683	13,84,80,456	50,36,558	48,05,755	75,70,343	7,10,98,758	1,49,60,818	39,61,08,069
Accumulated Depreciation									
As at April 01, 2018	-	1,51,99,728	3,11,86,084	27,98,587	21,38,618	26,99,821	1,76,67,395	30,74,691	7,47,64,925
Depreciation for the year	-	44,12,946	1,28,83,399	5,46,733	4,49,523	3,82,515	76,26,668	10,16,650	2,73,18,434
On disposals	-	-	68,911	-	-	-	17,52,986	-	18,21,897
Balance as at March 31, 2019	-	1,96,12,674	4,40,00,572	33,45,320	25,88,141	30,82,336	2,35,41,077	40,91,341	10,02,61,462
Depreciation for the Year	-	46,48,932	1,41,49,215	5,73,163	5,72,532	4,35,366	83,47,521	14,58,690	3,01,85,419
On disposals	-	-	3,21,246	6	17,206	55,587	32,34,693	-	36,28,738
Balance as at March 31, 2020	-	2,42,61,606	5,78,28,541	39,18,477	31,43,467	34,62,115	2,86,53,905	55,50,031	12,68,18,143
Carrying amount as at March 31, 2019	1,20,47,698	10,82,72,814	7,67,99,403	16,18,281	17,94,050	22,21,752	3,77,27,400	70,82,390	24,75,63,788
Carrying amount as at March 31, 2020	1,20,47,698	11,78,46,077	8,06,51,915	11,18,081	16,62,288	41,08,228	4,24,44,853	94,10,787	26,92,89,927

Notes:

- Refer note 15(i) for details of assets pledged as security
- Addition for the year includes ₹29,54,394 made in the approved in-house R&D Center

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Land	Buildings	Total
Note 4: INVESTMENT PROPERTY	₹	₹	₹
DEEMED COST			
Balance as at March 31, 2019	77,47,256	41,92,624	1,19,39,880
Additions / (Deletions) during the year	(1,94,570)		(1,94,570)
Balance as at March 31, 2020	75,52,686	41,92,624	1,17,45,310
Accumulated Depreciation			
Balance as at March 31, 2019	-	8,02,434	8,02,434
Depreciation for the year	-	2,10,353	2,10,353
Balance as at March 31, 2020	-	10,12,787	10,12,787
Carrying amount as at March 31, 2019	77,47,256	33,90,190	1,11,37,446
Carrying amount as at March 31, 2020	75,52,686	31,79,837	1,07,32,523

4.1 Information regarding income and expenditure of Investment property

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹	₹
Rental Income derived from investment properties	19,04,630	17,86,683
Direct operating expenses*	1,48,180	1,56,646
Profit arising from investment properties before depreciation and indirect expenses	17,56,450	16,30,037
Less: Depreciation	2,10,353	2,07,783
Profit arising from investment properties before indirect expenses	15,46,097	14,22,254

*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 six (previous year seven) properties in India. As at March 31, 2020 and March 31, 2019, the fair values of the properties are ₹.6,54,82,047 and ₹.6,72,37,826. 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, 2020

Particulars	Nominal value per share	As at March 31, 2020		As at March 31, 2019	
		No. of shares	₹	No. of shares	₹
Note 5 : INVESTMENTS					
NON CURRENT					
A. Investments at cost (Unquoted)					
In Equity Shares (Fully paid)					
Subsidiary Companies :					
Stanes Motors (South India) Limited #	10	15,00,000	4,10,56,605	15,00,000	2,90,25,975
Stanes Motor Parts Limited #	10			10,00,000	1,20,30,630
Stanes Amalgamated Estates Limited	10	5,56,335	21,13,633	5,54,540	19,34,133
Others :					
South Western Engineering India Limited	1,000	14	14,000	14	14,000
Sub Total			4,31,84,238		4,30,04,738
Other Investments at cost					
In Government Securities - NSC			30,500		30,500
Sub Total			30,500		30,500
Total investment carried at cost			4,32,14,738		4,30,35,238
B. Investments at Fair value through OCI (Quoted)					
In Equity Shares (Fully paid)					
The United Nilgiri Tea Estates Company Limited Associate to the Ultimate Holding Company					
Investments carried at - Fair Value through Other Comprehensive Income (FVOCI)	10	8,36,688	16,13,97,115	8,36,688	26,40,16,898
Total investment carried at fair value			16,13,97,115		26,40,16,898
Total investment			20,46,11,853		30,70,52,136
Total			20,46,11,853		30,70,52,136
Note:					
Aggregate amount of quoted investments			51,87,493		51,87,493
Aggregate market value of listed and quoted investments			16,13,97,115		26,40,16,898
Aggregate amount of unquoted and other investments			4,32,14,738		4,30,35,238

Refer Note 38

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Note 6 : OTHER FINANCIAL ASSETS		
NON - CURRENT		
Unsecured, considered good :-		
Security deposit	43,07,828	41,04,875
Total	43,07,828	41,04,875
CURRENT		
Unsecured, considered good :-		
Rent deposits	43,68,078	47,75,975
Interest accrued on deposits and others	22,789	20,976
Rental income from properties receivable	1,01,397	1,07,493
Agency commission receivable	47,95,859	70,26,768
Dividend income from investments	8,36,688	8,36,688
Total	1,01,24,811	1,27,67,900
Note 7 : OTHER ASSETS		
NON CURRENT		
Unsecured, considered good :		
Capital advances	77,35,108	25,57,000
Prepaid expenses	7,00,000	8,00,000
Total	84,35,108	33,57,000
CURRENT		
Unsecured, considered good :		
Prepaid expenses	1,00,000	1,60,000
Advances to employees	7,66,920	10,65,569
Balances with government authorities	1,80,27,975	2,47,17,159
Advances - trade and supplies	2,16,83,527	3,53,47,511
Others	7,000	7,000
Total	4,05,85,422	6,12,97,239
Note 8 : INVENTORIES		
At lower of cost and net realisable value:		
Raw materials	9,73,89,834	12,55,93,876
Finished goods	19,39,15,781	18,59,73,591
Stock-in-trade	9,81,78,968	7,52,08,001
Stores and spares	3,77,43,311	3,46,73,283
Total	42,72,27,894	42,14,48,751
Note: Refer Note 15(i) for details of Inventory pledged as security.		



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Note 9 : TRADE RECEIVABLES		
a) Secured, considered good	-	-
b) Unsecured, considered good	94,76,41,894	88,28,04,796
	94,76,41,894	88,28,04,796
Less : Allowance for credit losses	16,15,000	12,88,000
Total	94,60,26,894	88,15,16,796
The credit worthiness of trade debtors and the credit terms set are determined on a case to case basis and the Management has factored in the uncertainties arising out of COVID-19, as applicable. Considering information as determined by the Management, the Company has concluded that there is a low probability of default on Trade Receivables.		
Note 10 : CASH AND CASH EQUIVALENTS		
A. Cash and cash equivalents (as per Cash Flow Statement)		
a) Cash on hand	23,78,734	20,90,082
b) Cheques on hand	49,12,355	3,58,78,610
c) Balances with banks		
i) In current accounts	36,48,484	1,85,29,395
Total - Cash and cash equivalents (as per Cash Flow Statement) (A)	1,09,39,573	5,64,98,087
B. Other Bank Balances		
i) In Deposit accounts - Remaining maturity less than 12 months.	-	18,64,046
ii) In earmarked accounts		
- Unpaid dividend accounts	46,26,335	45,35,114
- Margin money with bank	10,22,772	7,52,030
Total - Other bank balances (B)	56,49,107	71,51,190
Total Cash and cash equivalents (A+B)	1,65,88,680	6,36,49,277
Note 11 : LOANS		
CURRENT		
Unsecured, considered good :		
Loans to subsidiary company	50,00,000	10,00,000
Total	50,00,000	10,00,000

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹	No. of shares	₹
Note 12 : SHARE CAPITAL				
Authorised				
Equity shares of ₹ 10/- each with voting rights	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Issued				
Equity shares of ₹ 10/- each with voting rights	23,66,184	2,36,61,840	23,66,184	2,36,61,840
Subscribed and fully paid up				
Equity shares of ₹ 10/- each with voting rights	23,66,184	2,36,61,840	23,66,184	2,36,61,840
Total	23,66,184	2,36,61,840	23,66,184	2,36,61,840
12.1. 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	2,36,61,840	23,66,184	2,36,61,840
Less :- Changes during the year	-	-	-	-
At the end of the year	23,66,184	2,36,61,840	23,66,184	2,36,61,840
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 ₹ 13,14,240 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, 2020		As at March 31, 2019	
	No. of shares	₹	No. of shares	₹
Equity shares with voting rights				
M/s. Simpson and Company Limited, the Holding Company	13,72,795	1,37,27,950	13,72,035	1,37,20,350
M/s. Amalgamations Private Limited, the Ultimate Holding Company	3,16,808	31,68,080	3,16,808	31,68,080
Subsidiaries of the Holding Company				
M/s. Simpson & General Finance Company Limited	25,000	2,50,000	25,000	2,50,000
M/s. Sri Rama Vilas Service Limited	11,800	1,18,000	11,800	1,18,000
M/s. Tractors and Farm Equipment Limited	1,300	13,000	1,300	13,000
12.4. Details of shares held by each shareholder holding more than 5% shares:				
Equity shares with voting rights				
M/s. Simpson and Company Limited, the Holding Company	13,72,795	58.02	13,72,035	57.98
M/s. Amalgamations Private Limited, the Ultimate Holding Company	3,16,808	13.39	3,16,808	13.39
12.5. Term/rights attached to equity shareholders				
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.				



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Note	As at March 31, 2020	As at March 31, 2019
Note 13 : OTHER EQUITY		₹	₹
Securities Premium Reserve			
Opening balance		42,75,420	42,75,420
Changes during the year		-	-
Closing balance	A	42,75,420	42,75,420
Capital Redemption Reserve			
Opening balance		13,14,240	13,14,240
Changes during the year		-	-
Closing balance	B	13,14,240	13,14,240
General Reserve			
Opening balance		59,49,96,830	54,49,96,830
Add: Transferred from Retained earnings		5,00,00,000	5,00,00,000
Closing balance	C	64,49,96,830	59,49,96,830
Retained earnings			
Opening balance		23,14,43,248	18,29,36,495
Add: Profit for the year		14,31,91,185	11,99,00,954
Less: Transferred to:			
General reserve		5,00,00,000	5,00,00,000
Payment of Dividends		2,60,28,024	1,77,46,380
Corporate tax on dividend		53,50,705	36,47,821
Closing balance	D	29,32,55,704	23,14,43,248
Reserve for equity instruments through OCI			
Opening balance		24,88,67,173	27,60,51,694
Other comprehensive income			
Items that will not be reclassified to profit or loss			
a) Remeasurements of the defined benefit plans		(11,46,755)	(79,17,205)
b) Equity instruments through OCI		(10,26,19,783)	(2,19,67,316)
Income tax on items that will not be reclassified to profit or loss		(3,00,000)	(27,00,000)
Closing balance		14,54,00,635	24,88,67,173
Total		108,92,42,829	108,08,96,911

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 Redemption reserve 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. In respect of the year ended March 31, 2020, the Board of Directors has proposed a final dividend of ₹ 2 per equity share (March 2019 : ₹ 4 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 STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 14 : NON - CURRENT BORROWINGS

Particulars	As at March 31, 2020	As at March 31, 2019
Measured at amortised cost secured (Refer Note (i) below)		
Simpson and General Finance Co. Limited. (Refer Note 38)	-	-
Total-	-	

The Company has not defaulted in repayment of loans and interest

Note :

i) Details of terms of repayment for Non Current Borrowings and security provided in respect of secured Non Current Borrowings.

Particulars	Terms of repayment and security	As at March 31, 2020			As at March 31, 2019		
		Non-Current	Current	Total	Non-Current	Current	Total
Secured		₹	₹	₹	₹	₹	₹
From - Simpson and General Finance Co. Limited	Hypothecated by vehicles the loans are repayable in monthly instalments up to 2020. Rate of interest is in the range of 6.57% (fixed)	-	-	-	-	15,00,006	15,00,006
	Total	-	-	-	-	15,00,006	15,00,006

Note 15 : CURRENT BORROWINGS

Particulars	As at March 31, 2020	As at March 31, 2019
Loans repayable on demand - (At amortised cost)	₹	₹
From banks - Secured (Refer Note (i) below)	6,08,19,109	1,19,87,804
Total	6,08,19,109	1,19,87,804

i) Details of security provided in respect of secured current borrowings:

Particulars	Nature of Security and Terms	As at March 31, 2020	As at March 31, 2019
Loans repayable on demand from banks :		₹	₹
Central Bank of India	Hypothecation of Raw Material, Finished Goods, Stock in trade & Stores and Spares, along with specific Book Debts & immovable assets of the Company with corporate guarantee from Holding Company and Ultimate Holding Company. Rate of Interest MCLR (1Y) + 0.50%	6,08,19,109	1,19,87,804
Total - From Banks		6,08,19,109	1,19,87,804

The Company has not defaulted in repayment of loans and interest.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at March 31, 2020	As at March 31, 2019
Note 16: TRADE PAYABLES	₹	₹
Other than Acceptances		
Due to Micro and small enterprises	13,61,397	25,60,359
Others	56,99,61,844	69,75,70,260
Total	57,13,23,241	70,01,30,619
Note 17 : OTHER FINANCIAL LIABILITIES		
Measured at Amortised cost		
Current		
Current maturities of Long-term borrowings (Refer Note 14(i))	-	15,00,006
Unclaimed dividends *	46,26,335	45,35,114
Dealer/security deposits	8,05,87,797	7,84,21,550
Due to Gratuity fund	62,34,501	93,05,718
Payables on purchase of fixed assets	7,56,905	6,72,000
Total	9,22,05,538	9,44,34,388
*Amount due and outstanding to be credited to Investors Education and Protection Fund : CY ₹ Nil (PY ₹ Nil)		
Note 18 : OTHER CURRENT LIABILITIES		
Current		
Advances from customers	4,58,22,829	3,94,25,619
Statutory remittances	1,85,34,286	1,55,95,862
Total	6,43,57,115	5,50,21,481
Note 19 : PROVISIONS		
Non - Current		
Provision for employee benefits - compensated absences	1,43,47,582	1,31,32,806
Total	1,43,47,582	1,31,32,806
Current		
Provision for employee benefits - compensated absences	11,98,079	12,16,935
Total	11,98,079	12,16,935
Note 20 :- 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.	1,58,21,448	2,28,57,410
Tax effect of items constituting deferred tax assets		
Provision for compensated absences	39,83,669	49,66,158
Total	1,18,37,779	1,78,91,252

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
NOTE 21: REVENUE FROM OPERATIONS	₹	₹
Sale of products (Refer Note (i) below)	318,43,15,930	288,32,79,666
Other operating revenues (Refer Note (ii) below)	7,17,29,427	8,11,50,705
Revenue from operations (Gross)	325,60,45,357	296,44,30,371
a) Revenue by Products		
i) Sale of products comprise :-		
Manufactured goods:-		
Agri inputs	203,08,38,539	193,68,37,944
Consumer and industrial products	7,36,34,671	5,12,40,399
Total - Sale of manufactured goods	210,44,73,210	198,80,78,343
Traded goods :-		
Agri inputs	89,87,91,885	70,47,27,089
Consumer and industrial products	18,10,50,835	19,04,74,234
Total - Sale of traded goods	107,98,42,720	89,52,01,323
Total - Sale of products	318,43,15,930	288,32,79,666
b) Revenue by geography		
India	301,79,40,657	268,96,01,380
Rest of the world	16,63,75,273	19,36,78,286
Total - Sale of traded goods	318,43,15,930	288,32,79,666
ii) Other operating revenues comprise:		
Sale of scrap	8,72,846	4,08,579
Duty drawback and other export incentives	57,27,063	69,14,168
Others		
Agency commission (net)	5,29,08,246	6,22,30,787
Rebate / discount from suppliers	1,21,84,064	1,15,21,935
Miscellaneous income	37,208	75,236
Total-Other operating revenues	7,17,29,427	8,11,50,705
Note 22: OTHER INCOME		
a) Interest income (Refer Note (i) below)	9,92,507	17,64,637
b) Dividend income from Investments:		
Related parties		
Investment designate at fair value through OCI	22,59,058	22,58,412
Investment carried at cost	5,56,335	5,46,007
Others	7,31,101	7,31,101
c) Net gain on foreign currency transactions and translation	51,05,082	51,16,126
d) Other non-operating income (Refer Note (ii) below)	80,25,293	61,11,719
Total	1,76,69,376	1,65,28,002
i) Interest income comprise :		
Interest from:		
Deposits	7,08,537	7,14,744
Interest on loans and advances	2,83,970	10,49,893
Total - Interest income	9,92,507	17,64,637
ii) Other non-operating income comprise :		
Rental Income	58,77,668	56,45,379
Profit on sale of Property, Plant & Equipment (net)	20,15,963	4,66,340
Miscellaneous income	1,31,662	-
Total - Other non-operating income	80,25,293	61,11,719



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Note 23 : COST OF MATERIALS CONSUMED	₹	₹
Opening stock	12,55,93,876	6,59,71,422
Add: Purchases	124,63,11,576	128,87,73,016
	137,19,05,452	135,47,44,438
Less: Closing stock	9,73,89,834	12,55,93,876
Cost of material consumed	127,45,15,618	122,91,50,562
Materials consumed comprise:		
Agri inputs	121,71,31,274	119,24,65,764
Consumer and industrial products	5,73,84,344	3,66,84,798
Total	127,45,15,618	122,91,50,562
Note 24 : PURCHASE OF STOCK-IN-TRADE (TRADED GOODS)		
Agri inputs	81,98,09,647	63,79,61,616
Consumer and industrial products	16,92,50,645	17,29,58,999
Total	98,90,60,292	81,09,20,615
Note 25 : CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE		
Inventories at the end of the year:		
Finished goods	19,39,15,781	18,59,73,591
Stock-in-trade	9,81,78,968	7,52,08,001
Total	29,20,94,749	26,11,81,592
Inventories at the beginning of the year:		
Finished goods	18,59,73,591	14,48,86,139
Stock-in-trade	7,52,08,001	4,89,27,462
Total	26,11,81,592	19,38,13,601
Net (increase) / decrease	(3,09,13,157)	(6,73,67,991)
Note 26 : EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	30,34,58,384	28,37,75,895
Contribution to Provident and other funds	2,18,38,019	2,05,32,208
Staff welfare expenses	2,34,00,577	2,37,41,527
Total	34,86,96,980	32,80,49,630
Note 27 : FINANCE COSTS		
Interest expense on borrowings from:		
i) Banks	12,04,512	16,32,851
ii) Others	10,05,781	28,66,999
Other Finance cost	28,37,769	27,96,858
Total	50,48,062	72,96,708

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹	₹
Note 28 :- OTHER EXPENSES		
Consumption of stores and spare parts	17,30,039	19,54,284
Power and fuel	1,29,30,684	1,13,98,088
Rent	2,27,94,073	2,04,13,331
Repairs and maintenance - Buildings	82,31,725	72,15,922
Repairs and maintenance - Machinery	1,00,68,335	91,34,462
Repairs and maintenance - Others	82,22,577	75,31,358
Insurance	1,22,15,511	97,48,119
Rates and taxes	75,56,578	1,19,71,729
Allowance for credit losses	3,27,000	2,93,000
Communication	98,81,618	1,18,30,969
Travelling and conveyance	9,22,63,945	9,21,90,468
Printing and stationery	47,91,202	40,84,076
Freight and distribution	15,94,43,153	15,40,78,031
Business promotion	6,47,68,706	5,66,28,540
Directors sitting fees	4,80,000	5,20,000
Donations and contributions	15,000	35,000
Expenditure on Corporate social responsibility (Refer Note 43)	34,80,000	34,00,000
Professional and consultancy charges	61,13,640	69,42,017
Payments to auditors (Refer note (i) below)	15,18,000	15,26,564
Bad debts write off (net)	27,70,153	27,77,849
Miscellaneous expenses	4,13,71,515	4,88,79,534
Total	47,09,73,454	46,25,53,341
Note :		
i) Payments to the auditors comprise:-		
To Statutory Auditors		
For audit	11,00,000	11,00,000
For taxation matters	2,50,000	2,50,000
For other services	1,50,000	1,50,000
Reimbursement of expenses	18,000	26,564
Total	15,18,000	15,26,564



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Note 29: TAX EXPENSE	₹	₹
Tax expense in the Statement of profit and loss consists of :		
Current income tax:		
- in respect of the Current period	4,88,00,000	6,27,00,000
Deferred tax:		
- In respect of the current period	(60,53,473)	2,28,337
Tax expense reported in the Statement of Profit and Loss	4,27,46,527	6,29,28,337
Tax expenses recognised in the other comprehensive income		
Re-measurement of defined benefit obligation Equity instrument through OCI	(3,00,000)	(27,00,000)
Total	(3,00,000)	(27,00,000)
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	18,59,37,712	18,28,29,291
Enacted income tax rate in India	25.17%	34.61%
Computed expected tax expense	4,67,96,805	6,32,73,561
Effect of:		
Income exempt from tax	(8,92,582)	(12,23,573)
Expenses that are deductible in determining taxable profit	(3,17,339)	(4,22,514)
Benefit U/s 35(2AB) of Income tax Act	-	(33,92,169)
Others	18,83,833	24,54,455
Depreciation	10,29,283	(6,89,760)
Total Current tax expense recognised in the Statement of Profit and Loss	4,85,00,000	6,00,00,000
Note 30 : DEPRECIATION EXPENSE		
Depreciation on Property, plant and equipment (Refer Note 3)	3,01,85,419	2,73,18,434
Depreciation on Investment property (Refer Note 4)	2,10,353	2,07,783
Total	3,03,95,772	2,75,26,217
Note 31 : 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	7,31,101	7,31,101
Total	7,31,101	7,31,101

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at March 31, 2020	As at March 31, 2019
Note 32 : CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)	₹	₹
i) Contingent Liabilities :-		
Claims against the company not acknowledged as debt		
Central excise	2,29,37,126	2,29,37,126
Income tax		
Assessment Year 2009-10	-	56,76,470
Assessment Year 2017-18	80,13,676	-
Central sales tax	33,22,145	33,22,145
(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	83,61,425	26,60,002
b) Financial guarantee to bankers on account of Subsidiary Companies	4,50,00,000	4,50,00,000
Note 33 : DISCLOSURE REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006		
The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosure pursuant to said MSMED Act are as follows:		
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	13,61,397	25,60,359
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	Nil	Nil
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	Nil	Nil
Interest paid, other than Section 16 of MSMED Act, to supplier registered under the MSMED Act, beyond the appointed day during the year.	Nil	Nil
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	Nil	Nil
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	Nil	Nil
Further interest remaining due and payable for earlier years	Nil	Nil



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 34 : As the world faces one of its biggest challenge caused by the COVID-19 related disruptions, the agriculture sector remains relatively insular from demand point of view though it had to face some issues related to non-availability of labour and supply chain disruptions. The country wide lock-down enforced from 25 March 2020 had temporarily impacted the Company's operations. Due to the pro-active steps taken by the Government in supporting the farming community, production, distribution of Agri inputs largely remain un-affected. All the major manufacturing units and branches of the Company have resumed operations and are adhering to strict safety measures and Government guidelines. Though the COVID 19 related uncertainties persist, with good reservoir levels and normal monsoon predictions, impact of the pandemic on Indian agriculture is expected to be minimal.

The Company has considered the possible effects that may result from the pandemic on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used relevant information in determining the expected future performance of the Company. The Company has evaluated its liquidity position, recoverability of such assets and based on current estimates expects the carrying amount of these assets will be recovered. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis.

Particulars	As at March 31, 2020	As at March 31, 2019
Note 35 : OPERATING LEASE	₹	₹
The Company has entered into cancellable operating lease agreements for 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	2,27,94,073	2,04,13,331
b) Recognised as rental income on properties under lease	58,77,668	56,45,379
Note 36 : RESEARCH AND DEVELOPMENT EXPENDITURE INCURRED BY THE APPROVED INHOUSE R&D CENTER		
Capital expenditure	29,54,394	21,23,952
Revenue expenditure included under appropriate head of account.	4,05,56,067	4,49,91,652
Total	4,35,10,461	4,71,15,604
Note 37 : 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	14,31,91,185	11,99,00,954
Weighted average number of equity shares (In Nos)	23,66,184	23,66,184
Par value per share	10	10
Earnings per share - Basic and Diluted	60.52	50.67
Note 38: During the current year, Stanes Motor Parts Limited (Wholly owned subsidiary) merged into Stanes Motors (South India) Limited w.e.f April 1, 2019 being appointed date pursuant to order of National Company Law Tribunal, Chennai dated September 25, 2019.		

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 39 :- Related party transactions

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

Note 38(a) Details of related parties

Description of relationship	Names of related parties
a) Ultimate Holding Company	M/s. Amalgamations Private Limited *
b) Holding Company	M/s. Simpson and Company Limited *
c) Subsidiaries	M/s. Stanes Motors (South India) Limited *^ M/s. Stanes Amalgamated Estates Limited *
d) Fellow Subsidiaries	
M/s. Addison and Company Limited *	M/s. Simpson & General Finance Company Limited *
M/s. Amalgamations Repco Limited	M/s. Southern Tree Farms Limited *
M/s. AMCO Batteries Limited	M/s. Speed-A-Way Private Limited *
M/s. Associated Printers (Madras) Private Limited *	M/s. Sri Rama Vilas Service Limited*
M/s. Associated Publishers (Madras) Private Limited	M/s. Tractors and Farm Equipment Limited *
M/s. Alpump Limited	M/s. TAFE Access Limited *
M/s. Bimetal Bearings Limited *	M/s. TAFE Motors and Tractors Limited
M/s. George Oakes Limited *	M/s. TAFE Reach Limited
M/s. Higginbothams Private Limited	M/s. TAFE USA Inc.Delaware U.S.A.
M/s. India Pistons Limited	M/s. TAFE International Traktor VE Tarim Ekipmani Sanayi VE Ticaret Limited Sirketi
M/s. IP Rings Limited	M/s. TAFE Tractors Changshu Company Limited, China
M/s. IP Pins & Liners Limited	M/s. TAFE Properties Limited
M/s. IPL Engine Components Private Limited	M/s. The Madras Advertising Company Private Limited*
M/s. IPL Green Power Limited	M/s. Wheel & Precision Forgings India Limited
M/s. L. M. Van Moppes Diamond Tools India Private Limited	M/s. W J Groom and Company Limited, London
M/s. Shardlow India Limited	
M/s. Wallace Cartwright and Company Limited, London	
e) Associate to Holding / Ultimate Holding Company	M/s. The United Nilgiri Tea Estates Company Limited * M/s. Amalgamations Valeo Clutch Private Limited M/s. BBL Daido Private Limited
f) Key management personnel	Mrs Lakshmi Narayanan (Whole-time Director) Mr. G. Ramakrishnan (Company Secretary)
g) Relatives of Key Managerial Personnel	NIL

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

^ Refer Note 38



T. STANES AND COMPANY LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 39 - (b) Details of related party transactions during the year ended March 31, 2020 and balances outstanding as at March 31, 2020

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Company		Fellow Subsidiary Companies		Associate to Holding / Ultimate Holding Company		Associates		Key Managerial Personnel		Total		
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A) TRANSACTIONS DURING THE YEAR																	
Sales	-	-	14,08,972	20,73,729	55,19,117	42,79,103	15,85,645	17,20,984	38,25,693	29,90,455	-	-	-	-	1,23,39,427	1,10,53,271	
Service rendered to	7,10,788	7,00,920	55,13,292	19,67,106	-	-	10,70,544	10,64,105	44,004	43,337	-	-	-	-	73,38,628	37,75,468	
Interest received on Loan given	-	-	-	-	59,425	2,37,859	-	-	-	-	-	-	-	-	1,88,430	2,37,859	
Dividend received from	-	-	-	-	5,56,335	5,46,007	-	-	22,59,056	22,58,032	-	-	-	-	28,15,393	28,04,039	
Interest paid on Loan availed	-	-	-	5,58,945	-	-	2,95,494	8,96,637	-	-	-	-	-	-	2,95,494	14,55,582	
Purchases	-	-	-	-	11,528	2,755	4,88,037	72,450	6,08,222	8,02,997	-	-	-	-	11,07,787	8,78,202	
Service availed from	63,28,758	45,50,352	-	-	2,14,758	80,134	35,72,593	23,66,795	-	-	-	-	-	-	1,01,16,109	69,97,281	
Dividend paid to	34,84,888	23,76,060	1,50,97,705	1,02,75,495	-	-	4,19,100	2,85,750	-	-	-	-	-	-	1,90,01,693	1,29,37,305	
Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	1,62,03,182	1,49,82,227	1,62,03,182	1,49,82,227	
Loans repaid during the year	-	-	-	60,00,000	-	-	-	-	-	-	-	-	-	-	-	60,00,000	
Payment received on loan given	-	-	-	-	10,00,000	85,00,000	-	-	-	-	-	-	-	-	10,00,000	85,00,000	
B) BALANCES OUTSTANDING AT THE END OF THE YEAR																	
Equity Participation in	-	-	-	-	4,31,70,238	4,29,90,738	-	-	51,87,493	51,87,493	-	-	-	-	4,83,57,731	4,81,78,231	
Equity Participation by	31,68,080	31,68,080	1,37,27,950	1,37,20,350	-	-	3,81,000	3,81,000	-	-	-	-	-	-	1,72,77,030	1,72,69,430	
Loan/finance facilities availed from	-	-	-	-	-	-	-	15,00,006	-	-	-	-	-	-	-	15,00,006	
Loan/finance facilities given to	-	-	-	-	-	10,00,000	-	-	-	-	-	-	-	-	-	10,00,000	
Receivables from	35,492	53,460	3,810,891	2,197,627	16,42,200	3,32,854	8,59,292	4,31,777	2,49,683	41,594	-	-	-	65,97,558	30,57,312		
Payables to	3,09,948	1,51,960	-	1,11,998	-	58,986	-	-	1,15,452	1,23,588	-	-	-	4,25,400	4,46,532		
Guarantee given to	-	-	-	-	4,50,00,000	4,50,00,000	-	-	-	-	-	-	-	-	4,50,00,000	4,50,00,000	
Guarantee given by	33,00,00,000	33,00,00,000	-	-	-	-	-	-	-	-	-	-	-	-	33,00,00,000	33,00,00,000	

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 years.



T. STANES AND COMPANY LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 39 - (b) Details of related party transactions during the year ended March 31, 2020 and balances outstanding as at March 31, 2020

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Company		Fellow Subsidiary Companies		Associate to Holding / Ultimate Holding Company		Associates		Key Managerial Personnel		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A) TRANSACTIONS DURING THE YEAR																
Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Stanes Amalgamated Estates Limited	-	-	-	-	53,84,555	41,51,948	-	-	38,25,693	29,80,455	-	-	-	-	38,25,693	29,80,455
Southern Tree Farms Limited	-	-	-	-	-	-	8,35,773	12,56,136	-	-	-	-	-	-	53,84,555	41,51,948
Simpson and Company Limited	-	-	14,08,972	20,73,729	-	-	-	-	-	-	-	-	-	-	8,35,773	12,56,136
Higginbothams Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,08,972	20,73,729
See Rama Vilas Services Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Addison & Co Limited	-	-	-	-	-	-	1,25,527	1,05,761	-	-	-	-	-	-	1,25,527	1,05,761
TAFE Access Limited	-	-	-	-	-	-	2,17,375	74,528	-	-	-	-	-	-	2,17,375	74,528
Tractors and Farm Equipment Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Stanes Motors (South India) Limited	-	-	-	-	-	-	4,06,970	2,84,559	-	-	-	-	-	-	4,06,970	2,84,559
Total	7,10,788	7,00,920	14,08,972	20,73,729	55,19,117	42,78,103	15,85,645	17,20,984	38,25,693	29,80,455	44,004	43,337	1,23,39,427	1,10,53,271	1,23,39,427	1,10,53,271
Service rendered to																
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
George Oakes Limited	-	-	-	-	-	-	2,71,064	2,47,859	44,004	43,337	-	-	-	-	44,004	43,337
Speed-A-Way Limited	-	-	-	-	-	-	1,46,619	1,50,013	-	-	-	-	-	-	2,71,064	2,47,859
Amalgamations Private Limited	7,10,788	7,00,920	-	-	-	-	-	-	-	-	-	-	-	-	1,46,619	1,50,013
Simpson and Company Limited	-	-	5,513,292	1,967,106	-	-	-	-	-	-	-	-	-	-	7,10,788	7,00,920
TAFE Access Limited	-	-	-	-	-	-	6,12,524	6,22,896	-	-	-	-	-	-	55,13,292	19,67,106
Bimetal Bearings Limited	-	-	-	-	-	-	40,337	43,337	-	-	-	-	-	-	6,12,524	6,22,896
Total	7,10,788	7,00,920	5,513,292	1,967,106	10,70,544	10,64,105	10,70,544	10,64,105	44,004	43,337	73,38,628	37,75,468	73,38,628	37,75,468	73,38,628	37,75,468
Interest received on Loan																
Stanes Motor Parts Limited	-	-	-	-	-	45,996	-	-	-	-	-	-	-	-	-	45,996
Stanes Motors (South India) Limited	-	-	-	-	15,305	1,91,863	-	-	-	-	-	-	-	-	15,305	1,91,863
Total	-	-	-	-	1,88,430	2,37,859	-	-	-	-	-	-	-	-	1,88,430	2,37,859
Dividend received																
Stanes Amalgamated Estates Limited	-	-	-	-	5,56,335	5,46,007	-	-	-	-	-	-	-	-	5,56,335	5,46,007
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	22,59,058	22,58,032	-	-	-	-	22,59,058	22,58,032
Total	-	-	-	-	5,56,335	5,46,007	-	-	22,59,058	22,58,032	-	-	-	-	28,15,393	28,04,039
Interest paid on Loan																
Simpson and Company Limited	-	-	-	5,58,945	-	-	-	-	-	-	-	-	-	-	-	5,58,945
Simpson & General Finance Company Limited	-	-	-	-	-	-	2,95,494	8,96,637	-	-	-	-	-	-	2,95,494	8,96,637
Total	-	-	-	5,58,945	-	-	2,95,494	8,96,637	-	-	-	-	-	-	2,95,494	8,96,637
Total	-	-	-	5,58,945	-	-	2,95,494	8,96,637	-	-	-	-	-	-	2,95,494	8,96,637



T. STANES AND COMPANY LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 38 - (b) Details of related party transactions during the year ended March 31, 2020 and balances outstanding as at March 31, 2020

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Company		Fellow Subsidiary Companies		Associate to Holding / Ultimate Holding Company		Associates		Key Managerial Personnel		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A) TRANSACTIONS DURING THE YEAR																
Purchases																
Stanes Amalgamated Estates Limited	-	-	11,528	2,755	-	-	-	-	-	-	-	-	-	-	11,528	2,755
Southern Tree Farms Limited	-	-	-	-	-	72,450	-	-	-	-	-	-	-	-	72,450	-
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	8,02,997	-	-	-	-	-	8,02,997	-
Bimetal Bearings Limited	-	-	-	-	-	-	4,88,037	-	-	-	-	-	-	-	6,08,222	6,08,222
Total			11,528	2,755		72,450	4,88,037	6,08,222	8,02,997					6,19,750	8,78,202	
Service availed from																
Amalgamations Private Limited	63,28,758	45,50,352	-	-	-	-	-	-	-	-	-	-	-	-	63,28,758	45,50,352
Stanes Motors (South India) Limited	-	-	2,14,758	80,134	-	-	-	-	-	-	-	-	-	-	2,14,758	80,134
George Oakes Limited	-	-	-	-	-	1,54,875	-	-	-	-	-	-	-	-	5,38,803	1,54,875
Sree Rama Vilas Services Limited	-	-	-	-	-	16,52,000	-	-	-	-	-	-	-	-	20,97,000	16,52,000
TAFE Access Limited	-	-	-	-	-	12,654	-	-	-	-	-	-	-	-	-	12,654
The Madras Advertising Company Pvt Ltd	-	-	-	-	-	1,95,916	-	-	-	-	-	-	-	-	6,23,190	1,95,916
Associated Printers (Madras) Private Limited	-	-	-	-	-	3,51,350	-	-	-	-	-	-	-	-	3,13,600	3,51,350
Total	63,28,758	45,50,352	2,14,758	80,134	80,134	35,72,583	3,13,600	35,72,583	3,51,350					1,01,16,109	69,97,281	
Dividend paid to																
Simpson and Company Limited	-	-	-	1,02,75,495	-	-	-	-	-	-	-	-	-	-	1,50,97,705	1,02,75,495
Amalgamations Private Limited	34,84,888	23,76,060	-	-	-	-	-	-	-	-	-	-	-	-	34,84,888	23,76,060
Simpson & General Finance Company Limited	-	-	-	-	-	1,87,500	-	-	-	-	-	-	-	-	2,75,000	1,87,500
Sri Rama Vilas Service Limited	-	-	-	-	-	88,500	-	-	-	-	-	-	-	-	1,29,800	88,500
Tractors and Farm Equipment Limited	-	-	-	-	-	9,750	-	-	-	-	-	-	-	-	14,300	9,750
Total	34,84,888	23,76,060	1,50,97,705	1,02,75,495	88,500	2,85,750	4,19,100	4,19,100	2,85,750					1,90,01,693	1,29,97,305	
Remuneration																
Mrs. Lakshmi Narayanan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,40,22,782	1,13,52,463
Mr. P.S. Bopaiah	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,49,364	14,49,364
Mr. G. Ramakrishnan	-	-	-	-	-	-	-	-	-	-	-	-	-	21,80,400	21,80,400	
Total														1,62,03,182	1,49,82,227	
Loans repaid during the year																
Simpson and Company Limited	-	-	-	60,00,000	-	-	-	-	-	-	-	-	-	-	-	60,00,000
Total				60,00,000												60,00,000
Payment received on loan given																
Stanes Motor Parts Limited	-	-	-	-	85,00,000	-	-	-	-	-	-	-	-	-	-	85,00,000
Stanes Motors (South India) Limited	-	-	10,00,000	-	-	-	-	-	-	-	-	-	-	-	10,00,000	-
Total			10,00,000												10,00,000	
Total															10,00,000	85,00,000



T. STANES AND COMPANY LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 38 - (b) Details of related party transactions during the year ended March 31, 2020 and balances outstanding as at March 31, 2020

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Company		Fellow Subsidiary Companies		Associate to Holding / Ultimate Holding Company		Associates		Key Managerial Personnel		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
B) BALANCES OUTSTANDING AT THE END OF THE YEAR																
Equity Participation in																
Stanes Motors (South India) Limited	-	-	4,10,56,605	2,90,25,975	-	-	-	-	-	-	-	-	-	-	4,10,56,605	2,90,25,975
Stanes Motor Parts Limited	-	-	21,13,633	1,20,30,630	-	-	-	-	-	-	-	-	-	-	21,13,633	1,20,30,630
Stanes Amalgamated Estates Limited	-	-	-	19,34,133	-	-	-	-	-	-	-	-	-	-	-	19,34,133
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	51,87,493	-	-	-	-	-	51,87,493	51,87,493
Equity Participation by																
Simpson and Company Limited	-	-	-	1,37,27,950	-	-	-	-	-	-	-	-	-	-	1,37,27,950	1,37,27,950
Amalgamations Private Limited	31,66,080	-	-	-	-	-	-	-	-	-	-	-	-	-	31,66,080	31,66,080
Simpson & General Finance Company Limited	-	-	-	-	-	-	2,50,000	-	-	-	-	-	-	-	2,50,000	2,50,000
Sri Rama Vilas Service Limited	-	-	-	-	-	-	1,18,000	-	-	-	-	-	-	-	1,18,000	1,18,000
Tractors and Farm Equipment Limited	-	-	-	-	-	-	13,000	-	-	-	-	-	-	-	13,000	13,000
Loan/Finance facilities availed from																
Simpson and Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Simpson & General Finance Company Limited	-	-	-	-	-	-	-	15,00,006	-	-	-	-	-	-	15,00,006	15,00,006
Loan/Finance facilities given to																
Stanes Motors (South India) Limited	-	-	-	10,00,000	-	-	-	-	-	-	-	-	-	-	-	10,00,000
Stanes Motor Parts Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables																
Addison & Co Limited	-	-	-	-	-	-	18,632	-	-	-	-	-	-	-	18,632	18,632
Bimetal Bearings Limited	-	-	-	-	-	-	-	15,067	-	-	-	-	-	-	15,067	15,067
Stanes Amalgamated Estates Limited	-	-	16,42,200	2,13,515	-	-	-	-	-	-	-	-	-	-	16,42,200	2,13,515
Speed-A-Way Limited	-	-	-	-	-	-	13,096	12,774	-	-	-	-	-	-	13,096	12,774
George Oakes Limited	-	-	-	-	-	-	70,403	1,21,494	-	-	-	-	-	-	70,403	1,21,494
TAFE Access Limited	-	-	-	-	-	-	1,06,189	-	-	-	-	-	-	-	1,06,189	1,06,189
Stanes Motors (South India) Limited	-	-	-	1,19,339	-	-	-	-	-	-	-	-	-	-	-	1,19,339
Tractors and Farm Equipment Limited	-	-	-	-	-	-	55,730	13,350	-	-	-	-	-	-	55,730	13,350
Southern Tree Farms Limited	-	-	-	-	-	-	5,35,750	2,55,331	-	-	-	-	-	-	5,35,750	2,55,331
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	2,49,683	41,594	-	-	-	-	2,49,683	41,594
Simpson and Company Limited	-	-	-	38,10,891	-	-	-	-	-	-	-	-	-	-	38,10,891	21,97,627
Sri Rama Vilas Service Limited	-	-	-	-	-	-	59,492	-	-	-	-	-	-	-	59,492	13,761
Amalgamations Private Limited	35,492	53,460	-	-	-	-	-	-	-	-	-	-	-	-	35,492	53,460
Payables																
Amalgamations Private Limited	3,09,948	1,51,960	-	-	-	-	-	-	-	-	-	-	-	-	3,09,948	1,51,960
Simpson and Company Limited	-	-	-	1,11,998	-	-	-	-	-	-	-	-	-	-	-	1,11,998
Stanes Motors (South India) Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	58,986
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Southern Tree Farms Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TAFE Access Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Stanes Amalgamated Estates Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
George Oakes Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bimetal Bearings Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Guarantee given to	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Stanes Motor Parts Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Stanes Motors (South India) Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Guarantee given by																
Simpson and Company Limited and Amalgamations Private Limited	33,00,00,000	33,00,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000
	33,00,00,000	33,00,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000	4,50,00,000



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

NOTE 40 : SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Financial Statements.

Operating lease commitments – Company as lessor

The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Property, Plant and Equipment and Investment Property

Property The Company has estimated the useful life of Property, Plant and equipment and Investment Property as per the useful life prescribed in Schedule II of the Companies Act, 2013.

Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment leave encashment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about defined benefit obligations are given in Note 41.

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Note 41 : EMPLOYEE BENEFITS PLANS	₹	₹
a) Defined contribution plans		
The Company makes Provident Fund, Superannuation Fund and Employee 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	1,42,43,178	1,38,43,039
Contribution to Superannuation Fund	15,07,095	18,00,656
Contribution to Employee State Insurance Scheme	26,07,348	35,07,965
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.		

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹	₹
Note 41 : EMPLOYEE BENEFITS PLANS — (Contd.)		
Change in projected benefit obligations		
Projected obligation at beginning of the year	7,76,62,683	6,88,49,410
Current Service Cost	57,47,693	41,55,545
Interest Cost	58,24,701	55,07,953
Benefits Paid	(66,54,350)	(87,67,430)
Actuarial gain/(Loss) on obligation	11,46,755	79,17,205
Projected obligation as at end of the year	8,37,27,482	7,76,62,683
Change in plan assets		
Plan assets at beginning of the year, at fair value	7,64,00,058	7,03,55,773
Expected return on plan assets	62,16,366	54,16,723
Contributions	95,73,352	93,94,992
Benefits paid	(66,54,350)	(87,67,430)
Actuarial Gain /(Loss) on plan assets	-	-
Plan assets at the end of the year, at fair value	8,55,35,426	7,64,00,058
Amount recognised in the Balance Sheet		
Projected obligation as at end of the year	8,37,27,482	7,76,62,683
Plan assets at the end of the year, at fair value	8,55,35,426	7,64,00,058
Funded status surplus / (deficit)	18,07,944	(12,62,625)
Unrecognized past service cost	-	-
Net Asset / (Liability) recognized in Balance Sheet	18,07,944	(12,62,625)
Expenses recognised in Statement of Profit and Loss		
Current Service Cost	57,47,693	41,55,545
Interest Cost	58,24,701	55,07,953
Expected return on plan assets	(62,16,366)	(54,16,723)
Re-measurement - Actuarial Gain / (Loss) recognised in OCI	(11,46,755)	(79,17,205)
Total expenses recognised in Statement of Profit and Loss	65,02,783	1,21,63,980
Composition of plan assets		
Insurer Managed Asset **	8,55,35,426	7,64,00,058
Actuarial Assumptions		
Discount Rate	7.50%	7.50%
Salary Escalation	7.00%	7.00%
Rate of return on plan assets	7.43%	7.43%
Attrition rate	3.00%	3.00%
Mortality rate	#	#
Sensitivity analysis DBO end of period		
Discount rate +100 basis points	(32,15,751)	(40,26,742)
Discount rate -100 basis points	34,81,494	18,54,957
Salary growth +100 basis points	32,15,809	20,33,094
Salary growth -100 basis points	(30,28,287)	(39,91,220)



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Note 41 : EMPLOYEE BENEFITS PLANS — (Contd.)	₹	₹
Expected cash flows for following years		
Within one year	2,00,53,282	99,07,618
1 - 2 years	1,30,23,267	1,62,10,370
2 - 3 years	98,42,284	1,16,24,879
3 - 4 years	93,43,152	1,07,12,430
4 - 5 years	73,28,879	69,05,211
5 - 6 years	3,25,02,699	77,57,870
6 - 10 years	2,29,95,483	2,43,98,133
<p>i) The estimates of future salary increases considered in the actuarial valuation take account of inflation seniority promotion and other relevant factors such as supply and demand in the employment market. The above information is actuarially determined upon which reliance is placed by the auditors.</p> <p>ii) The details of experience adjustments arising on account of plan assets and plan liabilities on employee benefits are not readily available in the actuarial valuation report and hence not furnished.</p> <p>iii) 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.</p> <p>** 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.</p> <p># Depending on age LIC(2006-08) ultimate</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:</p> <p>A decrease in the bond interest rate will increase the plan liability.</p> <p>Longevity Risk:</p> <p>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:</p> <p>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	For the year ended March 31, 2020	For the year ended March 31, 2019
C) Long Term Compensated Absences	₹	₹
Actuarial Assumptions		
Discount Rate	7.25%	6.98%
Salary Escalation	5.00%	8.11%
Attrition rate	1.00%	3.00%
Mortality rate	#	#

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019		
Note 42: SEGMENT REPORTING	₹	₹		
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				
b) The Company's main operating geographical segment is in India. Hence, secondary segment reporting is not applicable.				
Note 43 : EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY				
a) Gross amount required to be spent by the Company during the year	34,80,000	33,35,000		
b) Amount spent during the year on:				
i) Construction / acquisition of any asset	-	-		
ii) On purposes other than (i) above (Amount Fully Paid)	34,80,000	34,00,000		
Note 44 : 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	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Financial Assets	₹	₹	₹	₹
Non-current investments	4,84,02,231	4,82,22,731	20,46,11,853	30,70,52,136
Other non-current financial assets	43,07,828	41,04,875	43,07,828	41,04,875
Trade receivables	94,60,26,894	88,15,16,796	94,60,26,894	88,15,16,796
Cash and cash equivalents	1,65,88,680	6,36,49,277	1,65,88,680	6,36,49,277
Loans	50,00,000	10,00,000	50,00,000	10,00,000
Other current financial assets	1,01,24,811	1,27,67,900	1,01,24,811	1,27,67,900
Total	103,04,50,444	101,12,61,579	118,66,60,066	127,00,90,984
Financial Liabilities				
Current borrowings	6,08,19,109	1,19,87,804	6,08,19,109	1,19,87,804
Trade payables	57,13,13,241	70,01,30,619	57,13,13,241	70,01,30,619
Other current financial liabilities	9,22,05,538	9,44,34,388	9,22,05,538	9,44,34,387
Total	72,43,37,888	80,65,52,811	72,43,37,888	80,62,75,980
The management assessed that cash and cash equivalents, trade receivables, other financial assets, trade payables, current borrowings and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.				



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 45: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of trade payables. The Company has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Management Committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

A. 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.

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.

B. CREDIT RISK

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Financial instruments that are subject to concentrations of credit risk, principally consist of trade receivables and loans and advances. None of the financial instruments of the Company result in material concentrations of credit risks. Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. As at 31 March 2020, the Company has Nil customers (31 March 2019: Nil customers), the receivables from whom exceeds 5% of total receivables outstanding. Credit risk from balances with banks and investment of surplus funds in bank deposits is managed by the Company's treasury department. The objective is to minimise the concentration of risks and therefore mitigate financial loss.

C. LIQUIDITY RISK

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company invests its surplus funds in bank fixed deposit, which carry no/low mark to market risks.

D. 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.

Note 46:

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

P.M. VENKATASUBRAMANIAN

Director
DIN : 00001579

S. RAMANUJACHARI

Director
DIN : 00001776

Place : Chennai
Date : 24 July, 2020

LAKSHMI NARAYANAN

Whole-time Director
DIN : 02539061
Place : Coimbatore
Date : 24 July, 2020

G. RAMAKRISHNAN

Company Secretary
Place : Hyderabad
Date : 24 July, 2020



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

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 (SouthIndia) Limited	31, March 2020	INR	1,50,00,000	2,90,20,382	6,17,08,323	10,57,28,705	9,200	22,45,14,355	50,11,342	9,32,243	40,79,099	Nil	100%
2	Stanes Amalgamated Estates Limited	31, March 2020	INR	1,10,74,990	8,50,07,356	2,38,25,297	11,99,07,643	1,01,15,585	10,79,57,426	(2,71,72,113)	8,22,622	(2,79,94,735)	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, 2020, 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, 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, 2020, 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 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 other information comprises the information included in the Director's report including the annexures to the Director's report, but does not include the consolidated 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 consolidated financial statements, our responsibility is to read other information, compare with the consolidated financial statements 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.



- 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)(i) 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.

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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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, returns 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 Parents on March 31, 2020 taken on record by the Board of Directors of the Company and subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2020 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.

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

Balaji. M.N
Partner
(Membership No. 202094)
(UDIN: 20202094AAAACD3471)

Place : Bengaluru
Date : 24 July, 2020



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 financial statements of the T. Stanes and Company Limited (hereinafter referred to as "Parent") as of and for the year ended 31 March, 2020, we have audited the internal financial controls over financial reporting of which includes internal financial controls over financial reporting of the Parent and its subsidiaries, which are 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 subsidiaries, 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 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 the Parent and its subsidiaries, 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 31 March, 2020, 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.

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

Balaji. M.N
Partner
(Membership No. 202094)
(UDIN: 20202094AAAACD3471)

Place : Bengaluru
Date : 24 July, 2020



T. STANES AND COMPANY LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

Particulars	Note No.	As at March 31, 2020 ₹	As at March 31, 2019 ₹
ASSETS			
Non-current Assets			
Property, plant and equipment	3	31,32,96,355	29,50,03,766
Investment property	4	1,27,11,393	1,32,44,786
Financial assets			
i) Investments	5	17,15,66,400	30,77,69,312
ii) Others	6	65,35,270	64,58,712
Other non-current assets	7	91,38,775	36,02,208
Total non-current assets		51,32,48,193	62,60,78,784
Current Assets			
Inventories	8	50,99,55,953	48,47,58,144
Financial assets			
i) Trade receivables			
Trade receivables considered good - Unsecured	9	99,94,70,541	95,06,63,871
ii) Cash and cash equivalents	10	3,25,37,164	8,61,92,706
iii) Other financial assets	6	1,09,64,294	1,35,11,917
Other current assets	7	4,97,07,598	6,60,30,634
Total current assets		160,26,35,550	160,11,57,272
TOTAL ASSETS		211,58,83,743	222,72,36,056
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	2,36,61,840	2,36,61,840
Other equity	12	113,83,58,455	114,27,32,017
Equity attributable to owners of the Company		116,20,20,295	116,63,93,857
Non-controlling interest		4,78,16,865	6,46,32,569
Total Equity		120,98,37,160	123,10,26,426
Liabilities			
Non-current Liabilities			
Financial liabilities			
Provisions	18	1,46,33,755	1,34,84,536
Deferred tax liabilities (net)	19	1,06,14,124	1,62,40,890
Total non-current liabilities		2,52,47,879	2,97,25,426
Current Liabilities			
Financial liabilities			
i) Borrowings	14	8,22,21,620	4,04,68,937
ii) Trade payables	15		
Total outstanding dues of micro enterprises and small enterprises		21,97,778	27,17,909
Total outstanding dues of creditors other than micro enterprises and small enterprises		61,75,26,123	74,75,47,434
iii) Other financial liabilities	16	9,62,19,703	9,75,87,725
Current tax liabilities (net)		1,33,95,280	1,42,50,121
Other current liabilities	17	6,80,40,121	6,26,95,143
Provisions	18	11,98,079	12,16,935
Total current liabilities		88,07,98,704	96,64,84,204
TOTAL EQUITY AND LIABILITIES		211,58,83,743	222,72,36,056
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)

A. KRISHNAMOORTHY

Chairman
DIN : 00001778

LAKSHMI NARAYANAN

Whole-time Director
DIN : 02539061
Place : Coimbatore
Date : 24 July, 2020

BALAJI. M.N

Partner
Membership No. 202094

P.M. VENKATASUBRAMANIAN

Director
DIN : 00001579

S. RAMANUJACHARI

Director
DIN : 00001776

G. RAMAKRISHNAN

Company Secretary
Place : Hyderabad
Date : 24 July, 2020

Place : Bengaluru
Date : 24 July, 2020

Place : Chennai
Date : 24 July, 2020

T. STANES AND COMPANY LIMITED



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Note No.	For the year ended March 31, 2020 ₹	For the year ended March 31, 2019 ₹
REVENUE			
a) Revenue from operations	20	357,56,19,527	333,44,65,502
b) Other income	21	2,42,03,824	2,20,66,287
Total Income		359,98,23,351	335,65,31,789
EXPENSES			
a) Cost of materials consumed	22	127,45,15,618	122,91,50,562
b) Purchases of stock-in-trade (traded goods)	23	118,27,96,220	101,49,29,803
c) Changes in inventories of finished goods and stock-in-trade"	24	(4,87,90,274)	(7,77,79,198)
d) Employee benefits expense	25	45,95,12,601	43,80,23,312
e) Finance costs	26	78,75,236	98,32,838
f) Depreciation expense	29	3,54,87,239	3,29,84,798
g) Other expenses	27	52,52,06,105	52,92,47,401
Total Expenses		343,66,02,745	317,63,89,516
Profit before tax		16,32,20,606	18,01,42,273
Tax expense			
Net current tax		5,02,82,182	6,40,95,229
Deferred tax		(57,80,790)	(22,56,917)
Net tax expense	28	4,45,01,392	6,18,38,312
Profit for the year		11,87,19,214	11,83,03,961
Other comprehensive income (OCI)			
i) Items that will not be reclassified to profit or loss			
a) Re-measurements of the defined benefit plans		(2,32,904)	(81,75,346)
b) Equity instruments through OCI		(10,74,84,510)	(2,45,02,413)
ii) Income tax on items that will not be reclassified to profit or loss		(1,45,976)	(78,94,686)
Total Other comprehensive income / (loss)		(10,75,71,438)	(2,47,83,073)
Total comprehensive income for the year		1,11,47,776	9,35,20,888
Profits attributable to			
Non-controlling interest		(1,39,32,013)	(74,11,743)
Owners of the Company		13,26,51,227	12,57,15,704
Other comprehensive income attributable to			
Non-controlling interest		(20,09,426)	17,31,124
Owners of the Company		(10,55,62,012)	(2,65,14,197)
Total comprehensive income attributable to			
Non-controlling interest		(1,59,41,439)	(56,80,619)
Owners of the Company		2,70,89,215	9,92,01,507
		1,11,47,776	9,35,20,888
Earnings per share (of ₹ 10/- each):			
Basic and Diluted (in ₹)	38	50.17	50.00
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)

A. KRISHNAMOORTHY

Chairman

DIN : 00001778

LAKSHMI NARAYANAN

Whole-time Director

DIN : 02539061

Place : Coimbatore

Date : 24 July, 2020

BALAJI. M.N

Partner

Membership No. 202094

P.M. VENKATASUBRAMANIAN

Director

DIN : 00001579

S. RAMANUJACHARI

Director

DIN : 00001776

G. RAMAKRISHNAN

Company Secretary

Place : Hyderabad

Date : 24 July, 2020

Place : Bengaluru

Date : 24 July, 2020

Place : Chennai

Date : 24 July, 2020



T. STANES AND COMPANY LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

a. Equity share capital

Particulars	As at March 31, 2020 ₹	As at March 31, 2019 ₹
Equity shares with voting rights		
At the beginning of the year	2,36,61,840	2,36,61,840
Less :- Buy back of Shares	-	-
At the end of the year	2,36,61,840	2,36,61,840

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	32,47,099	42,75,420	13,14,240	55,24,96,830	23,09,77,199	27,55,10,967	106,78,21,755
Profit for the year	-	-	-	-	12,57,15,704	-	12,57,15,704
On account of bussiness combinations	-	-	1,58,045	4,94,61,950	35,25,340	-	5,31,45,335
Transfer from other comprehensive income	-	-	-	-	85,40,316	-	85,40,316
Transfer to General Reserve	-	-	-	5,00,00,000	(5,00,00,000)	-	-
Remeasurements of the defined benefit liabilities / (asset)	-	-	-	-	-	(93,57,406)	(93,57,406)
Equity instruments through OCI	-	-	-	-	-	(2,19,67,316)	(2,19,67,316)
Income tax on items that will not be reclassified to profit or loss	-	-	-	-	-	31,38,792	31,38,792
Payment of Dividends	-	-	-	-	(18300,920)	-	(1,83,00,920)
Corporate tax on dividend	-	-	-	-	(3761,808)	-	(37,61,808)
Consolidation adjustment	-	-	-	-	(62242,435)	-	(6,22,42,435)
Balance at 31 March 2019	32,47,099	42,75,420	14,72,285	65,19,58,780	23,44,53,396	24,73,25,037	114,27,32,017
Profit for the year	-	-	-	-	13,26,51,227	-	13,26,51,227
Transfer to General Reserve	-	-	-	5,00,00,000	(5,00,00,000)	-	-
On account of consolidation	-	-	-	-	-	-	-
Transfer from other comprehensive income	-	-	-	-	16,84,261	(16,84,261)	-
Remeasurements of the defined benefit liabilities / (asset)	-	-	-	-	-	(7,32,887)	(7,32,887)
Equity instruments through OCI	-	-	-	-	-	(10,50,63,503)	(10,50,63,503)
Income tax on items that will not be reclassified to profit or loss	-	-	-	-	-	2,34,378	2,34,378
Payment of Dividends	-	-	-	-	(2,60,28,024)	-	(2,60,28,024)
Corporate tax on dividend	-	-	-	-	(54,65,061)	-	(54,65,061)
Consolidation adjustment	-	-	-	-	30,308	-	30,308
Balance at 31 March 2020	32,47,099	42,75,420	14,72,285	70,19,58,780	28,73,26,107	14,00,78,764	113,83,58,455
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)

BALAJI. M.N

Partner
Membership No. 202094

Place : Bengaluru
Date : 24 July, 2020

A. KRISHNAMOORTHY

Chairman
DIN : 00001778

P.M. VENKATASUBRAMANIAN

Director
DIN : 00001579

Place : Chennai
Date : 24 July, 2020

S. RAMANUJACHARI

Director
DIN : 00001776

LAKSHMI NARAYANAN

Whole-time Director
DIN : 02539061
Place : Coimbatore
Date : 24 July, 2020

G. RAMAKRISHNAN

Company Secretary
Place : Hyderabad
Date : 24 July, 2020

T. STANES AND COMPANY LIMITED



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended 31 st March, 2020 ₹		For the year ended 31 st March, 2019 ₹	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax		16,32,20,606		18,01,42,273
Adjustments for :				
Depreciation expense	3,54,87,239		3,29,84,798	
Loss on sale of fixed assets (net)	(20,65,962)		10,56,779	
Net gain on sale of investments	(1,68,637)		(1,51,975)	
Allowance for bad and doubtful debts	(2,85,281)		17,95,016	
Bad debts write off net	2,97,115		27,61,162	
Impairment of Property, plant & equipment	27,68,153		(19,00,000)	
Re-measurement gains and (losses) on defined benefit/Plans	(11,46,755)		(81,75,346)	
Dividend income	(38,33,071)		(38,06,674)	
Interest Income	(16,98,736)		(18,81,180)	
Finance costs	79,19,360	3,72,73,425	98,32,838	3,25,15,418
Operating profit before working capital changes		20,04,94,031		21,26,57,691
Changes in working capital				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(2,51,97,809)		(14,20,01,776)	
Trade receivables	(5,25,31,158)		(4,91,84,097)	
Other financial assets	81,69,030		1,31,88,247	
Other assets	1,79,38,016		(43,70,412)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(13,17,67,260)		13,43,17,210	
Other financial liabilities	(44,142)		38,55,596	
Other liabilities	71,27,217		(2,15,79,911)	
Provisions	11,30,363		13,43,929	
		(17,51,75,743)		(6,44,31,214)
Cash generated from operations		2,53,18,288		14,82,26,477
Income taxes (paid)/ refund		(5,18,55,380)		(5,92,25,356)
Net cash flow from operating activities (A)		(2,65,37,092)		8,90,01,121
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property plant and equipment	(5,88,27,288)		(3,66,16,998)	
Proceeds from sale of property plant and equipment	23,59,042		61,66,773	
Proceeds from sale of long-term investments (net)	2,87,07,539		3,31,53,136	
Other bank balances	(61,49,593)		(23,65,321)	
Interest received	14,63,753		21,63,914	
Dividend received	39,22,259		36,97,119	
Net cash flow used in Investing activities (B)		(2,85,24,288)		61,98,623



T. STANES AND COMPANY LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020 — (Contd.)

Particulars	For the year ended 31 st March, 2020 ₹		For the year ended 31 st March, 2019 ₹	
	C. CASH FLOW FROM FINANCING ACTIVITIES			
Loans repaid to Holding company	-		(60,00,000)	
Net increase / (decrease) in working capital borrowings	4,88,31,305		(3,03,58,738)	
Net increase / (decrease) long-term borrowings	(1,35,78,628)		38,50,291	
Finance costs paid	(48,062)		(1,00,98,369)	
Dividends paid	(2,95,40,432)		(1,88,53,879)	
Distribution tax on dividend	(53,50,705)		(38,75,471)	
Net cash flow used in Financing activities (C)		3,13,478		(6,53,36,166)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(5,47,47,902)		2,98,63,578
Cash and cash equivalents at the beginning of the year		7,09,21,873		3,63,67,399
Cash and cash equivalents through bussiness combinations				46,90,896
Cash and cash equivalents at the end of the year		1,61,73,971		7,09,21,873
Cash and cash equivalents at the end of the year comprises				
a) Cash on hand	28,79,242		22,25,958	
b) Cheques on hand	49,12,355		3,73,59,477	
c) Balances with banks				
i) In current accounts	83,82,374		2,52,61,719	
ii) In deposit accounts - Original maturity of 3 months or less	-		60,74,719	
		1,61,73,971		7,09,21,873
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)

BALAJI. M.N

Partner
Membership No. 202094

Place : Bengaluru
Date : 24 July, 2020

A. KRISHNAMOORTHY

Chairman
DIN : 00001778

P.M. VENKATASUBRAMANIAN

Director
DIN : 00001579

Place : Chennai
Date : 24 July, 2020

S. RAMANUJACHARI

Director
DIN : 00001776

LAKSHMI NARAYANAN

Whole-time Director
DIN : 02539061
Place : Coimbatore
Date : 24 July, 2020

G. RAMAKRISHNAN

Company Secretary
Place : Hyderabad
Date : 24 July, 2020

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

4. 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 and has become subsidiary of the Parent Company with effect from January 25, 2019, 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 the section 133 of Companies Act 2013, the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

Except for the changes below, the company has consistently applied accounting policies to all periods.

1. The company adopted Ind AS 116 'leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 - Leases and related interpretation guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Company has evaluated the effect of this amendment on the financial statements and concluded that the impact is not material. As a result, the comparative information has not been restated.
2. Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.
3. Amendment to Ind AS 19 'Employee Benefits': On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 'Employee Benefits' in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that this amendment is currently not applicable.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS — (Contd.)

4. Amendment to Ind AS 12 'Income Taxes': On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.

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.

Associate

Associates are all entities over which the Company has significant influence but not control or joint control. This is generally the case where the Company holds between 20% and 50% of the voting rights. Investment in associates are accounted for using the equity method of accounting after initially being recognised at cost.

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 17, 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 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments 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.

2.2 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.

2.3 Cash flow statement

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

2.4 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. Capital work-in-progress represents cost of fixed assets that are not yet ready for their intended use.

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.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS — (Contd.)

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.

2.5 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.

2.6 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 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 to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The recoverable amount is the 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.

2.7 Inventories

Raw materials, finished goods and trading stock are valued at lower of cost (identified direct overheads where ever applicable) and net realizable value. Cost is determined using moving average method. Net realisable value is the estimates 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 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 and other rebates/schemes incentives to dealers. Revenue from sale of services is recognised when the services are rendered and related costs are incurred. 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.

2.9 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 leave encashment 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) Leave encashment is paid to eligible employees upon retirement.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS — (Contd.)

2.10 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 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.

2.11 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 up to the date of sale or disposal of assets.

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.

2.12 Business Segments

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

2.13 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.

2.14 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.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS — (Contd.)

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.

2.15 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.

2.16 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.

2.17 Investments

Investments 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.

The Company has selected to continue with the carrying value of its Investments in Subsidiaries, and Associates, recognised as of 1st April 2015, measured as per the previous GAAP and use that carrying value as it's deemed cost as of the transition date.

2.18 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.

2.19 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.

2.20 Cash dividend to equity holders of the company

The Group recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 3: PROPERTY, PLANT AND EQUIPMENT

DESCRIPTION OF ASSETS	Land	Buildings	Plant and Equipment	Furniture	Office Equipment	Electric Fitting	Vehicles	Laboratory Equipment	Bearer Plant	Total
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Deemed Cost										
Balance as at April 01, 2018	1,21,84,032	12,62,48,685	11,64,55,383	60,21,291	36,66,729	51,42,164	5,23,65,326	83,24,902	-	33,04,08,512
Additions on account of consolidation	66,17,272	1,37,71,681	2,23,92,264	19,06,711	-	-	32,72,695	-	1,08,22,353	5,87,82,976
Additions	-	40,92,974	1,57,37,335	1,65,038	7,15,466	5,34,792	1,21,14,844	28,48,829	-	3,62,09,278
Disposals	-	-	92,64,678	2,598	4	19,580	20,92,044	-	-	1,13,78,904
Balance as at March 31, 2019	1,88,01,304	14,41,13,340	14,53,20,304	80,90,442	43,82,191	56,57,376	6,56,60,821	1,11,73,731	1,08,22,353	4,14,021,862
Additions	-	1,42,22,195	1,80,66,562	72,964	4,40,772	23,25,756	1,47,86,354	38,19,482	-	5,37,34,085
Disposals	-	-	3,21,281	43,960	17,208	59,501	43,50,516	-	-	47,92,466
Balance as at March 31, 2020	1,88,01,304	15,83,35,535	16,30,65,585	81,19,446	48,05,755	79,23,631	7,60,96,659	1,49,93,213	1,08,22,353	46,29,63,481
Accumulated Depreciation										
Balance as at April 01, 2018	-	1,57,31,298	3,57,26,536	32,39,629	21,38,618	28,56,142	1,84,54,042	30,74,691	-	8,12,20,956
Additions on account of consolidation	-	36,72,933	50,05,814	3,90,415	-	-	13,97,914	-	10,21,222	1,14,88,298
Impairment Losses	-	-	19,00,000	-	-	-	-	-	-	19,00,000
Depreciation for the year	-	56,34,945	1,56,54,452	10,14,659	4,49,523	4,33,764	81,83,701	10,16,650	2,54,951	3,26,42,645
On disposals	-	-	26,55,536	2,380	-	9,385	17,66,502	-	-	44,33,803
Balance as at March 31, 2019	-	2,50,39,176	5,18,31,266	46,42,323	25,88,141	32,80,521	2,62,69,155	40,91,341	12,76,173	11,90,18,096
Depreciation for the year	-	57,88,735	1,66,39,128	10,14,099	5,72,532	4,35,366	89,35,420	15,08,462	2,54,674	3,51,48,416
On disposals	-	-	3,21,246	43,959	17,206	55,587	40,61,388	-	-	44,99,386
Balance as at March 31, 2020	-	3,08,27,911	6,81,49,148	56,12,463	31,43,467	36,60,300	3,11,43,187	55,99,803	15,30,847	14,96,67,126
Carrying amount as at March 31, 2019	1,88,01,304	11,90,74,164	9,34,89,038	34,48,119	17,94,050	23,76,855	3,93,91,666	70,82,390	95,46,180	29,50,03,766
Carrying amount as at March 31, 2020	1,88,01,304	12,75,07,624	9,49,16,437	25,06,983	16,62,288	42,63,331	4,49,53,472	93,93,410	92,91,506	31,32,96,355

Notes :

- Refer note 14(1) for details of assets pledged as security
- Addition for the year includes ₹.29,54,394 made in the approved in-house R&D Center

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Land	Buildings	Total
Note 4: INVESTMENT PROPERTY			
DEEMED COST			
Balance as at March 31, 2019	91,39,617	56,18,981	1,47,58,598
Additions / (Deletions) during the year	(1,94,570)	-	(1,94,570)
Balance as at March 31, 2020	89,45,047	56,18,981	1,45,64,028
Accumulated Depreciation			
Balance as at March 31, 2019	-	15,13,812	15,13,812
Depreciation for the year	-	3,38,823	3,38,823
Balance as at March 31, 2020	-	18,52,635	18,52,635
Carrying amount as at March 31, 2019	91,39,617	41,05,169	1,32,44,786
Carrying amount as at March 31, 2020	89,45,047	37,66,346	1,27,11,393

4.1 Information regarding income and expenditure of Investment property

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹	₹
Rental Income derived from investment properties	64,81,310	42,92,378
Direct operating expenses*	4,56,649	4,18,453
Profit arising from investment properties before depreciation and indirect expenses	60,24,661	38,73,925
Less: Depreciation	3,38,823	3,42,153
Profit arising from investment properties before indirect expenses	56,85,838	35,31,772

*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 nine (ten previous year) properties in India. As at March 31, 2020 and March 31, 2019, the fair values of the properties are ₹.44,37,67,534 and ₹ 44,55,23,313. 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, 2020

Particulars	Nominal value per share	As at March 31, 2020		As at March 31, 2019	
		No. of shares	₹	No. of shares	₹
Note 5: INVESTMENTS					
NON CURRENT					
A. Investments at cost (Unquoted)					
In Equity shares (Fully paid)					
South Western Engineering India Limited	1,000	22	22,000	22	22,000
Amalgamation Repco Limited	10	-	-	35,000	42,35,000
The Tamilnadu Tea Manufacturers' Service Industrial Co-op.Society Limited	5,000	5	25,000	5	25,000
Sub Total			47,000		42,82,000
Other Investments at cost					
In Government Securities - NSC			71,700		71,700
NTPC LTD Tax Free Secured Non Convertible Bonds	1,000	474	4,99,122	474	5,19,324
IRFC Tax Free Bonds-2013	1,000	1000	12,89,000	1,000	12,00,000
NTPC LTD Non-convertible debentures	13	1500	19,665	1,500	18,915
Subtotal			18,79,487		18,09,939
Total investments carried at cost			19,26,487		60,91,939
B. Investments 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	16,28,45,022	8,74,194	27,58,51,916
Coal India Limited	10	3,000	4,20,150	3,000	7,11,600
Engineers India Limited	5	2,000	1,20,100	2,000	2,34,600
Indian Oil Corporation Limited	10	10,000	8,16,500	10,000	16,28,500
NHPC Limited	10	23,000	4,58,850	23,000	5,68,100
NMDC Limited	1	7,000	5,60,000	7,000	7,31,150
NTPC Limited	10	1,800	1,51,560	1,800	2,42,460
NLC India Limited	10	7,000	3,07,300	7,000	4,85,800
Oil India Limited	10	12,999	10,74,368	12,999	24,10,665
Oil and Natural Gas Corporation Limited	5	14,000	9,56,200	14,000	22,36,500
Saint Gobain Glass Limited	10	10,000	3,08,500	10,000	5,81,500
Shipping Corporation of India Limited	10	8,000	3,00,000	8,000	3,02,400
SJVN Limited	10	11,500	2,38,625	11,500	2,78,300
Tata Steel Limited	2	280	75,488	280	1,45,880
Housing and Urban Development Corporation Limited	1	10,000	2,00,000	10,000	4,49,000
Bharat Heavy Electricals Limited	10	6,000	1,24,800	6,000	4,49,700
Schneider Electric Limited	10	3,000	1,97,100	3,000	3,36,900
ITC Limited	10	3,000	5,15,100	3,000	8,91,750
Sintex Industries Limited	10	10,000	6,500	10,000	84,500
Reliance Home Finance Limited	10	5,000	3,750	5,000	1,43,750
Total investment carried at Fair value			16,96,79,913		28,87,64,971

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Nominal value per share	As at March 31, 2020		As at March 31, 2019	
		No. of shares	₹	No. of shares	₹
Note 5: INVESTMENTS — (Contd.)					
NON CURRENT					
C. Designated As Fair Value Through Profit And Loss					
Quoted Investments in Mutual Funds					
HDFC FMP 1140 D March 2016 (1) Normal Dividend - Series 35	10			1,50,000	19,67,685
Canara Rebeco Capital Protection Fund	10			1,00,000	11,56,920
HDFC FMP 1128 D June 2016 Regular Growth	10			3,00,000	37,72,260
ICICI Prudential Opportunities Fund -Dividend	10			50,000	5,40,500
ICICI Prudential Opportunities Fund -Dividend	10			1,00,000	10,81,000
ICICI Balanced Advantange Fund -Dividend	10			66,711	10,30,687
Tata Balanced Advantage Fund -Regular Plan-Dividend	10			50,000	5,05,970
Tata Balanced Advantage Fund -Regular Plan-Dividend	10			50,000	5,05,970
HDFC Income Fund Regular Plan - Quarterly Dividend	10			24,456	2,66,336
Tata Balanced Advantage fund				2,10,000	21,25,074
Investments carried at FVTPL [B]				-	1,29,52,402
Total investments			17,16,06,400		30,78,09,312
Less:- Impairment value of investments carried at cost			40,000		40,000
Total			17,15,66,400		30,77,69,312



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at March 31, 2020	As at March 31, 2019
Note 6 : OTHER FINANCIAL ASSETS	₹	₹
NON CURRENT		
Unsecured, considered good :-		
Security deposit	65,35,270	64,58,712
Total	65,35,270	64,58,712
CURRENT		
Unsecured, considered good :-		
Rent deposits	49,59,078	53,66,975
Rental income from properties receivable	1,01,397	1,07,493
Interest accrued on deposits and others	2,71,272	1,73,993
Agency commision receivable	47,95,859	70,26,768
Dividend income from investments	8,36,688	8,36,688
Total	1,09,64,294	1,35,11,917
Note 7 : OTHER ASSETS		
NON CURRENT		
Unsecured, considered good :		
Capital advances	77,35,108	25,57,000
Prepaid expenses	7,00,000	8,00,000
Due from Gratuity fund	7,03,667	2,45,208
Total	91,38,775	36,02,208
CURRENT		
Unsecured, considered good :		
Prepaid expenses	27,08,039	19,53,009
Advances to employees	17,62,439	15,08,815
Balances with government authorities	2,03,66,941	2,62,11,996
Advances Income Tax	10,18,358	-
Advances - trade and supplies	2,23,24,135	3,58,26,617
Others	15,27,686	5,30,197
Total	4,97,07,598	6,60,30,634
Note 8 : INVENTORIES		
At lower of cost and net realisable value:		
Raw materials	9,73,89,834	12,55,93,876
Finished goods	22,36,12,256	21,11,55,522
Stock-in-trade	14,56,74,176	10,93,40,636
Stores and spares	4,32,79,687	3,86,68,110
Total	50,99,55,953	48,47,58,144
Note: Refer Note 14(1) for details of Inventory pledged as security.		

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at March 31, 2020	As at March 31, 2019		
	₹	₹		
Note 9 : TRADE RECEIVABLES				
Unsecured, considered good :-				
a) Secured, considered good	4,47,00,029	5,98,91,502		
b) Unsecured, considered good	95,75,16,715	89,64,45,501		
	100,22,16,744	95,63,37,003		
Less: Allowance for credit losses	27,46,203	56,73,132		
Total	99,94,70,541	95,06,63,871		
Note 10 : CASH AND CASH EQUIVALENTS				
A. Cash and cash equivalents (as per Cash Flow Statement)				
a) Cash on hand	28,79,242	22,25,958		
b) Cheques on hand	49,12,355	3,73,59,477		
c) Balances with banks				
i) In current accounts	83,82,374	2,52,61,719		
ii) In deposit accounts - Original maturity of 3 months or less		60,74,719		
Total - Cash and cash equivalents (as per Cash Flow Statement) (A)	1,61,73,971	7,09,21,873		
B. Other Bank Balances				
i) In Deposit accounts - Remaining maturity less than 12 months.	98,13,686	91,35,942		
ii) In earmarked accounts				
- Unpaid dividend accounts	51,12,722	49,90,160		
- Margin money with bank	14,36,785	11,44,731		
Total - Other bank balances (B)	1,63,63,193	1,52,70,833		
Total Cash and cash equivalents (A+B)	3,25,37,164	8,61,92,706		
Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹	No. of shares	₹
Note 11 : SHARE CAPITAL				
Authorised				
Equity shares of ₹ 10/- each with voting rights	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Issued				
Equity shares of ₹ 10/- each with voting rights	23,66,184	2,36,61,840	23,66,184	2,36,61,840
Subscribed and fully paid up				
Equity shares of ₹ 10/- each with voting rights	23,66,184	2,36,61,840	23,66,184	2,36,61,840
Total	23,66,184	2,36,61,840	23,66,184	2,36,61,840



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

11.1. 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, 2020		As at March 31, 2019	
	No. of shares	₹	No. of shares	₹
Equity shares with voting rights				
At the beginning of the year	23,66,184	2,36,61,840	23,66,184	2,36,61,840
Changes during the year	-	-	-	-
At the end of the year	23,66,184	2,36,61,840	23,66,184	2,36,61,840
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 ₹ 13,14,240 being 5.55% of the total paid up equity share capital at ₹ 120 Per equity share.				
11.3. Details of shares held by Holding Company, Ultimate Holding Company and their Subsidiaries				
Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹	No. of shares	₹
Equity Shares with voting rights				
M/s. Simpson and Company Ltd, the Holding Company	13,72,795	1,37,20,350	13,72,035	1,36,83,870
M/s. Amalgamations Private Limited, the Ultimate Holding Company	3,16,808	31,68,080	3,16,808	31,67,080
Subsidiaries of the Holding company				
M/s. Simpson & General Finance Co. Ltd	25,000	2,50,000	25,000	2,50,000
M/s. Sri Rama Vilas Service Ltd	11,800	1,18,000	11,800	1,18,000
M/s. Tractors and Farm Equipment Ltd	1,300	13,000	1,300	13,000
11.4. Details of shares held by each shareholder holding more than 5% shares:				
Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	%	No. of shares	%
Equity shares with voting rights				
M/s. Simpson and Company Ltd, the Holding Company	13,72,795	58.02	13,72,035	57.98
M/s. Amalgamations Private Limited, the Ultimate Holding Company	3,16,808	13.39	3,16,808	13.39
11.5. Term/rights attached to equity shareholders				
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.				

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at March 31, 2020	As at March 31, 2019
Note 12 : OTHER EQUITY	₹	₹
Capital reserve on consolidation	32,47,099	32,47,099
Closing balance	32,47,099	32,47,099
Securities premium account		
Opening balance	42,75,420	42,75,420
Changes during the year	-	-
Closing balance	42,75,420	42,75,420
Capital Redemption Reserve		
Opening balance	14,72,285	13,14,240
On account of Consolidation	-	1,58,045
Closing balance	14,72,285	14,72,285
General reserve		
Opening balance	65,19,58,780	55,24,96,830
Transferred from Retained earnings	5,00,00,000	5,00,00,000
On account of Consolidation		4,94,61,950
Closing balance	70,19,58,780	65,19,58,780
Retained earnings		
Opening balance	23,44,53,396	23,09,77,199
Add: Profit for the year	13,26,51,227	12,57,15,704
On account of Consolidation		35,25,340
Transfer from other comprehensive income	16,84,261	85,40,316
Less: Transferred to:		
General reserve	5,00,00,000	5,00,00,000
Payment of Dividends	2,60,28,024	1,83,00,920
Corporate tax on dividend	54,65,061	37,61,808
Consolidation adjustment	30,308	(6,22,42,435)
Closing balance	28,73,26,107	23,44,53,396
Reserve for equity instruments through OCI		
Opening balance	24,73,25,037	27,55,10,967
Other comprehensive income		
Items that will not be reclassified to profit or loss		
a) Remeasurements of the defined benefit liabilities / (asset)	(7,32,887)	(93,57,406)
b) Equity instruments through OCI	(10,50,63,503)	(2,19,67,316)
Income tax on items that will not be reclassified to profit and loss	(2,34,378)	(31,38,792)
Transfer of realised gain on sale of investments to retained earnings	(16,84,216)	
Closing balance	14,00,78,764	24,73,25,037
Total	113,83,58,455	114,27,32,017



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 13:- NON CURRENT BORROWINGS

Particulars	As at March 31, 2020	As at March 31, 2019
Measured at amortised cost secured (Refer Note (i) below)		
Simpson and General Finance Co. Limited. (Refer Note 40)	-	-
Total	-	-

The Company has not defaulted in repayment of loans and interest

Note :

- i) Details of terms of repayment for Non current borrowings and security provided in respect of secured Non current borrowings

Particulars	Terms of repayment and security	As at March 31, 2020			As at March 31, 2019		
		Non-Current	Current	Total	Non-Current	Current	Total
Secured		₹	₹	₹	₹	₹	₹
From - Simpson and General Finance Co. Limited	Hypothecated by vehicles the loans are repayable in monthly instalments up to 2020. Rate of interest is in the range of 6.57% (fixed)			-	-	15,00,006	15,00,006
Total		-	-	-	-	15,00,006	15,00,006

Note 14 : CURRENT BORROWINGS

Particulars	As at March 31, 2020	As at March 31, 2019
Loans repayable on demand - (At amortised cost)	₹	₹
From banks - Secured (Refer Note (i) below)	8,22,21,620	4,04,68,937
Total	8,22,21,620	4,04,68,937

- i) Details of security provided in respect of secured current borrowings:

Particulars	Nature of Security and Terms	As at March 31, 2020	As at March 31, 2019
Loans repayable on demand from banks :		₹	₹
Central Bank of India	Hypothecation of Raw Material, Finished Goods, Stock in trade & Stores and Spares, along with specific Book Debts & immovable assets of the Company with corporate guarantee from Holding Company and Ultimate Holding Company. Rate of Interest MCLR (1Y) + 0.50%	6,08,19,109	1,19,87,804
Central Bank of India Cash Credit and Overdraft	Floating charge on the stocks and book debts of the Company, Colateral guarantee given by T.Stanes and Company Limited - Holding Company. Rate of Interest MCLR (1Y) + 0.50%"	2,14,02,511	2,84,81,133
Total - From Banks		8,22,21,620	4,04,68,937

The Company has not defaulted in repayment of loans and interest.

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at March 31, 2020	As at March 31, 2019
Note 15: TRADE PAYABLES	₹	₹
Other than Acceptances		
Due to Micro and small enterprises	21,97,778	27,17,909
Others	61,75,26,123	74,75,47,434
Total	61,97,23,901	75,02,65,343
Note 16 : OTHER FINANCIAL LIABILITIES		
Measured at Amortised cost		
Current		
Current maturities of Long-term borrowings (Refer Note 13(ii))	-	15,00,006
Interest accrued and due on borrowings	-	48,353
Unclaimed dividends *	51,12,722	49,90,160
Dealer/security deposits	8,05,87,797	7,84,21,550
Due to Gratuity fund	77,62,239	1,02,05,616
Rent Advance	20,00,040	17,50,040
Payables on purchase of fixed assets	7,56,905	6,72,000
Total	9,62,19,703	9,75,87,725
*Amount due and outstanding to be credited to Investors Education and Protection Fund :CY ₹. Nil (PY ₹. Nil)		
Note 17 : OTHER CURRENT LIABILITIES		
Current		
Advances from customers	4,60,43,595	3,99,96,414
Statutory remittances	1,91,32,336	1,62,92,369
Others	28,64,190	64,06,360
Total	6,80,40,121	6,26,95,143
Note 18 : PROVISIONS		
Non - Current		
Provision for employee benefits - compensated absences	1,46,33,755	1,34,84,536
Total	1,46,33,755	1,34,84,536
Current		
Provision for employee benefits - compensated absences	11,98,079	12,16,935
Total	11,98,079	12,16,935
Note 19 :- 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.	1,45,97,793	2,12,07,048
Tax effect of items constituting deferred tax assets		
Provision for compensated absences	39,83,669	49,66,158
Total	1,06,14,124	1,62,40,890



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
NOTE 20: REVENUE FROM OPERATIONS	₹	₹
Sale of products (Refer Note (i) below)	348,71,56,664	322,87,11,189
Sale of Service (Refer Note (ii) below)	1,02,48,380	1,13,64,304
Other operating revenues (Refer Note (iii) below)	7,82,14,483	9,43,90,009
Revenue from operations (Gross)	357,56,19,527	333,44,65,502
a) Revenue by products		
i) Sale of products comprise :-		
Manufactured goods:-		
Agri inputs	202,53,19,422	193,26,85,996
Consumer and industrial products	7,36,34,671	5,12,40,399
Tea	9,98,10,165	11,60,46,936
Total - Sale of manufactured goods	219,87,64,258	209,99,73,331
Traded goods :-		
Agri inputs	89,87,91,885	70,47,27,089
Consumer and industrial products	38,96,00,521	42,40,10,769
Total - Sale of traded goods	128,83,92,406	112,87,37,858
Total - Sale of products	348,71,56,664	322,87,11,189
ii) Sale of Service :-		
Automobile Workshop	102,48,380	113,64,304
Total - Sale of services	102,48,380	113,64,304
b) Revenue by geography		
India	326,83,15,246	297,09,85,735
Rest of the world	21,88,41,418	25,77,25,454
Total - Sale of traded goods	348,71,56,664	322,87,11,189
iii) Other operating revenues comprise:		
Sale of scrap	8,72,846	4,08,579
Duty drawback and other export incentives	99,91,365	1,04,45,545
Others		
Agency commission (net)	5,29,08,246	6,38,34,881
Rebate / discount from suppliers	1,44,04,818	1,15,21,935
Clearing & Forwarding Charges		64,77,719
Miscellaneous Income	37,208	17,01,350
Total-Other operating revenues	7,82,14,483	9,43,90,009

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Note 21:- OTHER INCOME	₹	₹
a) Interest income (Refer Note (i) below)	16,93,636	18,81,180
b) Dividend income from Investments:		
Investment designate at fair value through OCI	31,01,970	30,75,573
Investment carried at cost	40,672	-
Others	7,31,101	7,31,101
c) Net gain on sale of Investments	1,68,637	1,51,975
d) Net gain on foreign currency transactions and translation	51,05,082	51,16,126
e) Impairment Loss Reversed		19,00,000
f) Other non-operating income (Refer Note (ii) below)	1,33,62,726	92,10,332
Total	2,42,03,824	2,20,66,287
i) Interest income comprise :		
Interest from banks on:		
Deposits	8,38,359	15,21,360
Other balances	6,03,823	14,034
Interest on income tax refund	54,325	39,261
Interest on loans and advances	1,97,129	3,06,525
Total - Interest income	16,93,636	18,81,180
ii) Other non-operating income comprise :		
Rental Income	1,04,54,348	81,51,074
Profit on sale of Property, Plant & Equipment (net)	25,67,469	-
Miscellaneous income	3,40,909	10,59,258
Total - Other non-operating income	1,33,62,726	92,10,332
Note 22:- COST OF MATERIALS CONSUMED		
Opening stock	125593,876	6,59,71,422
Add: Purchases	124,63,11,576	128,87,73,016
	137,19,05,452	135,47,44,438
Less: Closing stock	9,73,89,834	12,55,93,876
Cost of material consumed	127,45,15,618	122,91,50,562
Materials consumed comprise:		
Agri inputs	121,71,31,274	119,24,65,764
Consumer and industrial products	57384,344	3,66,84,798
Total	127,45,15,618	122,91,50,562



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Note 23:- PURCHASE OF STOCK-IN-TRADE (TRADED GOODS)	₹	₹
Agri inputs	81,42,79,002	63,38,09,668
Consumer and industrial products	16,92,50,645	17,29,56,244
Automobile parts & accessories	19,92,66,573	20,81,63,891
Total	118,27,96,220	101,49,29,803
Note 24:- CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE		
Inventories at the end of the year:		
Finished goods	22,36,12,256	21,11,55,522
Stock-in-trade	14,56,74,176	10,93,40,636
Total	36,92,86,432	32,04,96,158
Inventories at the beginning of the year:		
Finished goods	21,11,55,522	16,57,71,844
Stock-in-trade	10,93,40,636	7,69,45,116
Total	32,04,96,158	24,27,16,960
Net (increase) / decrease	(4,87,90,274)	(7,77,79,198)
Note 25:- EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	39,63,46,249	37,85,16,400
Contribution to Provident and other funds	3,11,89,340	2,96,33,428
Staff welfare expenses	3,19,77,012	2,98,73,484
Total	45,95,12,601	43,80,23,312
Note 26:- FINANCE COSTS		
Interest expense on borrowings from:		
i) Banks	36,00,198	39,10,434
ii) Others (Refer note 40)	11,65,761	29,05,774
Other Finance cost	31,09,277	30,16,630
Total	78,75,236	98,32,838

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Note 27:- OTHER EXPENSES	₹	₹
Consumption of stores and spare parts	83,72,154	87,82,202
Power and fuel	2,39,47,131	2,42,32,587
Rent	2,43,80,066	1,98,92,494
Repairs and maintenance - Buildings	1,46,68,348	1,45,60,558
Repairs and maintenance - Machinery	12,25,97,778	1,16,22,866
Repairs and maintenance - Others	90,30,886	77,04,844
Insurance	1,37,79,030	1,13,84,941
Rates and taxes	91,16,375	1,29,22,867
Allowance for Credit Losses	2,97,115	17,95,016
Communication	1,04,65,048	1,21,23,854
Travelling and conveyance	9,42,71,707	9,71,46,226
Printing and stationery	57,95,922	44,62,244
Freight and distribution	16,62,27,945	16,31,43,008
Business promotion	7,24,26,150	5,89,85,997
Directors sitting fees	5,68,000	5,90,000
Donations and contributions	15,000	35,000
Expenditure on Corporate social responsibility	34,80,000	34,00,000
Professional and consultancy charges	67,35,324	71,84,017
Payments to auditors (Refer note (i) below)	18,86,500	20,21,064
Bad debts write off (net)	27,68,153	27,61,162
Loss on sale of fixed assets (net)	-	10,56,779
Miscellaneous expenses	4,47,15,473	6,34,39,675
Total	52,52,06,105	52,92,47,401
Note :-		
i) Payments to the auditors comprise:-		
To Statutory Auditors		
For audit	14,43,500	15,83,000
For taxation matters	2,70,000	2,50,000
For other services	1,50,000	1,61,500
Reimbursement of expenses	23,000	26,564
	18,86,500	20,21,064



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 28 :- TAX EXPENSE

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹	₹
Tax expense in the Statement of profit and loss consists of:		
Current income tax:		
- in respect of the Current period	5,02,82,182	6,40,95,229
Deferred tax:		
- In respect of the current period	(57,80,790)	(22,56,917)
Tax expense reported in the Statement of profit and loss	4,45,01,392	6,18,38,312
Tax expenses recognised in the other comprehensive income		
Remeasurement of defined benefit obligation Equity instrument through OCI	(1,45,976)	(78,94,686)
Total	(1,45,976)	(78,94,686)
Deferred Tax		
Opening	1,62,40,890	1,90,84,845
Closing	1,06,14,124	1,62,40,890
In respect of the current period	(56,26,766)	(28,43,955)
Deferred tax recognised in other comprehensive income	(1,54,024)	5,87,038
Deferred tax recognised in Profit and loss account	(57,80,790)	(22,56,917)
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:		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹	₹
Profit before tax	16,32,20,606	18,01,42,273
Enacted income tax rate in India	25.17%	34.608%
Computed expected tax expense	4,80,99,752	6,65,55,666
Effect of:		
Income exempt from tax	(8,92,582)	(12,13,573)
Expenses that are deductible in determining taxable profit	(12,11,995)	(4,22,514)
Benefit U/s 35(2AB) of Income tax Act	-	(3,39,2169)
Others	21,01,465	32,57,579
Depreciation	21,85,542	(6,89,760)
Total Current tax expense recognised in the Statement of profit and loss	5,02,82,182	6,40,95,229
Note 29 :- DEPRECIATION EXPENSE		
Depreciation on Property, plant and equipment (Refer Note No.3)	3,51,48,416	3,26,42,645
Depreciation on Investment property (Refer Note No.4)	3,38,823	3,42,153
Total	3,54,87,239	3,29,84,798

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<p>Note 30 :- STAFF PENSION FUND</p> <p>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</p>	<p>₹</p> <p>-</p> <p>7,31,101</p>	<p>₹</p> <p>-</p> <p>7,31,101</p>
<p>Note 31 :- CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)</p> <p>i) Contingent Liabilities :-</p> <p>Claims against the company not acknowledged as debt</p> <p>Central excise</p> <p>Income tax</p> <p>Assessment Year 2009-10</p> <p>Assessment Year 2017-18</p> <p>Central sales tax</p> <p>Goods and service Tax appeals(Duty paid under protest Rs.62850/- (Previous year Rs. NIL)</p> <p>(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.</p> <p>b) Financial guarantee to bankers on account of subsidiary companies</p>	<p>2,29,37,126</p> <p>-</p> <p>80,13,676</p> <p>33,22,145</p> <p>5,37,333</p> <p>83,61,425</p> <p>4,50,00,000</p>	<p>2,29,37,126</p> <p>56,76,470</p> <p>-</p> <p>33,22,145</p> <p>0</p> <p>26,60,002</p> <p>4,50,00,000</p>
<p>Note 32 :- DISCLOSURE REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006</p> <p>The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosure pursuant to said MSMED Act are as follows:</p> <p>Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.</p> <p>Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.</p> <p>Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.</p> <p>Interest paid, other than Section 16 of MSMED Act, to supplier registered under the MSMED Act, beyond the appointed day during the year.</p> <p>Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.</p> <p>Interest due and payable towards suppliers registered under MSMED Act, for payments already made</p> <p>Further interest remaining due and payable for earlier years</p>	<p>21,97,778</p> <p>Nil</p> <p>Nil</p> <p>Nil</p> <p>Nil</p> <p>Nil</p> <p>Nil</p>	<p>27,17,909</p> <p>Nil</p> <p>Nil</p> <p>Nil</p> <p>Nil</p> <p>Nil</p> <p>Nil</p>



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 33 :- The Company has considered the possible effects that may result from the pandemic on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used relevant information in determining the expected future performance of the Company. The Company has evaluated its liquidity position, recoverability of such assets and based on current estimates expects the carrying amount of these assets will be recovered. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis.

Particulars	As at March 31, 2020	As at March 31, 2019
Note 34 :- OPERATING LEASE	₹	₹
The Company has entered into cancellable operating lease agreements for office space and has availed short term exemption as per IND AS 116.		
a) Lease term amount charged to Statement of Profit and Loss account	2,43,80,066	1,98,92,494
b) Recognised as rental income on properties under lease	1,04,54,348	81,51,074
Note 35 :- EARNINGS PER SHARE		
Profit for the year	11,87,19,214	11,83,03,961
Weighted average number of equity shares (In Nos)	23,66,184	23,66,184
Par value per share	10	10
Earnings per share - Basic and Diluted	50.17	50.00

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 36 :- Related party transactions

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

Note 36(a) Details of related parties

Description of relationship	Names of related parties
a) Ultimate Holding Company	M/s. Amalgamations Private Limited *
b) Holding Company	M/s. Simpson and Company Limited *
c) Fellow Subsidiaries	
M/s. Addison and Company Limited *	M/s. Simpson & General Finance Company Limited *
M/s. Amalgamations Repco Limited	M/s. Southern Tree Farms Limited *
M/s. AMCO Batteries Limited	M/s. Speed-A-Way Private Limited *
M/s. Associated Printers (Madras) Private Limited *	M/s. Sri Rama Vilas Service Limited*
M/s. Associated Publishers (Madras) Private Limited	M/s. Tractors and Farm Equipment Limited *
M/s. Alpump Limited	M/s. TAFE Access Limited *
M/s. Bimetal Bearings Limited *	M/s. TAFE Motors and Tractors Limited
M/s. George Oakes Limited *	M/s. TAFE Reach Limited
M/s. Higginbothams Private Limited	M/s. TAFE USA Inc.Delaware U.S.A.
M/s. India Pistons Limited	M/s. TAFE International Traktor VE Tarim Ekipmani
M/s. IP Rings Limited	Sanayi VE Ticaret Limited Sirketi
M/s. IP Pins & Liners Limited	M/s. TAFE Tractors Changshu Company Limited, China
M/s. IPL Engine Components Private Limited	M/s. TAFE Properties Limited
M/s. IPL Green Power Limited	M/s. The Madras Advertising Company Private Limited*
M/s. L. M. Van Moppes Diamond Tools India Private Limited	M/s. Wheel & Precision Forgings India Limited
M/s. Shardlow India Limited	M/s. W J Groom and Company Limited, London
M/s. Wallace Cartwright and Company Limited, London	
d) Associate to Holding / Ultimate Holding Company	M/s. The United Nilgiri Tea Estates Company Limited *
	M/s. Amalgamations Valeo Clutch Private Limited
	M/s. BBL Daido Private Limited
e) Key management personnel	Mrs. Lakshmi Narayanan (Wholetime Director)
	Mr. G. Ramakrishnan (Company Secretary)
f) Relatives of Key Management Personnel	NIL

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, 2020

Note 36 - (b) Details of related party transactions during the year ended March 31, 2020 and balances outstanding as at March 31, 2020

Particulars	Ultimate Holding Company		Holding Company		Fellow Subsidiary Companies		Associate to Holding / Ultimate Holding Company		Key Management Personnel		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A) TRANSACTIONS DURING THE YEAR												
Sales	9,244	20,298	14,37,721	21,09,960	16,72,840	18,02,552	38,25,693	29,80,455	-	-	69,45,498	69,13,265
Sales of investment	70,00,000	-	87,66,000	-	-	-	-	-	-	-	1,57,66,000	-
Service rendered to	1,55,160	1,66,452	65,00,080	28,19,026	23,01,065	30,35,412	44,004	12,53,337	-	-	90,00,309	72,74,227
Dividend received from	-	-	-	-	-	-	24,34,058	23,28,032	-	-	24,34,058	23,28,032
Interest paid on Loan availed	-	-	-	5,97,720	2,95,494	8,96,637	-	-	-	-	2,95,494	14,94,357
Purchases	26,556	1,18,479	-	-	10,82,466	8,50,018	6,08,222	8,02,997	-	-	17,17,244	1,71,494
Service availed from	66,62,442	48,53,724	-	-	36,62,593	24,83,105	-	-	-	-	1,03,25,035	73,36,829
Dividend paid to	36,27,074	25,18,245	1,50,97,705	1,02,75,495	4,58,297	3,24,947	81,783	81,783	-	-	1,92,64,859	1,32,00,470
Remuneration	-	-	-	-	-	-	-	-	16,203,182	1,49,82,227	1,62,03,182	1,49,82,227
Loan/Finance facilities given to	-	-	-	60,00,000	-	-	-	-	-	-	-	60,00,000
Loans repaid during the year	-	-	-	-	-	-	-	-	-	-	-	-
B) BALANCES OUTSTANDING AT THE END OF THE YEAR												
Equity Participation in	-	-	-	-	-	4,63,750	51,87,493	51,87,493	-	-	51,87,493	56,51,243
Equity Participation by	31,68,080	31,68,080	1,37,27,950	1,37,20,350	3,81,000	3,81,000	-	-	-	-	1,72,77,030	1,72,69,430
Loan/Finance facilities availed from	-	-	-	-	-	15,00,006	-	-	-	-	-	15,00,006
Loan/Finance facilities given to	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from	35,492	53,460	38,10,891	21,97,627	8,59,292	4,31,777	2,49,683	41,594	-	-	49,55,358	27,24,458
Payables to	3,09,948	1,51,960	-	1,11,998	-	-	1,15,452	1,23,588	-	-	4,25,400	3,87,546
Guarantee given to	-	-	-	-	-	-	-	-	-	-	-	-
Guarantee given by	33,00,00,000	33,00,00,000	-	-	-	-	-	-	-	-	33,00,00,000	33,00,00,000

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, 2020

Note 36 - (b) Details of related party transactions during the year ended March 31, 2020 and balances outstanding as at March 31, 2020

Particulars	Ultimate Holding Company		Holding Company		Fellow Subsidiary Companies		Associate to Holding / Ultimate Holding Company		Key Management Personnel		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
A) TRANSACTIONS DURING THE YEAR												
Sales	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	29,80,455	-	-	38,25,693	29,80,455
Southern Tree Farms Limited	-	-	-	-	8,35,773	12,56,136	-	-	-	-	8,35,773	12,56,136
Simpson and Company Limited	9,244	20,298	14,37,721	21,09,960	11,000	5,585	-	-	-	-	14,57,965	21,35,843
Higginbothams Private Limited	-	-	-	-	1,25,527	1,05,761	-	-	-	-	1,25,527	1,05,761
Sree Rama Vilas Services Limited	-	-	-	-	2,17,375	74,528	-	-	-	-	2,17,375	74,528
Addison & Co Limited	-	-	-	-	76,195	75,983	-	-	-	-	76,195	75,983
India Pistons Limited	-	-	-	-	4,06,970	2,84,559	-	-	-	-	4,06,970	2,84,559
Tractors and Farm Equipment Ltd	-	-	-	-	-	-	-	-	-	-	-	-
Total	9,244	20,298	14,37,721	21,09,960	16,72,840	18,02,552	38,25,693	29,80,455	-	-	69,45,498	69,13,265
Sales of investment												
Amalgamations Private Limited	70,00,000	-	-	-	-	-	-	-	-	-	70,00,000	-
Simpson and Company Limited	-	-	87,66,000	-	-	-	-	-	-	-	87,66,000	-
Total	70,00,000	-	87,66,000	-	-	-	-	-	-	-	1,57,66,000	-
Service rendered to												
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	44,004	12,53,337	-	-	44,004	12,53,337
George Oakes Limited	-	-	-	-	2,71,064	2,47,859	-	-	-	-	2,71,064	2,47,859
Speed-A-Way Limited	-	-	-	-	1,46,619	1,50,013	-	-	-	-	1,46,619	1,50,013
Amalgamations Private Limited	1,55,160	1,66,452	7,10,788	7,00,920	-	-	-	-	-	-	8,65,948	8,67,372
Simpson and Company Limited	-	-	57,89,292	21,18,106	-	-	-	-	-	-	57,89,292	21,18,106
TAFE Access Limited	-	-	-	-	18,12,524	18,22,896	-	-	-	-	18,12,524	18,22,896
Southern Tree Farms Limited	-	-	-	-	-	7,03,790	-	-	-	-	-	7,03,790
The Madras Advertising Company Private Limited	-	-	-	-	25,796	52,203	-	-	-	-	25,796	52,203
India Pistons Limited	-	-	-	-	4,725	15,314	-	-	-	-	4,725	15,314
Amco Batteries Limited	-	-	-	-	40,337	43,337	-	-	-	-	40,337	43,337
Bimetal Bearings Limited	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,55,160	1,66,452	65,00,080	28,19,026	23,01,065	30,35,412	44,004	12,53,337	-	-	90,00,309	72,74,227
Dividend received												
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	22,59,058	22,58,032	-	-	22,59,058	22,58,032
Amalgamations Repco Limited	-	-	-	-	-	-	1,75,000	70,000	-	-	1,75,000	70,000
Total	-	-	-	-	-	-	24,34,058	23,28,032	-	-	24,34,058	23,28,032
Interest paid on Loan												
Simpson and Company Limited	-	-	-	5,97,720	-	-	-	-	-	-	-	5,97,720
Simpson & General Finance Company Limited	-	-	-	-	2,95,494	8,96,637	-	-	-	-	2,95,494	8,96,637
Total	-	-	-	5,97,720	2,95,494	8,96,637	-	-	-	-	2,95,494	14,94,357



T. STANES AND COMPANY LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 36 - (b) Details of related party transactions during the year ended March 31, 2020 and balances outstanding as at March 31, 2020

Particulars	Ultimate Holding Company		Holding Company		Fellow Subsidiary Companies		Associate to Holding / Ultimate Holding Company		Key Management Personnel		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A) TRANSACTIONS DURING THE YEAR												
Purchases												
Southern Tree Farms Limited	-	-	-	-	72,450	-	-	-	-	-	-	72,450
Simpson and Company Limited	26,556	1,18,479	-	-	-	-	-	-	-	-	-	1,18,479
Speed-A-Way Private Limited	-	-	46,882	-	55,369	-	-	-	-	-	-	55,369
India Pistons Limited	-	-	-	-	34,500	-	-	-	-	-	-	34,500
Amalgamations Repco Limited	-	-	5,44,908	-	6,21,795	-	-	-	-	-	-	6,21,795
Tate Access Limited	-	-	2,639	-	65,904	-	-	-	-	-	-	65,904
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	802,997	-	-	-	-	-	802,997
Bimetal Bearings Limited	-	-	4,88,037	-	-	-	-	-	-	-	-	4,88,037
Total	26,556	1,18,479	10,82,466	-	8,50,018	802,997	6,08,222	-	-	-	17,17,244	17,71,494
Service availed from												
Amalgamations Private Limited	66,62,442	48,53,724	-	-	-	-	-	-	-	-	-	48,53,724
George Oakes Limited	-	-	5,38,803	-	1,54,875	-	-	-	-	-	-	1,54,875
Stee Rama Vilas Service Limited	-	-	20,97,000	-	16,52,000	-	-	-	-	-	-	16,52,000
TAFE Access Limited	-	-	-	-	12,654	-	-	-	-	-	-	12,654
The Madras Advertising Company Pvt Ltd	-	-	6,23,190	-	2,22,226	-	-	-	-	-	-	2,22,226
Associated Printers (Madras) Private Limited	-	-	4,03,600	-	4,41,350	-	-	-	-	-	-	4,41,350
Total	66,62,442	48,53,724	36,62,593	-	24,83,105	-	-	-	-	-	1,03,25,035	73,36,829
Dividend paid to												
Simpson and Company Limited	1,696	1,695	-	-	-	-	-	-	-	-	-	1,02,77,190
Amalgamations Private Limited	36,25,378	25,16,550	-	1,02,75,495	-	-	-	-	-	-	-	25,16,550
Simpson & General Finance Company Limited	-	-	2,75,000	-	1,87,500	-	-	-	-	-	-	1,87,500
Sri Rama Vilas Service Limited	-	-	1,29,800	-	88,500	-	-	-	-	-	-	88,500
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	81,783	-	-	-	-	-	81,783
Sri Rama Vilas Service Limited	-	-	4,786	-	4,786	-	-	-	-	-	-	4,786
Bimetal Bearings Limited	-	-	6,380	-	6,380	-	-	-	-	-	-	6,380
Speed-A-Way Private Limited	-	-	1,501	-	1,501	-	-	-	-	-	-	1,501
Tractors and Farm Equipment Limited	-	-	40,830	-	36,280	-	-	-	-	-	-	36,280
Total	36,27,074	25,18,245	4,58,297	1,02,75,495	3,24,947	81,783	81,783	-	-	-	1,92,84,859	1,32,00,470
Remuneration												
Mrs. Lakshmi Narayanan	-	-	-	-	-	-	-	-	-	-	-	1,13,52,463
Mr. P.S.Bopaiiah	-	-	-	-	-	-	-	-	-	-	-	14,49,364
Mr. G. Ramakrishnan	-	-	-	-	-	-	-	-	-	-	-	21,80,400
Total	-	-	-	-	-	-	-	-	-	-	1,62,03,182	1,49,82,227
Loans repaid during the year												
Simpson and Company Limited	-	-	-	60,00,000	-	-	-	-	-	-	-	60,00,000
Total	-	-	-	60,00,000	-	-	-	-	-	-	-	60,00,000



T. STANES AND COMPANY LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 36 - (b) Details of related party transactions during the year ended March 31, 2020 and balances outstanding as at March 31, 2020

Particulars	Ultimate Holding Company		Holding Company		Fellow Subsidiary Companies		Associate to Holding / Ultimate Holding Company		Key Management Personnel		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
B) BALANCES OUTSTANDING AT THE END OF THE YEAR												
Equity Participation in												
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	5,187,493	-	-	-	5,187,493	-
Amalgamations Repco Limited	-	-	-	-	463,750	-	-	-	-	-	-	463,750
Equity Participation by												
Simpson and Company Limited	-	-	13,720,350	-	-	-	-	-	-	-	13,720,350	-
Amalgamations Private Limited	3,168,080	3,168,080	-	-	-	-	-	-	-	-	3,168,080	-
Simpson & General Finance Company Limited	-	-	-	-	250,000	-	-	-	-	-	250,000	-
Sri Rama Vilas Service Limited	-	-	-	-	118,000	-	-	-	-	-	118,000	-
Tractors and Farm Equipment Limited	-	-	-	-	13,000	-	-	-	-	-	13,000	-
Loan/Finance facilities availed from												
Simpson and Company Limited	-	-	-	-	-	-	-	-	-	-	-	-
Simpson & General Finance Company Limited	-	-	-	-	-	-	-	-	-	-	-	-
Receivables												
Addison & Co Limited	-	-	-	-	18,632	-	-	-	-	-	18,632	-
Bimetal Bearings Limited	-	-	-	-	15,067	-	-	-	-	-	15,067	-
Speed-A-Way Limited	-	-	-	-	12,774	-	-	-	-	-	12,774	-
George Oakes Limited	-	-	-	-	70,403	-	-	-	-	-	70,403	-
TAFE Access Limited	-	-	-	-	342,189	-	-	-	-	-	342,189	-
Tractors and Farm Equipment Limited	-	-	-	-	55,730	-	-	-	-	-	55,730	-
Tate Reach Limited	-	-	-	-	5,106	-	-	-	-	-	5,106	-
India Pistons Limited	-	-	-	-	714	-	-	-	-	-	714	-
Southern Tree Farms Limited	-	-	-	-	535,750	-	-	-	-	-	535,750	-
The United Nilgiri Tea Estates Company Limited	-	-	-	-	255,331	-	41,594	-	-	-	255,331	41,594
Simpson and Company Limited	-	-	-	-	-	-	-	-	-	-	249,683	41,594
Sri Rama Vilas Service Limited	-	-	3,925,167	2,309,668	-	-	-	-	-	-	3,925,167	2,309,668
Amalgamations Private Limited	35,492	53,460	-	-	59,492	13,761	-	-	-	-	59,492	13,761
Payables												
Amalgamations Private Limited	309,948	151,960	-	-	-	-	-	-	-	-	309,948	151,960
Simpson and Company Limited	-	-	114,276	224,039	-	-	-	-	-	-	114,276	224,039
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	115,452	123,588	-	-	115,452	123,588
Tractors and Farm Equipment Limited	-	-	-	-	32,082,472	32,082,472	-	-	-	-	32,082,472	32,082,472
TAFE Access Limited	-	-	-	-	236,000	236,000	-	-	-	-	236,000	236,000
Amco Batteries Limited	-	-	-	-	136,057	136,057	-	-	-	-	136,057	136,057
Amalgamations Repco Limited	-	-	-	-	1,544,731	1,544,731	-	-	-	-	1,544,731	1,544,731
Tate Reach Limited	-	-	-	-	135,934	135,934	-	-	-	-	135,934	135,934
India Pistons Limited	-	-	-	-	18,057	18,057	-	-	-	-	18,057	18,057
Bimetal Bearings Limited	-	-	-	-	135,934	135,934	-	-	-	-	135,934	135,934
Guarantee availed												
Simpson and Company Limited and- Amalgamations Private Limited	330,000,000	330,000,000	-	-	-	-	-	-	-	-	330,000,000	330,000,000



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

NOTE 37:- SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS.

The preparation of the Company's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Financial Statements:

Operating lease commitments – Company as lessor

The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Property, Plant and Equipment and Investment Property

The Company has estimated the useful life of Property, Plant and equipment and Investment Property as per the useful life prescribed in Schedule II of the Companies act 2013.

Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment leave encashment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Further details about defined benefit obligations are given in Note 38.

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Note 38 :- EMPLOYEE BENEFITS PLANS	₹	₹
a) Defined contribution plans		
The Company makes Provident Fund, Superannuation Fund and Employee 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	2,10,64,059	2,07,01,713
Contribution to Superannuation Fund	15,60,195	18,60,456
Contribution to Employee State Insurance Scheme	28,62,313	38,39,819
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	For the year ended March 31, 2020	For the year ended March 31, 2019
Change in projected benefit obligations	₹	₹
Projected obligation at beginning of the year	11,24,43,666	10,51,06,239
Current Service Cost	81,06,454	66,49,169
Interest Cost	84,33,275	84,02,027
Benefits Paid	(1,18,53,918)	(1,58,89,115)
Actuarial gain/(Loss) on obligation	2,32,904	81,75,346
Projected obligation as at end of the year	11,73,62,381	11,24,43,666
Change in plan assets		
Plan assets at beginning of the year, at fair value	11,04,91,086	10,01,89,016
Expected return on plan assets	87,06,361	86,12,110
Contributions	1,09,67,814	1,75,79,075
Benefits paid	(1,18,53,918)	(1,58,89,115)
Actuarial Gain /(Loss) on plan assets		-
Plan assets at the end of the year, at fair value	11,83,11,343	11,04,91,086



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 38 :- EMPLOYEE BENEFITS PLANS — (Contd.)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹	₹
Amount recognised in the Balance Sheet		
Projected obligation as at end of the year	11,73,62,381	11,24,43,666
Plan assets at the end of the year, at fair value	11,83,11,343	11,04,91,086
Funded status surplus / (deficit)	9,48,962	(19,52,580)
Unrecognized past service cost		-
Net Asset / (Liability) recognized in balance sheet	9,48,962	(19,52,580)
Expenses recognised in statement of profit and loss		
Current Service Cost	81,06,454	66,49,169
Interest Cost	84,33,275	84,02,027
Expected return on plan assets	(87,06,361)	(79,70,372)
Re-measurement - Actuarial Gain / (Loss) recognised in OCI	(1,42,098)	(67,35,145)
Total expenses recognised in statement of profit and loss	79,75,466	1,38,15,969
Composition of plan assets		
Insurer Managed Asset **	12,15,14,963	11,31,40,717
Actuarial Assumptions		
Discount Rate	7.50%	7.50%
Salary Escalation	7.00%	7.00%
Rate of return on plan assets	7.43%	7.43%
Attrition rate	3.00%	3.00%
Mortality rate	#	#
Sensitivity analysis DBO end of period		
Discount rate +100 basis points	2,88,97,304	2,91,36,543
Discount rate -100 basis points	4,15,21,449	4,07,29,246
Salary growth +100 basis points	4,14,29,161	4,09,83,703
Salary growth -100 basis points	2,88,95,659	2,90,66,922
Expected cash flows for following years		
Within one year	2,25,14,466	1,14,33,496
1 - 2 years	1,52,45,777	1,90,89,441
2 - 3 years	1,22,97,677	1,44,85,001
3 - 4 years	1,20,41,586	1,23,65,960
4 - 5 years	1,07,44,567	90,76,827
5 - 6 years	3,30,42,844	78,68,062
6 - 10 years	10,71,84,490	11,55,48,170

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 38 :- EMPLOYEE BENEFITS PLANS — (Contd.)

- i) The estimates of future salary increases considered in the actuarial valuation take account of inflation seniority promotion and other relevant factors such as supply and demand in the employment market. The above information is actuarially determined upon which reliance is placed by the auditors.
- ii) The details of experience adjustments arising on account of plan assets and plan liabilities on employee benefits are not readily available in the actuarial valuation report and hence not furnished.
- iii) 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.

** 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.

Depending on age LIC(2006-08) ultimate

These plans typically expose the Company to actuarial risk such as interest rate risk, longevity risk and salary risk.

Interest Rate Risk: A decrease in the bond interest rate will increase the plan liability.

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

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.

C) Long Term Compensated Absences

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Actuarial Assumptions	₹	₹
Discount Rate	7.25%	6.98%
Salary Escalation	5.00%	8.11%
Attrition rate	1.00%	3.00%
Mortality rate	#	#



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Note 39:- SEGMENT REPORTING	₹	₹
1. SEGMENT REVENUE [Net Sale / Income from each segment]		
Agri inputs & Consumer and industrial products	318,43,15,930	296,44,30,371
Automobile & Spares	21,90,12,824	26,17,37,035
Tea	9,98,10,165	11,60,49,691
Net Sales / income from operations	350,31,38,919	33,42,217097
2. SEGMENT RESULTS [Profit] (+) / Loss (-) before tax and interest from each segment		
Agri inputs & Consumer and industrial products	31,62,72,831	28,40,57,837
Automobile & Spares	29,22,051	8,74,703
Tea	(1,00,58,954)	(1,05,35,089)
Total	30,91,35,928	27,43,97,451
Less :		
Interest	78,75,236	98,32,838
Other unallocable Expenditure -net off other income	13,80,40,086	8,44,22,340
Total	14,59,15,322	9,42,55,178
Profit before tax	16,32,20,606	18,01,42,273
Tax expense	4,45,01,392	6,18,38,312
Profit after tax	11,87,19,214	11,83,03,961
3. CAPITAL EMPLOYED [Segment assets - Segment Liabilities]		
Agri inputs & Consumer and industrial products	97,74,51,989	98,45,58,752
Automobile & Spares	5,07,26,328	3,90,08,481
Tea	9,60,32,140	10,94,63,934
Unallocated	8,56,26,703	9,79,95,259
Total	120,98,37,160	123,10,26,426
Note 40 :- EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY		
a) Gross amount required to be spent by the Company during the year	34,80,000	33,35,000
b) Amount spent during the year on:		
i) Construction / acquisition of any asset	-	-
ii) On purposes other than (i) above (Amount Fully Paid)	34,80,000	34,00,000

T. STANES AND COMPANY LIMITED



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 41 :- 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	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Financial Assets	₹	₹	₹	₹
Non current investments	6,40,81,890	10,04,73,980	17,15,66,400	30,77,69,312
Other non current financial assets	65,35,270	64,58,712	65,35,270	64,58,712
Trade receivables	99,94,70,541	95,06,63,871	99,94,70,541	95,06,63,871
Cash and cash equivalents	3,25,37,164	8,61,92,706	3,25,37,164	8,61,92,706
Other current financial assets	1,09,64,294	1,35,11,917	1,09,64,294	1,35,11,917
Total	111,35,89,159	115,73,01,186	122,10,73,669	136,45,96,518
Financial Liabilities				
Current borrowings	8,22,21,620	4,04,68,937	8,22,21,620	4,04,68,937
Trade payables	61,97,13,901	75,02,65,343	61,97,13,901	75,02,65,343
Other current financial liabilities	9,62,19,703	10,39,94,085	9,62,19,703	10,39,94,085
Total	79,81,55,224	89,47,28,365	79,81,55,224	89,47,28,365

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

Note 42 :- FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of trade payables. The Company has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Management Committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

A. 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.

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.



T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

B. CREDIT RISK

Credit risk is the risk of financial loss arising from counter party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Financial instruments that are subject to concentrations of credit risk, principally consist of trade receivables and loans and advances. None of the financial instruments of the Company result in material concentrations of credit risks.

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. As at 31 March 2020, the Company has Nil customers (31 March 2019: Nil customers), the receivables from whom exceeds 5% of total receivables outstanding.

Credit risk from balances with banks and investment of surplus funds in bank deposits is managed by the Company's treasury department. The objective is to minimise the concentration of risks and therefore mitigate financial loss."

C. LIQUIDITY RISK

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company invests its surplus funds in bank fixed deposit, which carry no/low mark to market risks.

D. 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.

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

P.M. VENKATASUBRAMANIAN

Director
DIN : 00001579

S. RAMANUJACHARI

Director
DIN : 00001776

Place : Chennai
Date : 24 July, 2020

LAKSHMI NARAYANAN

Whole-time Director
DIN : 02539061
Place : Coimbatore
Date : 24 July, 2020

G. RAMAKRISHNAN

Company Secretary
Place : Hyderabad
Date : 24 July, 2020



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T. STANES AND COMPANY LIMITED

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