111th
Annual Report
2020 - 2021

T. STANES AND COMPANY LIMITED

Stanes

T. STANES AND COMPANY LIMITED

CIN : U02421TZ1910PLC000221

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Board of Directors

Mr. A. Krishnamoorthy, (Chairman)
Mr. S. Ramanujachari, (Director)
Mr. K.S. Hegde, (Director) (Upto 16th October, 2020)
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 (Upto 31st December, 2020)

Auditors

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

Bankers

Central Bank of India

Registrar & Share Transfer Agent

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

Registered Office

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

T. STANES AND COMPANY LIMITED

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Email id: shares@t-stanes.com
Website: www.tstanes.com
Registered Office: 8/23-24, Race Course Road, Coimbatore - 641 018.

NOTICE is hereby given that the **111th Annual General Meeting** of the Company will be held on **Friday, the 06th August, 2021 at 12.15 P.M.** through Video Conference (VC) or Other Audio Visual Means (OAVM), to transact the following business:-

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) for the year ended 31st March, 2021 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, 2021, the Statement of Profit and Loss for the year ended 31st March, 2021, Statement of Changes in Equity for the year, Notes and the Cash Flow Statement for the year ended 31st March, 2021 and the Report of the Directors' and the Auditors' thereon be and are hereby received and adopted".

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

   "**RESOLVED THAT**

   i) The Interim Dividend paid of ₹ 10.00 per share (100%) on the Equity Shares be and is hereby approved.

   ii) A Final Dividend of ₹ 2.50 per share (25%) on the Equity Shares be declared and paid for the year ended 31st March, 2021".

3. **To appoint a Director in place of Mrs. Lakshmi Narayanan (DIN. 02539061) retiring by rotation and to consider and if thought fit, to pass the following resolution as an Ordinary resolution:**

   "**RESOLVED THAT** Mrs. Lakshmi Narayanan (DIN. 02539061), who retires by rotation and being eligible, offers herself 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 2021-22 and to consider and if thought fit, to pass the following resolution as an Ordinary resolution:**

   "**RESOLVED THAT** pursuant to the Provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, M/s. S. Mahadevan & Co., Cost Accountants (Firm Registration Number 000007), are appointed as Cost Auditors by the Board of Directors for the Financial Year 2021-22 for the conduct of Cost Audit of the Company, at the remuneration fixed as ₹ 1,00,000/- (Rupees One Lakh only) with applicable taxes and out-of-pocket expenses, as recommended by the Audit Committee be and is hereby ratified".

5. **To consider and if thought fit, to pass with or without modification the following resolution for payment of remuneration to Non-Executive Directors of the Company as a Special resolution:**

"**RESOLVED THAT** pursuant to the Provisions of Section 197 and other applicable provisions of the Companies Act, 2013 (the Act) and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V to the Act and further to the MCA Notification No. S.O.1256 (E) Dt. 18th March, 2021, approval is accorded to the Board of Directors (with due recommendation of the Nomination and Remuneration Committee) for the payment of minimum remuneration to the Non-Executive Directors within the limits specified in Schedule V to the Companies Act, 2013 for each of the Non-Executive Directors for a period of 3 (Three) years from 1st April, 2021, in the event of inadequacy of profits in a financial year"**.**

"**FURTHER RESOLVED THAT** this approval is accorded in addition to the approval taken from the Shareholders at the 107th Annual General Meeting held on 09th August, 2017, whereby the Non-Executive Directors are entitled to receive the maximum of the remuneration calculated as per Section 198 of the Companies Act, 2013 (i.e. the rate of 1% of the net profits calculated as per the Provisions of Section 197) when compared to the minimum remuneration calculated as per MCA Notification No. S.O.1256(E) Dt. 18th March, 2021 in the event of inadequacy of profits".

By order of the Board

Mrs. Lakshmi Narayanan
Whole-time Director
DIN:02539061

Place : Coimbatore
Date : 25 June, 2021

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 and 5 of the Notice, is annexed hereto and form 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.02/2021 dated 13th January, 2021, General Circular No. 20/2020 dated 5th May 2020, General Circular No. 17/2020 dated 13th April, 2020 and General Circular No. 14/2020 dated 8th April, 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 31st July, 2021 to Friday, the 6th August, 2021 (both days inclusive)** for determining the entitlement of the Shareholders to the Final Dividend for the financial year 2020-21.
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 6th August, 2021. In respect of shares held in Physical form, dividend will be paid to beneficial owners of the shares, whose name appear in the Register of Members of the Company,

at the end of business hours on 30th July, 2021. 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 30th July, 2021.

6. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of Shareholders with effect from 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to Shareholders at the prescribed rates. For the prescribed rates for various categories, the Shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The Shareholders are requested to update their PAN with the Company/Registrar and Share Transfer Agent (in case of shares held in Physical mode) and Depository Participant (in case of shares held in Dematerialized mode).

   A Resident Individual Shareholder with PAN and who is not liable to pay income tax, can submit a yearly declaration in Form 15G/H, to avail the benefit of non-deduction of tax at source by email to 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 30th July, 2021.

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 2020-21 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 2020-21 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., 30th July, 2021, are eligible to cast their vote, by availing the facility of remote e-voting.

E-voting:

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

Remote E-Voting through Electronic means:

The remote e-voting period commences on Tuesday, 3rd August, 2021 at 09.30 A.M and ends on Thursday, 5th August, 2021 at 05.00 P.M. The e-voting module shall be disabled by NSDL for e-voting thereafter. The Members of the Company, whose name appear in the Register of Members, holding shares either in physical form or in dematerialized form, as on the record date (cut-off date) i.e. 30th July, 2021, may cast their vote electronically. Once the vote on a resolution is cast, the Member shall not be allowed to change it subsequently.

The Instructions for e-voting are as under:

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

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

Step 1: 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:

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

In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in DEMAT mode are allowed to vote through their DEMAT account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their DEMAT accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in DEMAT mode with NSDL	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on Company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is

Type of shareholders	Login Method
Individual Shareholders holding securities in DEMAT mode with NSDL	launched, click on the icon **"Login"** which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit DEMAT account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in DEMAT mode with CDSL	1. Existing users who have opted for Easi/Easiest, they can login through their User Id and Password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest, the user will be also able to see the e-Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the DEMAT Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Type of shareholders	Login Method
Individual Shareholders (holding securities in DEMAT mode) login through their depository participants	You can also login using the login credentials of your DEMAT account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

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

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

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

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

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www. evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

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

6. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your DEMAT account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your DEMAT account number/folio number, your PAN, your name and your registered address etc.,

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is mentioned below:

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

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

General Guidelines for Shareholders

1. Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.,) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter, etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sankar@ksrandco.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 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 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/email updation.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 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.
4. Please follow all steps given in detail on **Step 2** above, to cast vote.
5. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM

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

6. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 1800-222-990.

7. In case of any grievance in connection with remote e-Voting, Members may contact Ms. Sarita Mote, NSDL, 4th Floor, “A” Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, e-mail: evoting@nsdl.co.in, Tel:1800-222-990.

8. Members who would like to register themselves as a speaker may send their request from their registered email address mentioning their name, DP ID and Client ID/Folio number, PAN, Mobile number through mail to the Company mail ID shares@t-stanes.com on or before 05.00 P.M on Monday, the 02nd August, 2021.

9. Those Members who have registered themselves as a speaker will only be allowed to express their views. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE MEETING

1. Procedure for e-Voting on the day of the AGM is same as the Remote e-voting as mentioned above.

2. Only those shareholders who are present in the AGM through VC/OAVM facility and have not cast their votes on the Resolutions through remote e-Voting and are not otherwise barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

3. If any votes are cast by Shareholders through the e-voting available during the AGM and if the same Shareholders have not participated in the Meeting through VC/OAVM facility, then the votes cast by such Shareholders shall be considered invalid as the facility of e-voting during the Meeting is available only to the Shareholders attending the Meeting.

OTHER INSTRUCTIONS

1. 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 30th July, 2021, 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.

2. 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

3. Shareholders are encouraged to download the user manual available in https://www.evoting.nsdl.com well in advance to have a better understanding of the login and voting process.

4. 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 **30th July, 2021.**

5. Mr. V.R. Sankaranarayanan, Partner, M/s. KSR & Co., Company Secretaries LLP has been appointed by the Board of Directors as the Scrutinizer for voting at 111th Annual General Meeting to scrutinize both e-voting during AGM and remote e-voting process in a fair and transparent manner.

6. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.

7. The Chairman/Whole-time Director will declare the results of voting forthwith upon receipt of report from Scrutinizer and the same shall be immediately placed on the Company's website www.tstanes.com and on the website of NSDL www.evoting.nsdl.com.

8. The resolutions shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes through a compilation of Voting results (i.e. remote e-Voting and the e-Voting held at the AGM).

9. In terms of Section 124 of the Act read with MCA General Circular No. 16/2020 dated 13th April, 2020 and other relevant circulars, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, the Company will be transferring the final dividend for the financial year 2013-14 and corresponding shares to IEPF. Members are requested to ensure that they claim the dividends and shares referred above, before they are transferred to the said Fund.

10. Any documents referred to in this Notice of 111th Annual General Meeting and the Statement of Material Facts shall be open for inspection by electronic mode only upto the date of the 111th Annual General Meeting of the Company.

By order of the Board

Mrs. Lakshmi Narayanan
Whole-time Director
DIN:02539061

Place : Coimbatore
Date : 25 June, 2021

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, 2022.

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, 2022.

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.

Item No.5:

The Shareholders at the 107th Annual General Meeting held on 09th August, 2017 accorded approval for the payment of remuneration to the Non-Executive Directors as per Section 198 and other applicable provisions of the Companies Act, 2013. Subsequently vide Notification No. S.O.1256(E) Dt. 18th March, 2021 issued by the Ministry of Corporate Affairs, the Non-Executive Directors of the Company could be paid remuneration in the event of inadequacy of profits.

The Board of Directors at their meeting held on 25th June, 2021 decided to seek the approval of the Shareholders authorizing the Board of Directors for the payment of Remuneration to the Non-Executive Directors in the event of inadequacy in profits in a financial year calculated as per the provisions of Notification No. S.O.1256(E) issued by the MCA on 18th March, 2021 for a period of 3 (Three) years from 1st April, 2021. The quantum of remuneration payable to Non-Executive Directors in the event of inadequacy of profits in a financial year shall be within the limits specified in Schedule V to the Companies Act, 2013 for each of the Non-Executive Directors duly recommended by the Nomination and Remuneration Committee and approved by the Board of Directors from time to time.

Hence the necessary resolutions are placed before the Members for their consideration and approval as a Special Resolution. The existing Non-Executive Directors of the Company i.e. Mr.A.Krishnamoorthy, Mr.S.Ramanujachari, Mr.P.M.Venkatasubramanian, Mr.R.Vijayaraghavan, Mr.K.K.Unni and Mr.N.P.Mani are concerned or interested in the resolution to the extent of remuneration payable to them. No other Director/Key Managerial Personnel/their relatives is concerned/interested in the resolutions.

The relevant information required to be furnished under Section II of Part II of Schedule-V of the Act are furnished hereunder:

I. General Information:

1.	Nature of Industry	:	Agro Products
2.	Date or expected date of commencement of commercial production	:	The Company was established in the year 1910 and commercial production was commenced more than ten decades ago.
3.	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	:	Not applicable

4. Financial Performance based on given indicators :

(₹ in lakhs)

Particulars	31st March, 2021	31st March, 2020
Revenue from Operations (Net)	39,305.95	32,560.45
Other Income	156.13	176.69
Total	39,462.08	32,737.14
Profit Before Tax	2,453.50	1,859.38
Profit After Tax	1,829.56	1,431.91
Dividend Amount Paid	283.94	260.28
Earnings Per Share (₹)	77.32	60.52
Share Capital	236.62	236.62
Reserves (Other Equity)	13,352.69	10,892.43
Net Worth	13,589.31	11,129.05
Debt-Equity Ratio	0.00:1	0.05:1

5. Foreign Investments/Collaborations, if any

Foreign Investments	:	Nil
Technical Collaborators	:	Nil

II. Information about the recipients of remuneration:

1. **Back-ground details:** After getting the resolution passed by the Shareholders, Mr.A.Krishnamoorthy, Mr.S.Ramanujachari, Mr.P.M.Venkatasubramanian, Mr.R.Vijayaraghavan, Mr.N.P.Mani and Mr.K.K.Unni will be in receipt of the remuneration for the present. Their back-ground details and skills/expertise are given under :

Name of the Directors	Brief description about the Directors
Mr. A. Krishnamoorthy Chairman	He has been associated with the Company as a Director from 16th Sep, 1968 and as Chairman of the Company from 15th Feb, 2011. An eminent industrialist and entrepreneur having rich experience and knowledge in all the areas of the Company and had actively participated in guiding for its growth, diversification and in identifying opportunities for the future of the Company. He is the Chairman of Amalgamations Group from 29th Jan, 2011 and the Group, has interests in Automobiles (Farm equipment), Engines, Auto components, Plantation, Agriculture and Services. He was instrumental in bringing in new technologies into various group companies in order to promote "Make in India" and has played a major role in the business growth of the group.
Mr. S. Ramanujachari Director	He is associated with the Company as a Director from 29th Nov, 2005. Master Degree holder in Commerce has a versatile experience in the field of Company Law and Taxation matters. He has been with the Amalgamations Group for more than five decades playing a key role in various Companies of the Group.
Mr. P.M. Venkatasubramanian Independent Director	He is a post graduate holder in Commerce and fellow member of the Insurance Institute of India, Mumbai. He had served as the Managing Director of General Insurance Corporation of India and has diversified experience in areas of Insurance, Finance and Human Resources. As the Audit Committee Chairman, he brings to the position his immense knowledge in ensuring compliance of the various applicable statutory requirements.
Mr. R. Vijayaraghavan Independent Director	He is a Master Degree holder in Physics and Business Management Graduate in Law and a practicing advocate for over 20 years and has enormous experience in the fields of corporate law, mergers, acquisitions and taxation matters including arbitration and conciliation.
Mr. N.P. Mani Independent Director	He is a marine engineer, who has held various diversified assignments in the Group Companies, having an experience of over fifty years in manufacturing industries.
Mr. K.K. Unni Independent Director	He is a graduate in Agriculture and holds a degree in Business Administration from Jamnalal Bajaj Institute of Management, Bombay and a Diploma in Marketing from IMEDE, Switzerland. He is one of the pioneers in crop protection and animal health industry with over 53 years of technical and commercial experience and also worked in multiple capacities in Hoechst, AgrEvo, Aventis Crop Science and Bayer Crop Science Group. He was the Chairman and Managing Director of Bilag Industries, a 100% Bayer Crop Science-owned Company.

2. **Past Remuneration :** Details of remuneration paid/payable for the Non-Executive Directors for the year ended 31st Mar, 2021 are furnished below :

(Amount in ₹)

Name of the Directors	Sitting Fees	Commission
Mr. A. Krishnamoorthy	1,00,000	5,50,000
Mr. S. Ramanujachari	80,000	5,50,000
Mr. P.M. Venkatasubramanian	70,000	3,00,000
Mr. R. Vijayaraghavan	60,000	3,00,000
Mr. N.P. Mani	80,000	3,00,000
Mr. K.K. Unni	50,000	4,00,000
Mr. K.S. Hegde	-	1,00,000
TOTAL	**4,40,000**	**25,00,000**

3. **Recognition or Awards: ……….**

4. **Job profile and their suitability:** The Non-Executive Directors have been drawn from different back-grounds. viz., Legal, Risk Management, Engineering, Taxation, etc., Their contribution at the Board level will guide the Company in its overall performance.

5. **Remuneration Proposed:** As stated in the resolution and in the Statement of Material Facts provided under Section 102 of the Act respectively, the Company will pay the Non-Executive Directors on annual basis (within the limits specified in Schedule V to the Companies Act, 2013) based on recommendations of the Nomination and Remuneration Committee.

6. **Comparative remuneration with respect to industry, size of the Company, profile of the position and person (in case of expatriates, relevant details would be with reference to the country of their origin):** The remuneration currently paid is comparable in the industry and commensurate with the responsibilities handled by Non-Executive Directors.

7. **Pecuniary Relationship:** Nil

III. Other Information:

1. **Reason for Loss or inadequacy:** The resolution is primarily to facilitate the payment of remuneration to the Non-Executive Directors due to inadequacy of profit during their tenure as specified in Schedule V which could be on the basis of computation of profits for the purpose of Managerial remuneration.

2. **Steps taken or proposed to be taken for improvement:** As mentioned, it is only an enabling resolution.

3. **Expected increase in productivity/profit in measurable terms:** Barring unforeseen circumstances, a growth of around 10% in profit before tax is anticipated.

The Board recommends the Special Resolution set out at item No.5 of the Notice, for approval by the Shareholders.

By order of the Board

Place : Coimbatore
Date : 25 June, 2021

Mrs. Lakshmi Narayanan
Whole-time Director
DIN:02539061

DIRECTORS' REPORT

Your Directors have pleasure in presenting their 111th 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, 2021.

Standalone Financial Results

Particulars	**2020-21 (₹ in Lakhs)**	2019-20 (₹ in Lakhs)
Revenue from Operations and Other Income	**39,462.08**	32,737.14
Profit Before Tax	**2,453.50**	1,859.38
Less: Current Tax	**640.00**	488.00
Less: Deferred Tax	**(16.06)**	(60.53)
Profit After Tax	**1,829.56**	1,431.91
Other Comprehensive Income/(Loss)	**914.65**	(1,034.66)
Total Comprehensive Income	**2,744.21**	397.25
Earnings per share (₹)	**77.32**	60.52

Dividend:

Your Directors have recommended a Final Dividend of ₹ 2.50 per share (25%) and with the Interim Dividend already paid at ₹ 10.00 per share (100%), makes a total of ₹ 12.50 per share (125%) for the year ended 31st March, 2021 resulting in a payout of ₹ 295.77 Lakhs.

Reserves:

Your Directors have recommended transfer of ₹ 500.00 Lakhs to General Reserve for the financial year ended 31st March, 2021 as in previous year increasing the total General Reserves to ₹ 6,949.97 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:

During the year, the weather conditions were largely favorable resulting in improved crop sowing. The Company has achieved a turnover of ₹ 39,305.95 Lakhs as compared to ₹ 32,560.45 Lakhs in 2019-20, an increase of 21%.

Outlook for the current year:

The emergence of the second wave of COVID-19 may have delayed the overall economic recovery. However the agri and allied sector is expected to continue its growth trajectory.

Besides the forecast of a normal monsoon and Government's initiatives to the rural agriculture sector are positive signals to enhance farm productivity.

Stanes is committed in the coming years in delivering innovative new product launches, geographical outreaches, digital and technology adoption to the company's manufacturing and supply chain and enhanced customer service and sustainable farm solutions.

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, 2021 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:

The Directors are pleased to record their immense appreciation for the valuable contribution made by Mr.K.S.Hegde, who resigned from the Directorship of the Company on 16th October, 2020 having served the Company for more than six decades in various positions, playing a major role in expansion activities and the business growth of the Company.

Further, the 2nd term of Mr.P.M.Venkatasubramanian and Mr.N.P.Mani as Independent Directors comes to an end on 07th August, 2021 and as they are not eligible for re-appointment beyond 2 terms as an Independent Directors, the Board wishes to place on record their appreciation for the contributions made by Mr.P.M.Venkatasubramanian and Mr.N.P.Mani who were associated with the Company since November, 2011.

Mr.P.M.Venkatasubramanian served as Chairman in Audit Committee and Nomination and Remuneration Committee of the Company. Mr.N.P.Mani served as a Member in Audit Committee and Corporate Social Responsibility Committee.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mrs.Lakshmi Narayanan retires by rotation at the Annual General Meeting, being eligible, offers herself for re-appointment.

During the year 2020-21, four Board Meetings were held. viz., 24th July, 2020, 11th September, 2020, 9th November, 2020 and 9th February, 2021.

Declaration by the Independent Directors:

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

Board Evaluation:

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

Particulars of Employees and Related Disclosures:

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

Composition of Audit Committee and details of meetings:

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.

During the year 2020-21, four Committee meetings were held. viz., 24th July, 2020, 11th September, 2020, 9th November, 2020 and 9th February, 2021.

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.

During the year 2020-21, a Committee meeting was held on 24th July, 2020.

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.

During the year 2020-21, a Committee meeting was held on 9th February, 2021.

In terms of amendment to the Companies (Corporate Social Responsibility Policy) Rules, 2014, requirement of having a CSR Committee is not required if the amount to be spent towards CSR does not exceed ₹ 50 Lakhs and the Board of Directors of the Company will discharge the functions of the CSR Committee. For our Company the amount to be spent has not exceeded ₹ 50 Lakhs, accordingly the existing CSR Committee is not required with effect from 01st April, 2021 and the Board of Directors will discharge the functions of CSR Committee.

Stakeholders' Relationship Committee:

The Committee is functioning under the Chairmanship of Mr.A.Krishnamoorthy and other member is Mr.S.Ramanujachari, Director. No complaints were received from any Shareholders during the year 2020-21 and there are no pending complaints as on 31st March, 2021.

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

Auditors:

The 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 111th 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 2021-22. The remuneration payable to them is required to be ratified by the Members in the ensuing Annual General Meeting, as set out in the Notice.

Subsidiaries:

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

Consolidated Financial Statements:

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

Secretarial:

The Company has complied with the Secretarial Standards.

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

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

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

Further, as per the Regulations, our Company has transferred the shares in respect of which dividend remained unpaid for a period of seven consecutive years, upto Financial Year 2012-13, 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 : 25 June, 2021

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 31st March, 2021 Amount in ₹**	Year ended 31st March, 2020 Amount in ₹
A	Capital	**11,85,268**	29,54,394
B	Revenue	**5,10,51,393**	4,05,56,067
C	**Total**	**5,22,36,661**	4,35,10,461
D	% of Turnover	**1.33**	1.33

C) Foreign Exchange Earnings and Outgo:

S.No.	**Particulars**	**Year ended 31st March, 2021 Amount in ₹**	Year ended 31st March, 2020 Amount in ₹
A	Earnings	**15,99,30,473**	16,63,75,273
B	Outgo	**20,92,900**	63,41,166

For and on behalf of the Board

A. Krishnamoorthy
Chairman
DIN:00001778

Place : Chennai
Date : 25 June, 2021

Annexure B

T. STANES AND COMPANY LIMITED

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, 2021

S.No.	Name	Designation	Age	Remuneration (Gross) ₹	Qualifications	Last Employment Experience	Total (Years)	Date of Joining
1	Mrs. Lakshmi Narayanan	Whole-time Director	60 Years	1,59,95,566	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	19 Years	04.10.2001

Note :

1) Gross remuneration includes salary, allowances, value of perquisites.

2) Nature of employment of the above employee is contractual.

3) Not related to any Director of the Company.

Annexure C

Corporate Social Responsibility:

S.No.	Description	Particulars
1	A brief outline of the Company's CSR Policy, including over- view of projects or programs proposed to be under-taken and a reference to the web-link to the CSR policy and projects or programs.	The Company has framed the CSR policy which among other things covers Education, Health, Poverty alleviation and Rural development. The web link to the CSR Policy is http://www.tstanes.com/csr.
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	₹ 1,800.38 Lakhs
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 36.01 Lakhs
5	Details of CSR spent during the financial year	₹ 36.01 Lakhs
	a) Total amount to be spent for the financial year;	₹ 36.01 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	31.01	31.01	31.01	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
4	Divyarakshaka Social and Charitable Society	Health	Idukki, Kerala	1.00	1.00	1.00	Direct to the Institution
5	Uyir Trust	Health	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	**Responsibility Statement :** 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.	

Lakshmi Narayanan
Whole-time Director
DIN:02539061

Place : Coimbatore
Date : 25 June, 2021

A. Krishnamoorthy
Chairman (CSR Committee)
DIN:00001778

Place : Chennai
Date : 25 June, 2021

Annexure D

Secretarial Audit Report

(For the Financial year ended on March 31, 2021)
[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, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I. We have examined the books, papers, minute books, forms and returns filed and other records maintained by T. Stanes and Company Limited (**"The Company"**) for the financial year ended on March 31, 2021 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 110th Annual General Meeting held on 28th August 2020;

   h) maintenance of minutes of proceedings of General Meetings and of the Board and its Committee meetings;

   i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;

   j) constitution of the Board of Directors/Committee(s) of Directors, appointment, retirement and reappointment of Directors including Whole-time Director;

   k) payment of remuneration to Directors including Whole-time Director,

   l) appointment and remuneration of Internal 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.

Place : Chennai
Date : 14-06-2021

For L K & Associates
Company Secretaries

LALITHA KANNAN
C.P. 1894 ACS : 8304
UDIN : A008304C000460096

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.

Place : Chennai
Date : 14-06-2021

For L K & Associates
Company Secretaries

LALITHA KANNAN
C.P. 1894 ACS : 8304
UDIN : A008304C000460096

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, 2021, 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, 2021, 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 but does not include the consolidated financial statements, standalone financial statements and our auditor’s report thereon.

- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken 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 the 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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
(Membership No. 202094)
UDIN:21202094AAAAEJ8600

Place : Bengaluru
Date : 25 June, 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of T. Stanes and Company Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the 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 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, 2021, based the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Balaji. M.N
Partner
(Membership No. 202094)
UDIN:21202094AAAAEJ8600

Place : Bengaluru
Date : 25 June, 2021

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 the plant, property and equipments.

b) Some of the plant, property and equipments 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 equipments 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 which are freehold, 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 one company covered in the register maintained under section 189 of the Companies Act, 2013 in respect of which,

a) The terms & 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 the 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 provided to us the Company has complied with the provisions of Section 185 and Section 186 of the Companies Act, 2013 in respect of grant of loans, making investment and providing guarantees and securities, as applicable.

v) According to the information and explanations given to us, the Company has not accepted any deposits during the year, hence the provisions of Sections 73 to 76 or any other relevant provisions of Companies Act, 2013 is not applicable.

vi) The maintenance of Cost records has been specified by the Central Government under Sec 148(1) of the Companies Act, 2013 for the 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, 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, Goods and Service Tax, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

c) Details of Income-tax, Sales tax and Excise Duty which have not been deposited as on March 31, 2021 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 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	61.87

viii) In our opinion and according to the information provided 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 provided / paid 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 Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the 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 the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the 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:21202094AAAAEJ8600

Place : Bengaluru
Date : 25 June, 2021

T. STANES AND COMPANY LIMITED

CIN : U02421TZ1910PLC000221

STANDALONE FINANCIAL STATEMENTS

T. STANES AND COMPANY LIMITED

STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS		₹	₹
Non-current Assets			
Property, plant and equipment	3	**31,69,68,985**	26,92,89,927
Investment property	4	**1,34,10,142**	1,07,32,523
Financial assets			
i) Investments	5	**29,26,06,431**	20,46,11,853
ii) Others	6	**45,74,105**	43,07,828
Other non-current assets	7	**21,10,000**	84,35,108
Total non-current assets		**62,96,69,663**	49,73,77,239
Current assets			
Inventories	8	**47,67,73,101**	42,72,27,894
Financial assets			
i) Trade receivables	9		
Trade receivables considered good - unsecured		**69,89,51,468**	94,60,26,894
ii) Cash and cash equivalents	10	**13,21,51,845**	1,65,88,680
iii) Loans	11	**40,00,000**	50,00,000
iv) Other financial assets	6	**91,63,402**	1,01,24,811
Current tax assets (net)		**10,45,942**	20,10,289
Other current assets	7	**6,11,50,112**	4,05,85,422
Total current assets		**138,32,35,870**	144,75,63,990
TOTAL ASSETS		**201,29,05,533**	194,49,41,229
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	**2,36,61,840**	2,36,61,840
Other equity	13	**133,52,69,269**	108,92,42,829
Total equity		**135,89,31,109**	111,29,04,669
Liabilities			
Non-current liabilities			
Provisions	18	**1,40,52,951**	1,43,47,582
Deferred tax liabilities (net)	19	**38,36,706**	1,18,37,779
Total non-current liabilities		**1,78,89,657**	2,61,85,361
Current liabilities			
Financial liabilities			
i) Borrowings	14	**-**	6,08,19,109
ii) Trade payables	15		
Total outstanding dues of micro enterprises and small enterprises		**18,71,080**	13,61,397
Total outstanding dues of creditors other than micro enterprises and small enterprises		**43,99,37,298**	56,99,61,844
iii) Other financial liabilities	16	**10,50,72,922**	9,22,05,538
Other current liabilities	17	**8,39,37,157**	6,43,57,115
Provisions	18	**52,66,310**	1,71,46,196
Total current liabilities		**63,60,84,767**	80,58,51,199
TOTAL EQUITY AND LIABILITIES		**201,29,05,533**	194,49,41,229
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

A. KRISHNAMOORTHY
Chairman
DIN : 00001778

LAKSHMI NARAYANAN
Whole-time Director
DIN : 02539061
Place : Coimbatore
Date : 25 June, 2021

BALAJI. M.N
Partner
Membership No. 202094

P.M. VENKATASUBRAMANIAN
Director
DIN : 00001579

S. RAMANUJACHARI
Director
DIN : 00001776

Place : Bengaluru
Date : 25 June, 2021

Place : Chennai
Date : 25 June, 2021

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
REVENUE		₹	₹
a) Revenue from operations	20	**393,05,95,179**	325,60,45,357
b) Other income	21	**1,56,13,375**	1,76,69,376
Total Income		**394,62,08,554**	327,37,14,733
EXPENSES			
a) Cost of materials consumed	22	**160,11,57,447**	137,36,07,587
b) Purchases of stock-in-trade	23	**122,26,16,054**	88,99,68,323
c) Changes in inventories of finished goods and stock-in-trade	24	**(1,75,91,951)**	(3,09,13,157)
d) Employee benefits expense	25	**34,31,32,773**	34,86,96,980
e) Finance costs	26	**32,22,551**	50,48,062
f) Depreciation expense	29	**3,73,48,333**	3,03,95,772
g) Other expenses	27	**51,09,73,727**	47,09,73,454
Total Expenses		**370,08,58,934**	308,77,77,021
Profit before tax		**24,53,49,620**	18,59,37,712
Tax expense			
Current tax		**6,40,00,000**	4,88,00,000
Deferred tax		**(16,05,830)**	(60,53,473)
Net tax expense	28	**6,23,94,170**	4,27,46,527
Profit for the year		**18,29,55,450**	14,31,91,185
Other comprehensive income/(loss) (OCI)			
i) Items that will not be reclassified to profit or loss			
a) Re-measurements of the defined benefit plans		**(29,49,623)**	(11,46,755)
b) Equity instruments through OCI		**8,80,19,578**	(10,26,19,783)
ii) Income tax on items that will not be reclassified to profit or loss		**63,95,243**	3,00,000
Total Other comprehensive income/(loss)		**9,14,65,198**	(10,34,66,538)
Total comprehensive income for the year		**27,44,20,648**	3,97,24,647
Earnings per share (of ₹ 10/- each):			
Basic and Diluted (in ₹)	35	**77.32**	60.52
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 : 25 June, 2021

A. KRISHNAMOORTHY
Chairman
DIN : 00001778

P.M. VENKATASUBRAMANIAN
Director
DIN : 00001579

S. RAMANUJACHARI
Director
DIN : 00001776

Place : Chennai
Date : 25 June, 2021

LAKSHMI NARAYANAN
Whole-time Director
DIN : 02539061
Place : Coimbatore
Date : 25 June, 2021

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

a. Equity share capital

Particulars	**As at March 31, 2021**	As at March 31, 2020
	₹	₹
Equity shares with voting rights		
At the beginning of the year	**2,36,61,840**	2,36,61,840
Movements during the year	**-**	-
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**	**59,49,96,830**	**23,14,43,248**	**24,88,67,173**	**108,08,96,911**
Profit for the year	-	-	-	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 (including dividend distribution tax)	-	-	-	(3,13,78,729)	-	(3,13,78,729)
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**
Profit for the year	-	-	-	18,29,55,450	-	18,29,55,450
Transfer to general reserve	-	-	5,00,00,000	(5,00,00,000)	-	-
Remeasurements of the defined benefit liabilities/(asset)	-	-	-	-	(29,49,623)	(29,49,623)
Equity instruments through OCI	-	-	-	-	8,80,19,578	8,80,19,578
Income tax on items that will not be reclassified to profit or loss	-	-	-	-	63,95,243	63,95,243
Payment of dividends	-	-	-	(2,83,94,208)	-	(2,83,94,208)
Balance at 31 March 2021	**42,75,420**	**13,14,240**	**69,49,96,830**	**39,78,16,946**	**23,68,65,833**	**133,52,69,269**

Accompanying notes form part of the standalone financial statements.

In terms of our report attached

For Fraser & Ross
Chartered Accountants
Firm's Registration Number : 000829S

BALAJI. M.N
Partner
Membership No. 202094

Place : Bengaluru
Date : 25 June, 2021

For and on behalf of the Board of Directors

A. KRISHNAMOORTHY
Chairman
DIN : 00001778

LAKSHMI NARAYANAN
Whole-time Director
DIN : 02539061

Place : Coimbatore
Date : 25 June, 2021

P.M. VENKATASUBRAMANIAN
Director
DIN : 00001579

S. RAMANUJACHARI
Director
DIN : 00001776

Place : Chennai
Date : 25 June, 2021

T. STANES AND COMPANY LIMITED

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

Particulars	**For the year ended March 31, 2021**		For the year ended March 31, 2020	
	₹	₹	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax		**24,53,49,620**		18,59,37,712
Adjustments for :				
Depreciation expense	**3,73,48,333**		3,03,95,772	
Profit on sale of property, plant and equipment (net)	**(3,04,664)**		(20,15,963)	
Net gain on sale of investments	**(5,32,000)**		-	
Allowance for credit losses	**8,59,000**		3,27,000	
Bad debts write off (net)	**53,32,983**		27,70,153	
Re-measurement gains and (losses) on defined benefit/plans	**(29,49,623)**		(11,46,755)	
Dividend income	**(29,40,297)**		(29,90,159)	
Interest income	**(36,14,033)**		(9,92,507)	
Unrealised foreign exchange gain/(loss)	**(5,51,178)**		(7,38,445)	
Finance costs	**32,22,551**		50,48,062	
		3,58,71,072		3,06,57,158
Operating profit before working capital changes		**28,12,20,692**		21,65,94,870
Changes in working capital				
Adjustments for (increase)/decrease in operating assets:				
Inventories	**(4,95,45,207)**		(57,79,143)	
Trade receivables	**24,14,34,621**		(6,68,68,806)	
Non-current and current financial assets	**8,34,970**		26,36,519	
Non-current and current assets	**(2,04,64,689)**		2,08,11,817	
Adjustments for increase/(decrease) in operating liabilities:				
Trade payables	**(12,95,14,863)**		(12,88,07,378)	
Other financial liabilities	**72,69,790**		(9,04,970)	
Current liabilities	**1,95,80,042**		93,35,634	
Non-current and current provisions	**(3,33,226)**		11,95,920	
		6,92,61,438		(16,83,80,407)
Cash generated from operations		**35,04,82,130**		4,82,14,463
Income taxes paid		**(7,48,76,945)**		(5,10,83,344)
Net cash flow from/(used in) operating activities (A)		**27,56,05,185**		(28,68,881)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	**(7,57,95,261)**		(5,72,69,231)	
Proceeds from sale of property, plant and equipment	**3,05,361**		22,80,433	
Sale/(purchase) of long-term investments	**5,57,000**		(1,79,500)	
Loans realised from subsidiaries	**10,00,000**		(40,00,000)	
Other bank balances	**(7,00,61,351)**		15,93,304	
Interest received on				
Loans and advances	**5,14,155**		2,83,970	
Others	**29,60,040**		7,06,724	
Dividend received				
Associates	**22,59,058**		22,59,058	
Others	**6,81,239**		7,31,101	
Net cash flow used in Investing activities (B)		**(13,75,79,759)**		(5,35,94,141)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021 - (Contd...)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	₹	₹	₹	₹
C. CASH FLOW FROM FINANCING ACTIVITIES				
Net increase/(decrease) in working capital borrowings	**(6,08,19,109)**		4,88,31,305	
Repayment of non-current borrowings	**-**		(15,00,006)	
Finance costs paid	**(32,22,551)**		(50,48,062)	
Payment of dividends (including dividend distribution tax)	**(2,83,94,208)**		(3,13,78,729)	
Net cash flow from/(used in) financing activities (C)	**(9,24,35,868)**		1,09,04,508	
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		**4,55,89,558**		(4,55,58,514)
Cash and cash equivalents at the beginning of the year		**1,09,39,573**		5,64,98,087
Cash and cash equivalents at the end of the year		**5,65,29,131**		1,09,39,573
Cash and cash equivalents at the end of the year **(Refer Note 10A)**				
a) Cash on hand	**17,49,919**		23,78,734	
b) Cheques on hand	**1,77,87,152**		49,12,355	
c) Balances with banks				
In current accounts	**64,85,482**		36,48,484	
Others - (Cash Credit account)	**3,05,06,578**		-	
		5,65,29,131		1,09,39,573

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 Fraser & Ross
Chartered Accountants
Firm’s Registration Number : 000829S

BALAJI. M.N
Partner
Membership No. 202094

Place : Bengaluru
Date : 25 June, 2021

For and on behalf of the Board of Directors

A. KRISHNAMOORTHY
Chairman
DIN : 00001778

LAKSHMI NARAYANAN
Whole-time Director
DIN : 02539061

Place : Coimbatore
Date : 25 June, 2021

P.M. VENKATASUBRAMANIAN
Director
DIN : 00001579

S. RAMANUJACHARI
Director
DIN : 00001776

Place : Chennai
Date : 25 June, 2021

1. Corporate Information

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

1.1 Basis of preparation and presentation

a) Statement of compliance

T. Stanes and Company Limited (‘the Company’) financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under section 133 of Companies Act 2013, Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

b) Basis of measurement

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

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

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

2. Significant Accounting Policies

2.1 Revenue recognition

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

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

2.1 Revenue recognition — (Contd.)

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

2.2 Business segments

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

2.3 Taxation

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

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

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

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

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

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

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

2.4 Impairment of assets

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

2.4 Impairment of assets — (Contd.)

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

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

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

2.6 Cash flow statement

Cash flow statement has been prepared in accordance with the indirect method whereby Profit/(Loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.7 Inventories

Raw materials, finished goods and trading stock are valued at lower of cost (identified direct overheads wherever applicable) and net realizable value. Cost is determined using moving average method. Net realisable value is the 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 Financial instruments

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

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

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.9 Financial assets

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

i) Classification of financial assets

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

a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss),

b) Those measured at amortised cost and

c) Those measured at cost

2.9 Financial assets — (Contd.)

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

ii) Measurements

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

Debt instruments

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

a) Amortised cost:

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

b) Fair value through profit or loss:

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

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

Equity instruments

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

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

iii) Impairment of financial assets

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

2.9 Financial assets — (Contd.)

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

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

iv) De-recognition of financial assets

A financial asset is de-recognised only when

a) The Company has transferred the rights to receive cash flows from the financial asset or

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

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

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

v) Income recognition

a) Interest income

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

b) Dividends

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

2.10 Financial liabilities and equity instruments

i) Classification as debt or equity

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

ii) Equity instruments

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

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

2.10 Financial liabilities and equity instruments — (Contd.)

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

iii) Financial liabilities

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

2.11 Property, plant and equipment

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

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

An item of property, plant and equipment is 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 statement profit or loss.

2.12 Investment property

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

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

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

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

2.13 Leases

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

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

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

2.13 Leases — (Contd.)

changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

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

2.14 Investments

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

2.15 Employee benefits

I. Defined contribution plans:

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

i) In respect of provident fund, when payments are due to the Regional Provident Fund Commissioner.

ii) Eligible employees, as per the company's superannuation scheme, are entitled to receive retirement benefits and contributions are made annually as per the rules of the scheme to the Life Insurance Corporation through approved superannuation trust.

iii) In respect of eligible employees, contributions are remitted to the Employees State Insurance Corporation.

There are no obligations other than the above.

II. Defined benefit obligations

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

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

2.16 Depreciation

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

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

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

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

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

2.17 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of profit and loss in the period in which they are incurred. Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

2.18 Foreign currencies

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

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

2.19 Research and Development

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

2.20 Provisions and contingent liabilities

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

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

2.20 Provisions and contingent liabilities — (Contd.)

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

2.21 Earnings per share

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

2.22 Operating cycle

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

2.23 Use of estimates and judgements

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

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

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

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Estimation of defined benefit obligation – Note 37b

Estimation of current tax expense and payable – Note 28

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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, 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**
Transferred to investment properties (Note 4)	10,91,140	24,71,200	-	-	-	-	-	-	35,62,340
Additions	-	4,30,36,106	1,39,98,656	19,71,529	33,87,595	52,98,433	84,35,765	1,15,77,623	8,77,05,707
Disposals	-	-	3,19,781	2	-	36,998	14,97,580	-	18,54,361
Balance as at March 31, 2021	**1,09,56,558**	**18,26,72,589**	**15,21,59,331**	**70,08,085**	**81,93,350**	**1,28,31,778**	**7,80,36,943**	**2,65,38,441**	**47,83,97,075**
Accumulated depreciation									
Balance as at April 01, 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**	**10,02,61,461**
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**	**12,68,18,142**
Transferred to investment properties (Note 4)	-	5,25,229	-	-	-	-	-	-	5,25,229
Depreciation for the year	-	54,17,659	1,84,92,056	6,36,452	9,63,167	6,99,285	91,02,321	16,77,901	3,69,88,841
On disposals	-	-	3,19,094	-	-	36,996	14,97,574	-	18,53,664
Balance as at March 31, 2021	**-**	**2,91,54,036**	**7,60,01,503**	**45,54,929**	**41,06,634**	**41,24,404**	**3,62,58,652**	**72,27,932**	**16,14,28,090**
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
Carrying amount as at March 31, 2021	**1,09,56,558**	**15,35,18,553**	**7,61,57,828**	**24,53,156**	**40,86,716**	**87,07,374**	**4,17,78,291**	**1,93,10,509**	**31,69,68,985**

Notes :

1. Refer Note 14(i) for details of assets pledged as security.
2. All property, plant and equipment are owned by the company, unless stated as taken on lease.

Particulars	Land	Buildings	Total
Note 4: INVESTMENT PROPERTY	₹	₹	₹
Deemed cost			
Balance as at April 01, 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**
Transferred from Property, plant and equipment (Note 3)	10,91,140	24,71,200	35,62,340
Additions/(Deletions) during the year	-	-	-
Balance as at March 31, 2021	**86,43,826**	**66,63,824**	**1,53,07,650**
Accumulated depreciation			
Balance as at April 01, 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**
Transferred from Property, plant and equipment (Note 3)	-	5,25,229	5,25,229
Depreciation for the year	-	3,59,492	3,59,492
Balance as at March 31, 2021	**-**	**18,97,508**	**18,97,508**
Carrying amount as at March 31, 2020	75,52,686	31,79,837	1,07,32,523
Carrying amount as at March 31, 2021	**86,43,826**	**47,66,316**	**1,34,10,142**

4.1 Information regarding income and expenditure of Investment property

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
	₹	₹
Rental income derived from investment properties	**17,93,090**	19,04,630
Direct operating expenses*	**1,52,878**	1,48,180
Profit arising from investment properties before depreciation and indirect expenses	**16,40,212**	17,56,450
Less: Depreciation	**3,59,492**	2,10,353
Profit arising from investment properties before indirect expenses	**12,80,720**	15,46,097

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

4.2 The Company's investment properties consist of seven (previous year six) properties in India. As at March 31, 2021 and March 31, 2020, the fair values of the properties are ₹ 13,83,06,412 and ₹ 6,54,82,047. 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.

Particulars	Nominal value per share	As at March 31, 2021		As at March 31, 2020	
		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	4,10,56,605
Stanes Amalgamated Estates Limited	**10**	**5,56,335**	**21,13,633**	5,56,335	21,13,633
Others:					
South Western Engineering India Limited	**1,000**	**-**	**-**	14	14,000
Sub Total			**4,31,70,238**		4,31,84,238
Other investments at cost					
In Government securities - NSC			**19,500**		30,500
Sub Total			**19,500**		30,500
Total investment carried at cost			**4,31,89,738**		4,32,14,738
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**	**8,36,688**	**51,87,493**	8,36,688	51,87,493
Add: Accumulated gain/(loss) recognised on fair value of investments through OCI			**24,42,29,200**		15,62,09,622
Total investment carried at fair value			**24,94,16,693**		16,13,97,115
Total			**29,26,06,431**		20,46,11,853
Notes:					
Aggregate amount of quoted investments(cost)			**51,87,493**		51,87,493
Aggregate market value of listed and quoted investments			**24,94,16,693**		16,13,97,115
Aggregate amount of unquoted and other investments			**4,31,89,738**		4,32,14,738

Particulars	**As at March 31, 2021**	As at March 31, 2020
	₹	₹
Note 6 : OTHER FINANCIAL ASSETS		
NON-CURRENT		
Unsecured, considered good:		
Security deposit	**45,74,105**	43,07,828
Total	**45,74,105**	43,07,828
CURRENT		
Unsecured, considered good:		
Rent deposits	**38,52,861**	43,68,078
Accrued income receivable	**1,89,705**	1,24,186
Agency commision receivable	**42,84,148**	47,95,859
Dividend income from investments	**8,36,688**	8,36,688
Total	**91,63,402**	1,01,24,811
Note 7 : OTHER ASSETS		
NON-CURRENT		
Unsecured, considered good:		
Capital advances	**15,10,000**	77,35,108
Prepaid expenses	**6,00,000**	7,00,000
Total	**21,10,000**	84,35,108
CURRENT		
Unsecured, considered good:		
Prepaid expenses	**100,000**	100,000
Advances to employees	**7,21,807**	7,66,920
Balances with government authorities	**2,00,02,571**	1,80,27,975
Advances - trade and supplies	**4,03,18,734**	2,16,83,527
Others	**7,000**	7,000
Total	**6,11,50,112**	4,05,85,422
Note 8 : INVENTORIES		
At lower of cost and net realisable value:		
Raw materials	**12,54,61,663**	9,73,89,834
Finished goods	**21,23,39,937**	22,46,30,016
Stock-in-trade	**9,73,46,763**	6,74,64,733
Stores and spares	**4,16,24,738**	3,77,43,311
Total	**47,67,73,101**	42,72,27,894

Note: Refer Note 14(i) for details of Inventory pledged as security.

Particulars	**As at March 31, 2021**	As at March 31, 2020
	₹	₹
Note 9 : TRADE RECEIVABLES		
a) Unsecured, considered good	**69,89,51,468**	94,60,26,894
b) Considered doubtful	**24,74,000**	16,15,000
Less : Allowance for credit losses	**(24,74,000)**	(16,15,000)
TOTAL	**69,89,51,468**	94,60,26,894

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.

Particulars	**As at March 31, 2021**	As at March 31, 2020
Note 10 : CASH AND CASH EQUIVALENTS	₹	₹
A. Cash and cash equivalents (as per Cash Flow Statement)		
a) Cash on hand	**17,49,919**	23,78,734
b) Cheques on hand	**1,77,87,152**	49,12,355
c) Balances with banks		
i) In current accounts	**64,85,482**	36,48,484
ii) Others - (Cash Credit account)	**3,05,06,578**	-
Total - Cash and cash equivalents (as per Cash Flow Statement) (A)	**5,65,29,131**	1,09,39,573
B. Other Bank Balances		
a) In Deposit accounts - remaining maturity less than 12 months	**7,00,00,000**	-
b) In earmarked accounts		
i) Unpaid dividend accounts	**45,38,591**	46,26,335
ii) Margin money with bank	**10,84,123**	10,22,772
Total - Other bank balances (B)	**7,56,22,714**	56,49,107
Total Cash and cash equivalents (A+B)	**13,21,51,845**	1,65,88,680
Note 11 : LOANS		
CURRENT		
Unsecured, considered good:		
Loans to subsidiary company	**40,00,000**	50,00,000
Total	**40,00,000**	50,00,000

Particulars	As at March 31, 2021		As at March 31, 2020	
	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, 2021		As at March 31, 2020	
	No. of shares	₹	No. of shares	₹
Equity shares with voting rights				
Simpson and Company Limited, the Holding Company	**13,73,040**	**1,37,30,400**	13,72,795	1,37,27,950
Amalgamations Private Limited, the Ultimate Holding Company	**3,16,808**	**31,68,080**	3,16,808	31,68,080
Subsidiaries of the Holding Company				
Simpson & General Finance Company Limited	**25,000**	**2,50,000**	25,000	2,50,000
Sri Rama Vilas Service Limited	**11,800**	**1,18,000**	11,800	1,18,000
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	**13,73,040**	**58.03**	13,72,795	58.02
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. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

Particulars	**As at March 31, 2021**	As at March 31, 2020
Note 13 : OTHER EQUITY	₹	₹
Securities premium reserve		
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	**13,14,240**	13,14,240
Changes during the year	**-**	-
Closing balance	**13,14,240**	13,14,240
General reserve		
Opening balance	**64,49,96,830**	59,49,96,830
Add: Transferred from retained earnings	**5,00,00,000**	5,00,00,000
Closing balance	**69,49,96,830**	64,49,96,830
Retained earnings		
Opening balance	**29,32,55,704**	23,14,43,248
Add: Profit for the year	**18,29,55,450**	14,31,91,185
Less: Transferred to:		
General reserve	**5,00,00,000**	5,00,00,000
Payment of dividends (including dividend distribution tax)	**2,83,94,208**	3,13,78,729
Closing balance	**39,78,16,946**	29,32,55,704
Reserve for equity instruments through Other comprehensive income		
Opening balance	**14,54,00,635**	24,88,67,173
a) Re-measurements of the defined benefit plans	**(29,49,623)**	(11,46,755)
b) Equity instruments through OCI	**8,80,19,578**	(10,26,19,783)
c) Income tax on items that will not be reclassified to profit or loss	**63,95,243**	3,00,000
Closing balance	**23,68,65,833**	14,54,00,635
Total	**133,52,69,269**	108,92,42,829

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. Retained earnings comprise of the company's prior years undistributed earnings after taxes. Other comprehensive income consist of fair value changes on FVTOCI financial assets and remeasurement of net defined benefit plan's liability/asset.

E. The Company has paid interim dividend of ₹ 10 per equity share (March 2020 : ₹ 7 per equity share).

F. In respect of the year ended March 31, 2021, the Board of Directors has proposed a final dividend of ₹ 2.50 per equity share (March 2020: ₹ 2 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.

Note 14 : CURRENT BORROWINGS

Particulars	As at March 31, 2021	As at March 31, 2020
Loans repayable on demand - (At amortised cost)	₹	₹
From banks - Secured (Refer Note (i) below)	-	6,08,19,109
Total	**-**	6,08,19,109

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

Particulars	Nature of Security and Terms	As at March 31, 2021	As at March 31, 2020
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
Total - From Banks		-	6,08,19,109

Particulars	As at March 31, 2021	As at March 31, 2020
Note 15 : TRADE PAYABLES	₹	₹
Total outstanding dues of creditors, micro enterprises and small enterprises (Refer Note 32)	**18,71,080**	13,61,397
Total outstanding dues of creditors other than micro enterprises and small enterprises	**43,99,37,298**	56,99,61,844
Total	**44,18,08,378**	57,13,23,241
Note 16 : OTHER FINANCIAL LIABILITIES		
Measured at amortised cost		
Current		
Unclaimed dividends *	**45,38,591**	46,26,335
Dealer/security deposits	**8,59,95,264**	8,05,87,797
Due to gratuity fund	**80,96,824**	62,34,501
Payables on purchase of fixed assets	**64,42,243**	7,56,905
Total	**10,50,72,922**	9,22,05,538

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

Particulars	**As at March 31, 2021**	As at March 31, 2020
	₹	₹
Note 17 : OTHER CURRENT LIABILITIES		
Advances from customers	**6,92,71,082**	4,58,22,829
Statutory remittances	**1,46,66,075**	1,85,34,286
Total	**8,39,37,157**	6,43,57,115
Note 18 : PROVISIONS		
Non-Current		
Provision for employee benefits - compensated absences	**1,40,52,951**	1,43,47,582
Total	**1,40,52,951**	1,43,47,582
Current		
Provision for Income tax (net of advances)	**41,06,826**	1,59,48,117
Provision for employee benefits - compensated absences	**11,59,484**	11,98,079
Total	**52,66,310**	1,71,46,196
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.	**1,41,08,567**	1,58,21,448
Tax effect of items constituting deferred tax assets		
Provision for compensated absences	**38,76,618**	39,83,669
Net gain on fair value of equity instruments	**63,95,243**	-
Total	**38,36,706**	1,18,37,779

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
NOTE 20 : REVENUE FROM OPERATIONS		
Sale of products (Refer Note (i) below)	**388,25,92,488**	318,43,15,930
Other operating revenues (Refer Note (ii) below)	**4,80,02,691**	7,17,29,427
Revenue from operations	**393,05,95,179**	325,60,45,357
a) Revenue by products		
i) Sale of products comprise:		
Manufactured goods:		
Agri inputs	**249,81,02,748**	217,28,01,635
Consumer and industrial products	**9,51,19,742**	7,36,34,671
Total - Sale of manufactured goods	**259,32,22,490**	224,64,36,306
Traded goods:		
Agri inputs	**115,40,15,861**	75,68,28,789
Consumer and industrial products	**13,53,54,137**	18,10,50,835
Total - Sale of traded goods	**128,93,69,998**	93,78,79,624
Total - Sale of products	**388,25,92,488**	318,43,15,930
ii) Other operating revenues comprise:		
Sale of scrap	**6,10,526**	8,72,846
Duty drawback and other export incentives	**31,44,484**	57,27,063
Others		
Agency commission (net)	**3,57,72,466**	5,29,08,246
Rebate/discount from suppliers	**84,51,029**	1,21,84,064
Miscellaneous income	**24,186**	37,208
Total - Other operating revenues	**4,80,02,691**	7,17,29,427
b) Revenue by geography		
India	**377,06,64,706**	308,96,70,084
Rest of the world	**15,99,30,473**	16,63,75,273
Total - Revenue from operations	**393,05,95,179**	325,60,45,357
Note 21 : OTHER INCOME		
a) Interest income (Refer Note (i) below)	**36,14,033**	9,92,507
b) Dividend income from investments:		
Related parties		
Investment designate at fair value through OCI	**22,59,058**	22,59,058
Investment carried at cost	**-**	5,56,335
Others	**6,81,239**	7,31,101
c) Net gain on sale of investments	**5,32,000**	-
d) Net gain on foreign currency transactions and translation	**33,18,671**	5105,082
e) Other non-operating income (Refer Note (ii) below)	**52,08,374**	80,25,293
Total - Other income	**1,56,13,375**	1,76,69,376
i) Interest income comprise:		
Interest from:		
Deposits	**30,99,878**	7,08,537
Interest on loans and advances	**5,14,155**	2,83,970
Total - Interest income	**36,14,033**	9,92,507
ii) Other non-operating income comprise:		
Rental income	**49,03,710**	58,77,668
Profit on sale of property, plant & equipment (net)	**3,04,664**	20,15,963
Miscellaneous income	**-**	1,31,662
Total - Other non-operating income	**52,08,374**	80,25,293

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Note 22 : COST OF MATERIALS CONSUMED	₹	₹
Opening stock	**9,73,89,834**	12,55,93,876
Add: Purchases	**162,92,29,276**	134,54,03,545
	172,66,19,110	147,09,97,421
Less: Closing stock	**12,54,61,663**	9,73,89,834
Total	**160,11,57,447**	137,36,07,587
Note 23 : PURCHASE OF STOCK-IN-TRADE		
Agri inputs	**110,04,70,484**	72,07,17,678
Consumer and industrial products	**12,21,45,570**	16,92,50,645
Total	**122,26,16,054**	88,99,68,323
Note 24 : CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE		
Inventories at the end of the year:		
Finished goods	**21,23,39,937**	22,46,30,016
Stock-in-trade	**9,73,46,763**	6,74,64,733
Total	**30,96,86,700**	29,20,94,749
Inventories at the beginning of the year:		
Finished goods	**22,46,30,016**	21,01,58,726
Stock-in-trade	**6,74,64,733**	5,10,22,866
Total	**29,20,94,749**	26,11,81,592
Net (increase)/decrease	**(1,75,91,951)**	(3,09,13,157)
Note 25 : EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	**30,00,83,632**	30,34,58,384
Contribution to provident and other funds	**2,07,62,490**	2,11,06,300
Staff welfare expenses	**2,22,86,651**	2,41,32,296
Total	**34,31,32,773**	34,86,96,980
Note 26 : FINANCE COSTS		
Interest expense on borrowings from:		
i) Banks	**29,589**	12,04,512
ii) Others	**4,31,855**	2,97,816
Other Finance cost	**27,61,107**	35,45,734
Total	**32,22,551**	50,48,062

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 27 : OTHER EXPENSES	₹	₹
Consumption of stores and spare parts	**33,00,105**	17,30,039
Power and fuel	**1,13,03,525**	1,29,30,684
Rent	**2,17,74,504**	2,27,94,073
Repairs and maintenance - Buildings	**1,84,08,630**	82,31,725
Repairs and maintenance - Machinery	**1,28,42,017**	1,00,68,335
Repairs and maintenance - Others	**76,90,341**	82,22,577
Insurance	**1,22,29,712**	1,22,15,511
Rates and taxes	**1,20,10,615**	75,56,578
Allowance for credit losses	**8,59,000**	3,27,000
Communication	**1,06,26,070**	98,81,618
Travelling and conveyance	**5,58,22,691**	9,22,63,945
Printing and stationery	**48,51,317**	47,91,202
Freight and distribution	**20,41,43,974**	15,94,43,153
Business promotion	**5,79,85,452**	6,47,68,706
Directors sitting fees	**4,40,000**	4,80,000
Donations and contributions	**65,000**	15,000
Expenditure on Corporate social responsibility (Refer Note 39)	**36,01,000**	34,80,000
Professional and consultancy charges	**88,09,406**	61,13,640
Payments to auditors (Refer Note (i) below)	**15,03,750**	15,18,000
Bad debts write off (net)	**53,32,983**	27,70,153
Miscellaneous expenses	**5,73,73,635**	4,13,71,515
Total	**51,09,73,727**	47,09,73,454
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	**3,750**	18,000
Total	**15,03,750**	15,18,000

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
	₹	₹
Note 28 : TAX EXPENSE		
Tax expense in the statement of profit and loss consists of:		
Current income tax:		
- in respect of the current period	**6,40,00,000**	4,88,00,000
Deferred tax:		
- in respect of the current period	**(16,05,830)**	(60,53,473)
Tax expense reported in the statement of profit and loss	**6,23,94,170**	4,27,46,527
Tax expense recognised in the other comprehensive income		
Re-measurement of defined benefit obligation equity instrument through OCI	**63,95,243**	3,00,000
Total	**63,95,243**	3,00,000
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	**24,53,49,620**	18,59,37,712
Enacted income tax rate in India	**25.17%**	25.17%
Computed expected tax expense	**6,17,49,592**	4,67,96,805
Effect of:		
Income exempt from tax	**(1,33,894)**	(5,92,582)
Expenses that are deductible in determining taxable profit	**(3,28,648)**	(3,17,339)
Others	**12,09,631**	18,83,833
Depreciation	**15,03,319**	10,29,283
Total current tax expense recognised in the Statement of profit and loss	**6,40,00,000**	4,88,00,000
Note 29 : DEPRECIATION EXPENSE		
Depreciation on property, plant and equipment (Refer Note 3)	**3,69,88,841**	3,01,85,419
Depreciation on investment property (Refer Note 4)	**3,59,492**	2,10,353
Total	**3,73,48,333**	3,03,95,772
Note 30 : STAFF PENSION FUND		
The Company is the sole beneficiary of T. Stanes and Company Limited Staff Pension Fund.		
a) Amount due to/from the fund	**-**	-
b) Income for the year	**6,81,239**	7,31,101

Particulars	As at March 31, 2021	As at March 31, 2020
Note 31 : 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
Income tax		
Assessment Year 2017-18 (out of which ₹ 18,27,155/- (31st March, 2020: Nil) have been deposited under protest)	**80,13,676**	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	**74,22,309**	83,61,425
b) Financial guarantee to bankers on account of subsidiary company	**4,50,00,000**	4,50,00,000
Note 32 : DISCLOSURE REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006		
The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2021 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.		
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	**18,71,080**	13,61,397
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	**Nil**	Nil
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	**Nil**	Nil
The amount of interest accrued and remaining unpaid at the end of accounting year;	**Nil**	Nil
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

Note 33 : 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. 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 are functioning 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, 2021**	As at March 31, 2020
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 the Statement of Profit and Loss Account	**2,17,74,504**	2,27,94,073
b) Recognised as rental income on properties under lease	**49,03,710**	58,77,668
Note 34(a) :- Future minimum lease payments		
Not later than one year	**15,53,898**	14,80,320
Later than one year and not later than five years	**47,25,232**	54,40,935
Later than five years	**1,37,21,400**	1,45,59,595
Note 35 :- 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	**18,29,55,450**	14,31,91,185
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	**77.32**	60.52

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	Amalgamations Private Limited *
b) Holding Company	Simpson and Company Limited *
c) Subsidiaries	Stanes Motors (South India) Limited * Stanes Amalgamated Estates Limited *

d) Fellow Subsidiaries

- Addison and Company Limited *
- Amalgamations Repco Limited
- AMCO Batteries Limited
- Associated Printers (Madras) Private Limited *
- Associated Publishers (Madras) Private Limited
- Alpump Limited
- Bimetal Bearings Limited *
- George Oakes Limited *
- Higginbothams Private Limited
- India Pistons Limited
- IP Rings Limited
- IP Pins & Liners Limited
- IPL Engine Components Private Limited
- IPL Green Power Limited
- L. M. Van Moppes Diamond Tools India Private Limited
- Shardlow India Limited
- Wallace Cartwright and Company Limited, London
- Simpson & General Finance Company Limited *
- Southern Tree Farms Limited *
- Speed-A-Way Private Limited *
- Sri Rama Vilas Service Limited*
- Tractors and Farm Equipment Limited *
- TAFE Access Limited *
- TAFE Motors and Tractors Limited
- TAFE Reach Limited
- TAFE USA Inc.Delaware U.S.A.
- TAFE International Traktor VE Tarim Ekipmani Sanayi VE Ticaret Limited Sirketi
- TAFE Tractors Changshu Company Limited, China
- TAFE Properties Limited
- The Madras Advertising Company Private Limited*
- Wheel & Precision Forgings India Limited
- W J Groom and Company Limited, London

e) Associates to Holding / Ultimate Holding Company	The United Nilgiri Tea Estates Company Limited * Amalgamations Valeo Clutch Private Limited BBL Daido Private Limited
f) Key management personnel	Mr. A. Krishnamoorthy (Chairman) * Mrs. Lakshmi Narayanan (Whole-time Director) * Mr. S.Ramanujachari (Non-Executive Director) * Mr. K.S.Hegde (Non-Executive Director) (upto 16 Oct, 2020) * Mr. P.M. Venkatasubramanian (Independent Director) * Mr. R. Vijayaraghavan (Independent Director) * Mr. N.P. Mani (Independent Director) * Mr. K.K. Unni (Independent Director) * Mr. G. Ramakrishnan (Company Secretary) (upto 31 Dec, 2020)*
g) Relatives of Key Managerial Personnel	Ms. Kalyani Narayanan (from 01 Apr, 2020) *

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

T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2021

Note 36 (b) Details of related party transactions during the year ended March 31, 2021 and balances outstanding as at March 31, 2021

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Companies		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A) TRANSACTIONS DURING THE YEAR														
Sales	-	-	8,50,109	14,08,972	45,73,490	55,19,117	18,77,141	15,85,645	32,12,219	38,25,693	-	-	1,05,12,959	1,23,39,427
Service rendered to	6,53,400	7,10,788	31,33,517	55,13,292	-	-	9,92,135	10,70,544	51,341	44,004	-	-	48,30,393	73,38,628
Interest received on loan given	-	-	-	-	3,85,260	1,68,310	-	-	-	-	-	-	3,85,260	1,68,310
Dividend received from	-	-	-	-	-	5,56,335	-	-	22,59,058	22,59,058	-	-	22,59,058	28,15,393
Interest paid on loan availed	-	-	-	-	-	-	-	2,95,494	-	-	-	-	-	2,95,494
Purchases	-	-	-	-	26,875	11,528	32,18,581	4,88,037	4,75,857	6,08,222	-	-	37,21,313	11,07,787
Service availed from	63,48,259	63,28,758	-	-	2,21,421	2,14,758	28,35,234	35,72,593	-	-	-	-	94,04,914	1,01,16,109
Dividend paid to	38,01,696	34,84,888	1,64,73,540	1,50,97,705		-	4,57,200	4,19,100	-	-	-	-	2,07,32,436	1,90,01,693
Remuneration		-	-	-	-	-	-	-	-	-	1,87,84,862	1,62,03,182	1,87,84,862	1,62,03,182
Sitting fees and commission	-	-	-	-	-	-	-	-	-	-	29,40,000	24,40,000	29,40,000	24,40,000
Payment received on loan given	-	-	-	-	10,00,000	10,00,000	-	-	-	-	-	-	10,00,000	10,00,000
Advance paid to	-	-	-	-	-	-	15,00,000	-	-	-	-	-	15,00,000	-
B) BALANCES OUTSTANDING AT THE END OF THE YEAR														
Equity participation in	-	-	-	-	4,31,70,238	4,31,70,238	-	-	51,87,493	51,87,493	-	-	4,83,57,731	4,83,57,731
Equity participation by	31,68,080	31,68,080	1,37,30,400	1,37,27,950	-	-	3,81,000	3,81,000	-	-	-	-	1,72,79,480	1,72,77,030
Loan/Finance facilities given to	-	-	-	-	40,00,000	50,00,000	-	-	-	-	-	-	40,00,000	50,00,000
Receivables from	16,340	35,492	9,92,951	38,10,891	1,68,055	16,42,200	18,93,190	8,59,292	1,40,828	2,49,683	-	-	32,11,364	65,97,558
Payables to	1,67,109	3,09,948	-	-	-	-	33,850	4,84,444	3,341	1,15,452	-	-	2,04,300	9,09,844
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 year.

T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2021

Note 36 (b) Details of related party transactions during the year ended March 31, 2021 and balances outstanding as at March 31, 2021

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Companies		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2020-21	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20
A) TRANSACTIONS DURING THE YEAR	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Sales														
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	32,12,219	38,25,693	-	-	32,12,219	38,25,693
Stanes Amalgamated Estates Limited	-	-	-	-	45,09,264	53,84,555	-	-	-	-	-	-	45,09,264	53,84,555
Southern Tree Farms Limited	-	-	-	-	-	-	14,01,998	835,773	-	-	-	-	14,01,998	8,35,773
Simpson and Company Limited	-	-	8,50,109	14,08,972	-	-	-	-	-	-	-	-	8,50,109	14,08,972
Sri Rama Vilas Service Limited	-	-	-	-	-	-	1,10,644	125,527	-	-	-	-	1,10,644	1,25,527
Addison & Co Limited	-	-	-	-	-	-	1,93,890	217,375	-	-	-	-	1,93,890	2,17,375
Tractors and Farm Equipment Limited	-	-	-	-	-	-	1,70,609	406,970	-	-	-	-	1,70,609	4,06,970
Stanes Motors (South India) Limited	-	-	-	-	64,226	1,34,562	-	-	-	-	-	-	64,226	1,34,562
Total	-	-	8,50,109	14,08,972	45,73,490	55,19,117	18,77,141	1585,645	32,12,219	38,25,693	-	-	1,05,12,959	1,23,39,427
Service rendered to														
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	51,341	44,004	-	-	51,341	44,004
George Oakes Limited	-	-	-	-	-	-	2,43,294	271,064	-	-	-	-	2,43,294	2,71,064
Speed-A-Way Private Limited	-	-	-	-	-	-	1,15,500	146,619	-	-	-	-	1,15,500	1,46,619
Amalgamations Private Limited	6,53,400	7,10,788	-	-	-	-	-	-	-	-	-	-	6,53,400	7,10,788
Simpson and Company Limited	-	-	31,33,517	55,13,292	-	-	-	-	-	-	-	-	31,33,517	55,13,292
TAFE Access Limited	-	-	-	-	-	-	5,82,000	612,524	-	-	-	-	5,82,000	6,12,524
Bimetal Bearings Limited	-	-	-	-	-	-	51,341	40,337	-	-	-	-	51,341	40,337
Total	6,53,400	7,10,788	31,33,517	55,13,292	-	-	9,92,135	1,070,544	51,341	44,004	-	-	48,30,393	73,38,628
Interest received on loan given														
Stanes Motors (South India) Limited	-	-	-	-	-	15,305	-	-	-	-	-	-	-	15,305
Stanes Amalgamated Estates Limited	-	-	-	-	3,85,260	1,53,005	-	-	-	-	-	-	3,85,260	1,53,005
Total	-	-	-	-	3,85,260	1,68,310	-	-	-	-	-	-	3,85,260	1,68,310
Dividend received from														
Stanes Amalgamated Estates Limited	-	-	-	-	-	5,56,335	-	-	-	-	-	-	-	5,56,335
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	22,59,058	22,59,058	-	-	22,59,058	22,59,058
Total	-	-	-	-	-	556,335	-	-	22,59,058	22,59,058	-	-	22,59,058	28,15,393
Interest paid on loan availed														
Simpson & General Finance Company Limited	-	-	-	-	-	-	-	2,95,494	-	-	-	-	-	2,95,494
Total	-	-	-	-	-	-	-	2,95,494	-	-	-	-	-	2,95,494
Purchases														
Stanes Amalgamated Estates Limited	-	-	-	-	26,875	11,528	-	-	-	-	-	-	26,875	11,528
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	4,75,857	6,08,222	-	-	4,75,857	6,08,222
Bimetal Bearings Limited	-	-	-	-	-	-	32,18,581	4,88,037	-	-	-	-	32,18,581	4,88,037
Total	-	-	-	-	26,875	11,528	32,18,581	4,88,037	4,75,857	6,08,222	-	-	37,21,313	11,07,787
Service availed from														
Amalgamations Private Limited	63,48,259	63,28,758	-	-	-	-	-	-	-	-	-	-	63,48,259	63,28,758
Stanes Motors (South India) Limited	-	-	-	-	2,21,421	2,14,758	-	-	-	-	-	-	2,21,421	2,14,758
George Oakes Limited	-	-	-	-	-	-	2,25,000	5,38,803	-	-	-	-	2,25,000	5,38,803
Sri Rama Vilas Service Limited	-	-	-	-	-	-	23,01,000	20,97,000	-	-	-	-	23,01,000	20,97,000
The Madras Advertising Company Pvt Ltd	-	-	-	-	-	-	1,79,314	6,23,190	-	-	-	-	1,79,314	6,23,190
Associated Printers (Madras) Private Limited	-	-	-	-	-	-	1,29,920	3,13,600	-	-	-	-	1,29,920	3,13,600
Total	63,48,259	63,28,758	-	-	2,21,421	2,14,758	28,35,234	35,72,593	-	-	-	-	94,04,914	1,01,16,109

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2021

Note 36 (b) Details of related party transactions during the year ended March 31, 2021 and balances outstanding as at March 31, 2021

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Companies		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Dividend paid to	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Simpson and Company Limited	-	-	1,64,73,540	1,50,97,705	-	-	-	-	-	-	-	-	1,64,73,540	1,50,97,705
Amalgamations Private Limited	38,01,696	34,84,888	-	-	-	-	-	-	-	-	-	-	38,01,696	34,84,888
Simpson & General Finance Company Limited	-	-	-	-	-	-	3,00,000	2,75,000	-	-	-	-	3,00,000	2,75,000
Sri Rama Vilas Service Limited	-	-	-	-	-	-	1,41,600	1,29,800	-	-	-	-	1,41,600	1,29,800
Tractors and Farm Equipment Limited	-	-	-	-	-	-	15,600	14,300	-	-	-	-	15,600	14,300
Total	38,01,696	34,84,888	1,64,73,540	1,50,97,705	-	-	4,57,200	4,19,100	-	-	-	-	2,07,32,436	1,90,01,693
Remuneration														
Mrs. Lakshmi Narayanan	-	-	-	-	-	-	-	-	-	-	1,59,95,566	1,40,22,782	1,59,95,566	1,40,22,782
Mr. G. Ramakrishnan	-	-	-	-	-	-	-	-	-	-	21,37,159	21,80,400	21,37,159	21,80,400
Ms. Kalyani Narayanan	-	-	-	-	-	-	-	-	-	-	6,52,137	-	6,52,137	-
Total	-	-	-	-	-	-	-	-	-	-	1,87,84,862	16203,182	1,87,84,862	1,62,03,182
Sitting fees and commission														
Mr. A. Krishnamoorthy	-	-	-	-	-	-	-	-	-	-	6,50,000	3,80,000	6,50,000	3,80,000
Mr. S.Ramanujachari	-	-	-	-	-	-	-	-	-	-	6,30,000	3,60,000	6,30,000	3,60,000
Mr. K.S.Hegde	-	-	-	-	-	-	-	-	-	-	1,00,000	3,20,000	1,00,000	3,20,000
Mr. P.M. Venkatasubramanian	-	-	-	-	-	-	-	-	-	-	3,70,000	3,40,000	3,70,000	3,40,000
Mr. R. Vijayaraghavan	-	-	-	-	-	-	-	-	-	-	3,60,000	3,50,000	3,60,000	3,50,000
Mr. N.P. Mani	-	-	-	-	-	-	-	-	-	-	3,80,000	3,80,000	3,80,000	3,80,000
Mr. K.K. Unni	-	-	-	-	-	-	-	-	-	-	4,50,000	3,10,000	4,50,000	3,10,000
Total	-	-	-	-	-	-	-	-	-	-	29,40,000	24,40,000	29,40,000	24,40,000
Payment received on loan given														
Stanes Motors (South India) Limited	-	-	-	-	-	10,00,000	-	-	-	-	-	-	-	10,00,000
Stanes Amalgamated Estates Limited	-	-	-	-	10,00,000	-	-	-	-	-	-	-	10,00,000	
Total	-	-	-	-	10,00,000	10,00,000	-	-	-	-	-	-	10,00,000	10,00,000
Advance paid to														
Bimetal Bearings Limited	-	-	-	-	-	-	15,00,000	-	-	-	-	-	15,00,000	-
Total	-	-	-	-	-	-	15,00,000	-	-	-	-	-	15,00,000	-

T. STANES AND COMPANY LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2021

Note 36 (b) Details of related party transactions during the year ended March 31, 2021 and balances outstanding as at March 31, 2021

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Companies		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2020-21	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
B) BALANCES OUTSTANDING AT THE END OF THE YEAR														
Equity participation in														
Stanes Motors (South India) Limited	-	-	-	-	**4,10,56,605**	4,10,56,605	-	-	-	-	-	-	**4,10,56,605**	4,10,56,605
Stanes Amalgamated Estates Limited	-	-	-	-	**21,13,633**	21,13,633	-	-	-	-	-	-	**21,13,633**	21,13,633
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	**51,87,493**	51,87,493	-	-	**51,87,493**	51,87,493
Equity participation by														
Simpson and Company Limited	-	-	**1,37,30,400**	1,37,27,950	-	-	-	-	-	-	-	-	**1,37,30,400**	1,37,27,950
Amalgamations Private Limited	**31,68,080**	31,68,080	-	-	-	-	-	-	-	-	-	-	**31,68,080**	31,68,080
Simpson & General Finance Company Limited	-	-	-	-	-	-	**2,50,000**	2,50,000	-	-	-	-	**2,50,000**	2,50,000
Sri Rama Vilas Service Limited	-	-	-	-	-	-	**1,18,000**	1,18,000	-	-	-	-	**1,18,000**	1,18,000
Tractors and Farm Equipment Limited	-	-	-	-	-	-	**13,000**	13,000	-	-	-	-	**13,000**	13,000
Loan/Finance facilities given to														
Stanes Amalgamated Estates Limited	-	-	-	-	**40,00,000**	50,00,000	-	-	-	-	-	-	**40,00,000**	50,00,000
Receivables from														
Addison & Co Limited	-	-	-	-	-	-	**63,002**	18,632	-	-	-	-	**63,002**	18,632
Bimetal Bearings Limited	-	-	-	-	-	-	**15,04,334**	-	-	-	-	-	**15,04,334**	-
Stanes Amalgamated Estates Limited	-	-	-	-	**1,68,055**	16,42,200	-	-	-	-	-	-	**1,68,055**	16,42,200
Speed-A-Way Private Limited	-	-	-	-	-	-	-	13,096	-	-	-	-	-	13,096
George Oakes Limited	-	-	-	-	-	-	**82,797**	70,403	-	-	-	-	**82,797**	70,403
TAFE Access Limited	-	-	-	-	-	-	**1,38,710**	1,06,189	-	-	-	-	**1,38,710**	1,06,189
Tractors and Farm Equipment Limited	-	-	-	-	-	-	**68,480**	55,730	-	-	-	-	**68,480**	55,730
Southern Tree Farms Limited	-	-	-	-	-	-	-	5,35,750	-	-	-	-	-	5,35,750
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	**1,40,828**	2,49,683	-	-	**1,40,828**	2,49,683
Simpson and Company Limited	-	-	**9,92,951**	38,10,891	-	-	-	-	-	-	-	-	**9,92,951**	38,10,891
Sri Rama Vilas Service Limited	-	-	-	-	-	-	**35,867**	59,492	-	-	-	-	**35,867**	59,492
Amalgamations Private Limited	**16,340**	35,492	-	-	-	-	-	-	-	-	-	-	**16,340**	35,492
Payables to														
Amalgamations Private Limited	**1,67,109**	3,09,948	-	-	-	-	-	-	-	-	-	-	**1,67,109**	3,09,948
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	**3,341**	1,15,452	-	-	**3,341**	1,15,452
Southern Tree Farms Limited	-	-	-	-	-	-	**23,114**	-	-	-	-	-	**23,114**	-
Speed-a-way Private Limited	-	-	-	-	-	-	**10,736**	-	-	-	-	-	**10,736**	-
Bimetal Bearings Limited	-	-	-	-	-	-	-	4,84,444	-	-	-	-	-	4,84,444
Guarantee given to														
Stanes Motors (South India) Limited	-	-	-	-	**4,50,00,000**	4,50,00,000	-	-	-	-	-	-	**4,50,00,000**	4,50,00,000
Guarantee given by														
Simpson and Company Limited and Amalgamations Private Limited	**33,00,00,000**	33,00,00,000	-	-	-	-	-	-	-	-	-	-	**33,00,00,000**	33,00,00,000

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 37 : EMPLOYEE BENEFITS PLANS	₹	₹
a) Defined contribution plans		
The Company makes Provident Fund, Superannuation Fund and Employees' State Insurance Scheme Contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.		
Contribution to Provident Fund	**1,31,46,119**	1,42,43,178
Contribution to Superannuation Fund	**14,62,275**	15,07,095
Contribution to Employees' State Insurance Scheme	**21,14,027**	26,07,348
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.		
Change in projected benefit obligations		
Projected obligation at beginning of the year	**9,17,69,927**	8,57,05,128
Current service cost	**63,29,823**	57,47,693
Interest cost	**60,70,242**	58,24,701
Benefits paid	**(1,07,33,581)**	(66,54,350)
Actuarial (gain)/loss on obligation	**29,49,623**	11,46,755
Projected obligation as at end of the year	**9,63,86,034**	9,17,69,927
Change in plan assets		
Plan assets at beginning of the year, at fair value	**8,55,35,426**	7,64,00,058
Expected return on plan assets	**62,45,949**	62,16,366
Contributions	**72,41,416**	95,73,352
Benefits paid	**(1,07,33,581)**	(66,54,350)
Actuarial gain/(loss) on plan assets	-	-
Plan assets at the end of the year, at fair value	**8,82,89,210**	8,55,35,426
Amount recognised in the balance sheet		
Projected obligation as at end of the year	**9,63,86,034**	9,17,69,927
Plan assets at the end of the year, at fair value	**8,82,89,210**	8,55,35,426
Funded status surplus/(deficit)	**(80,96,824)**	(62,34,501)
Unrecognized past service cost	**-**	-
Net asset/(liability) recognized in balance sheet	**(80,96,824)**	(62,34,501)
Expenses recognised in statement of profit and loss		
Current service cost	**63,29,823**	57,47,693
Interest cost	**60,70,242**	58,24,701
Expected return on plan assets	**(62,45,949)**	(62,16,366)
Re-measurement - actuarial gain/(loss) recognised in OCI	**(29,49,623)**	(11,46,755)
Total expenses recognised in statement of profit and loss	**91,03,739**	65,02,783

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Composition of plan assets		
Insurer managed asset **	**8,82,89,210**	8,55,35,426
Actuarial assumptions		
Discount rate	**7.00%**	7.50%
Salary escalation	**8.00%**	7.00%
Attrition rate	**3.00%**	3.00%

The details of experience adjustments arising on account of plan assets and liabilities are not readily available in the valuation report, hence not furnished. Further details of sensitivity analysis on discount rate and salary increase are not readily available in the valuation report, hence not furnished.

** 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.

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's 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 will increase the plan's liability.

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.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
c) Long term compensated absences		
Actuarial assumptions		
Discount rate	**6.71%**	7.25%
Salary escalation	**8.00%**	5.00%
Attrition rate	**3.00%**	1.00%

Note 38 : 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.

c) As per Ind AS 108 Operating Segment, segment information has been provided under the notes to Consolidated Financial Statements.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 39 : EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY	₹	₹
a) Gross amount required to be spent by the company during the year	**36,01,000**	34,80,000
b) Amount spent during the year on:		
i) Construction/acquisition of any asset	**-**	-
ii) On purposes other than (i) above (amount fully paid)	**36,01,000**	34,80,000

Note 40 : FAIR VALUES

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

Particulars	Carrying value as at		Fair value as at	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
Financial assets	₹	₹	₹	₹
Non-current investments	**29,26,06,431**	20,46,11,853	**29,26,06,431**	20,46,11,853
Other non-current financial assets	**45,74,105**	43,07,828	**45,74,105**	43,07,828
Trade receivables	**69,89,51,468**	94,60,26,894	**69,89,51,468**	94,60,26,894
Cash and cash equivalents	**13,21,51,845**	1,65,88,680	**13,21,51,845**	1,65,88,680
Loans	**40,00,000**	50,00,000	**40,00,000**	50,00,000
Other current financial assets	**91,63,402**	1,01,24,811	**91,63,402**	1,01,24,811
Total	**114,14,47,251**	118,66,60,066	**114,14,47,251**	118,66,60,066
Financial liabilities				
Current borrowings	**-**	6,08,19,109	**-**	6,08,19,109
Trade payables	**44,18,08,378**	57,13,13,241	**44,18,08,378**	57,13,13,241
Other current financial liabilities	**10,50,72,922**	9,22,05,538	**10,50,72,922**	9,22,05,538
Total	**54,68,81,300**	72,43,37,888	**54,68,81,300**	72,43,37,888

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 40 : FAIR VALUES – (Contd.)

Financial instruments by category	As at March 31, 2021			As at March 31, 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
	₹	₹	₹	₹	₹	₹
Financial assets						
Investments						
- Equity instruments	-	**24,94,16,693**	**4,31,70,238**	-	16,13,97,115	4,31,84,238
- In Government securities	-	-	**19,500**	-	-	30,500
Trade receivables	-	-	**69,89,51,468**	-	-	94,60,26,894
Loans	-	-	**40,00,000**	-	-	50,00,000
Cash and cash equivalents	-	-	**13,21,51,845**	-	-	1,65,88,680
Other current financial assets	-	-	**91,63,402**	-	-	1,01,24,811
Other non-current financial assets	-	-	**45,74,105**	-	-	43,07,828
Total financial assets	-	**24,94,16,693**	**89,20,30,558**	-	16,13,97,115	102,52,62,951
Financial liabilities						
Current borrowings	-	-	-	-	-	6,08,19,109
Trade payables	-	-	**44,18,08,378**	-	-	57,13,13,241
Other current financial liabilities	-	-	**10,50,72,922**	-	-	9,22,05,538
Total financial liabilities	-	-	**54,68,81,300**	-	-	72,43,37,888

i) **Fair value hierarchy**

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

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

At March 31, 2020	Notes	Level 1	Level 2	Level 3	Total
		₹	₹	₹	₹
Financial assets					
Financial investments at Cost					
Unquoted equity investments	5	-	-	4,31,84,238	4,31,84,238
In Government securities	5	-	-	30,500	30,500
Financial investments at FVOCI					
Listed equity investments	5	16,13,97,115	-	-	16,13,97,115
Total financial assets		16,13,97,115	-	4,32,14,738	20,46,11,853
Financial liabilities		-	-	-	-
Total financial liabilities		-	-	-	-

At March 31, 2021	Notes	Level 1	Level 2	Level 3	Total
		₹	₹	₹	₹
Financial assets					
Financial investments at cost					
Unquoted equity investments	5	-	-	4,31,70,238	4,31,70,238
In Government securities	5	-	-	19,500	19,500
Financial investments at FVOCI					
Listed equity investments	5	24,94,16,693	-	-	24,94,16,693
Total financial assets		24,94,16,693	-	4,31,89,738	29,26,06,431
Financial liabilities		-	-	-	-
Total financial liabilities		-	-	-	-

Level 1:

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

Level 2:

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3:

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

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

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

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.

- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

- the fair value of certain financial instruments have been determined based on the buy back offer made by the originator of the instrument.

- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

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

iii) Valuation processes

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

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

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

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

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

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

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

Note 41: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

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

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

(A) Credit risk

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

i) Credit risk management

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

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

C1: High-quality assets, negligible credit risk

C2: Doubtful assets, credit-impaired

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

- Internal credit rating.

- External credit rating (as far as available).

- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower’s ability to meet its obligations.

- Actual or expected significant changes in the operating results of the borrower.

- Significant increase in credit risk on other financial instruments of the same borrower.

- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

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

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

ii) Allowance for credit losses

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

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

For the Year ended March 31, 2020 to March 31, 2021:

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

The estimated gross carrying amount at default is Nil (March 31, 2020: Nil) for investments and loans and deposits. Consequently there are no expected credit loss recognised for these financial assets.

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

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

Reconciliation of loss allowance provision – Trade receivables

	₹
Loss allowance on April 1, 2019	**12,88,000**
Changes in loss allowance	3,27,000
Loss allowance on March 31, 2020	**16,15,000**
Changes in loss allowance	8,59,000
Loss allowance on March 31, 2021	**24,74,000**

(B) Liquidity risk

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

Maturities of financial liabilities

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

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

Contractual maturities of financial liabilities:

Particulars	Less than 1 year	1-3 years	More than 3 years	Total
	₹	₹	₹	₹
March 31, 2021 Non-derivative				
Trade payables	44,18,08,378	-	-	44,18,08,378
Other financial liabilities	10,50,72,922	-	-	10,50,72,922
Total non-derivative liabilities	**54,68,81,300**	**-**	**-**	**54,68,81,300**
March 31, 2020 Non-derivative				
Trade payables	57,13,23,241	-	-	57,13,23,241
Other financial liabilities	9,22,05,538	-	-	9,22,05,538
Current borrowings	6,08,19,109	-	-	6,08,19,109
Total non-derivative liabilities	**72,43,47,888**	**-**	**-**	**72,43,47,888**

(C) Market risk

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

(D) Foreign currency exchange rate risk

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

Particulars	As at	USD
Assets		Non-derivative ₹
Trade receivables	March 31, 2021	1,86,21,642
	March 31, 2020	4,41,02,727

Foreign currency sensitivity analysis

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

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

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
	Impact on profit after tax	
USD sensitivity	₹	₹
INR/USD increases by 5%*	**(6,96,729)**	(16,50,104)
INR/USD decreases by 5%*	**6,96,729**	16,50,104

* Holding all other variables constant.

(E) Capital management

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

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

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

The capital structure is as follows :

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Total equity attributable to the equity share holders of the company	**135,89,31,109**	111,29,04,669
As percentage of total capital	**100%**	95%
Current borrowings	**-**	6,08,19,109
Total borrowings	**-**	6,08,19,109
As a percentage of total capital	**0%**	5%
Total capital (borrowings and equity)	**135,89,31,109**	117,37,23,778

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

LAKSHMI NARAYANAN
Whole-time Director
DIN : 02539061
Place : Coimbatore
Date : 25 June, 2021

P.M. VENKATASUBRAMANIAN
Director
DIN : 00001579

S. RAMANUJACHARI
Director
DIN : 00001776

Place : Chennai
Date : 25 June, 2021

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 (South India) Limited	31, March 2021	INR	1,50,00,000	3,09,51,070	3,76,81,606	8,36,32,676	60,02,594	18,63,63,307	26,79,797	4,99,460	21,80,337	Nil	100%
2	Stanes Amalgamated Estates Limited	31, March 2021	INR	1,10,74,990	7,51,56,399	2,38,95,302	11,01,26,691	1,61,14,925	12,89,92,395	(1,28,19,247)	54,604	(1,28,73,581)	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, 2021, 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, 2021, 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 Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the 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 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.
    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other

Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 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, is disqualified as on March 31, 2021 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: 21202094AAAAEK5295)

Place : Bengaluru
Date : 25 June, 2021

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 March 31, 2021, 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 March 31, 2021, 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: 21202094AAAAEK5295)

Place : Bengaluru
Date : 25 June, 2021

T. STANES AND COMPANY LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
		₹	₹
ASSETS			
Non-current Assets			
Property, plant and equipment	3	**35,79,73,016**	31,32,96,362
Investment property	4	**1,52,71,470**	1,27,11,393
Financial assets			
i) Investments	5	**26,55,52,318**	17,15,66,400
ii) Others	6	**66,91,301**	65,35,270
Other non-current assets	7	**23,37,634**	91,38,775
Total non-current assets		**64,78,25,739**	51,32,48,200
Current Assets			
Inventories	8	**53,28,95,171**	50,99,55,953
Financial assets			
i) Trade receivables			
Trade receivables considered good - unsecured	9	**73,86,98,504**	99,94,70,541
ii) Cash and cash equivalents	10	**15,27,66,746**	3,25,37,164
iii) Other financial assets	6	**98,81,286**	1,09,64,294
iv) Investments	5	**60,01,394**	-
Current tax assets (net)		**4,62,345**	25,52,830
Other current assets	7	**6,67,72,347**	4,97,07,598
Total current assets		**150,74,77,793**	160,51,88,380
TOTAL ASSETS		**215,53,03,532**	211,84,36,580
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	**2,36,61,840**	2,36,61,840
Other equity	12	**138,13,67,106**	113,83,58,455
Equity attributable to owners of the Company		**140,50,28,946**	116,20,20,295
Non-controlling interest		**4,29,14,384**	4,78,16,865
Total Equity		**144,79,43,330**	120,98,37,160
Liabilities			
Non-current liabilities			
Provisions	17	**1,44,04,306**	1,46,33,755
Deferred tax liabilities (net)	18	**16,60,630**	1,06,14,124
Total non-current liabilities		**1,60,64,936**	2,52,47,879
Current liabilities			
Financial liabilities			
i) Borrowings	13	**-**	8,22,21,620
ii) Trade payables	14		
Total outstanding dues of micro enterprises and small enterprises		**20,36,429**	21,97,778
Total outstanding dues of creditors other than micro enterprises and small enterprises		**48,55,35,530**	61,75,26,123
iii) Other financial liabilities	15	**11,09,47,939**	9,62,19,703
Other current liabilities	16	**8,75,09,058**	6,80,40,121
Provisions	17	**52,66,310**	1,71,46,196
Total current liabilities		**69,12,95,266**	88,33,51,541
TOTAL EQUITY AND LIABILITIES		**215,53,03,532**	211,84,36,580
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 : 25 June, 2021

A. KRISHNAMOORTHY
Chairman
DIN : 00001778

P.M. VENKATASUBRAMANIAN
Director
DIN : 00001579

S. RAMANUJACHARI
Director
DIN : 00001776

Place : Chennai
Date : 25 June, 2021

LAKSHMI NARAYANAN
Whole-time Director
DIN : 02539061
Place : Coimbatore
Date : 25 June, 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
		₹	₹
REVENUE			
a) Revenue from operations	**19**	**423,46,48,017**	357,56,19,527
b) Other income	**20**	**2,17,09,193**	2,42,03,824
Total Income		**425,63,57,210**	359,98,23,351
EXPENSES			
a) Cost of materials consumed	**21**	**160,11,57,447**	137,36,07,587
b) Purchases of stock-in-trade	**22**	**135,30,77,211**	108,37,04,251
c) Changes in inventories of finished goods and stock-in-trade	**23**	**88,95,911**	(4,87,90,274)
d) Employee benefits expense	**24**	**44,77,90,807**	45,95,12,601
e) Finance costs	**25**	**35,84,834**	78,75,236
f) Depreciation expense	**28**	**4,23,60,686**	3,54,87,239
g) Other expenses	**26**	**56,42,80,144**	52,52,06,105
Total Expenses		**402,11,47,040**	343,66,02,745
Profit before tax		**23,52,10,170**	16,32,20,606
Tax expense			
Current tax		**6,54,52,864**	5,02,82,182
Deferred tax		**(25,04,630)**	(57,80,790)
Net tax expense	**27**	**6,29,48,234**	4,45,01,392
Profit for the year		**17,22,61,936**	11,87,19,214
Other comprehensive income/(loss) (OCI)			
i) Items that will not be reclassified to profit or loss			
a) Re-measurements of the defined benefit plans		**(44,87,812)**	(2,32,904)
b) Equity instruments through OCI		**9,22,77,391**	(10,74,84,510)
ii) Income tax on items that will not be reclassified to profit or loss		**64,48,864**	1,45,976
Total Other comprehensive income/(loss)		**9,42,38,443**	(10,75,71,438)
Total comprehensive income for the year		**26,65,00,379**	1,11,47,776
Profits attributable to			
Non-controlling interest		**(64,06,871)**	(1,39,32,013)
Owners of the Company		**17,86,68,807**	13,26,51,227
Other comprehensive income attributable to			
Non-controlling interest		**15,04,390**	(20,09,426)
Owners of the Company		**9,27,34,053**	(10,55,62,012)
Total comprehensive income attributable to			
Non-controlling interest		**(49,02,481)**	(1,59,41,439)
Owners of the Company		**27,14,02,860**	2,70,89,215
		26,65,00,379	1,11,47,776
Earnings per share (of ₹ 10/- each):			
Basic and Diluted (in ₹)	**34**	**72.80**	50.17
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 : 25 June, 2021

A. KRISHNAMOORTHY
Chairman
DIN : 00001778

P.M. VENKATASUBRAMANIAN
Director
DIN : 00001579

S. RAMANUJACHARI
Director
DIN : 00001776

Place : Chennai
Date : 25 June, 2021

LAKSHMI NARAYANAN
Whole-time Director
DIN : 02539061
Place : Coimbatore
Date : 25 June, 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

a. Equity share capital

Particulars	As at March 31, 2021	As at March 31, 2020
	₹	₹
Equity shares with voting rights		
At the beginning of the year	**2,36,61,840**	2,36,61,840
Movements during the year	**-**	-
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**	**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)	-	-
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 (including dividend distribution tax)	-	-	-	-	(3,14,93,085)	-	(3,14,93,085)
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**
Profit for the year	-	-	-	-	17,86,68,807	-	17,86,68,807
Transfer to general reserve	-	-	-	5,00,00,000	(5,00,00,000)	-	-
Transfer from other comprehensive income	-	-	-	-	8,232	(8,232)	-
Remeasurements of the defined benefit liabilities/(asset)	-	-	-	-	-	(38,90,204)	(38,90,204)
Equity instruments through OCI	-	-	-	-	-	9,01,58,425	9,01,58,425
Income tax on items that will not be reclassified to profit or loss	-	-	-	-	-	64,65,831	64,65,831
Payment of dividends	-	-	-	-	(2,83,94,208)	-	(2,83,94,208)
Balance at 31 March 2021	**32,47,099**	**42,75,420**	**14,72,285**	**75,19,58,780**	**38,76,08,938**	**23,28,04,584**	**138,13,67,106**
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 : 25 June, 2021

A. KRISHNAMOORTHY
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Director
DIN : 00001776

Place : Chennai
Date : 25 June, 2021

LAKSHMI NARAYANAN
Whole-time Director
DIN : 02539061
Place : Coimbatore
Date : 25 June, 2021

T. STANES AND COMPANY LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

Particulars	**For the year ended 31 March, 2021**		For the year ended 31 March, 2020	
	₹	₹	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax		**23,52,10,170**		16,32,20,606
Adjustments for:				
Depreciation expense	**4,23,60,686**		3,54,87,239	
Profit on sale of property, plant and equipment (net)	**(3,69,998)**		(20,65,962)	
Net gain on sale of investments	**(12,79,450)**		(1,68,637)	
Allowance for credit losses	**10,08,268**		2,97,115	
Bad debts write off (net)	**53,32,983**		27,68,153	
Re-measurement gains and (losses) on defined benefit/plans	**(44,87,812)**		(11,46,755)	
Dividend income	**(33,98,703)**		(38,33,071)	
Interest income	**(39,54,505)**		(16,98,736)	
Unrealised foreign exchange gain/(loss)	**(5,51,178)**		(10,23,726)	
Finance costs	**35,84,834**		79,19,360	
		3,82,45,125		3,65,34,980
Operating profit before working capital changes		**27,34,55,295**		19,97,55,586
Changes in working capital				
Adjustments for (increase)/decrease in operating assets:				
Inventories	**(2,29,39,218)**		(2,51,97,809)	
Trade receivables	**25,49,81,964**		(5,17,92,713)	
Non-current and current financial assets	**9,26,977**		81,69,030	
Non-current and current assets	**(1,64,88,716)**		1,79,38,016	
Adjustments for increase/(decrease) in operating liabilities:				
Trade payables	**(13,21,51,942)**		(13,17,67,260)	
Other financial liabilities	**91,73,280**		(44,142)	
Current liabilities	**1,94,68,937**		71,27,217	
Non-current and current provisions	**(2,39,50,626)**		11,30,363	
		8,90,20,656		(17,44,37,298)
Cash generated from operations		**36,24,75,951**		2,53,18,288
Income taxes paid		**(5,15,21,089)**		(5,18,55,380)
Net cash flow from/(used in) operating activities (A)		**31,09,54,862**		(2,65,37,092)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	**(7,77,65,138)**		(5,88,27,288)	
Proceeds from sale of property, plant and equipment	**4,48,165**		23,59,042	
Sale/(purchase) of long-term investments	**(64,30,471)**		2,87,07,539	
Other bank balances	**(7,37,14,623)**		(61,49,593)	
Interest received	**39,54,505**		14,63,753	
Dividend received	**33,98,703**		39,22,259	
Net cash flow used in Investing activities (B)		**(15,01,08,859)**		(2,85,24,288)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021— (Contd.)

Particulars	For the year ended 31 March, 2021		For the year ended 31 March, 2020	
	₹	₹	₹	₹
C. CASH FLOW FROM FINANCING ACTIVITIES				
Net increase/(decrease) in working capital borrowings	**(8,22,21,620)**		4,88,31,305	
Repayment of non-current borrowings	**-**		(1,35,78,628)	
Finance costs paid	**(35,84,834)**		(48,062)	
Payment of dividends (including dividend distribution tax)	**(2,83,94,208)**		(3,48,91,137)	
Net cash flow from/(used in) financing activities(C)		**(11,42,00,662)**		3,13,478
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		**4,66,45,341**		(5,47,47,902)
Cash and cash equivalents at the beginning of the year		**1,61,73,971**		7,09,21,873
Cash and cash equivalents at the end of the year		**6,28,19,312**		1,61,73,971
Cash and cash equivalents at the end of the year (Refer Note 10A)				
a) Cash on hand	**20,47,041**		28,79,242	
b) Cheques on hand	**1,81,78,882**		49,12,355	
c) Balances with banks				
i) In current accounts	**1,20,86,811**		83,82,374	
ii) Others - (Cash Credit account)	**3,05,06,578**		-	
		6,28,19,312		1,61,73,971

Note: The above cash flow statement has been prepared under indirect method set out in the Ind AS 7 - Cash Flow Statements

Accompanying notes form part of the financial statements.

In terms of our report attached

For Fraser & Ross
Chartered Accountants
Firm's Registration Number : 000829S

BALAJI. M.N
Partner
Membership No. 202094

Place : Bengaluru
Date : 25 June, 2021

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 : 25 June, 2021

LAKSHMI NARAYANAN
Whole-time Director
DIN : 02539061
Place : Coimbatore
Date : 25 June, 2021

1. Corporate Information

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

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

1.1 Basis of preparation and presentation

a) Statement of compliance

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

b) Principles of consolidation

Subsidiaries

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

c) Basis of measurement

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

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

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

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

2 Significant Accounting Policies

2.1 Revenue recognition

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

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

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

2.2 Business segments

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

2.3 Taxation

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

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

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

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

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

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

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

2.4 Impairment of assets

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

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

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

2.6 Cash flow statement

Cash flow statement has been prepared in accordance with the indirect method whereby Profit/(Loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

2.7 Inventories

Raw materials, finished goods and trading stock are valued at lower of cost (identified direct overheads wherever applicable) and net realizable value. Cost is determined using moving average method. Net realisable value is the 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 Financial instruments

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

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

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.9 Financial assets

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

i) Classification of financial assets

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

a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss),

b) those measured at amortised cost and

c) those measured at cost

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

ii) Measurements

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

Debt instruments

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

a) Amortised cost:

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

b) Fair value through profit or loss:

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

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

Equity instruments

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

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

iii) Impairment of financial assets

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

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

iv) De-recognition of financial assets

A financial asset is de-recognised only when

a) The Company has transferred the rights to receive cash flows from the financial asset or

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

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

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

v) Income recognition

a) Interest income

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

b) Dividends

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

2.10 Financial liabilities and equity instruments

i) Classification as debt or equity

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

ii) Equity instruments

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

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

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

iii) Financial liabilities

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

2.11 Property, plant and equipment

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

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement profit or loss.

2.12 Investment property

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

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

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

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

2.13 Leases

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

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

2.14 Investments

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

2.15 Employee benefits

I. Defined contribution plans:

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

i) In respect of provident fund, when payments are due to the Regional Provident Fund Commissioner.

ii) Eligible employees, as per the company's superannuation scheme, are entitled to receive retirement benefits and contributions are made annually as per the rules of the scheme to the Life Insurance Corporation through approved superannuation trust.

iii) In respect of eligible employees, contributions are remitted to the Employees' State Insurance Corporation.

There are no obligations other than the above.

II. Defined benefit obligations

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

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

2.16 Depreciation

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

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

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

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

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

2.17 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of profit and loss in the period in which they are incurred. Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

2.18 Foreign currencies

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

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

2.19 Research and Development

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

2.20 Provisions and contingent liabilities

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

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

2.21 Earnings per share

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

2.22 Operating cycle

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

2.23 Use of estimates and judgements

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

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

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

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Estimation of defined benefit obligation – Note 36b

Estimation of current tax expense and payable – Note 27

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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, 2019	**1,88,01,304**	**14,41,13,345**	**14,56,48,177**	**79,96,997**	**43,82,191**	**56,57,381**	**6,60,12,170**	**1,11,73,731**	**1,08,22,353**	**41,46,07,649**
Additions	-	1,42,22,195	1,80,66,562	72,964	4,40,772	23,58,151	1,47,86,354	37,87,087	-	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**	**15,83,35,540**	**16,33,93,458**	**80,26,001**	**48,05,755**	**79,56,031**	**7,64,48,008**	**1,49,60,818**	**1,08,22,353**	**46,35,49,268**
Transferred to investment properties (Note 4)	10,91,140	24,71,200	-	-	-	-	-	-	-	35,62,340
Additions	-	4,30,36,106	1,47,86,741	20,93,355	33,87,595	52,98,433	94,95,731	1,15,77,623	-	8,96,75,584
Disposals	-	-	4,85,112	1,57,052	-	36,998	22,19,915	-	-	28,99,077
Balance as at March 31, 2021	**1,77,10,164**	**19,89,00,446**	**17,76,95,087**	**99,62,304**	**81,93,350**	**1,32,17,466**	**8,37,23,824**	**2,65,38,441**	**1,08,22,353**	**54,67,63,435**
Accumulated depreciation										
Balance as at April 01, 2019	**-**	**2,50,39,176**	**5,20,41,839**	**46,66,183**	**25,88,141**	**32,80,521**	**2,66,20,502**	**40,91,341**	**12,76,173**	**11,96,03,876**
Depreciation for the year	-	57,88,735	1,66,39,128	10,14,099	5,72,532	4,85,138	89,35,420	14,58,690	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**	**6,83,59,721**	**56,36,323**	**31,43,467**	**37,10,072**	**3,14,94,534**	**55,50,031**	**15,30,847**	**15,02,52,906**
Transferred to investment properties (Note 4)	-	5,25,229	-	-	-	-	-	-	-	5,25,229
Depreciation for the Year	-	65,62,153	2,09,40,927	10,47,514	9,63,167	7,49,000	96,88,384	16,77,901	2,54,606	4,18,83,652
On disposals	-	-	4,06,958	1,57,048	-	36,996	22,19,908	-	-	28,20,910
Balance as at March 31, 2021	**-**	**3,68,64,835**	**8,88,93,690**	**65,26,789**	**41,06,634**	**44,22,076**	**3,89,63,010**	**72,27,932**	**17,85,453**	**18,87,90,419**
Carrying amount as at March 31, 2020	1,88,01,304	12,75,07,629	9,50,33,737	23,89,678	16,62,288	42,45,959	4,49,53,474	94,10,787	92,91,506	31,32,96,362
Carrying amount as at March 31, 2021	**1,77,10,164**	**16,20,35,611**	**8,88,01,397**	**34,35,515**	**40,86,716**	**87,95,390**	**4,47,60,814**	**1,93,10,509**	**90,36,900**	**35,79,73,016**

Notes :

1. Refer Note 13(i) for details of assets pledged as security
2. All property, plant and equipment are owned by the Company, unless stated as taken on lease.

Particulars	Land	Buildings	Total
Note 4: INVESTMENT PROPERTY	₹	₹	₹
Deemed cost			
Balance as at April 01, 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**
Transferred from property, plant and equipment (Note 3)	10,91,140	24,71,200	35,62,340
Additions/(Deletions) during the year	-	-	-
Balance as at March 31, 2021	**1,00,36,187**	**80,90,181**	**1,81,26,368**
Accumulated depreciation			
Balance as at April 01, 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**
Transferred from property, plant and equipment (Note 3)	-	5,25,229	5,25,229
Depreciation for the year	-	4,77,034	4,77,034
Balance as at March 31, 2021	**-**	**28,54,898**	**28,54,898**
Carrying amount as at March 31, 2020	89,45,047	37,66,346	1,27,11,393
Carrying amount as at March 31, 2021	**1,00,36,187**	**52,35,283**	**1,52,71,470**

4.1 Information regarding income and expenditure of Investment property

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Rental Income derived from investment properties	**60,95,382**	64,81,310
Direct operating expenses*	**5,03,007**	4,56,649
Profit arising from investment properties before depreciation and indirect expenses	**55,92,375**	60,24,661
Less: Depreciation	**4,77,034**	3,38,823
Profit arising from investment properties before indirect expenses	**51,15,341**	56,85,838

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

4.2 The Company's investment properties consist of ten (nine previous year) properties in India. As at March 31, 2021 and March 31, 2020, the fair values of the properties are ₹ 48,94,60,393 and ₹ 44,07,08,896. 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.

Particulars	Nominal value per share	As at March 31, 2021		As at March 31, 2020	
		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
The Tamilnadu Tea Manufacturers' Service Industrial Co-op.Society Limited	**5,000**	**5**	**25,000**	5	25,000
Sub Total			**25,000**		47,000
Other Investments at cost					
In Government securities - NSC			**60,700**		71,700
Subtotal			**60,700**		71,700
Total investments carried at cost			**85,700**		1,18,700
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**	**25,16,54,232**	8,44,194	16,28,45,022
Coal India Limited	**10**	**3,000**	**3,98,850**	3,000	4,20,150
Engineers India Limited	**10**	**2,000**	**1,53,700**	2,000	1,20,100
Indian Oil Corporation Limited	**10**	**10,000**	**9,15,500**	10,000	8,16,500
NHPC Limited	**10**	**23,000**	**5,76,150**	23,000	4,58,850
NMDC Limited	**10**	**7,000**	**9,27,850**	7,000	5,60,000
NTPC Limited	**10**	**1,800**	**1,93,860**	1,800	1,51,560
NLC India Limited	**10**	**7,000**	**3,59,800**	7,000	3,07,300
Oil India Limited	**10**	**12,999**	**16,11,876**	12,999	10,74,368
Oil and Natural Gas Corporation Limited	**10**	**14,000**	**14,49,000**	14,000	9,56,200
Saint Gobain Glass Limited	**10**	**10,000**	**6,62,000**	10,000	3,08,500
Shipping Corporation of India Limited	**10**	**-**	**-**	8,000	3,00,000
SJVN Limited	**10**	**11,500**	**3,04,750**	11,500	2,38,625
Tata Steel Limited	**10**	-	-	280	75,488
Housing and Urban Development Corporation Limited	**10**	**10,000**	**4,41,000**	10,000	2,00,000
Bharat Heavy Electricals Limited	**10**	**26,000**	**12,72,700**	6,000	1,24,800
Schneider Electric Limited	**10**	**3,000**	**2,83,200**	3,000	1,97,100
ITC Limited	**10**	**3,000**	**6,43,650**	3,000	5,15,100
Sintex Industries Limited	**10**	**-**	**-**	10,000	6,500
Reliance Home Finance Limited	**10**	**-**	**-**	5,000	3,750
Subtotal			**26,18,48,118**		16,96,79,913
Investments in bonds & debentures					
NTPC LTD Tax Free Secured Non Convertable Bonds	**1,000**	**474**	**5,27,609**	474	4,99,122
IRFC Tax Free Bonds-2013	**1,000**	**1000**	**10,87,100**	1,000	12,89,000
NTPC LTD Non-convertible debentures	**10**	**1500**	**20,505**	1,500	19,665
Subtotal			**16,35,214**		18,07,787
Investments carried through FVOCI			**26,34,83,332**		17,14,87,700

Particulars	Nominal value per share	As at March 31, 2021		As at March 31, 2020	
		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					
Sundaram Short Term Debt Fund	**10**	**31,287**	**10,12,718**	-	-
SBI Short Term Debt Fund Regular Growth	**10**	**40,387**	**10,10,568**	-	-
Investments carried at FVTPL			**20,23,286**		**-**
Total			**26,55,92,318**		17,16,06,400
Less:- Impairment value of investments carried at cost			**40,000**		40,000
Total Non-current investments			**26,55,52,318**		17,15,66,400
CURRENT					
D. Designated As Fair Value Through Profit And Loss					
Quoted Investments in Mutual Funds					
Axis Blue Chip Fund Direct IDCW		**24,899**	**4,95,244**	-	-
SBI Mutual Fund		**1,36,471**	**15,13,259**	-	-
Adithya Birla Capital		**1,32,502**	**15,19,800**	-	-
Axis Blue Chip Fund Direct Growth		**24,381**	**14,72,862**	-	-
HDFC Balanced Advantage Fund		**34,889**	**10,00,229**	-	-
Investments carried at FVTPL			**60,01,394**	-	-
Total Current investments			**60,01,394**	**-**	**-**
Notes:					
Aggregate market value of listed and quoted investments			**27,15,08,012**		17,14,87,700
Aggregate amount of unquoted and other investments			**45,700**		78,700

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Particulars	**As at March 31, 2021**	As at March 31, 2020
	₹	₹
Note 6 : OTHER FINANCIAL ASSETS		
NON-CURRENT		
Unsecured, considered good:		
Security deposit	**66,91,301**	65,35,270
Total	**66,91,301**	65,35,270
CURRENT		
Unsecured, considered good:		
Rent deposits	**44,43,861**	49,59,078
Accrued income receivable	**3,16,589**	3,72,669
Agency commission receivable	**42,84,148**	47,95,859
Dividend income from investments	**8,36,688**	8,36,688
Total	**98,81,286**	1,09,64,294
Note 7 : OTHER ASSETS		
NON-CURRENT		
Unsecured, considered good:		
Capital advances	**15,10,000**	77,35,108
Prepaid expenses	**6,00,000**	7,00,000
Due from gratuity fund	**2,27,634**	7,03,667
Total	**23,37,634**	91,38,775
CURRENT		
Unsecured, considered good:		
Prepaid expenses	**28,45,156**	27,08,039
Advances to employees	**8,62,304**	17,62,439
Balances with government authorities	**2,11,82,735**	2,03,66,941
Advances income tax	**1,40,308**	10,18,358
Advances - trade and supplies	**4,10,55,717**	2,23,24,135
Others	**6,86,127**	15,27,686
Total	**6,67,72,347**	4,97,07,598
Note 8 : INVENTORIES		
At lower of cost and net realisable value:		
Raw materials	**12,54,61,663**	9,73,89,834
Finished goods	**23,63,03,362**	25,43,26,491
Stock-in-trade	**12,40,87,159**	11,49,59,941
Stores and spares	**4,70,42,987**	4,32,79,687
Total	**53,28,95,171**	50,99,55,953

Note: Refer Note 13(i) for details of Inventory pledged as security.

Particulars	**As at March 31, 2021**	As at March 31, 2020
Note 9 : TRADE RECEIVABLES	₹	₹
a) Unsecured, considered good	**73,86,98,504**	99,94,70,541
b) Considered, Doubtful	**37,54,471**	27,46,203
Less: Allowance for credit losses	**(37,54,471)**	(27,46,203)
Total	**73,86,98,504**	99,94,70,541

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.

Particulars	**As at March 31, 2021**	As at March 31, 2020
Note 10 : CASH AND CASH EQUIVALENTS	₹	₹
A. Cash and cash equivalents (as per cash flow statement)		
a) Cash on hand	**20,47,041**	28,79,242
b) Cheques on hand	**1,81,78,882**	49,12,355
c) Balances with banks		
i) In current accounts	**1,20,86,811**	83,82,374
ii) Others - (Cash Credit account)	**3,05,06,578**	-
Total - Cash and cash equivalents (as per cash flow statement) (A)	**6,28,19,312**	1,61,73,971
B. Other Bank Balances		
i) In Deposit accounts - Remaining maturity less than 12 months	**8,33,37,771**	98,13,686
ii) In earmarked accounts		
- Unpaid dividend accounts	**49,82,340**	51,12,722
- Margin money with bank	**16,27,323**	14,36,785
Total - Other bank balances (B)	**8,99,47,434**	1,63,63,193
Total Cash and cash equivalents (A+B)	**15,27,66,746**	3,25,37,164

Particulars	**As at March 31, 2021**		As at March 31, 2020	
	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

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, 2021**		As at March 31, 2020	
	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, 2021**		As at March 31, 2020	
	No. of shares	₹	No. of shares	₹
Equity shares with voting rights				
Simpson and Company Ltd, the Holding Company	**13,73,040**	**1,37,30,400**	13,72,795	1,37,27,950
Amalgamations Private Limited, the Ultimate Holding Company	**3,16,808**	**31,68,080**	3,16,808	31,68,080
Subsidiaries of the Holding company				
Simpson & General Finance Co. Ltd	**25,000**	**2,50,000**	25,000	2,50,000
Sri Rama Vilas Service Ltd	**11,800**	**1,18,000**	11,800	1,18,000
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, 2021**		As at March 31, 2020	
	No. of shares	**%**	No. of shares	%
Equity shares with voting rights				
Simpson and Company Ltd, the Holding Company	**13,73,040**	**58.03**	13,72,795	58.02
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. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

Particulars	**As at March 31, 2021**	As at March 31, 2020
Note 12 : OTHER EQUITY	₹	₹
Capital reserve on consolidation	**32,47,099**	32,47,099
Closing balance	**32,47,099**	32,47,099
Securities premium reserve		
Opening balance	**42,75,420**	42,75,420
Closing balance	**42,75,420**	42,75,420
Capital redemption reserve		
Opening balance	**14,72,285**	14,72,285
Closing balance	**14,72,285**	14,72,285
General reserve		
Opening balance	**70,19,58,780**	65,19,58,780
Transferred from retained earnings	**5,00,00,000**	5,00,00,000
Closing balance	**75,19,58,780**	70,19,58,780
Retained earnings		
Opening balance	**28,73,26,107**	23,44,53,396
Add: Profit for the year	**17,86,68,807**	13,26,51,227
On account of consolidation		
Transfer from other comprehensive income	**8,232**	16,84,261
Less: Transferred to:		
General reserve	**5,00,00,000**	5,00,00,000
Payment of dividends and tax	**2,83,94,208**	3,14,93,085
Consolidation adjustment	**-**	30,308
Closing balance	**38,76,08,938**	28,73,26,107

Particulars	As at March 31, 2021	As at March 31, 2020
Note 12 : OTHER EQUITY — (Contd.)	₹	₹
Reserve for equity instruments through Other comprehensive income		
Opening balance	**14,00,78,764**	24,73,25,037
a) Remeasurements of the defined benefit liabilities/(asset)	**(38,90,204)**	(7,32,887)
b) Equity instruments through OCI	**9,01,58,425**	(10,50,63,503)
c) Income tax on items that will not be reclassified to profit and loss	**64,65,831**	2,34,378
d) Transfer to retained earnings	**(8,232)**	(16,84,261)
Closing balance	**23,28,04,584**	14,00,78,764
Total	**138,13,67,106**	113,83,58,455

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. Retained earnings comprise of the Company's prior years undistributed earnings after taxes. Other comprehensive income consist of fair value changes on FVTOCI financial assets and remeasurement of net defined benefit plan's liability/asset.

E. The Company has paid interim dividend of ₹ 10 per equity share (March 2020: ₹ 7 per equity share)

F. In respect of the year ended March 31, 2021, the Board of Directors has proposed a final dividend of ₹ 2.50 per equity share (March 2020: ₹ 2 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.

Note 13: CURRENT BORROWINGS

Particulars	As at March 31, 2021	As at March 31, 2020
Loans repayable on demand - (At amortised cost)	₹	₹
From banks - Secured (Refer Note (i) below)	-	8,22,21,620
Total	-	8,22,21,620

(i) Details of securities provided in respect of secured current borrowings:

Particulars	Nature of security and terms	As at March 31, 2021	As at March 31, 2020
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
Central Bank of India Cash Credit and Overdraft	Floating charge on the stocks and book debts of the company, collateral guarantee given by T.Stanes and Company Limited - Holding Company. Rate of interest MCLR (1Y) + 0.50%	-	2,14,02,511
Total - From Banks		-	8,22,21,620

Particulars	**As at March 31, 2021**	As at March 31, 2020
Note 14 : TRADE PAYABLES	₹	₹
Trade payables		
Total outstanding dues of creditors micro enterprises and small enterprises (Refer Note 31)	**20,36,429**	21,97,778
Total outstanding dues of creditors other than micro enterprises and small enterprises	**48,55,35,530**	61,75,26,123
Total	**48,75,71,959**	61,97,23,901
Note 15 : OTHER FINANCIAL LIABILITIES		
Measured at amortised cost		
Current		
Unclaimed dividends *	**49,82,340**	51,12,722
Dealer/security deposits	**8,59,95,264**	8,05,87,797
Due to gratuity fund	**1,17,37,072**	77,62,239
Rent advance	**17,91,020**	20,00,040
Payables on purchase of fixed assets	**64,42,243**	7,56,905
Total	**11,09,47,939**	9,62,19,703

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

Note 16 : OTHER CURRENT LIABILITIES		
Current		
Advances from customers	**6,94,97,741**	4,60,43,595
Statutory remittances	**1,57,54,949**	1,91,32,336
Others	**22,56,368**	28,64,190
Total	**8,75,09,058**	6,80,40,121
Note 17 : PROVISIONS		
Non-current		
Provision for employee benefits - compensated absences	**1,44,04,306**	1,46,33,755
Total	**1,44,04,306**	1,46,33,755
Current		
Provision for Income tax (net of advances)	**41,06,826**	1,59,48,117
Provision for employee benefits - compensated absences	**11,59,484**	11,98,079
Total	**52,66,310**	1,71,46,196
Note 18 : DEFERRED TAX LIABILITIES (NET)		
Tax effect of items constituting deferred tax liabilities		
On difference between book balance and tax balance of property, plant and equipment.	**1,19,32,491**	1,45,97,793
Tax effect of items constituting deferred tax assets		
Provision for compensated absences	**38,76,618**	39,83,669
Net gain on fair value of equity instruments	**63,95,243**	-
Total	**16,60,630**	1,06,14,124

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
NOTE 19: REVENUE FROM OPERATIONS	₹	₹
(i) Sale of products (Refer Note (i) below)	**417,03,58,377**	348,71,56,664
(ii) Sale of Service (Refer Note (ii) below)	**96,33,299**	1,02,48,380
(iii) Other operating revenues (Refer Note (iii) below)	**5,46,56,341**	7,82,14,483
Revenue from operations	**423,46,48,017**	357,56,19,527
a) Revenue by products		
i) Sale of products comprise:		
Manufactured goods:		
Agri inputs	**249,35,93,484**	216,72,82,518
Consumer and industrial products	**9,50,55,516**	7,36,34,671
Tea and other plantation products	**12,10,81,264**	9,98,10,165
Total - Sale of manufactured goods	**270,97,30,264**	234,07,27,354
Traded goods:		
Agri inputs	**115,40,15,861**	75,68,28,789
Consumer and industrial products	**30,66,12,252**	38,96,00,521
Total - Sale of traded goods	**146,06,28,113**	114,64,29,310
Total - Sale of products	**417,03,58,377**	348,71,56,664
ii) Sale of Service:		
Automobile Workshop	**96,33,299**	102,48,380
Total - Sale of services	**96,33,299**	102,48,380
iii) Other operating revenues comprise:		
Sale of scrap	**6,10,526**	8,72,846
Duty drawback and other export incentives	**57,89,031**	99,91,365
Others		
Agency commission (net)	**3,57,72,466**	5,29,08,246
Rebate/discount from suppliers	**1,22,10,758**	1,44,04,818
Miscellaneous Income	**2,73,560**	37,208
Total - Other operating revenues	**5,46,56,341**	7,82,14,483
b) Revenue by geography		
India	**401,86,32,643**	335,67,78,109
Rest of the world	**21,60,15,374**	21,88,41,418
Total - Revenue from operations	**423,46,48,017**	357,56,19,527

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 20: OTHER INCOME	₹	₹
a) Interest income (Refer Note (i) below)	**39,54,505**	16,93,636
b) Dividend income from investments:		
Related parties		
Investment designate at fair value through OCI	**22,59,058**	22,59,058
Others	**11,39,645**	15,74,013
c) Net gain on sale of investments	**12,79,450**	2,09,309
d) Net gain on foreign currency transactions and translation	**33,18,671**	51,05,082
e) Other non-operating income (Refer Note (ii) below)	**97,57,864**	1,33,62,726
Total	**2,17,09,193**	2,42,03,824
i) Interest income comprise:		
Interest from banks on:		
Deposits	**31,22,608**	8,38,359
Other balances	**6,79,455**	5,89,129
Interest on income tax refund	**13,482**	54,325
Interest on loans and advances	**1,38,960**	2,11,823
Total - Interest income	**39,54,505**	16,93,636
ii) Other non-operating income comprise:		
Rental Income	**92,06,002**	1,04,54,348
Profit on sale of property, plant & equipment (net)	**3,69,998**	25,67,469
Miscellaneous income	**1,81,864**	3,40,909
Total - Other non-operating income	**97,57,864**	1,33,62,726
Note 21: COST OF MATERIALS CONSUMED		
Opening stock	**9,73,89,834**	12,55,93,876
Add: Purchases	**162,92,29,276**	134,54,03,545
	172,66,19,110	147,09,97,421
Less: Closing stock	**12,54,61,663**	9,73,89,834
Cost of materials consumed	**160,11,57,447**	137,36,07,587

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Note 22: PURCHASE OF STOCK-IN-TRADE	₹	₹
Agri inputs	**109,58,93,797**	71,51,87,033
Consumer and industrial products	**12,21,45,570**	16,92,50,645
Automobile parts & accessories	**13,50,37,844**	19,92,66,573
Total	**135,30,77,211**	108,37,04,251

Note 23: CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Inventories at the end of the year:		
Finished goods	**23,63,03,362**	25,43,26,491
Stock-in-trade	**12,40,87,159**	11,49,59,941
Total	**36,03,90,521**	36,92,86,432
Inventories at the beginning of the year:		
Finished goods	**25,43,26,491**	23,53,40,657
Stock-in-trade	**11,49,59,941**	8,51,55,501
Total	**36,92,86,432**	32,04,96,158
Net (increase)/decrease	**88,95,911**	(4,87,90,274)

Note 24: EMPLOYEE BENEFITS EXPENSE

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Salaries, wages and bonus	**38,98,19,090**	39,63,46,249
Contribution to provident and other funds	**2,80,20,271**	3,04,57,621
Staff welfare expenses	**2,99,51,446**	3,27,08,731
Total	**44,77,90,807**	45,95,12,601

Note 25: FINANCE COSTS

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Interest expense on borrowings from:		
i) Banks	**3,82,524**	36,00,198
ii) Others	**4,41,203**	11,65,761
Other finance cost	**27,61,107**	31,09,277
Total	**35,84,834**	78,75,236

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Note 26: OTHER EXPENSES	₹	₹
Consumption of stores and spare parts	**1,27,40,000**	83,72,154
Power and fuel	**1,99,06,526**	2,39,47,131
Subcontracting charges	**67,10,931**	74,00,610
Rent	**2,32,78,816**	2,43,80,066
Repairs and maintenance - Buildings	**2,42,70,219**	1,46,68,348
Repairs and maintenance - Machinery	**1,55,34,410**	1,22,59,778
Repairs and maintenance - Others	**85,10,747**	90,30,886
Insurance	**1,44,11,705**	1,37,79,030
Rates and taxes	**1,32,72,479**	91,16,375
Allowance for credit losses	**10,08,268**	2,97,115
Communication	**1,11,10,673**	1,04,65,048
Travelling and conveyance	**5,65,96,033**	9,42,71,707
Printing and stationery	**55,90,637**	57,95,922
Freight and distribution	**21,20,77,107**	16,62,27,945
Business promotion	**5,83,76,458**	6,50,25,540
Directors sitting fees	**4,89,000**	5,68,000
Donations and contributions	**65,000**	15,000
Expenditure on corporate social responsibility (Refer Note 38)	**36,01,000**	34,80,000
Professional and consultancy charges	**95,09,186**	67,35,324
Payments to auditors (Refer note (i) below)	**18,26,750**	18,86,500
Bad debts write off (net)	**53,32,983**	27,68,153
Miscellaneous expenses	**6,00,61,216**	4,47,15,473
Total	**56,42,80,144**	52,52,06,105
Note :		
i) Payments to the auditors comprise:-		
To Statutory Auditors		
For audit	**13,98,000**	13,98,000
For taxation matters	**2,70,000**	2,70,000
For other services	**1,50,000**	1,95,500
Reimbursement of expenses	**8,750**	23,000
Total	**18,26,750**	18,86,500

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 27 : TAX EXPENSE	₹	₹
Tax expense in the Statement of profit and loss consists of:		
Current income tax:		
- in respect of the current period	**6,54,52,864**	5,02,82,182
Deferred tax:		
- in respect of the current period	**(25,04,630)**	(57,80,790)
Tax expense reported in the Statement of profit and loss	**6,29,48,234**	4,45,01,392
Tax expense recognised in the other comprehensive income		
Remeasurement of defined benefit obligation equity instrument through OCI	**64,48,864**	1,45,976
Total	**64,48,864**	1,45,976
Deferred Tax		
Opening	**1,06,14,124**	1,62,40,890
Closing	**16,60,630**	1,06,14,124
In respect of the current period	**(89,53,494)**	(56,26,766)
Deferred tax recognised in other comprehensive income	**64,48,864**	(1,54,024)
Deferred tax recognised in profit and loss account	**(25,04,630)**	(57,80,790)

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, 2021	For the year ended March 31, 2020
	₹	₹
Profit before tax	**23,52,10,170**	16,32,20,606
Enacted income tax rate in India	**25.17%**	25.17%
Computed expected tax expense	**6,24,46,339**	4,80,99,752
Effect of:		
Income exempt from tax	**(1,33,894)**	(8,92,582)
Expenses that are deductible in determining taxable profit	**(4,00,395)**	(12,11,995)
Others	**20,37,495**	21,01,465
Depreciation	**15,03,319**	21,85,542
Total current tax expense recognised in the Statement of profit and loss	**6,54,52,864**	5,02,82,182
Note 28 : DEPRECIATION EXPENSE		
Depreciation on property, plant and equipment (Refer Note No.3)	**4,18,83,652**	3,51,48,416
Depreciation on investment property (Refer Note No.4)	**4,77,034**	3,38,823
Total	**4,23,60,686**	3,54,87,239

Particulars	**As at March 31, 2021**	As at March 31, 2020
Note 29 : STAFF PENSION FUND	₹	₹
The Company is the sole beneficiary of T. Stanes and Company Limited Staff Pension Fund.		
a) Amount due to/from the fund	**-**	-
b) Income for the year	**6,81,239**	7,31,101
Note 30 : 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
Income tax		
Assessment Year 2017-18 (out of which ₹ 18,27,155/- (31st March, 2020: Nil) have been deposited under protest)	**80,13,676**	80,13,676
Central sales tax	**33,22,145**	33,22,145
On account of value added tax (Duty paid under protest ₹ 62,850/- (Previous year ₹ 62,850/-)	**5,37,333**	5,37,333
(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	**74,22,309**	83,61,425
b) Financial guarantee to bankers on account of subsidiary company	**4,50,00,000**	4,50,00,000
Note 31 : DISCLOSURE REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006		
The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2021 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.		
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	**20,36,429**	21,97,778
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	**Nil**	Nil
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	**Nil**	Nil
The amount of interest accrued and remaining unpaid at the end of accounting year;	**Nil**	Nil
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23.	**Nil**	Nil

Note 32 : The Group 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 group, as at the date of approval of these financial results has used relevant information in determining the expected future performance of the group. The group 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, 2021**	As at March 31, 2020
Note 33 : OPERATING LEASE	₹	₹
The group 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	**2,32,78,816**	2,43,80,066
b) Recognised as rental income on properties under lease	**92,06,002**	1,04,54,348
Note 33 (a) : Future minimum lease payments		
Not later than one year	**53,63,263**	57,82,612
Later than one year and not later than five years	**2,06,95,031**	2,18,26,510
Later than five years	**1,37,21,400**	1,79,53,184
Note 34 : EARNINGS PER SHARE		
Profit for the year	**17,22,61,936**	11,87,19,214
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	**72.80**	50.17

Note 35 : Related party transactions

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

Note 35 (a) Details of related parties

Description of relationship	Names of related parties
a) Ultimate Holding Company	Amalgamations Private Limited *
b) Holding Company	Simpson and Company Limited *
c) Fellow Subsidiaries	Addison and Company Limited * Amalgamations Repco Limited * AMCO Batteries Limited Associated Printers (Madras) Private Limited * Associated Publishers (Madras) Private Limited Alpump Limited Bimetal Bearings Limited * George Oakes Limited * Higginbothams Private Limited India Pistons Limited IP Rings Limited IP Pins & Liners Limited IPL Engine Components Private Limited IPL Green Power Limited L. M. Van Moppes Diamond Tools India Private Limited Shardlow India Limited Wallace Cartwright and Company Limited, London Simpson & General Finance Company Limited * Southern Tree Farms Limited * Speed-A-Way Private Limited * Sri Rama Vilas Service Limited* Tractors and Farm Equipment Limited * TAFE Access Limited * TAFE Motors and Tractors Limited TAFE Reach Limited TAFE USA Inc.Delaware U.S.A. TAFE International Traktor VE Tarim Ekipmani Sanayi VE Ticaret Limited Sirketi TAFE Tractors Changshu Company Limited, China TAFE Properties Limited The Madras Advertising Company Private Limited* Wheel & Precision Forgings India Limited W J Groom and Company Limited, London
d) Associates to Holding / Ultimate Holding Company	The United Nilgiri Tea Estates Company Limited * Amalgamations Valeo Clutch Private Limited BBL Daido Private Limited
e) Key management personnel	Mr. A. Krishnamoorthy (Chairman) * Mrs. Lakshmi Narayanan (Whole-time Director) * Mr. S.Ramanujachari (Non-Executive Director) * Mr. K.S.Hegde (Non-Executive Director) (upto 16 Oct, 2020) * Mr. P.M. Venkatasubramanian (Independent Director) * Mr. R. Vijayaraghavan (Independent Director) * Mr. N.P. Mani (Independent Director) * Mr. K.K. Unni (Independent Director) * Mr. G. Ramakrishnan (Company Secretary) (upto 31 Dec, 2020)*
f) Relatives of Key Managerial Personnel	Ms. Kalyani Narayanan (from 01 Apr, 2020) *

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

Note 35 (b) Details of related party transactions during the year ended March 31, 2021 and balances outstanding as at March 31, 2021

Particulars	Ultimate Holding Company		Holding Company		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2020-21	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A) TRANSACTIONS DURING THE YEAR												
Sales	-	-	**8,50,109**	14,46,965	**18,83,993**	16,72,840	**32,12,219**	38,25,693	-	-	**59,46,321**	69,45,498
Sales of investment	-	70,00,000	-	87,66,000	-	-	-	-	-	-	-	1,57,66,000
Service rendered to	**6,53,400**	1,55,160	**34,09,517**	65,00,080	**21,92,135**	23,01,065	**51,341**	44,004	-	-	**63,06,393**	90,00,309
Dividend received from	-	-	-	-	-	1,75,000	**22,59,058**	22,59,058	-	-	**22,59,058**	24,34,058
Interest paid on loan availed	-	-	-	-	-	2,95,494	-	-	-	-	-	2,95,494
Purchases	-	-	-	26,556	**33,88,449**	10,82,466	**4,75,857**	6,08,222	-	-	**38,64,306**	17,17,244
Service availed from	**68,37,103**	66,62,442	-	-	**29,94,335**	36,62,593	-	-	-	-	**98,31,438**	1,03,25,035
Dividend paid to	**38,01,696**	36,25,378	**1,64,73,540**	1,50,99,401	**4,57,200**	4,58,297	-	81,783	-	-	**2,07,32,436**	1,92,64,859
Remuneration	-	-	-	-	-	-	-	-	**1,87,84,862**	1,62,03,182	**1,87,84,862**	1,62,03,182
Sitting fees and commission	-	-	-	-	-	-	-	-	**29,40,000**	24,40,000	**29,40,000**	24,40,000
Advance Paid to	-	-	-	-	**15,00,000**	-	-	-	-	-	**15,00,000**	-
B) BALANCES OUTSTANDING AT THE END OF THE YEAR												
Equity participation in	-	-	-	-	-	-	**52,62,553**	52,62,553	-	-	**52,62,553**	52,62,553
Equity participation by	**31,68,080**	31,68,080	**1,37,30,400**	1,37,27,950	**3,81,000**	3,81,000	-	-	-	-	**1,72,79,480**	1,72,77,030
Receivables from	**16,340**	35,492	**9,97,451**	39,25,167	**20,11,190**	10,95,292	**1,40,828**	2,49,683	-	-	**31,65,809**	53,05,634
Payables to	**1,67,109**	3,09,948	-	1,14,276	**3,21,16,322**	3,28,02,916	**3,341**	1,15,452	-	-	**3,22,86,772**	3,33,42,592
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 31,2021

Note 35 (b) Details of related party transactions during the year ended March 31, 2021 and balances outstanding as at March 31, 2021

Particulars	Ultimate Holding Company		Holding Company		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2020-21	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20
A) TRANSACTIONS DURING THE YEAR	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Sales												
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	**32,12,219**	38,25,693	-	-	**32,12,219**	38,25,693
Southern Tree Farms Limited	-	-	-	-	**14,08,850**	8,35,773	-	-	-	-	**14,08,850**	8,35,773
Simpson and Company Limited	-	-	**8,50,109**	14,46,965	-	11,000	-	-	-	-	**8,50,109**	14,57,965
Sri Rama Vilas Services Limited	-	-	-	-	**1,10,644**	1,25,527	-	-	-	-	**1,10,644**	1,25,527
Addison & Co Limited	-	-	-	-	**1,93,890**	2,17,375	-	-	-	-	**1,93,890**	2,17,375
India Pistons Limited	-	-	-	-	-	76,195	-	-	-	-	-	76,195
Tractors and Farm Equipment Ltd	-	-	-	-	**1,70,609**	4,06,970	-	-	-	-	**1,70,609**	4,06,970
Total	-	-	**8,50,109**	14,46,965	**18,83,993**	16,72,840	**32,12,219**	38,25,693	-	-	**59,46,321**	69,45,498
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	-	-	-	-	-	-	**51,341**	44,004	-	-	**51,341**	44,004
George Oakes Limited	-	-	-	-	**2,43,294**	2,71,064	-	-	-	-	**2,43,294**	2,71,064
Speed-A-Way Private Limited	-	-	-	-	**1,15,500**	1,46,619	-	-	-	-	**1,15,500**	1,46,619
Amalgamations Private Limited	**6,53,400**	1,55,160	-	7,10,788	-	-	-	-	-	-	**6,53,400**	8,65,948
Simpson and Company Limited	-	-	**34,09,517**	57,89,292	-	-	-	-	-	-	**34,09,517**	57,89,292
TAFE Access Limited	-	-	-	-	**17,82,000**	18,12,524	-	-	-	-	**17,82,000**	18,12,524
The Madras Advertising Company Private Limited	-	-	-	-	-	25,796	-	-	-	-	-	25,796
India Pistons Limited	-	-	-	-	-	4,725	-	-	-	-	-	4,725
Bimetal Bearings Limited	-	-	-	-	**51,341**	40,337	-	-	-	-	**51,341**	40,337
Total	**6,53,400**	1,55,160	**34,09,517**	65,00,080	**21,92,135**	23,01,065	**51,341**	44,004	-	-	**63,06,393**	90,00,309
Dividend received												
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	**22,59,058**	22,59,058	-	-	**22,59,058**	22,59,058
Amalgamations Repco Limited	-	-	-	-	-	1,75,000	-	-	-	-	-	1,75,000
Total	-	-	-	-	-	1,75,000	**22,59,058**	22,59,058	-	-	**22,59,058**	24,34,058
Interest paid on Loan												
Simpson & General Finance Company Limited	-	-	-	-	-	2,95,494	-	-	-	-	-	2,95,494
Total	-	-	-	-	-	2,95,494	-	-	-	-	-	2,95,494

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2021

Note 35 (b) Details of related party transactions during the year ended March 31, 2021 and balances outstanding as at March 31, 2021

Particulars	Ultimate Holding Company		Holding Company		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2020-21	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20
A) **TRANSACTIONS DURING THE YEAR**	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Purchases												
Southern Tree Farms Limited	-	-	-	-	-	-	-	-	-	-	-	-
Simpson and Company Limited	-	-	-	26,556	-	-	-	-	-	-	-	26,556
Speed-A-Way Private Limited	-	-	-	-	20,506	46,882	-	-	-	-	20,506	46,882
India Pistons Limited	-	-	-	-	-	-	-	-	-	-	-	-
Amalgamations Repco Limited	-	-	-	-	1,49,362	5,44,908	-	-	-	–	1,49,362	5,44,908
Tafe Access Limited	-	-	-	-	-	2,639	-	-	-	-	-	2,639
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	4,75,857	6,08,222	-	-	4,75,857	6,08,222
Bimetal Bearings Limited	-	-	-	-	32,18,581	4,88,037	-	-	-	-	32,18,581	4,88,037
Total	-	-	-	26,556	33,88,449	10,82,466	4,75,857	6,08,222	-	-	38,64,306	17,17,244
Service availed from												
Amalgamations Private Limited	68,37,103	66,62,442	-	-	-	-	-	-	-	-	68,37,103	66,62,442
George Oakes Limited	-	-	-	-	2,25,000	5,38,803	-	-	-	-	2,25,000	5,38,803
Sri Rama Vilas Service Limited	-	-	-	-	23,01,000	20,97,000	-	-	-	-	23,01,000	20,97,000
The Madras Advertising Company Pvt Ltd	-	-	-	-	3,38,415	6,23,190	-	-	-	-	3,38,415	6,23,190
Associated Printers (Madras) Private Limited	-	-	-	-	1,29,920	4,03,600	-	-	-	-	1,29,920	4,03,600
Total	68,37,103	66,62,442	-	-	29,94,335	36,62,593	-	-	-	-	98,31,438	1,03,25,035
Dividend paid to												
Simpson and Company Limited	-	-	1,64,73,540	1,50,99,401	-	-	-	-	-	-	1,64,73,540	1,50,99,401
Amalgamations Private Limited	38,01,696	36,25,378	-	-	-	-	-	-	-	-	38,01,696	36,25,378
Simpson & General Finance Company Limited	-	-	-	-	3,00,000	2,75,000	-	-	-	-	3,00,000	2,75,000
Sri Rama Vilas Service Limited	-	-	-	-	1,41,600	1,29,800	-	-	-	-	1,41,600	1,29,800
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	81,783	-	-	-	81,783
Sri.Rama Vilas Service Limited	-	-	-	-	-	4,786	-	-	-	-	-	4,786
Bimetal Bearings Limited	-	-	-	-	-	6,380	-	-	-	-	-	6,380
Speed-A-Way Private Limited	-	-	-	-	-	1,501	-	-	-	-	-	1,501
Tractors and Farm Equipment Limited	-	-	-	-	15,600	40,830	-	-	-	-	15,600	40,830
Total	38,01,696	36,25,378	1,64,73,540	1,50,99,401	4,57,200	4,58,297	-	81,783	-	-	2,07,32,436	1,92,64,859
Remuneration												
Mrs. Lakshmi Narayanan	-	-	-	-	-	-	-	-	1,59,95,566	1,40,22,782	1,59,95,566	1,40,22,782
Mr. G. Ramakrishnan	-	-	-	-	-	-	-	-	21,37,159	21,80,400	21,37,159	21,80,400
Ms. Kalyani Narayanan	-	-	-	-	-	-	-	-	6,52,137	-	6,52,137	-
Total	-	-	-	-	-	-	-	-	1,87,84,862	1,62,03,182	1,87,84,862	1,62,03,182
Sitting fees and commission												
Mr. A. Krishnamoorthy	-	-	-	-	-	-	-	-	6,50,000	3,80,000	6,50,000	3,80,000
Mr. S.Ramanujachari	-	-	-	-	-	-	-	-	6,30,000	3,60,000	6,30,000	3,60,000
Mr. K.S.Hegde	-	-	-	-	-	-	-	-	1,00,000	3,20,000	1,00,000	3,20,000
Mr. P.M. Venkatasubramanian	-	-	-	-	-	-	-	-	3,70,000	3,40,000	3,70,000	3,40,000
Mr. R. Vijayaraghavan	-	-	-	-	-	-	-	-	3,60,000	3,50,000	3,60,000	3,50,000
Mr. N.P. Mani	-	-	-	-	-	-	-	-	3,80,000	3,80,000	3,80,000	3,80,000
Mr. K.K. Unni	-	-	-	-	-	-	-	-	4,50,000	3,10,000	4,50,000	3,10,000
Total	-	-	-	-	-	-	-	-	29,40,000	24,40,000	29,40,000	24,40,000
Advance Paid to												
Bimetal Bearings Limited	-	-	-	-	15,00,000	-	-	-	-	-	15,00,000	-
Total	-	-	-	-	15,00,000	-	-	-	-	-	15,00,000	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2021

Note 35 (b) Details of related party transactions during the year ended March 31, 2021 and balances outstanding as at March 31, 2021

Particulars	Ultimate Holding Company		Holding Company		Fellow Subsidiary Companies		Associates to Holding / Ultimate Holding Company		Key Management Personnel and their relatives		Total	
	2020-21	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20
B) BALANCES OUTSTANDING AT THE END OF THE YEAR	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Equity participation in												
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	**52,62,553**	52,62,553	-	-	**52,62,553**	52,62,553
Equity participation by												
Simpson and Company Limited	-	-	**1,37,30,400**	1,37,27,950	-	-	-	-	-	-	**1,37,30,400**	1,37,27,950
Amalgamations Private Limited	**31,68,080**	31,68,080	-	-	-	-	-	-	-	-	**31,68,080**	31,68,080
Simpson & General Finance Company Limited	-	-	-	-	**2,50,000**	2,50,000	-	-	-	-	**2,50,000**	2,50,000
Sri Rama Vilas Service Limited	-	-	-	-	**1,18,000**	1,18,000	-	-	-	-	**1,18,000**	1,18,000
Tractors and Farm Equipment Limited	-	-	-	-	**13,000**	13,000	-	-	-	-	**13,000**	13,000
Receivables from												
Addison & Co Limited	-	-	-	-	**63,002**	18,632	-	-	-	-	**63,002**	18,632
Bimetal Bearings Limited	-	-	-	-	**15,04,334**	-	-	-	-	-	**15,04,334**	-
Speed-A-Way Private Limited	-	-	-	-	**-**	13,096	-	-	-	-	-	13,096
George Oakes Limited	-	-	-	-	**82,797**	70,403	-	-	-	-	**82,797**	70,403
TAFE Access Limited	-	-	-	-	**2,56,710**	3,42,189	-	-	-	-	**2,56,710**	2,42,189
Tractors and Farm Equipment Limited	-	-	-	-	**68,480**	55,730	-	-	-	-	**68,480**	55,730
Southern Tree Farms Limited	-	-	-	-	**-**	5,35,750	-	-	-	-	-	5,35,750
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	**1,40,828**	2,49,683	-	-	**1,40,828**	2,49,683
Simpson and Company Limited	-	-	**9,97,451**	39,25,167	-	-	-	-	-	-	**9,97,451**	39,25,167
Sri Rama Vilas Service Limited	-	-	-	-	**35,867**	59,492	-	-	-	-	**35,867**	59,492
Amalgamations Private Limited	**16,340**	35,492	-	-	-	-	-	-	-	-	**16,340**	35,492
Payables to												
Amalgamations Private Limited	**1,67,109**	3,09,948	-	-	-	-	-	-	-	-	**1,67,109**	3,09,948
Simpson and Company Limited	-	-	-	1,14,276	-	-	-	-	-	-	-	1,14,276
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	**3,341**	1,15,452	-	-	**3,341**	1,15,452
Southern Tree Farms Limited	-	-	-	-	**23,114**	-	-	-	-	-	**23,114**	-
Tractors and Farm Equipment Limited	-	-	-	-	**3,20,82,472**	3,20,82,472	-	-	-	-	**3,20,82,472**	3,20,82,472
TAFE Access Limited	-	-	-	-	-	2,36,000	-	-	-	-	-	2,36,000
Amco Batteries Limited	-	-	-	-	-	-	-	-	-	-	-	-
Speed-A-Way Private Limited	-	-	-	-	**10,736**	-	-	-	-	-	**10,736**	-
Bimetal Bearings Limited	-	-	-	-	**-**	4,84,444	-	-	-	-	-	4,84,444
Guarantee given by												
Simpson and Company Limited and-Amalgamations Private Limited	**33,00,00,000**	33,00,00,000	-	-	-	-	-	-	-	-	**33,00,00,000**	33,00,00,000

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
	₹	₹
Note 36 : EMPLOYEE BENEFITS PLANS		
a) Defined contribution plans		
The Company makes Provident Fund, Superannuation Fund and Employees' State Insurance Scheme Contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.		
Contribution to Provident Fund	**1,79,33,505**	2,10,64,059
Contribution to Superannuation Fund	**15,17,175**	15,60,195
Contribution to Employees' State Insurance Scheme	**23,32,721**	28,62,313

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, 2021**	For the year ended March 31, 2020
	₹	₹
Change in projected benefit obligations		
Projected obligation at beginning of the year	**12,54,04,826**	12,04,86,111
Current service cost	**84,87,665**	81,06,454
Interest cost	**85,08,773**	84,33,275
Benefits paid	**(1,76,90,693)**	(1,18,53,918)
Actuarial gain/(loss) on obligation	**44,87,812**	2,32,904
Projected obligation as at end of the year	**12,91,98,383**	12,54,04,826
Change in plan assets		
Plan assets at beginning of the year, at fair value	**11,83,46,254**	11,05,25,997
Expected return on plan assets	**84,26,473**	87,06,361
Contributions	**86,06,911**	1,09,67,814
Benefits paid	**(1,76,90,693)**	(1,18,53,918)
Actuarial gain/(loss) on plan assets	-	-
Plan assets at the end of the year, at fair value	**11,76,88,945**	11,83,46,254

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 36 : EMPLOYEE BENEFITS PLANS — (Contd.)	₹	₹
Amount recognised in the balance sheet		
Projected obligation as at end of the year	**12,91,98,383**	12,54,04,826
Plan assets at the end of the year, at fair value	**11,76,88,945**	11,83,46,254
Funded status surplus/(deficit)	**(1,15,09,438)**	70,58,572
Unrecognized past service cost	-	-
Net asset/(liability) recognized in balance sheet	**(1,15,09,438)**	70,58,572
Expenses recognised in statement of profit and loss		
Current service cost	**84,87,665**	81,06,454
Interest cost	**85,08,773**	84,33,275
Expected return on plan assets	**(84,26,473)**	(87,06,361)
Re-measurement - actuarial gain/(loss) recognised in OCI	**(44,87,812)**	(1,42,098)
Total expenses recognised in statement of profit and loss	**1,30,57,777**	79,75,466
Composition of plan assets		
Insurer managed asset **	**11,77,23,501**	12,15,14,963
Actuarial assumptions		
Discount rate	**7.00%**	7.50%
Salary escalation	**8.00%**	7.00%
Attrition rate	**3.00%**	3.00%

The details of experience adjustments arising on account of plan assets and liabilities are not readily available in the valuation report, hence not furnished. Further details of sensitivity analysis on discount rate and salary increase are not readily available in the valuation report, hence not furnished.

** 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.

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's 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 will increase the plan's liability.

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.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
c) Long term compensated absences		
Actuarial assumptions		
Discount rate	**6.71%**	7.25%
Salary escalation	**8.00%**	5.00%
Attrition rate	**3.00%**	1.00%

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 37: SEGMENT REPORTING	₹	₹
1. SEGMENT REVENUE		
Net sale/income from each segment		
Agri inputs & Consumer and industrial products	**408,50,49,579**	344,02,54,745
Tea, coffee and minor produce	**12,10,81,264**	9,98,10,165
Others	**2,85,17,174**	3,55,54,617
Net sales/income from operations	**423,46,48,017**	357,56,19,527
2. SEGMENT RESULTS		
Profit (+)/Loss (-) before tax and interest from each segment		
Agri inputs & Consumer and industrial products	**16,32,72,264**	11,76,44,389
Tea, coffee and minor produce	**(1,95,27,501)**	(3,44,79,791)
Others	**2,85,17,174**	3,55,54,617
Total	**17,22,61,937**	11,87,19,215
3. SEGMENT ASSETS AND LIABILITIES		
Segment assets		
Agri inputs & Consumer and industrial products	**204,51,76,841**	199,99,46,926
Tea, coffee and minor produce	**11,01,26,691**	11,84,89,653
Total	**215,53,03,532**	211,84,36,579
Segment liabilities		
Agri inputs & Consumer and industrial products	**68,34,64,901**	88,61,92,113
Tea, coffee and minor produce	**2,38,95,302**	2,24,07,307
Total	**70,73,60,203**	90,85,99,420
Note 38 :- EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY		
a) Gross amount required to be spent by the company during the year	**36,01,000**	34,80,000
b) Amount spent during the year on:		
i) Construction/acquisition of any asset	**-**	-
ii) On purposes other than (i) above (amount fully paid)	**36,01,000**	34,80,000

Note 39 : FAIR VALUES

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

Particulars	Carrying value as at		Fair value as at	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
Financial assets	₹	₹	₹	₹
Non-current investments	**26,55,52,318**	17,15,66,400	**26,55,52,318**	17,15,66,400
Other non-current financial assets	**66,91,301**	65,35,270	**66,91,301**	65,35,270
Trade receivables	**73,86,98,504**	99,94,70,541	**73,86,98,504**	99,94,70,541
Cash and cash equivalents	**15,27,66,746**	3,25,37,164	**15,27,66,746**	3,25,37,164
Current investments	**60,01,394**	-	**60,01,394**	-
Other current financial assets	**98,81,286**	1,09,64,294	**98,81,286**	1,09,64,294
Total	**117,95,91,549**	122,10,73,669	**117,95,91,549**	122,10,73,669
Financial liabilities				
Current borrowing	**-**	8,22,21,620	-	8,22,21,620
Trade payables	**48,75,71,959**	61,97,23,901	**48,75,71,959**	61,97,23,901
Other current financial liabilities	**11,09,47,939**	9,62,19,703	**11,09,47,939**	9,62,19,703
Total	**59,85,19,898**	79,81,65,224	**59,85,19,898**	79,81,65,224

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.

Financial instruments by category	As at March 31, 2021			As at March 31, 2020		
	FVTPL	**FVOCI**	**Amortised cost**	FVTPL	FVOCI	Amortised cost
Financial assets	₹	₹	₹	₹	₹	₹
Investments						
- Equity instruments	**-**	**26,18,48,118**	**25,000**	-	16,96,79,913	47,000
- Mutual funds	**80,24,680**	-	-	-	-	-
- In Government securities	**-**	-	**20,700**	-	-	31,700
- In Bond and debentures	**-**	**16,35,214**	-		18,07,787	-
Trade receivables	**-**	-	**73,86,98,504**	-	-	99,94,70,541
Cash and cash equivalents	**-**	-	**15,27,66,746**	-	-	3,25,37,164
Other current financial assets	**-**	-	**98,81,286**	-	-	1,09,64,294
Other non-current financial assets	**-**	-	**66,91,301**	-	-	65,35,270
Total financial assets	**80,24,680**	**26,34,83,332**	**90,80,83,537**	-	17,14,87,700	104,95,85,969
Financial liabilities						
Current borrowings	-	-	-	-	-	8,22,21,620
Trade payables	-	-	**48,75,71,959**	-	-	61,97,23,901
Other current financial liabilities	-	-	**11,09,47,939**	-	-	9,62,19,703
Total financial liabilities	-	-	**59,85,19,898**	-	-	79,81,65,224

Note 39 : FAIR VALUES – (Contd.)

(i) Fair value hierarchy

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

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

At March 31, 2020	Notes	Level 1	Level 2	Level 3	Total
Financial assets		₹	₹	₹	₹
Financial investments at cost					
Unquoted equity investments	5	-	-	47,000	47,000
In Government securities	5	-	-	31,700	31,700
Financial investments at FVTPL					
Debentures		18,07,787	-	-	18,07,787
Financial investments at FVOCI					
Listed equity investments	5	16,96,79,913	-	-	16,96,79,913
Total financial assets		17,14,87,700	-	78,700	17,15,66,400
Financial liabilities		-	-	-	-
Total financial liabilities		-	-	-	-

At March 31, 2021	Notes	Level 1	Level 2	Level 3	Total
Finanacial assets		₹	₹	₹	₹
Financial investments at cost					
Unquoted equity investments	5	-	-	**25,000**	**25,000**
In Government securities	5	-	-	**20,700**	**20,700**
Financial investments at FVTPL					
Mutual funds		**80,24,680**	-	-	**80,24,680**
Debentures		**16,35,214**	-	-	**16,35,214**
Financial investments at FVOCI					
Listed equity investments	5	**26,18,48,118**	-	-	**26,18,48,118**
Total financial assets		**27,15,08,012**	-	**45,700**	**27,15,53,712**
Financial liabilities		-	-	-	-
Total financial liabilities		-	-	-	-

Note 39 : FAIR VALUES – (Contd.)

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

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.There are no transfers between levels 1 and 2 during the year. The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

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

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

(iii) Valuation processes

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

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

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

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

Note 40 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

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

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

(A) Credit Risk

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

(i) Credit risk management : Credit risk is managed on a Company basis. For banks and Financial institutions, only high rated banks/institutions are accepted. For other Financial assets, the Company assesses and manages credit risk based on internal rating system. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

C1 : High-quality assets, negligible credit risk

C2 : Doubtful assets, credit-impaired

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

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

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

Note 40 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – (Contd.)

(ii) Allowance for credit losses

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

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

For the Year ended March 31, 2020 to March 31, 2021:

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

The estimated gross carrying amount at default is Nil (March 31, 2020: Nil) for investments and loans and deposits. Consequently there are no expected credit loss recognised for these financial assets.

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

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

Reconciliation of loss allowance provision – Trade receivables

	₹
Loss allowance on April 1, 2019	**24,49,088**
Changes in loss allowance-	2,97,115
Loss allowance on March 31, 2020	**27,46,203**
Changes in loss allowance	10,08,268
Loss allowance on March 31, 2021	**37,54,471**

(B) Liquidity Risk

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

Note 40 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – (Contd.)

Maturities of financial liabilities

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

Contractual maturities of financial liabilities:

Particulars	Less than 1 year	1-3 years	More than 3 years	Total
	₹	₹	₹	₹
March 31, 2021 Non-derivative				
Trade payables	48,75,71,959	-	-	48,75,71,959
Other financial liabilities	11,09,47,939	-	-	11,09,47,939
Total non-derivative liabilities	**59,85,19,898**	**-**	**-**	**59,85,19,898**
March 31, 2020 Non-derivative				
Trade payables	61,97,23,901	-	-	61,97,23,901
Other financial liabilities	9,62,19,703	-	-	9,62,19,703
Borrowings	8,22,21,620	-	-	8,22,21,620
Total non-derivative liabilities	**79,81,65,224**	**-**	**-**	**79,81,65,224**

(C) Market Risk

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

(D) Foreign Currency Exchange Rate Risk

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

Particulars	Receivable in	USD	EURO	GBP	Total
Assets	As at	Non-derivative ₹	Derivative ₹	Derivative ₹	₹
Trade receivables	March 31, 2021	1,86,21,642	20,77,062	50,66,686	2,57,65,390
	March 31, 2020	4,42,03,386	19,75,792	58,75,317	5,20,54,495

Foreign currency sensitivity analysis

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

Note 40 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – (Contd.)

Foreign currency sensitivity analysis

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	Impact on profit after tax	
	₹	₹
USD sensitivity		
INR/USD increases by 5%*	(6,96,729)	(16,53,870)
INR/USD decreases by 5%*	6,96,729	16,53,870
EURO sensitivity		
INR/EURO increases by 5% *	(77,713)	(73,924)
INR/EURO decreases by 5% *	77,713	73,924
GBP sensitivity		
INR/GBP increases by 5% *	(1,89,570)	(2,19,825)
INR/GBP decreases by 5% *	1,89,570	2,19,825

* Holding all other variables constant.

(E) Capital Management

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

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

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

The capital structure is as follows :

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	₹	₹
Total equity attributable to the equity share holders of the company	**140,50,28,946**	116,20,20,296
As percentage of total capital	**100%**	93%
Current borrowings	-	8,22,21,620
Total borrowings	-	8,22,21,620
As a percentage of total capital	**0%**	7%
Total capital (borrowings and equity)	**140,50,28,946**	124,42,41,916

Note 41 :

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

LAKSHMI NARAYANAN
Whole-time Director
DIN : 02539061
Place : Coimbatore
Date : 25 June, 2021

P.M. VENKATASUBRAMANIAN
Director
DIN : 00001579

S. RAMANUJACHARI
Director
DIN : 00001776

Place : Chennai
Date : 25 June, 2021

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