



## T. STANES AND COMPANY LIMITED

CIN: L02421TZ1910PLC000221  
email id: fdshares@t-stanes.com  
Website: www.tstanes.com

Registered Office :8/23-24, Race Course Road ,Coimbatore - 641018

**NOTICE** is hereby given that the **104<sup>th</sup> Annual General Meeting** of the Company will be held on **Friday, the 8<sup>th</sup> August 2014** at "Sri. S. Anantharamakrishnan Hall" at 8/23-24, Race Course Road, Coimbatore 641018 commencing at **3.00 P.M.** to transact the following business:-

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Directors' Report and the Statement of Profit & Loss for the year ended 31<sup>st</sup> March, 2014, the Balance Sheet as on that date and the Auditors' Report thereon.
2. To declare a dividend.
3. To appoint a director in place of Mr. S. Ramanujachari (holding DIN No.00001776), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a director in place of Mr. K.S.Hegde (holding DIN No.00012283), who retires by rotation and being eligible offers himself for re-appointment.
5. **To consider and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution:**

**"RESOLVED** that pursuant to Section 139 of the Companies Act,2013 and the Rules framed there under, as amended from time to time, M/s Fraser & Ross, Chartered Accountants (Firm Registration No. 0008295) be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and that the Audit Committee / Board of Directors be and are hereby authorized to fix remuneration plus service tax, Out of Pocket expenses payable to them".

### **SPECIAL BUSINESS:**

6. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:**

**"RESOLVED** that Mr. P. S. Bopaiah (holding DIN No.00019898), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 1<sup>st</sup> December, 2013 in terms of Section 260 of the Companies Act,1956 (corresponding to Section 161(1) of the Companies Act , 2013) and Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation".

7. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:**

Appointment of and Remuneration payable to Mr. P.S.Bopaiah, Whole-time Director of the Company:

**"RESOLVED** that pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and other applicable provisions of erstwhile Companies Act, 1956, to be read with erstwhile Schedule XIII to the Companies Act, 1956 and also pursuant to Sections 196, 197 to be read with Schedule V of the Companies Act, 2013, the



approval of Members of the Company be and is hereby accorded to the appointment of Mr. P. S. Bopaiah as a Whole-time Director of the Company who is liable to retire by rotation in terms of the provisions of the Articles of Association of the Company, on the following terms and conditions duly recommended by the Remuneration Committee with the authority to the Board to vary / modify his remuneration from time to time within the overall limits of Sections I or II of Part II of Schedule V of the Companies Act, 2013.

- (a) **Period:** Three years from 1<sup>st</sup> December, 2013. He is liable to retire by rotation.
- (b) **Nature of Duties:** His Responsibilities will include the management and co-ordination of the operational activities of the Company including such other responsibilities as may be entrusted by the Board of the Company from time to time.
- (c) **Salary:** ₹.1,40,000/- (Rupees One Lac Forty Thousand only) per month.
- (d) **Annual Performance allowance:** An annual performance allowance of a sum of ₹.6,00,000/- or such other sums that may be decided by the Board of Directors subject to due recommendation by the Remuneration Committee for each financial year.
- (e) **Perquisites:** Perquisites to be allowed in addition to Salary and Annual performance allowance listed below.
  - (i) **House Rent Allowance:** House rent Allowance of ₹.37,500/- per month for the period from 1<sup>st</sup> December, 2013 to 31<sup>st</sup> March, 2014.
  - (ii) **Housing :** Free Company owned furnished quarters will be provided with effect from 1<sup>st</sup> April, 2014.
  - (iii) **Special Allowance:** ₹.32,000/- Per month will be paid with effect from 1<sup>st</sup> April, 2014.
  - (iv) **Service Allowance:** ₹.15,000/- Per annum.
  - (v) **Medical Reimbursement** – Medical expenses including premium applicable on a Medical Group Insurance plan incurred by the Whole-time Director for self, spouse and dependent parents, children not exceeding one month's salary per annum.
  - (vi) **Leave Travel concession:** For the Whole-time Director and his family, not exceeding one month's salary per annum.
  - (vii) **Club fees:** Fees for one club which will not include Admission and Life membership fees.
  - (viii) **Personal Accident Insurance:** Premium for cover as per the rules of the Company.
  - (ix) **Leave:** As per rules of the Company.

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

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

He is not entitled to Sitting Fees.

**Apart from the remuneration aforesaid :**

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



Any variation in the basic salary and the above perquisites or any other perquisites as may be recommended/ approved by the Nomination & Remuneration Committee / Board from time to time.

The appointment and the remuneration payable as mentioned above shall be subject to the overall ceiling under applicable provisions of the Companies Act and approval of members at this Meeting.

**Minimum Remuneration :**

In the event of absence or inadequacy of profits in any financial year during the tenure of the Whole-time Director, the Salary, Annual Performance Allowance and the perquisites as specified above would be admissible as Minimum Remuneration, subject to the overall ceiling provided in the relevant schedule to the Companies Act during the tenure of his appointment with an authority to the Board to vary / modify the remuneration from time to time within such ceiling.

**Termination :**

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

**Memorandum of interest :**

None of the Directors except Mr. P.S. Bopaiah is interested or concerned in the appointment.

8. **Appointment of Mr. P.M. Venkatasubramanian as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special resolution:**

“**RESOLVED** that pursuant to the provisions of Sections 149,150,152 and any other applicable provisions of the Companies Act, 2013 and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. P.M. Venkatasubramanian (holding DIN No. 00124505), a non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for Independence as provided under Sec.149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from 8<sup>th</sup> August, 2014 upto 7<sup>th</sup> August, 2019.”

9. **Appointment of Mr. R.Vijayaraghavan, as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special resolution:**

“**RESOLVED** that pursuant to the provisions of Sections 149,150,152 and any other applicable provisions of the Companies Act, 2013 and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. R.Vijayaraghavan (holding DIN No. 00026763), a non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for Independence as provided under Sec.149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from 8<sup>th</sup> August, 2014 up to 7<sup>th</sup> August, 2019.”

10. **Appointment of Mr. K.K.Unni, as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special resolution:**



**“RESOLVED** that pursuant to the provisions of Sections 149,150,152 and any other applicable provisions of the Companies Act, 2013 and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. K.K. Unni (holding DIN No. 00227858), a non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for Independence as provided under Sec.149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from 8<sup>th</sup> August, 2014 up to 7<sup>th</sup> August, 2019.”

**11. Appointment of Mr. N.P. Mani, as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special resolution:**

**“RESOLVED** that pursuant to the provisions of Sections 149,150,152 and any other applicable provisions of the Companies Act, 2013 and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. N.P. Mani (holding DIN No. 00675741), a non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for Independence as provided under Sec.149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from 8<sup>th</sup> August, 2014 up to 7<sup>th</sup> August, 2019.”

**12. Appointment of Mr. S.Ramachandra, as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special resolution:**

**“RESOLVED** that pursuant to the provisions of Sections 149,150,152 and any other applicable provisions of the Companies Act, 2013 and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. S.Ramachandra (holding DIN No. 02613601), a non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for Independence as provided under Sec.149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from 8<sup>th</sup> August, 2014 up to 7<sup>th</sup> August, 2019.”

**13. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :**

**“RESOLVED** that in supersession to the Ordinary Resolution adopted at the Annual General Meeting held on 22nd September 2004 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow from time to time any sum or sums of money on such terms and conditions and with or without security as the Board may think fit, which notwithstanding the fact that the amount borrowed / to be so borrowed (apart from temporary loans obtained / to be obtained in the ordinary course of business) may exceed the aggregate for the time being of the Paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, by a sum not exceeding ₹. 20 Crores (Rupees Twenty Crores only).”



14. **To consider approving the remuneration of the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2015 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.**

**“RESOLVED** that pursuant to the Provisions of Section 148 of the Companies Act, 2013, the remuneration fixed at ₹.75,000/- (Rupees Seventy Five Thousand Only) exclusive of taxes, out of pocket expenses and travel expenses etc. to M/s. S.Mahadevan & Co., Cost Accountants (Firm Registration Number 000007) who have been appointed as Cost Auditors by the Board of Directors for the financial year 2014-15 as recommended by Audit Committee be and is hereby ratified.”

**“RESOLVED FURTHER** that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”

**(By order of the Board)**

For T.Stanes and Company Limited  
(S.C.Sekar)  
Chief Financial Officer

Place : Chennai - 600 002  
Date : 30th May, 2014



#### NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the Special business under Item Nos. 6 to 14 of the Notice, is annexed hereto. The relevant details as required under clause 49 of the Listing Agreement entered into with the Stock Exchange, of persons seeking appointment/ re-appointment as Directors under Item No. 6 and Item Nos. 7 to 12 of the Notice, are also annexed.
2. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.** The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than **FORTY-EIGHT HOURS** before the meeting. Proxies submitted on behalf of Limited Companies, Societies, etc., must be supported by appropriate resolutions/ authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying e-voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. The Register of Members and Transfer Books of the Company will be closed from **Tuesday, the 5<sup>th</sup> August, 2014 to Friday, the 8<sup>th</sup> August, 2014**, both days inclusive.
4. 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 on or after Friday, 8<sup>th</sup> August, 2014 as under:
  - (a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on 4<sup>th</sup> August, 2014.
  - (b) To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 4<sup>th</sup> August, 2014.
5. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). 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 Enterprises India Limited (IEIL) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Integrated Enterprises India Limited (IEIL), "Kences Towers", 2nd Floor, No.1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai- 600017.
6. Members holding shares in physical form are requested to consider 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 IEIL for assistance in this regard.
7. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or IEIL, 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.
8. In case of joint holders attending the meeting, 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.
9. Members seeking any information with regard to the Accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.





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

Pursuant to sections 205A and 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.

Members who have not yet en-cashed their dividend warrant(s) pertaining to the Final Dividend for the financial year 2006-07 and onwards issued by the Company are requested to make their claims without any delay to IEIL. It may be noted that the unclaimed Final Dividend for the financial year 2006-07 declared by the Company on 18<sup>th</sup> August, 2007 can be claimed by the shareholders on or before 18<sup>th</sup> August, 2014.

**E-voting:**

11. In compliance with the provisions of Section 108 of the Act to be read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depository Limited (NSDL), on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

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

- (i) Open the e-mail and also open PDF file namely "tstanes e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- (ii) Open the internet browser and type the following URL:  
<https://www.evoting.nsdl.com>.
- (iii) Click on Shareholder – Login.
- (iv) If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
- (v) If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
- (vi) The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both.

Please take utmost care to keep your password confidential.

- (vii) Once the e-voting home page opens, click on e-voting> Active e-voting Cycles.
- (viii) Select "EVEN" (e-voting Event Number) of T. Stanes & Company Limited as appearing in the Attendance Slip.

Now you are ready for e-voting as Cast Vote page opens.

- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.



- (xii) 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., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [madhu@ksrandco.in](mailto:madhu@ksrandco.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- (xiii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual – Shareholders, available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**B.** In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):

- (i) Initial password is provided in the enclosed ballot form:  
**EVEN (e-voting Event Number), user ID and password.**
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

**C. Other Instructions:**

- (i) The e-voting period commences on **Saturday, the 2<sup>nd</sup> August, 2014 (at 9.00 a.m. IST) and ends on Monday, the 4<sup>th</sup> August, 2014 (6.00 p.m. IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, **as on 8<sup>th</sup> July, 2014**, may cast their vote electronically. The e-voting module shall be disabled by NSDL for e-voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- (ii) The e-voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on **8<sup>th</sup> July, 2014**.
- (iii) Mr. C.V.Madhusudhnan, Partner, M/s KSR & Co., Company Secretaries LLP, has been appointed as the Scrutinizer for e-voting Process and Dr. K.S.Ravichandran, Partner, M/s KSR & Co., Company Secretaries LLP, as the Scrutinizer for ballot Process. They will scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- (iv) The Scrutinizers shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any. Thereafter the scrutinisers report shall be submitted to the Chairman of the Company. Similarly the results of the ballot will be counted and finalised within 3 (Three) working days from the completion of the ballot process.
- (v) Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with 104<sup>th</sup> Annual Report) so as to reach the Scrutinizers appointed by the Board of Directors of the Company, Dr. K.S.Ravichandran, Partner, M/s KSR & Co., Company Secretaries LLP, not later than **4<sup>th</sup> August, 2014 (6.00 p.m. IST)**.

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to [fdshares@t-stanes.com](mailto:fdshares@t-stanes.com) with a copy to [scs@t-stanes.com](mailto:scs@t-stanes.com) by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Scrutinizer not later than **4<sup>th</sup> August, 2014 (6.00 p.m. IST)**.

Ballot Form received after this date (viz. **4<sup>th</sup> August, 2014**) will be treated as invalid by the Scrutinizer.





A self-addressed envelope with the address of the scrutinizer is kept along with ballot form in the Annual Report to enable the Shareholders to forward the Ballot duly filled in all respect to the Scrutinizer **on or before 4<sup>th</sup> August, 2014.**

**A Member can opt for only one mode of e-voting i.e. either through e-voting or by Ballot form. If a Member casts votes by both modes, then e-voting done through e-voting shall prevail and Ballot form shall be treated as invalid.**

- (vi) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.tstanes.com](http://www.tstanes.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within two days of the passing of the resolutions at the 104<sup>th</sup> Annual General Meeting of the Company on 8<sup>th</sup> August, 2014 and **communicated to the Madras Stock Exchange Limited**, where the shares of the Company are listed.

All documents referred to in this notice of 104<sup>th</sup> Annual General Meeting and the explanatory statement shall be open for inspection at the Registered Office of the Company during normal business hours (i.e. 9.30 AM to 5.30 PM) on all working days and including the date of the 104<sup>th</sup> Annual General Meeting of the Company.

**(By order of the Board)**

For T.Stanes and Company Limited  
(S.C.Sekar)  
Chief Financial Officer

Place : Chennai - 600 002  
Date : 30th May, 2014



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

**1. Item Nos. 6 and 7**

Mr.P.S.Bopaiah was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 (corresponding to Section 161(1) of the Companies Act, 2013) effective from 1<sup>st</sup> December, 2013 and he holds office up to the date of ensuing Annual General Meeting of the Company. A notice has been received from a member of the Company under Section 161(1) of the Companies Act, 2013, along with a requisite deposit signifying his intention to propose Mr. P.S. Bopaiah as a candidate for the appointment as a Director of the Company.

The Board of Directors of the company at the same meeting held on 15<sup>th</sup> November, 2013 also has appointed Mr. P.S. Bopaiah, aged 63 years as a Whole-time Director for a period of three years with effect from 1<sup>st</sup> December, 2013 on the remuneration package set out in the resolution under Item no. 7 of the agenda.

Mr. P.S.Bopaiah holds a Bachelor degree in Botany. He joined the Company in July, 1975 and held various positions in the Company, mainly in the agro-marketing activities and Consumer & Industrial Products Division.

The resolutions are recommended for approval.

Mr. P.S. Bopaiah is concerned and interested in the resolutions. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

No other Director, Key Managerial Personnel or their relative is concerned or interested financially or otherwise in this resolution.

**2. Item No 8**

Mr. P.M. Venkatasubramanian is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company during November, 2011. He is the Chairman of the Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

Mr. P.M. Venkatasubramanian does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. P.M. Venkatasubramanian being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years from 8<sup>th</sup> August, 2014 to 7<sup>th</sup> August, 2019. A notice has been received from a member proposing Mr. P.M. Venkatasubramanian as a candidate for the office of Independent Director of the Company.

In the opinion of the Board, Mr. P.M. Venkatasubramanian fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. A copy of the draft letter for appointment of Mr. P.M. Venkatasubramanian as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Sunday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. P.M. Venkatasubramanian as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. P.M. Venkatasubramanian as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. P.M. Venkatasubramanian, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.8.



### **3. Item No 9**

Mr. R. Vijayaraghavan is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company during November, 2011. He is the Member of the Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

Mr. R. Vijayaraghavan does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. R. Vijayaraghavan being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years from 8<sup>th</sup> August, 2014 to 7<sup>th</sup> August, 2019. A notice has been received from a member proposing Mr. R. Vijayaraghavan as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. R. Vijayaraghavan fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. R. Vijayaraghavan as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Sunday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. R. Vijayaraghavan as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. R. Vijayaraghavan as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. R. Vijayaraghavan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.9.

### **4. Item No 10**

Mr. K.K. Unni is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company during November, 2011.

Mr. K.K. Unni does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013. Mr. K.K. Unni being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years from 8<sup>th</sup> August, 2014 to 7<sup>th</sup> August, 2019. A notice has been received from a member proposing Mr. K.K. Unni as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. K.K. Unni fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. K.K. Unni as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Sunday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. K.K. Unni as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. K.K. Unni as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. K.K. Unni, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.10.



#### **5. Item No . 11**

Mr. N.P. Mani is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company during November, 2011. He is the Member of the Audit Committee of the Board of Directors of the Company.

Mr. N.P. Mani does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. N.P. Mani being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years from 8<sup>th</sup> August, 2014 to 7<sup>th</sup> August, 2019. A notice has been received from a member proposing Mr. N.P. Mani as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. N.P. Mani fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. N.P. Mani as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Sunday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. N.P. Mani as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. N.P. Mani as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. N.P. Mani, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.11.

#### **6. Item No.12**

Mr. S. Ramachandra is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company as from 1<sup>st</sup> December, 2013.

Mr. S. Ramachandra does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. S. Ramachandra being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years from 8<sup>th</sup> August, 2014 to 7<sup>th</sup> August, 2019. A notice has been received from a member proposing Mr. S. Ramachandra as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. S. Ramachandra fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. S. Ramachandra as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Sunday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. S. Ramachandra as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. S. Ramachandra as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. S. Ramachandra, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.12.



#### **7. Item No. 13**

The members of the Company at their Annual General Meeting held on 22<sup>nd</sup> September, 2004 approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of ₹. 20 Crores (Rupees Twenty Crores only). Out of the above limits, the Company had availed ₹. 290.95 Lacs (Rupees Two hundred Ninety lacs and Ninety five thousand only) as on 31<sup>st</sup> March, 2014.

Section 180(1)(c) of the Companies Act, 2013 specifies that effective from 12<sup>th</sup> September, 2014 that the Board of Directors shall not borrow money in excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of a special resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No.13 of the Notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money up to ₹. 20 Crores (Rupees Twenty Crores only) in excess of the aggregate of the paid up share capital and free reserves of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.13.

#### **8. Item No. 14**

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 31<sup>st</sup> March, 2015.

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.14 of the Notice is required for the remuneration payable to the Cost Auditors for the Year ending 31<sup>st</sup> March, 2015.

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.15 of the Notice.

The Board commends the Ordinary Resolution set out at Item no. 14 of the Notice for approval by the Shareholders.

**(By order of the Board)**

For T.Stanes and Company Limited  
(S.C.Sekar)  
Chief Financial Officer

Place : Chennai - 600 002  
Date : 30th May, 2014



## T. STANES AND COMPANY LIMITED

### ONE-HUNDRED AND FOURTH DIRECTORS' REPORT AND STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2014.

Your Directors' have pleasure in presenting the Audited Accounts along with the Auditors' Report and Directors' Report.

<b>FINANCIAL RESULTS:</b> (₹ In lacs)	<b>2013-14</b>	<b>2012-13</b>
	₹	₹
Turnover (Excluding Excise Duty), Income from Operations And Other Income	<b>23,564.74</b>	20,028.88
Profit Before Interest and Depreciation	<b>1,753.50</b>	1,329.02
Less: Interest and Finance Charges	<b>463.34</b>	484.21
Less: Depreciation	<b>196.04</b>	185.39
<b>PROFIT BEFORE TAXES</b>	<b>1,094.12</b>	<b>659.42</b>
Less: Taxes- Current	<b>290.00</b>	145.00
Less: Taxes- Related to earlier years	<b>145.04</b>	0.00
Deferred Taxes	<b>13.78</b>	53.25
Add: Excess Provision no longer required	<b>0.00</b>	(34.23)
<b>PROFIT AFTER TAXES</b>	<b>645.30</b>	<b>495.40</b>
Add: Surplus brought forward	<b>205.62</b>	201.72
<b>Available for Appropriation</b>	<b>850.92</b>	<b>697.12</b>
<b>APPROPRIATION:</b>		
Transfer to General Reserve	<b>500.00</b>	350.00
Transfer to Contingency Reserve	<b>25.00</b>	25.00
Dividend on Equity Share Capital		
– Interim Dividend paid @ 20% (₹. 2.00 per share)	<b>49.95</b>	49.95
– Proposed final Dividend @ 30% (₹. 3.00 per share)	<b>74.93</b>	49.95
Corporate Tax on Dividend:		
– On Interim Dividend	<b>8.49</b>	8.10
– On Final Dividend	<b>12.73</b>	8.49
Surplus Carried forward to Balance Sheet	<b>179.82</b>	205.63
<b>TOTAL</b>	<b>850.92</b>	<b>697.12</b>

#### **Dividend:**

Your Directors have recommended a final Dividend of 30% (₹. 3.00 per Share) and with the Interim Dividend paid at 20% (₹. 2.00 per share), makes a total of 50% (₹. 5.00 per share) for the year ended 31<sup>st</sup> March, 2014.





### **Operations:**

During the year under review, the agro-industry witnessed favourable seasonal conditions during Khariff season though there were inconsistent seasonal factors during rabi season resulting in a lower turnover for that season. However, responding to the market requirements and general consistency in Commodity prices, the company achieved record turnover of ₹. 23,433 lacs as compared to ₹. 19,852 lacs in the previous year.

### **Fertilisers:**

The turnover in this segment increased by 15% during the year due to better availability of NPK fertilisers throughout the year excepting urea which was under short supply. As a substitute to chemical fertilisers the company is constantly promoting Organic products in all states which have a better acceptability among the farming community with better market potential in east and north India.

### **Agency Pesticides:**

During the year 2013-14, due to better seasonal conditions during Khariff period, the overall turnover for the agency products increased from ₹. 6973 Lacs to ₹. 9585 Lacs with a growth rate of around 37% overall.

### **Core Products:**

The Company achieved a record turnover of ₹. 7,922 Lacs as compared to ₹. 6,426 lacs in the previous year due to better volumes achieved in various products category comprised in the segment and also due to better seasonal conditions during the year.

### **CIP Division:**

The overall turnover for the various Consumer & Industrial products increased to ₹. 3,967 lacs from ₹. 3,784 in the previous year.

### **Outlook for the current year:**

For the year 2014-2015, the monsoon and other conditions are expected to support the company's plans to achieve higher levels of activity and turnover. Your Company has optimistic plans to reach the projected activity level if the Khariff and Rabi seasons are favourable with reasonable consistency in produce prices.

### **SUBSIDIARIES:**

#### **Stanes Motors (South India) Limited**

Due to general recession in automobile sector, though the company maintained the turnover levels as in previous year, the subsidiary ended with a net operational loss of ₹. 20.74 Lacs mainly due to increase in input and finance cost.

#### **Stanes Motor Parts Limited**

The company is operating in the State of Kerala mainly in Bosch products. Though the overall turnover was affected due to general recession in the auto sector, due to better management of working capital assets, the company achieved a profit of ₹. 16.76 Lacs for the year ended 31<sup>st</sup> March, 2014 as compared to ₹. 26.86 Lacs in the previous year.

### **Fixed Deposits from Public:**

The aggregate of the fixed deposits received from public stood at ₹. 573.39 lacs as at 31<sup>st</sup> March, 2014. There were six unclaimed deposits aggregating to ₹. 1.95 lacs of which one deposit for ₹. 0.22 lacs was refunded and the remaining five deposits for ₹. 1.73 lacs are still unclaimed.

In accordance with the provisions of the Companies Act, 2013 the public deposits held by this company amounting to ₹. 573.39 lacs will be repaid within one year from 1<sup>st</sup> April, 2014 or by the date on which such repayments are due, whichever is earlier.



### **Directors' responsibility Statement:**

The Directors confirm:

- (a) That in the preparation of annual accounts, the applicable accounting standards have been followed.
- (b) That the Directors have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for that period.
- (c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) That the Directors have prepared the annual accounts on a going concern basis.

### **Corporate Governance:**

The matters related to Corporate Governance as per the Listing agreement are given in the Annexure forming part of the report.

### **Code of Conduct:**

The Company has adopted a Code of Conduct for the Board of Directors and Senior Management personnel which have been duly affirmed.

### **Whole-time Director / CFO Certification:**

As provided in Clause 49 of the Listing agreement, the Certificate from, Mrs. Lakshmi Narayanan, Whole-time Director and Mr. S.C.Sekar, Chief Financial Officer was placed before the Board of Directors at their meeting held on 30<sup>th</sup> May, 2014 and the same was taken on record.

### **Directors:**

Mr. K.S.Hegde, who held the position of Managing Director till 30<sup>th</sup> November, 2013 continued in the Board as a Director as from 1<sup>st</sup> December, 2013. Mr. K.S. Hegde will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offer himself, for reappointment. Mr. K.S.Hegde has been with the Company for over 50 years and had significantly to the growth and diversification of the Company. The Board would record their appreciation for his contribution.

Mr. S. Ramanujachari, Director is retiring by rotation at the ensuing Annual General Meeting and being eligible, offer himself, for reappointment.

Mr. P.S.Bopaiah was inducted as an Additional Director under Sec.260 of the erstwhile Companies Act, 1956 with effect from 1<sup>st</sup> December, 2013 and also appointed as Whole-time Director with effect from the said date for a period of three years. The Company has received a notice under Section 161(1) of the new Companies Act, 2013 proposing his candidature as a Director of the Company. His appointment terms are to be considered by the Shareholders.

In terms Sections 149, 150 and 152 of the new Companies Act, 2013 that have come into force from 1<sup>st</sup> April, 2014, all the Independent Directors will be re-appointed for a specific term and also on conditions attached to the position of office of the Independent Director. The Company has received separate notices under Section 160(1) of the new Companies Act, 2013 proposing their candidature for the position of Independent Directors of the Company which requires the consideration by the shareholders at the ensuing Annual General Meeting as Special business.



**Notice of Annual General Meeting:**

Item Nos. 13 & 14 of the agenda for the Annual General Meeting on the subject related to borrowing powers and Appointment of Cost Auditors as required by Companies Act, 2013 form part of the notice as Special business which are recommended for consideration by Shareholders.

**Disclosure of Particulars:**

The Statements required under Section 217 (1) (e) of the erstwhile Companies Act, 1956 (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is attached.

**Auditors:**

The retiring auditors of the Company M/s Fraser & Ross, Chartered Accountants are eligible for re-appointment.

**Cost Auditor:**

Pursuant to Section 148 of the Companies Act, 2013, M/s S. Mahadevan & Co. Coimbatore, practising Cost Accountants have been appointed as Cost Auditors of the Company based on the recommendations of the Audit Committee. The remuneration payable to them has to be ratified by the members ensuing Annual General Meeting.

**Acknowledgement:**

The Directors gratefully acknowledge the continued support of the Shareholders and thank them for the same.

The Directors also wish to place on record their appreciation for the valuable services rendered by the Officers/ employees of the Company during the year under review.

The Directors also express their gratitude to the Principal Companies, Distributors, Dealers, Customers, Bankers, Depositors for extending all their support.

(For and on behalf of the Board)  
For T.Stanes & Company Limited

Place : Chennai - 600 002  
Date : 30th May 2014

(A.Krishnamoorthy)  
Chairman



# T. STANES AND COMPANY LIMITED

## MANAGEMENT DISCUSSION AND ANALYSIS

### **INDUSTRY STRUCTURE & DEVELOPMENT:**

The Company is mainly engaged in agro-products manufacturing / marketing and distribution activities which depend mainly on the consistent agricultural policies from the Government coupled with the presence of optimum agro climatic conditions and the appropriate commodity prices to the farming community.

### **OPPORTUNITIES & THREATS:**

With the aim to achieve better growth rate of agricultural economy in the country, the demand and opportunities to offer quality agri-inputs to the farming community is on the steady increase with possible mechanisation of farming process in the context of lower availability of farm labour. This is subject to the optimum availability of monsoon conditions with consistent prices for various produce. Under these circumstances, the Company striving hard to ensure performance parameters and corresponding returns.

### **OUTLOOK:**

For the year 2014-2015, the monsoon and other conditions are expected to support the company's plans to achieve higher levels of activity and turnover. Your Company has optimistic plans to reach the projected activity level if the Khariff and Rabi seasons are favourable with reasonable consistency in produce prices.

### **INTERNAL CONTROL SYSTEM:**

The Company maintains adequate Internal Control System and the Internal audit function is carried out by an Internal team members. In the opinion of the Board of Directors, the adequacy of the Internal audit function and the control system is consistent and adequate considering the size and the nature of the Company's business.

### **FINANCIAL PERFORMANCE:**

With the overall measures taken by the Company in the establishment of a good control systems and monitoring process, the Company's overall financial performance is expected to be satisfactory.

### **HUMAN RESOURCES AND INDUSTRIAL RELATIONS:**

During the year under review, the industrial relations in the Company were cordial. The Company has 603 employees as on 31<sup>st</sup> March, 2014.



## T. STANES AND COMPANY LIMITED

### ANNEXURE TO DIRECTORS' REPORT- REPORT ON CORPORATE GOVERNANCE

#### 1. **Company's philosophy on Code of Governance:**

- To strive hard in the matter of enhancing the shareholders' value through prudent business management, timely decision making, high standards of business ethics with information transparency.
- To achieve excellence in corporate Governance practices by complying in all respects the mandatory guidelines in this regard and also to regularly reviewing the operational management functions for effective improvement:
- To be responsible for adopting the Corporate social responsibility principles set by the Company from time to time: and
- To ensure constant man power development within the company's operations to ensure that the transition process happens without losing the underlying value systems created by the company.

#### 2. **Board of Directors:**

The present strength of the Board is 10. The Board comprises of Executive and Non-Executive Directors. The Board of Directors are:

Names of the Directors	Position
Mr. A.Krishnamoorthy	Chairman- Non-Executive Director
Mr. S.Ramanujachari	Director- Non-Executive
Mr. K.S. Hegde (Managing Director Upto 30.11.2013)	Director- Non-Executive
Mrs. Lakshminarayanan	Whole-time Director-Executive
Mr. P.S. Bopaiah (Appointed as from 1.12.2013)	Whole-time Director-Executive
Mr. P.M. Venkatasubramanian	Director-Non-Executive-Independent
Mr. R. Vijayaraghavan	Director-Non-Executive-Independent
Mr. N.P. Mani	Director-Non-Executive-Independent
Mr. K.K. Unni	Director-Non-Executive-Independent
Mr. S. Ramachandra (Appointed as from 1.12.2013)	Director-Non-Executive-Independent

#### **Attendance:**

Attendance of each Director at the Board Meetings during the financial year 2013-14 and at the last Annual General Meeting and the details of other directorships are given below.

Four Board Meetings were held during the year 2013-14 on 30<sup>th</sup> May,2013, 13<sup>th</sup> August, 2013, ,15<sup>th</sup> October, 2013. 15<sup>th</sup> November, 2013 and 14<sup>th</sup> February, 2014.

The time gap between two Board Meetings did not exceed four months.

The attendance by the Directors at Board Meetings and at last Annual General Meeting held on 2<sup>nd</sup> August, 2013.

Name of the Director	Board Meeting	Annual General Meeting
Mr. A.Krishnamoorthy	5	Attended
Mr.K.S.Hegde	5	Attended
Mrs. Lakshmi Narayanan	5	Attended
Mr. P.S. Bopaiah	1	Attended
Mr. S.Ramanujachari	5	Attended
Mr. P.M.Venkatasubramanian	5	Attended
Mr. R.Vijayaraghavan	4	Attended
Mr. N.P.Mani	3	Attended
Mr. K.K. Unni	3	Attended
Mr. S.Ramachandra	1	NA



**3. Audit Committee:**

The terms of reference for the audit committee are as per the Clause 49 of the Listing agreement. The Composition of the Committee and the attendance of its members is given below.

Name of the Directors	No. of Meetings attended	Position
Mr.P.M.Venkatasubramanian	4	Chairman (Independent Director)
Mr. A.Krishnamoorthy	4	Member
Mr. R.Vijayaraghavan	3	Member (Independent Director)
Mr. S.Ramanujachari	4	Member
Mr. N.P.Mani	3	Member (Independent Director)

Mr. S.C.Sekar, Executive Director (Finance) & Secretary is the Secretary of the Audit Committee.

**4. Remuneration Committee:**

The terms of reference for the Remuneration committee are as per the Clause 49 of the Listing agreement. There were three meetings held on 30<sup>th</sup> May, 2013, 15<sup>th</sup> November, 2013 and 14<sup>th</sup> February, 2014 during the financial year 2013-14. The Composition of the Committee and the attendance of its members is given below.

Name of the Directors	No. Of Meetings attended	Position
Mr. P.M.Venkatasubramanian	3	Chairman (Independent Director)
Mr. A.Krishnamoorthy	2	Member
Mr. R.Vijayaraghavan	3	Member (Independent Director)

**5. (a) Remuneration to Directors:**

Sl.No.	Heads of Account	Mr. K.S.Hegde Managing Director 1st April 2013 to 30th November 2013 ₹	Mr. P. S. Bopaiah Whole-time Director From 1st December 2013 to 31st March 2014 ₹	Mrs. Lakshmi Narayanan Whole-time Director 1st April 2013 to 31st March 2014 ₹
1	Salary	16,40,000	7,10,000	25,20,000
2	Rent Reimbursed	–	–	–
3	Perquisites Value	1,36,490	64,270	8,67,897
4	Annual Performance Allowance (2013-14)	15,00,000	2,67,000	7,50,000
<b>5</b>	<b>Total</b>	<b>32,76,490</b>	<b>10,41,270</b>	<b>41,37,897</b>





(b) Remuneration paid / payable for the financial year 2013-14:

Name of Directors	Sitting fee ₹	Commission * ₹	Total ₹
Mr. A. Krishnamoorthy	–	–	–
Mr. P.M. Venkatasubramanian	37,500	2,00,000	2,37,500
Mr. R. Vijayaraghavan	22,500	2,00,000	2,22,500
Mr. S. Ramanujachari	27,500	2,00,000	2,27,500
Mr. N.P. Mani	20,000	2,00,000	2,20,000
Mr. K.K. Unni	5,000	2,00,000	2,05,000
Mr. S. Ramachandra	5,000	50,000	55,000
Mr. K.S. Hegde	5,000	–	5,000
Total	1,22,500	10,50,000	11,72,500

\* Commission payable to Non-Whole-time Directors has been provided in the accounts for the year ended 31<sup>st</sup> March, 2014. There has been no pecuniary relationships between the Company and non-executive directors during the year.

(c) Number of Shares held by Non-whole-time Directors.

Name of Directors	Number of Shares	Dividend paid (₹)
Mr. A. Krishnamoorthy	Nil	Nil
Mr. P.M. Venkatasubramanian	Nil	Nil
Mr. R. Vijayaraghavan	Nil	Nil
Mr. S. Ramanujachari	Nil	Nil
Mr. N.P. Mani	Nil	Nil
Mr. K.K. Unni	Nil	Nil
Mr. K.S. Hegde	Nil	Nil
Mr. S. Ramachandra	Nil	Nil
Total	Nil	Nil

**6. Shareholders' / Investors' Grievance Committee:**

The Shareholders' / Investors' Grievance Committee oversees the redressal of Shareholders/ Investors' grievances for non-receipt of balance sheet, non-receipt of declared dividends and related matters. The committee is functioning under the Chairmanship of Mr. A.Krishnamoorthy and the other member is Mr. S.Ramanujachari, Director.

Mr. S.C. Sekar is the Secretary of the Committee.

No complaints were received from any shareholders during the year 2013-14 and there are no pending complaints as on 31<sup>st</sup> March, 2014.

**7. Share Transfers system:**

Share Transfer committee has a Director/ Officer to consider and approve the Share Transfers/ Transmissions as and when placed for approval.

**8. Disclosure:**

All materially significant related party transactions with Company promoters, Directors, the Subsidiary /associate companies or relatives etc. are disclosed in the accounts under the Schedule on Notes on Accounts and in the opinion of the Directors, these financial and commercial transactions are not in any conflict with the interest of the Company.

There have been no instances of non-compliance by the Company on matters relating to capital markets, nor have any penalty/ strictures been imposed by Stock Exchanges or SEBI or any other statutory authority on such matters. CEO/ CFO Certificate duly signed by the Whole-time Director and the Company Secretary of the Company were submitted to the Board for its approval.

The Company has adopted a code of conduct for the Board of Directors and Senior management of the Company and all of them have affirmed compliance of the same.



**9. Stock Option:**

The Company does not have a Stock Option Scheme as on date for its employees / Officers.

**10. Annual General Meeting:**

Location and time for the last three Annual General Meetings were:

Year	Location	Date	Time	No. of Special Resolutions passed
2010-11	8/23-24, Race Course, Coimbatore- 641 018.	2 <sup>nd</sup> September, 2011	4.00 PM	Two
2011-12	8/23-24, Race Course, Coimbatore- 641 018.	10 <sup>th</sup> August, 2012	10.15 AM	Nil
2012-13	8/23-24, Race Course, Coimbatore- 641 018.	2 <sup>nd</sup> August, 2013	3.00 PM	Nil

**11. Ballot:**

- (a) No Special Resolutions were required to be put through Ballot in the last three Annual General Meetings.
- (b) No Special Resolution on matters requiring the approval by Ballot is proposed to be placed at the ensuing Annual General Meeting.

**12. Means of Communication:**

- (a) The quarterly financial results are published in “Business Line” and “Dinamani” (Coimbatore edition). The Company’s financial results and the Code of Conduct for the Board of Directors and Senior Management of the Company are published in the Company’s website: [www.tstanes.com](http://www.tstanes.com)
- (b) There has been no presentation made to Institutional Investors or to the Analysts during the year under review.
- (c) The Shareholders can send their grievances / Complaints through the email ID of Mr. S.C. Sekar, the Compliance Officer: [scs@t-stanes.com](mailto:scs@t-stanes.com)

**13. General Shareholder Information:**

AGM: Date, Time and Venue	Friday, 8th August 2014, 3 P.M. “Sri. S. Ananathamakrishnan Hall” 8/23-24, Race Course, Coimbatore-641-018.
Financial year	1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015. First quarterly results –Before 2 <sup>nd</sup> week of August., 2014. Second Quarterly results- Before 2 <sup>nd</sup> week of November, 2014. Third Quarterly results- Before 2 <sup>nd</sup> week of February, 2015. Fourth & Annual Results- Before 31 <sup>st</sup> May, 2015.
Date of Book Closure	5 <sup>th</sup> August, 2014 to 8 <sup>th</sup> August, 2014. (both days inclusive)
Dividend payment date	On or after 8 <sup>th</sup> August, 2014.
Listing	The Madras Stock Exchange Limited, “Exchange Buildings” No. 11, Second line Beach, Chennai- 600 001.
ISIN	INE 420F01011
Stock Code	T. Stanes

**14. Market Price during the Financial Year 2013-14:**

The Madras Stock Exchange Limited, Chennai, where the Company’s shares listed confirmed vide their letter dated 6<sup>th</sup> May, 2014 that there were no transactions taken place for the Shares of the Company for the period from 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014.



### 15. Shareholding Pattern

Category	As on 31st March 2013		As on 31st March 2014	
	Shares Held	% on Capital	Shares Held	% on Capital
Bodies Corporate under the same management	16,91,518	67.73	16,91,518	67.73
Directors and their Relatives	17,317	0.69	17,217	0.69
Public Financial Institutions	59,628	2.39	59,628	2.39
Non-Residents	12,908	0.51	12,908	0.51
Other Bodies Corporate	4,382	0.18	4,582	0.18
Other Resident Public Shareholders	7,11,855	28.50	7,11,755	28.50
<b>Total</b>	<b>24,97,608</b>	<b>100.00</b>	<b>24,97,608</b>	<b>100.00</b>

### 16. Distribution of Shareholding Pattern as on 31st March, 2014:

Shareholding range	No. of Shareholders	% to total shareholders	No. of Shares	% of total shares
Less than 1000	1,704	93.58	3,01,921	12.08
1001-5000	100	5.49	2,12,778	8.52
5001-10000	7	0.38	44,396	1.78
10001-15000	1	0.06	11,800	0.47
15001-20000	1	0.06	15,158	0.61
20001-25000	3	0.16	67,829	2.72
25000-50000	–	–	–	–
50001-100000	3	0.16	1,90,308	7.62
Above 100000	2	0.11	16,53,418	66.20
<b>Grand Total</b>	<b>1,821</b>	<b>100.00</b>	<b>24,97,608</b>	<b>100.00</b>

**Share Transfer Agents:** M/s Integrated Enterprises (India) Limited  
 "Kences Towers", 2<sup>nd</sup> Floor, No. 1, Ramakrishna Street, North Usman Road,  
 T. Nagar, Chennai- 600 017.

**De-materialisation of Shares:** 83.47% of the Paid-up Capital of the Company has been de-materialised as on 31<sup>st</sup> March, 2014.

### **Major Plant Locations:**

- (a) T.Stanes & Company Limited, Coimbatore Bio-Unit,  
 8/23-24, Race Course,  
**Coimbatore-641 018.**
- (b) T.Stanes & Company Limited,  
 Stanes Fertiliser Works,  
 Tudiyalur,  
**Coimbatore-641 034.**
- (c) T.Stanes & Company Limited,  
 177/3, Vannagaram Road,  
 Athipet, Ambattur,  
**Chennai-600058.**

### **For all matters relating to Shares, Fixed Deposits & Investors' Grievance:**

**Address for Communication & Correspondence:** Mr. S.C.Sekar,  
 Chief Financial Officer  
 T.Stanes & Company Limited,  
 8/23-24, Race Course, **Coimbatore-641 018.**  
 Telephone Nos: 0422-2221514, 2223515 to 2223518  
 Fax No: +091-0422-2220432  
 Email : scs@t-stanes.com Website: www.tstanes.com

### **Non-Mandatory Requirements**

The non-mandatory requirements as detailed in Clause 49 of the Listing agreement have been complied with to the extent as detailed in the above paragraphs.



**CERTIFICATE ON CORPORATE GOVERNANCE  
TO THE MEMBERS OF THE T. STANES AND COMPANY LIMITED**

1. We have examined the compliance of the conditions of Corporate Governance by **T. STANES AND COMPANY LIMITED** (the Company) for the year ended 31<sup>st</sup> March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied in all material respect with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Fraser & Ross  
*Chartered Accountants*  
Registration No. 000829S

C.R. Rajagopal  
*Partner*

Membership No.23418

Chennai - 600 002

Dated : 30th May, 2014



## T. STANES AND COMPANY LIMITED

Annexure to the Directors' Report for the year ended 31st March, 2014  
Statement under Companies (Disclosure of Particulars in the  
Report of the Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY	: Not applicable
B. TECHNOLOGY ABSORPTION	: Not applicable
C. FOREIGN EXCHANGE EARNINGS	: ₹ 12,43,34,100/-
D. OUTGO	: ₹ 64,14,532/-

### FORM B

#### FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION

#### RESEARCH AND DEVELOPMENT (R & D)

##### 1. Specific areas in which R & D carried out by the Company:

- Anti-transpirant – intensified research for product improvement.
- New product based on power plant effluent has been developed as a compost tea..
- Viral preparation formula further defined for standardization.
- Water soluble fertilizers with major, secondary and minor nutrients developed.
- Improvement of process in the microbial fermentation process for development of different probiotics.

##### 2. Benefits derived as a result of the above R&D

- Our initial trial on Anti-viral product has proved to be good and the product has been accepted in the market.
- New biological products developed and registered;
- "Benefit", a liquid organic manure has been developed and commenced marketing.

##### 3. Future Plan of Action :

- Pilot plant scale manufacturing facility for Anti-viral product under progress.
- A pilot plant model for producing liquid compost from different industrial effluents is planned.

##### 4. R & D Expenses:

- Capital – ₹. 14,01,612/-
- Recurring – ₹. 1,31,65,708/-
- Total – ₹. 1,45,67,320/-
- % on Turnover – 1.90%

TECHNOLOGY ABSORPTION,  
ADAPTATION AND INNOVATION:

New Technologies are in house developed and  
absorbed wherever found feasible.



**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
T. STANES AND COMPANY LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **T. STANES AND COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.





## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - (a) We have 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs).
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act

For Fraser & Ross  
*Chartered Accountants*  
Registration No. 000829S

C.R. Rajagopal  
*Partner*  
Membership No.23418

Chennai - 600 002  
Dated : 30<sup>th</sup> May, 2014



**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**  
**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements'**  
**section of our report of even date)**

Having regard to the nature of the Company's business/activities/results during the year, clauses xii, xiii, xiv, xviii, xix and xx of paragraph 4 of the Order are not applicable to the Company.

- (i) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets 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 fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (ii) In respect of its inventories:
- (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our audit we have not observed any major weaknesses in such internal control system.
- (v) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
- (a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
  - (b) Where each of such transaction is in excess of Rs. 5 lakhs in respect of any party, the transactions have been made at prices which are *prima facie* reasonable having regard to the prevailing market prices at the relevant time.



- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A , 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (vii) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 and The Cost Accounting Records (Fertilizer Industry) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 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.
- (ix) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2014 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2014 on account of disputes are given below:

<b>Name of Statute</b>	<b>Nature of Dues</b>	<b>Forum where Dispute is pending</b>	<b>Period to which the amount relates</b>	<b>Amount involved (₹)</b>
Central Excise Act	Duty	Supreme Court of India	1996-2006	2,29,37,126
Central Sales Tax Act	Tax	Sales Tax Appellate Tribunal	2004-2005	33,22,145
Income Tax Act	Tax & Interest	CIT Appeals, Coimbatore	2009-2010	1,45,04,105

- (x) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures.



- (xii) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not, *prima facie*, prejudicial to the interests of the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application.
- (xiv) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have, *prima facie*, not been used during the year for long-term investment.
- (xv) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For Fraser & Ross  
*Chartered Accountants*  
Registration No. 000829S

C.R. Rajagopal  
*Partner*

Membership No.23418

Chennai - 600 002

Dated : 30<sup>th</sup> May, 2014

## ACCOUNTS



# T. STANES AND COMPANY LIMITED

## BALANCE SHEET AS AT 31st MARCH 2014

Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
<b>EQUITY AND LIABILITIES</b>		₹	₹
<b>Shareholders' funds</b>			
Share capital	3	2,49,76,080	2,49,76,080
Reserves and surplus	4	38,29,21,477	33,30,01,896
		<b>40,78,97,557</b>	<b>35,79,77,976</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	5,61,45,231	8,09,03,906
Deferred tax liabilities (net)	6	3,32,36,491	3,18,58,640
Deferred Government Grant		3,65,02,473	3,20,14,323
Long-term provisions	7	66,75,974	78,60,914
		<b>13,25,60,169</b>	<b>15,26,37,783</b>
<b>Current liabilities</b>			
Short-term borrowings	8	25,83,01,600	26,99,72,159
Trade payables	9	35,97,44,257	34,56,82,799
Other current liabilities	10	13,19,73,763	11,53,95,684
Deferred Government grant		11,43,073	7,74,295
Short-term provisions	11	97,80,081	78,37,511
		<b>76,09,42,774</b>	<b>73,96,62,448</b>
<b>Total</b>		<b>130,14,00,500</b>	<b>125,02,78,207</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	12	30,33,73,660	29,19,80,579
Non-current investments	13	4,93,20,736	5,01,19,736
Long-term Loans and Advances	14	72,96,346	1,75,01,746
		<b>35,99,90,742</b>	<b>35,96,02,061</b>
<b>Current assets</b>			
Inventories	15	26,75,83,251	28,00,53,965
Trade receivables	16	45,90,66,254	42,29,04,208
Cash and Bank Balances	17	8,26,71,076	7,93,12,411
Short-term loans and advances	18	12,46,71,144	9,95,25,093
Other current assets	19	74,18,033	88,80,469
		<b>94,14,09,758</b>	<b>89,06,76,146</b>
<b>Total</b>		<b>130,14,00,500</b>	<b>125,02,78,207</b>
<b>Accompanying notes form part of the financial statements</b>			

In terms of our report attached  
For FRASER & ROSS  
Chartered Accountants

**C.R. RAJAGOPAL**  
Partner

Place: Chennai - 600 002  
Date : 30th May, 2014

**A. KRISHNAMOORTHY**  
Chairman

**P. M. VENKATASUBRAMANIAN**  
Director

**R. VIJAYARAGHAVAN**  
Director

**K. K. UNNI**  
Director

**S. RAMACHANDRA**  
Director

For and on behalf of the Board of Directors

**S. RAMANUJACHARI**  
Director

**K. S. HEGDE**  
Director

**Mrs. LAKSHMI NARAYANAN**  
Whole Time Director

**P.S.BOPAIH**  
Whole Time Director

**S. C. SEKAR**  
Chief Financial Officer



# T. STANES AND COMPANY LIMITED



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2014

Particulars	Note No.	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<b>REVENUE</b>		₹	₹
Revenue from operations (gross)	20	239,14,47,814	201,93,71,871
Less: Excise duty		4,81,13,956	3,41,69,053
Revenue from operations (net)		234,33,33,858	198,52,02,818
Other Income	21	1,31,39,925	1,76,85,382
<b>Total revenue</b>		<b>235,64,73,783</b>	<b>200,28,88,200</b>
<b>Expenses</b>			
Cost of materials consumed	22	74,78,10,349	63,54,76,762
Purchases of stock-in-trade (Traded Goods)	23	78,55,42,889	64,22,31,986
Changes in inventories of finished goods and stock-in-trade	24	1,53,20,104	2,59,63,624
Employee benefits expense	25	20,13,99,680	20,14,11,945
Finance costs	26	4,63,34,574	4,84,21,125
Depreciation expense	12	1,96,04,281	1,85,38,652
Other expenses	27	43,10,49,592	36,49,01,832
<b>Total expenses</b>		<b>224,70,61,469</b>	<b>193,69,45,926</b>
<b>Profit before tax</b>		<b>10,94,12,314</b>	<b>6,59,42,274</b>
<b>Tax expense / (benefit):</b>			
Current tax expense		2,90,00,000	1,45,00,000
Short / (Excess) provision for tax relating to prior years		1,45,04,501	(34,23,142)
Net current tax expense		4,35,04,501	1,10,76,858
Deferred tax		13,77,851	53,25,568
<b>Net tax expense / (benefit)</b>		<b>4,48,82,352</b>	<b>1,64,02,426</b>
<b>Profit for the year</b>		<b>6,45,29,962</b>	<b>4,95,39,848</b>
<b>Earnings per share (of ₹ 10/- each):</b>			
Basic and Diluted	37	25.84	19.83
<b>Accompanying notes form part of the financial statements</b>			

In terms of our report attached  
For FRASER & ROSS  
Chartered Accountants

**C.R. RAJAGOPAL**  
Partner

**A. KRISHNAMOORTHY**  
Chairman

**P. M. VENKATASUBRAMANIAN**  
Director

**R. VIJAYARAGHAVAN**  
Director

**K. K. UNNI**  
Director

**S. RAMACHANDRA**  
Director

For and on behalf of the Board of Directors

**S. RAMANUJACHARI**  
Director

**K. S. HEGDE**  
Director

**Mrs. LAKSHMI NARAYANAN**  
Whole Time Director

**P.S.BOPAIAH**  
Whole Time Director

**S. C. SEKAR**  
Chief Financial Officer

Place: Chennai - 600 002  
Date : 30th May, 2014



# T. STANES AND COMPANY LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2014

Particulars	2013-2014		2012-2013	
	₹	₹	₹	₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before tax		10,94,12,314		6,59,42,274
Adjustments for :				
Depreciation expense	1,96,04,281		1,85,38,652	
(Profit)/Loss on Sale of Assets	(5,40,111)		(50,98,453)	
Deferred Government Grant	(11,43,073)		(7,74,295)	
Bad debts and asset write off	85,18,147		8,18,592	
Provision for diminution in the value of investments	8,00,000		-	
Dividend Income	(22,54,834)		(39,12,673)	
Interest Income	(18,56,960)		(26,96,921)	
Finance costs	4,63,34,574	6,94,62,024	4,84,21,125	5,52,96,027
Operating Profit before Working Capital Changes		17,88,74,338		12,12,38,301
Changes in working capital				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	82,70,713		2,14,18,974	
Trade receivables	(4,04,80,193)		1,99,55,675	
Short-term loans and advances	(2,56,46,051)		88,21,254	
Long-term loans and advances	(21,79,766)		(9,45,000)	
Other current assets	12,37,229		-	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	1,40,61,458		(6,67,57,991)	
Other current liabilities	1,77,88,126		58,83,696	
Short-term provisions	(9,79,506)			
Long-term provisions	(11,84,940)		16,74,154	
		(2,91,12,930)		(99,49,238)
Cash generated from operations		14,97,61,408		11,12,89,063
Net income tax (paid)/ refunds		(3,04,28,220)		(3,73,97,666)
<b>Net cash flow from operating activities (A)</b>		11,93,33,188		7,38,91,397
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Capital expenditure on fixed assets, including capital advances	(3,14,55,461)		(5,64,37,111)	
Proceeds from sale of fixed assets	12,51,159		90,76,064	
Bank balances not considered as cash and cash equivalents	(10,75,793)		(3,92,829)	
Purchase of long-term investments - Others	(1,000)		(4,500)	
Loans realised from Subsidiaries	5,00,000		10,00,000	
Interest Received				
Subsidiaries	13,20,000		20,55,897	
Others	7,62,167		4,05,901	
Dividend Received				
Associates	16,33,207		27,59,816	
Others	6,21,627		11,52,857	
<b>Net cash used in Investing Activities (B)</b>		(2,64,44,094)		(4,03,83,905)

# T. STANES AND COMPANY LIMITED



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2014

Particulars	2013-2014		2012-2013	
	₹	₹	₹	₹
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Government Grant	60,00,000		1,00,00,000	
Net increase / (decrease) in working capital borrowings	(91,70,559)		82,03,307	
Repayment of other short-term borrowings	(25,00,000)		-	
Repayment of long-term borrowings	(2,71,03,715)		(53,69,632)	
Finance costs	(4,66,22,175)		(4,81,87,643)	
Divdends paid	(95,11,901)		(66,86,637)	
Tax on dividend	(16,97,872)		(8,10,346)	
<b>Net cash used in Financing Activities (C)</b>		<b>(906,06,222)</b>		<b>(4,28,50,951)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>22,82,872</b>		<b>(93,43,459)</b>
Cash and cash equivalents at the beginning of the year		<b>7,10,39,998</b>		<b>8,03,83,457</b>
Cash and cash equivalents at the end of the year		<b>7,33,22,870</b>		<b>7,10,39,998</b>
<b>Cash and cash equivalents at the end of the year comprises</b>				
(a) Cash on hand	56,08,705		65,93,835	
(b) Balances with banks				
In current accounts	5,27,14,165		6,44,46,163	
In deposit accounts - Original maturity of 3 months or less	1,50,00,000	7,33,22,870	-	7,10,39,998
<b>Accompanying notes form part of the financial statements</b>				

In terms of our report attached

For and on behalf of the Board of Directors

For FRASER & ROSS  
Chartered Accountants

**C.R. RAJAGOPAL**  
Partner

**A. KRISHNAMOORTHY**  
Chairman

**P. M. VENKATASUBRAMANIAN**  
Director

**R. VIJAYARAGHAVAN**  
Director

**K. K. UNNI**  
Director

**S. RAMACHANDRA**  
Director

**S. RAMANUJACHARI**  
Director

**K. S. HEGDE**  
Director

**Mrs. LAKSHMI NARAYANAN**  
Whole Time Director

**P.S.BOPAIAH**  
Whole Time Director

**S. C. SEKAR**  
Chief Financial Officer

Place: Chennai - 600 002  
Date : 30th May, 2014



# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### NOTE – 1

#### CORPORATE INFORMATION

T-Stanes and Company Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956, its shares are listed on Madras Stock Exchange Ltd in India. The company is engaged in the manufacturing of Organic Fertilizers, Micronutrients, Bio Fertilizers, Botanical Pesticides, Microbial Fungicides, Microbial Nematicides Antitranspirants, Immunomodulators and Seeds.. The Company also engages in trading Consumer and Industrial Products – Footwear and Allied products, Roofings, Tarpaulin and other industrial products.

The Company also does trading of pesticides and other agency products.

The company caters to both domestic and international markets.

### Note – 2

#### SIGNIFICANT ACCOUNTING POLICIES

##### 2.1 ACCOUNTING CONVENTION

The financial statements of the Company has been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 (“the 1956 Act”) (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 (“the 2013 Act”) in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act / 2013 Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

##### 2.2 USE OF ESTIMATES

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

##### 2.3 INVENTORIES

Raw materials, finished goods and Trading Stock are valued at lower of cost(identified direct overheads where applicable) and net realizable value. Cost is determined using moving average method. Stores and spare parts are valued at average cost.

##### 2.4 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.

##### 2.5 CASH FLOW STATEMENT

Cash flow statement has been prepared in accordance with the indirect method prescribed in Accounting Standard 3 Cash Flow Statement.

##### 2.6 DEPRECIATION

Depreciation on Fixed Assets is provided on straight line basis in accordance with Schedule XIV of the Companies Act, 1956

# T. STANES AND COMPANY LIMITED



## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 2.7 REVENUE RECOGNITION

Sales are accounted on transfer of property in goods at net of Sales Tax, but inclusive of Excise Duty where applicable. Quantitative and other rebates to dealers linked to realization of receivables are accounted in the year of determination. Revenue from sale of services is recognised when the services are rendered and related costs are incurred. Agency commission on Consignment sales are accounted and recognized on receipt of commercial invoices from principals. Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

### 2.8 TANGIBLE FIXED ASSETS

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation, with the exception of certain revalued assets. All costs relating to acquisition and installation of fixed assets are capitalized including interest on specific loans for acquisition thereof.

### 2.9 TRANSACTIONS IN FOREIGN CURRENCY

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities outstanding at the year end are translated at the rate of exchange prevailing at the year end and Profit (or) Loss is recognized in the Statement of Profit and Loss.

### 2.10 GOVERNMENT GRANTS

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

### 2.11 INVESTMENTS

Investments being long term are stated at cost inclusive of brokerage and stamp duty and diminution in their market value, if considered temporary in nature, is not recognized.

### 2.12 EMPLOYEE BENEFITS

W.E.F. 1<sup>st</sup> April 2007 the Company has adopted Accounting Standard 15 (revised 2005) on 'Employee Benefits' issued by the Institute of Chartered Accountants of India.

#### **Short-Term Employee Benefits :**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits.

#### **Long-Term Employee Benefits :**

##### **Defined contribution plan**

Contribution to the provident fund and superannuation fund is accounted on accrual basis.

##### **Defined benefit plans**

The Company accounts its gratuity liability for future gratuity benefits based on the actuarial valuation as at the Balance Sheet date determined using the 'projected unit Credit method'. Gratuity benefits are funded with Life Insurance Corporation of India. The actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

##### **Compensated Absences**

Long-term employee benefits include compensated absence which is provided for based on actuarial valuation using projected unit credit method.



# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### **2.13 BORROWING COST**

Borrowing costs are capitalized as part of qualifying assets when it is possible that they will result in future economic benefits and other borrowing costs are expensed.

### **2.14 BUSINESS SEGMENTS**

The Company is engaged in the business of Agro inputs and also in marketing of Consumer and Industrial products and Tyre Retreading. These in the context of Accounting Standard 17 on Segment Reporting are considered to constitute the business segments.

### **2.15 LEASES**

Assets acquired as leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases and lease rentals thereon are charged to Statement of Profit and Loss.

### **2.16 ACCOUNTING FOR TAXES ON INCOME**

Tax expense comprises both current and deferred income taxes. Current tax is the provision made for tax liability on the profits for the year computed in accordance with the provisions of the Act as applicable. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and tax laws enacted substantively at the Balance Sheet date.

### **2.17 RESEARCH & DEVELOPMENT**

Revenue expenditure on R&D is charged to Statement of Profit and Loss and capital expenses on Research & Development are included in Fixed Assets under appropriate heads.

### **2.18 COSTS OF NEW PRODUCTS REGISTRATION, TECHNICAL KNOW-HOW FEE AND DATA DEVELOPMENT COSTS**

The Cost related to new products registration, project technical know how fee and data development costs (for ensuring safety parameters and development of toxicity data and bio-efficacy data) are absorbed in the accounts for each financial year on the basis of actual volumes of sales of the respective product group or services made for both domestic and export markets over a period not exceeding 10 years.

### **2.19 IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which the asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

### **2.20 PROVISIONS**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements. Interest on dealer deposit (Other than stock point dealer deposits) is determined and paid on cessation of such dealership on cash basis at the discretion of the management.

### **2.21 INSURANCE CLAIMS**

Insurance claims are accounted for on the basis of claims admitted and in the year of settlement

### **2.22 SERVICE TAX INPUT CREDIT**

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

# T. STANES AND COMPANY LIMITED



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Number of shares	₹	Number of shares	₹
<b>Note 3 – SHARE CAPITAL</b>				
<b>Authorised</b>				
Equity shares of ₹.10/- each with voting rights	40,00,000	4,00,00,000	40,00,000	40,00,000
<b>Issued</b>				
Equity shares of ₹.10/- each with voting rights	24,97,608	2,49,76,080	24,97,608	2,49,76,080
<b>Subscribed and fully paid up</b>				
Equity shares of ₹. 10/- each with voting rights	24,97,608	2,49,76,080	24,97,608	2,49,76,080
<b>Total</b>	24,97,608	2,49,76,080	24,97,608	2,49,76,080
<b>(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period</b>				
<b>Equity Shares with voting rights</b>				
Opening Balance	24,97,608	2,49,76,080	24,97,608	2,49,76,080
Changes during the year	–	–	–	–
Closing Balance	24,97,608	2,49,76,080	24,97,608	2,49,76,080
<b>(b) Details of shares held by Holding Company, Ultimate Holding Company and their subsidiaries</b>				
<b>Equity shares with voting rights</b>				
M/s.Simpson and Company Limited, the Holding company	13,67,523		13,67,523	
M/s. Amalgamations Private Limited, the Ultimate Holding company	2,85,895		2,85,895	
Subsidiaries of the Holding Company				
M/s.Simpson & General Finance Co. Ltd.	25,000		25,000	
M/s.Sri Rama Vilas Service Ltd	11,800		11,800	
M/s. Tractors and Farm Equipment Ltd.	1,300		1,300	
<b>(c) Details of shares held by each shareholder holding more than 5% shares:</b>				
	<b>As at 31st March 2014</b>		<b>As at 31st March 2013</b>	
	<b>Nos. of shares held</b>	<b>% Holding</b>	<b>No. of shares held</b>	<b>% Holding</b>
<b>Equity shares with voting rights</b>				
M/s.Simpson and Company Limited	13,67,523	55	13,67,523	55
M/s.Amalgamations Private Limited	2,85,895	11	2,85,895	11
<b>(d) Term/rights attached to equity shares:</b>				
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.				





# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31st March, 2014	As at 31st March, 2013
<b>Note 4 – RESERVES AND SURPLUS</b>	₹	₹
<b>Capital Reserve</b>		
Opening balance	14,98,127	14,98,127
Additions/(Utilisation) during the year	–	–
Closing balance	14,98,127	14,98,127
<b>Securities premium account</b>		
Opening balance	1,87,32,060	1,87,32,060
Additions/(Utilisation) during the year	–	–
Closing balance	1,87,32,060	1,87,32,060
<b>General reserve</b>		
Opening balance	26,22,09,333	22,72,09,333
Add: Transferred from surplus in Statement of Profit and Loss	5,00,00,000	3,50,00,000
Closing balance	31,22,09,333	26,22,09,333
<b>Other Reserve</b>		
<b>Contingency Reserve</b>		
Opening balance	3,00,00,000	2,75,00,000
Additions / (Utilisation) during the year	25,00,000	25,00,000
Closing balance	3,25,00,000	3,00,00,000
<b>Surplus in Statement of Profit and Loss</b>		
<b>Opening balance</b>	2,05,62,376	2,01,72,243
Add: Profit for the year	6,45,29,962	4,95,39,848
<b>Less:</b>		
<b>Interim dividend</b>		
Dividends paid to equity shareholders (₹. 2/- per share)	49,95,216	49,95,216
<b>Final Dividend</b>		
Dividends proposed to be distributed to equity shareholders (₹. 3/- per share)	74,92,824	49,95,216
<b>Tax on dividend</b>		
Interim	8,48,936	8,10,346
Final	12,73,405	8,48,937
<b>Transfer to</b>		
General reserve	5,00,00,000	3,50,00,000
Contingency Reserve	25,00,000	25,00,000
Closing balance	1,79,81,957	2,05,62,376
<b>Total</b>	<b>38,29,21,477</b>	<b>33,30,01,896</b>



# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 5 – LONG-TERM BORROWINGS

Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
<b>Secured:</b>		₹	₹
Term loans - From banks	Refer Note 5(a) for Terms of repayment and Security	1,43,20,104	2,91,00,104
Long-term maturities of hire purchase obligations (Refer Note 39)		31,43,127	55,32,802
<b>Unsecured:</b>			
Deposits from Public (Refer Note 40)		3,86,82,000	4,62,71,000
<b>Total</b>		<b>5,61,45,231</b>	<b>8,09,03,906</b>

The Company has not defaulted in repayment of loans and interest

### Note 5(a) – LONG-TERM BORROWINGS

Details of repayment of Long term borrowings and security provided in respect of secured long term borrowings

Particulars	Terms of repayment and security	As at 31st March, 2014			As at 31st March, 2013		
		Non-Current	Current	Total	Non-Current	Current	Total
<b>Secured Borrowings</b>		₹	₹	₹	₹	₹	₹
Term Loans from Banks	Secured by hypothecation of machinery and other assets. The outstanding is repayable in 16 quarterly instalments	1,43,20,104	1,47,75,000	2,90,95,104	2,91,00,104	1,47,75,000	4,38,75,104
Long-term maturities of hire purchase obligations	Secured by hypothecation of the asset purchased. The loans are repayable in 30 monthly instalments upto Sep 2016	31,43,127	50,08,020	81,51,147	55,32,802	58,89,060	1,14,21,862
<b>Unsecured Borrowings</b>	<b>Terms of Repayment</b>						
Deposits from Public	Re-payable within 3 years	3,86,82,000	1,84,62,000	5,71,44,000	4,62,71,000	1,99,98,000	6,62,69,000
<b>Total</b>		<b>5,61,45,231</b>	<b>3,82,45,020</b>	<b>9,43,90,251</b>	<b>8,09,03,906</b>	<b>4,06,62,060</b>	<b>12,15,65,966</b>



# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31st March 2014	As at 31st March 2013
<b>Note 6 – DEFERRED TAX LIABILITY [Net]</b>	₹	₹
<b>Tax effect of items constituting deferred tax liabilities</b>		
On difference between book balance and tax balance of fixed assets	<b>3,57,31,455</b>	3,50,55,859
<b>Deferred Tax Assets</b>		
Provision for compensated absences	<b>24,94,964</b>	31,97,219
<b>Total</b>	<b>3,32,36,491</b>	3,18,58,640
<b>Note 7 – LONG-TERM PROVISIONS</b>		
Provision for employee benefits - compensated absences	<b>66,75,974</b>	78,60,914
<b>Total</b>	<b>66,75,974</b>	78,60,914
<b>Note 8 – SHORT-TERM BORROWINGS</b>		
<b>Loans repayable on demand</b>		
<b>Secured:</b>		
From banks	<b>24,83,01,600</b>	25,74,72,159
<b>Unsecured:</b>		
Loans and advances from Holding Company	<b>1,00,00,000</b>	1,25,00,000
<b>Total</b>	<b>25,83,01,600</b>	26,99,72,159
The Company has not defaulted in repayment of loans and interest during the year		
<b>Notes:</b>		
Details of security for the secured short-term borrowings:		
<b>Particulars</b>	<b>Nature of security</b>	
Loans repayable on demand from banks:	Hypothecation of Raw Material, Finished Goods, WIP & Stores and Spares, Book Debts alongwith specific immovable company assets with corporate guarantee from Holding Company	<b>18,83,01,600</b>
	Hypothecation by way of second charge on the Borrowers stock in trade both present and future consisting of raw materials, finished goods, goods in process of manufacturing and other merchandise whatsoever, being movable properties and also all the book debts, outstanding monies receivable, claims and bills due (both present and future)	<b>6,00,00,000</b>
<b>Total - From banks</b>		<b>25,74,72,159</b>

# T. STANES AND COMPANY LIMITED



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31st March 2014	As at 31st March 2013
<b>Note 9 – TRADE PAYABLES</b>	₹	₹
<b>Other than Acceptances</b>		
Due to Micro, Small & Medium Enterprises (Refer Note No. 31)	59,27,151	61,31,421
Others	35,38,17,106	33,95,51,378
<b>Total</b>	<b>35,97,44,257</b>	<b>34,56,82,799</b>
<b>Note 10 – OTHER CURRENT LIABILITIES</b>		
Current maturities of long-term borrowings [refer note no: 5(a)]	3,32,37,000	3,47,73,000
Current maturities of hire purchase obligations [refer note no: 5(a)]	50,08,020	58,89,060
Interest accrued and due on borrowings	27,84,811	30,72,412
Unclaimed dividends*	22,28,855	17,50,324
Unclaimed matured deposits*	1,95,000	1,23,000
Other payables		
Statutory remittances	1,59,07,595	90,66,731
Payables on purchase of fixed assets	14,45,767	5,01,704
Trade / security deposits received	3,81,86,214	3,48,19,938
Advances from customers	3,04,63,297	2,33,55,224
Due to Gratuity Fund	25,17,204	18,52,559
Due to Senior Executives Super Annuation Scheme	–	1,91,732
<b>Total</b>	<b>13,19,73,763</b>	<b>11,53,95,684</b>
*Amount due and outstanding to be credited to Investor Education and Protection Fund:- NIL		
<b>Note 11 – SHORT-TERM PROVISIONS</b>		
<b>Employee Benefits:</b>		
Provision for Compensated absences	10,13,852	19,93,358
<b>Others :</b>		
Provision for proposed equity dividend	74,92,824	49,95,216
Provision for tax on proposed dividends	12,73,405	8,48,937
<b>Total</b>	<b>97,80,081</b>	<b>78,37,511</b>



# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 12 – FIXED ASSETS

TANGIBLE ASSETS	GROSS BLOCK				ACCUMULATED DEPRECIATION AND IMPAIRMENT				NET BLOCK		
	Balance as at 1st April 2013	Additions	Disposals	Balance as at 31st March 2014	Balance as at 1st April 2013	Depreciation Expense for the year	Eliminated on Disposal of Assets	Impairment	Balance as at 31st March 2014	Balance as at 31st March 2014	Balance as at 31st March 2013
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
LAND	1,98,72,440 (2,03,09,333)	- (-)	- (4,36,893)	<b>1,98,72,440</b> (1,98,72,440)	- (-)	- (-)	- (-)	- (-)	- (-)	<b>1,98,72,440</b> (-)	(1,98,72,440) (-)
BUILDINGS	16,99,01,317 (15,83,55,722)	1,26,28,205 (1,19,77,116)	- (4,31,521)	<b>18,25,29,522</b> (16,99,01,317)	4,51,77,530 (4,11,12,293)	45,48,513 (42,74,335)	(-) (2,09,098)	(-) (-)	<b>4,97,26,043</b> (4,51,77,530)	<b>13,28,03,479</b>	(12,47,23,787)
MACHINERY* & **	19,34,17,407 (16,03,28,455)	1,13,14,274 (4,79,20,161)	2,73,524 (1,48,31,209)	<b>20,44,58,157</b> (19,34,17,407)	8,37,53,985 (8,64,26,759)	97,22,830 (93,54,171)	1,89,510 (1,20,26,945)	35,88,000 (35,88,000)	<b>9,68,75,305</b> (8,73,41,985)	<b>10,75,82,852</b>	(10,60,75,422)
FURNITURE	1,27,21,365 (98,78,175)	2,50,124 (28,56,198)	- (13,008)	<b>1,29,71,489</b> (1,27,21,365)	68,80,331 (64,03,523)	5,40,988 (4,89,813)	- (13,005)	- (-)	<b>74,21,319</b> (68,80,331)	<b>55,50,170</b>	(58,41,034)
OFFICE EQUIPMENT	63,14,600 (57,28,708)	3,07,743 (5,94,846)	- (8,954)	<b>66,22,343</b> (63,14,600)	27,70,585 (24,76,539)	3,12,246 (3,02,997)	- (8,951)	- (-)	<b>30,82,831</b> (27,70,585)	<b>35,39,512</b> (-)	(35,44,015) (-)
ELECTRIC FITTING	69,12,300 (57,82,475)	10,31,017 (11,29,825)	93,697 (-)	<b>78,49,620</b> (69,12,300)	38,15,086 (35,53,539)	3,01,143 (2,61,547)	21,395 (-)	- (-)	<b>40,94,834</b> (38,15,086)	<b>37,54,786</b> (-)	(30,97,214) (-)
VEHICLES*	4,27,06,702 (3,98,76,119)	61,07,816 (59,96,896)	55,90,492 (31,66,313)	<b>4,32,24,026</b> (4,27,06,702)	1,83,57,380 (1,74,90,824)	38,28,535 (35,18,842)	50,35,757 (26,52,286)	- (-)	<b>1,71,50,158</b> (1,83,57,380)	<b>2,60,73,868</b>	(2,43,49,322)
LABORATORY EQUIPMENT**	75,09,237 (68,35,566)	69,234 (6,73,671)	- (-)	<b>75,78,471</b> (75,09,237)	30,31,892 (26,94,945)	3,50,026 (3,36,947)	- (-)	- (-)	<b>33,81,918</b> (30,31,892)	<b>41,96,553</b> (-)	(44,77,345) (-)
<b>Total</b>	<b>45,93,55,368</b>	<b>3,17,08,413</b>	<b>59,57,713</b>	<b>48,51,06,068</b>	<b>16,37,86,789</b>	<b>1,96,04,281</b>	<b>52,46,662</b>	<b>35,88,000</b>	<b>18,17,32,408</b>	<b>30,33,73,660</b>	(29,19,80,579)
<b>(Previous Year)</b>	<b>(40,70,94,553)</b>	<b>(7,11,48,713)</b>	<b>(1,88,87,898)</b>	<b>(45,93,55,368)</b>	<b>(16,01,58,422)</b>	<b>(1,85,38,652)</b>	<b>(1,49,10,285)</b>	<b>(35,88,000)</b>	<b>(16,73,74,789)</b>		

TS 46

- \* Includes cost of assets acquired under Hire Purchase  
 Vehicles – ₹. 2,44,16,655 (Previous year – ₹. 2,10,74,683)  
 Machinery – ₹. 87,28,412 (Previous year – ₹. 87,28,412)
- \*\* Includes Additions for Research & Development ₹.14,01,612  
 Previous year's figures are given within brackets

# T. STANES AND COMPANY LIMITED



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	Nominal Value Per Share	As at 31st March, 2014		As at 31st March, 2013	
		Number of shares	₹	Number of shares	₹
<b>Note 13 – NON-CURRENT INVESTMENTS</b>					
<b>Other Investments at cost - (Quoted)</b>					
<b><u>In Equity Shares (Fully Paid)</u></b>					
The United Nilgiri Tea Estates Co.Ltd. – Associate to the Ultimate Holding Company	10	8,36,308	50,53,353	8,36,308	50,53,353
Stanis Amalgamated Estates Limited - Fellow Subsidiary	10	5,46,007	9,55,278	5,46,007	9,55,278
<b>Subtotal</b>			<b>60,08,631</b>		<b>60,08,631</b>
<b>Other Investments at cost - (Unquoted)</b>					
<b><u>In Equity Shares (Fully Paid)</u></b>					
<b>Associate to the Ultimate Holding Company :</b>					
Stanis MJF Teas Limited – Associate to the Ultimate Holding Company	10	2,50,000	25,00,000	2,50,000	25,00,000
<b>Subsidiary Companies :</b>					
Stanis Motors (South India) Limited	10	15,00,000	2,90,25,975	4,57,438	2,90,25,975
Stanis Motor Parts Limited	10	10,00,000	1,20,30,630	10,00,000	1,20,30,630
Stanis Agencies Limited	10	50,000	5,00,000	50,000	5,00,000
<b>Others :</b>					
South Western Engineering India Limited (Formerly known as Coimbatore Private Industiral Estate Limited)	1,000	14	14,000	14	14,000
<b><u>In Government Securities at cost-NSC</u></b>			<b>41,500</b>		<b>40,500</b>
<b>Subtotal</b>			<b>4,41,12,105</b>		<b>4,41,11,105</b>
<b>Total</b>			<b>5,01,20,736</b>		<b>5,01,19,736</b>
Less: Provision for diminution value of investments			<b>8,00,000</b>		–
<b>Total</b>			<b>4,93,20,736</b>		<b>5,01,19,736</b>
<b>Investments</b>					
Aggregate amount of quoted investments			<b>60,08,631</b>		<b>60,08,631</b>
Aggregate market value of listed and quoted investments			<b>23,00,17,495</b>		<b>17,58,24,737</b>
Aggregate amount of unquoted investments			<b>4,33,12,105</b>		<b>4,41,11,105</b>



# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31st March, 2014	As at 31st March, 2013
<b>Note 14 – LONG TERM LOANS AND ADVANCES</b>	₹	₹
<b>Unsecured, Considered good</b>		
Capital Advances	11,26,111	4,35,000
Rent Deposit	46,71,358	38,72,836
Prepaid Expenses	13,81,244	–
Advance Income tax (Net of provisions ₹.10,98,21,311/- As at 31st March 2013 ₹. 6,96,53,001/-)	1,17,633	1,31,93,910
<b>Total</b>	<b>72,96,346</b>	<b>1,75,01,746</b>
<b>Note 15 – INVENTORIES</b>		
(At lower of cost and net realisable value)		
Raw materials	9,64,74,637	9,59,77,655
Finished goods (other than those acquired for trading)	4,79,24,265	6,05,61,710
Stock-in-trade (acquired for trading)	9,97,89,624	10,24,72,283
Stores and spares	2,33,94,725	2,10,42,317
<b>Total</b>	<b>26,75,83,251</b>	<b>28,00,53,965</b>
<b>Note 16 – TRADE RECEIVABLES</b>		
<b>Unsecured, Considered good</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	3,24,80,307	3,46,94,554
Other trade receivables	42,65,85,947	38,82,09,654
<b>Total</b>	<b>45,90,66,254</b>	<b>42,29,04,208</b>
<b>Note 17 – CASH AND BANK BALANCES</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	56,08,705	65,93,835
Balances with banks		
In current accounts	5,27,14,165	6,44,46,163
In deposit accounts - Original maturity of 3 months or less	1,50,00,000	–
<b>Total - Cash and Cash Equivalents (A)</b>	<b>7,33,22,870</b>	<b>7,10,39,998</b>
<b>Other Bank Balances</b>		
In deposit accounts - Original maturity of more than 3 months (Refer Note (1) below)	40,23,042	36,24,539
In earmarked accounts		
– Unpaid dividend accounts	22,28,855	17,50,324
– Margin money with the Bank	30,96,309	28,97,550
<b>Total - Other Bank Balances (B)</b>	<b>93,48,206</b>	<b>82,72,413</b>
<b>Total - Cash and Bank Balances (A+B)</b>	<b>8,26,71,076</b>	<b>7,93,12,411</b>
<b>Note :</b> Balances with banks include deposits with remaining maturity of more than 12 months from the balance sheet date ₹.39,23,042/- (As at 31st March, 2013 ₹.31,29,738/-)		

# T. STANES AND COMPANY LIMITED



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31st March, 2014	As at 31st March, 2013
<b>Note 18 – SHORT-TERM LOANS AND ADVANCES</b>	₹	₹
<b>Unsecured, Considered good</b>		
Loans and advances to employees	16,03,656	22,17,137
Security Deposit	44,70,267	43,24,767
Loans and advances to subsidiary companies (Refer Note 41(b))	1,17,00,000	1,22,00,000
Prepaid expenses	5,66,074	1,22,379
Balances with Government authorities		
CENVAT credit receivable	2,96,917	95,528
VAT credit receivable	10,47,500	20,25,294
<b>Others</b>		
Advances - trade and supplies	10,42,26,328	7,77,39,175
Due from Staff Pension fund	4,22,463	4,74,294
Due from Officers Super Annuation Scheme	11,420	–
Due from Officers Super Annuation Fund	3,26,519	3,26,519
<b>Total</b>	<b>12,46,71,144</b>	<b>9,95,25,093</b>
<b>Note 19 – OTHER CURRENT ASSETS</b>		
<b>Accruals</b>		
Interest accrued on deposits	5,03,586	5,78,793
Interest accrued on Loans and advances to related parties	11,70,000	13,20,000
<b>Others</b>		
Rental income from properties receivable	1,48,389	50,000
Rebate and Discount receivable	10,88,500	43,24,826
Agency Commission receivable	45,07,558	26,06,850
<b>Total</b>	<b>74,18,033</b>	<b>88,80,469</b>





# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
<b>Note 20 – REVENUE FROM OPERATIONS</b>	₹	₹
Sale of products (Refer Note (i) below)	229,97,03,782	192,55,19,276
Sale of services (Refer Note (ii) below)	2,08,05,813	1,95,07,613
Other operating revenues (Refer Note (iii) below)	7,09,38,219	7,43,44,982
<b>Revenue from operations (Gross)</b>	<b>239,14,47,814</b>	<b>201,93,71,871</b>
Less: Excise duty	4,81,13,956	3,41,69,053
<b>Revenue from operations (Net)</b>	<b>234,33,33,858</b>	<b>198,52,02,818</b>
<b>Note</b>		
(i) <b>Sale of products comprises of :</b>		
<b>Manufactured goods</b>		
Fertiliser Mixtures	48,44,84,923	41,10,51,150
Other Agro Products	82,74,42,721	68,82,73,327
Roasted and Ground Coffee	29,30,873	26,71,612
Tea	4,56,18,612	4,27,32,023
Ayurvedha & Herbal	2,13,45,136	85,02,723
<b>Total - Sale of manufactured goods</b>	<b>138,18,22,265</b>	<b>115,32,30,835</b>
<b>Traded goods</b>		
Granulated Fertilisers	3,78,80,451	2,77,10,625
Straight Fertilisers	18,49,91,450	13,00,01,565
Other Agro Products	56,49,572	47,80,329
Seeds	5,56,87,294	5,87,54,868
Pesticides	30,65,68,925	22,70,04,050
Footwear Products	29,47,57,485	29,19,80,114
Consumer Products	73,75,585	55,87,150
Industrial Products	2,49,70,755	2,64,69,740
<b>Total - Sale of traded goods</b>	<b>91,78,81,517</b>	<b>77,22,88,441</b>
<b>Total - Sale of products</b>	<b>229,97,03,782</b>	<b>192,55,19,276</b>
(ii) <b>Sale of services comprises of :</b>		
Tyre Processing Charges	2,08,05,813	1,95,07,613
<b>Total - Sale of services</b>	<b>2,08,05,813</b>	<b>1,95,07,613</b>
(iii) <b>Other operating revenues comprise of :</b>		
Sale of scrap	7,14,749	17,00,610
Duty drawback and other export incentives	33,04,263	3,99,052
Others		
Agency Commission	4,47,21,741	4,27,19,144
Rebate / Discount from Suppliers	1,71,96,337	2,44,97,455
Bad Debts Recovered	3,03,697	4,00,000
Deferred Income Grants	11,43,073	7,74,295
Testing fees	6,61,294	6,03,837
Miscellaneous Income	28,93,065	32,50,589
<b>Total-Other Operating Revenues</b>	<b>7,09,38,219</b>	<b>7,43,44,982</b>

# T. STANES AND COMPANY LIMITED



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
<b>Note 21 – OTHER INCOME</b>	₹	₹
Interest income (Refer Note (i) below)	18,56,960	26,96,921
Dividend income		
From long-term investments		
Associates	16,33,207	27,59,816
Others	6,21,627	11,52,857
Net gain on foreign currency transactions and translation (other than considered as finance cost)	26,71,833	8,34,776
Other non-operating income (Refer Note (ii) below)	63,56,298	1,02,41,012
<b>Total</b>	<b>1,31,39,925</b>	<b>1,76,85,382</b>
<b>Note</b>		
(i) <b>Interest Income comprises of :</b>		
<b>Interest from banks on</b>		
Deposits	6,56,095	5,79,352
Other balances	30,865	61,671
Interest on loans and advances	11,70,000	20,55,898
<b>Total - Interest income</b>	<b>18,56,960</b>	<b>26,96,921</b>
(ii) <b>Other non-operating income comprises of :</b>		
Rental income from properties	44,21,272	41,02,705
Profit on sale of fixed assets	7,83,500	53,31,378
Miscellaneous income	11,51,526	8,06,929
<b>Total - Other non-operating income</b>	<b>63,56,298</b>	<b>1,02,41,012</b>
<b>Note 22 – COST OF MATERIALS CONSUMED</b>		
Opening stock	9,59,77,655	8,80,23,968
Add: Purchases	74,83,07,331	64,34,30,449
	<b>84,42,84,986</b>	73,14,54,417
Less: Closing stock	9,64,74,637	9,59,77,655
<b>Total</b>	<b>74,78,10,349</b>	<b>63,54,76,762</b>
<b>Materials consumed comprises of :</b>		
Fertiliser Mixtures	37,31,89,542	31,68,03,693
Other agro products	30,62,32,458	25,94,82,189
Roasted and ground coffee	22,22,961	22,31,074
Tea	3,49,09,832	3,69,14,053
Ayurvedha and Herbal	1,71,05,955	66,37,742
Tyre Retreading	1,41,49,601	1,34,08,011
<b>Total</b>	<b>74,78,10,349</b>	<b>63,54,76,762</b>



# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
<b>Note 23 – PURCHASES OF STOCK-IN-TRADE (TRADED GOODS)</b>	₹	₹
Granulated Fertilisers	3,44,09,141	2,45,37,025
Straight Fertilisers	11,34,60,306	10,57,18,888
Other agro products	54,33,482	23,51,639
Seeds	4,45,00,337	4,42,05,338
Pesticides	28,91,02,500	21,49,05,046
Footwear Products	26,94,93,289	22,16,67,931
Consumer Products	1,00,34,926	75,64,926
Industrial Products	1,91,08,908	2,12,81,193
<b>Total</b>	<b>78,55,42,889</b>	<b>64,22,31,986</b>
<b>Note 24 – CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE</b>		
<b>Inventories at the end of the year:</b>		
Finished goods	4,79,24,265	6,05,61,710
Stock-in-trade	9,97,89,624	10,24,72,283
<b>Total</b>	<b>14,77,13,889</b>	<b>16,30,33,993</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	6,05,61,710	4,56,81,493
Stock-in-trade	10,24,72,283	14,33,16,124
<b>Total</b>	<b>16,30,33,993</b>	<b>18,89,97,617</b>
<b>Net (increase) / decrease</b>	<b>1,53,20,104</b>	<b>2,59,63,624</b>
<b>Note 25 – EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and wages	17,75,21,613	16,38,41,362
Contribution to Provident Fund (Refer Note 42(a))	71,34,369	68,00,514
Contribution to Superannuation Fund (Refer Note 42(a))	11,29,680	17,52,435
Contribution to Gratuity Fund (Refer Note 42(b))	21,88,710	1,12,20,285
Staff welfare expenses	1,34,25,308	1,77,97,349
<b>Total</b>	<b>20,13,99,680</b>	<b>20,14,11,945</b>
<b>Note 26 – FINANCE COSTS</b>		
Interest expense on:		
Borrowings from Bank	3,40,70,254	3,58,36,887
Deposits from public	63,22,871	63,74,929
Others	38,96,117	34,30,490
Bank Charges	20,45,332	27,78,819
<b>Total</b>	<b>4,63,34,574</b>	<b>4,84,21,125</b>

# T. STANES AND COMPANY LIMITED



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
<b>Note 27 – OTHER EXPENSES</b>	₹	₹
Consumption of stores and spare parts	1,38,963	1,84,758
Excise Duty on Closing Stock	28,849	2,41,901
Power and fuel	27,19,238	42,13,113
Rent	1,37,76,598	1,24,63,181
Repairs and maintenance - Buildings	45,59,378	86,30,166
Repairs and maintenance - Machinery	51,36,004	61,99,071
Insurance	71,15,964	68,20,938
Rates and taxes	1,33,04,172	81,21,231
Communication	1,20,48,507	94,12,763
Travelling and conveyance	5,52,05,396	5,43,64,205
Printing and stationery	48,02,509	59,11,710
Freight and forwarding	9,38,76,817	7,71,77,145
Sales commission	12,72,669	9,01,078
Sales discount	8,62,31,603	5,33,63,595
Business promotion	5,44,54,096	5,15,85,443
Directors Sitting fees	1,22,500	90,000
Commission to non-whole time directors	10,50,000	6,00,000
Donations and contributions	5,25,000	7,00,000
Legal and professional	10,65,128	10,47,082
Payments to auditors (Refer Note (i) below)	14,50,000	18,43,450
Bad debts and asset write off	85,18,147	8,18,592
Loss on fixed assets sold	2,43,389	2,32,925
Provision for diminution in the value of investments	8,00,000	–
Miscellaneous expenses	6,26,04,665	5,99,79,485
<b>Total</b>	<b>43,10,49,592</b>	<b>36,49,01,832</b>
<b>Note</b>		
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
<u>To Statutory auditors</u>		
For audit	8,50,000	8,50,000
For taxation matters	2,00,000	1,60,000
For other services	2,50,000	4,75,000
Reimbursement of expenses	50,000	1,58,450
	<b>13,50,000</b>	<b>16,43,450</b>
To Cost auditors for cost audit	1,00,000	2,00,000
<b>Total</b>	<b>14,50,000</b>	<b>18,43,450</b>



# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
<b>Note 28 – STAFF PENSION FUND</b>		
The Company is the sole beneficiary of T.Stanes and Company Limited Staff Pension Fund. The amount due from the fund as on 31.03.2014 is ₹.4,22,463/- (Previous year ₹4,74,294/-). The income of ₹.6,08,327/- (Previous year ₹.11,52,857/-) have been considered in the accounts of the company for the year.		
<b>Note 29 – CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)</b>		
(a) Financial Guarantee to Bankers on account of Subsidiary Companies	<b>6,80,00,000</b>	6,80,00,000
(b) Claims against the company not acknowledged as debt		
Central Excise	<b>2,29,37,126</b>	2,29,37,126
Income tax	–	83,81,851
Central Sales tax	<b>33,22,145</b>	33,22,145
(c) Estimated amount of contracts to be executed on capital account not provided for	<b>7,65,800</b>	2,85,000
<b>Note 30 – Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges</b>		
	As at	As at
<b>Particulars</b>	<b>31.03.2014</b>	31.03.2013
		Maximum amount outstanding during the year
		<b>2013-14</b>
		2012-13
Loans and advances to subsidiaries	<b>1,17,00,000</b>	1,22,00,000
		<b>1,22,00,000</b>
		1,22,00,000

# T. STANES AND COMPANY LIMITED



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
<b>Note 31 – DISCLOSURE REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006</b>		
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of the information collected by the Management. This has been relied upon by the Auditors.		
(i) Due outstanding for more than 45 Days	NIL	NIL
(ii) Amount remaining unpaid as at the end of the year		
Principal Amount	59,27,151	61,31,421
Interest Amount	NIL	NIL
(iii) The Amount of Interest paid in terms of Section 18 along with the amounts of the payment made to the supplier beyond the appointed day during the year	NIL	NIL
(iv) The amount of interest due and payable for the period of delay in making the payment		
As per the terms of contract	NIL	NIL
As specified by the Act	NIL	NIL
(v) The amount of Interest accrued and due at the end of the year	NIL	NIL
<b>Note 32</b>		
The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:		
<b>Trade Receivable</b>		
Amount in INR	2,41,69,909	2,76,10,635
Amount in Foreign currency - USD	4,02,434	5,08,671
	<b>For the year ended 31 March, 2014</b>	<b>For the year ended 31 March, 2013</b>
	₹	₹
<b>Note 33 – VALUE OF IMPORTS CALCULATED ON CIF BASIS</b>		
Capital Goods	13,32,880	–
<b>Note 34 – EXPENDITURE IN FOREIGN CURRENCY</b>		
On account of :		
Travel	10,64,325	11,69,801
Others	53,50,207	39,93,211
<b>Note 35 – EARNINGS IN FOREIGN EXCHANGE:</b>		
Realised earnings in Foreign Exchange:		
Export of goods calculated on FOB Basis	12,43,34,100	8,90,44,484

# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<b>Note 36</b>	₹	₹
Research and Development expenses included under various heads of Statement of Profit and Loss	1,31,65,708	1,26,17,727
<b>Note 37 – EARNINGS PER SHARE</b>		
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	6,45,29,962	4,95,39,848
Weighted Average number of equity shares	24,97,608	24,97,608
Par value per share	10.00	10.00
Earnings per Share - Basic and Diluted	25.84	19.83
<b>Note 38 – VALUE OF RAW MATERIALS, STORES AND SPARE PARTS &amp; COMPONENTS CONSUMED</b>		
2013-2014    2012-2013		
% Value                      %                      Value		
Indigeneous                      100                      74,78,10,349                      100                      63,54,76,762	74,78,10,349	63,54,76,762
Imported                                      Nil                                      Nil                                      Nil                                      Nil	Nil	Nil
	<b>As at 31st March, 2014</b>	<b>As at 31st March, March, 2013</b>
<b>Note 39 – HIRE PURCHASE FOR PURCHASE OF VEHICLES AND MACHINERY:</b>	₹	₹
(a) Reconciliation of minimum hire purchase payments		
Total minimum hire purchase payments	1,05,12,711	1,49,94,380
Less:-Unmatured Finance Charges	12,99,659	23,30,479
Present value of minimum hire purchase payments payable	92,13,052	1,26,63,901
(b) Year -wise future minimum hire purchase payments on contract entered:		
<b>Total Minimum hire purchase payments</b>		
Not later than one year	64,80,216	78,34,856
Later than one year and not later than five years	40,32,495	71,59,524
Later than five years	-	-
<b>Present value of minimum hire purchase payments payable</b>		
Not later than one year	60,47,152	72,59,235
Later than one year and not later than five years	31,65,900	54,04,666
Later than five years	-	-
<b>Note 40 – DEPOSITS FROM PUBLIC</b>		
Deposits held by directors	25,00,000	35,00,000

# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### Note 41 – RELATED PARTY TRANSACTIONS:

#### (a) Details of Related Parties

Description of Relationship	Names of Related Parties
<b>Ultimate Holding Companies</b>	M/s. Amalgamations Private Limited
<b>Holding Companies</b>	M/s. Simpson & Company Limited
<b>Subsidiaries</b>	M/s. Stanes Agencies Limited Stanes Motors (South India) Limited Stanes Motor Parts Limited
<b>Fellow Subsidiaries*</b>	M/s. Addison & Co Limited Addison Paints & Chemicals Limited Associated Printers(Madras)Private Limited Bimetal Bearings Limited George Oakes Limited Simpson & General Finance Company Limited Speed-A-Way Private Limited Sri Rama Vilas Service Limited Stanes Amalgamated Estates Limited TAFE Access Limited Tractors and Far Equipment Limited Southern Tree Farms Limited The Madras Advertising Company Private Limited
<b>Associates</b>	M/s. Amalgamations Valeo Clutch Private Limited AMCO Saft India Limited Mahle IPL Limited Stanes MJF Teas Limited* Stanadyne Amalgamations Private Limited The United Nilgiri Tea Estates Company Limited* Kuduma Fastners Private Limited
<b>Key Management Personnel</b>	Mr.K.S.Hegde, (Managing Director) [Till 30.11.2013] Mrs. Lakshmi Narayanan (Whole-time Director) Mr. P.S. Bopaiah (Whole-time Director) [From 01.12.2013]

Relatives of Key Management Personnel NIL

\* Represents related Parties with whom the Company had transactions  
(As identified by the Company and relied upon by the Auditors)





# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 41 - (b) DETAILS OF RELATED PARTY TRANSACTIONS DURING THE YEAR ENDED 31st MARCH, 2014 AND BALANCES OUTSTANDING AS AT 31st MARCH, 2014

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Companies		Fellow Subsidiary Companies		Associates		Key Personnel		Total	
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
<b>(A) TRANSACTIONS DURING THE YEAR</b>	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Sales	-	-	6,90,426	11,09,706	-	2,615	96,76,094	85,24,201	53,82,262	42,20,125	-	-	1,57,48,782	1,38,56,647
Service rendered to	4,59,236	3,90,970	6,09,686	-	1,21,283	1,20,000	4,78,177	6,60,303	24,000	33,101	-	-	16,92,382	12,04,374
Interest received on Loan given	-	-	-	-	11,70,000	13,20,000	-	-	-	-	-	-	11,70,000	13,20,000
Dividend received from	-	-	-	-	-	-	5,46,007	-	10,87,200	27,59,816	-	-	16,33,207	27,59,816
Interest paid on Loan availed	-	-	16,74,657	12,49,998	-	-	21,68,199	17,98,928	-	-	-	-	38,42,856	30,48,926
Purchases	-	-	-	-	-	-	31,88,528	39,74,982	9,98,435	17,32,359	-	-	41,86,963	57,07,341
Service availed from	38,76,695	39,02,078	5,98,786	6,04,038	4,17,098	20,18,862	39,00,409	40,59,780	-	35,598	-	-	87,92,988	1,06,20,356
Dividend paid to	-	-	33,06,836	74,40,381	-	-	76,200	1,71,450	-	-	-	-	33,83,036	76,11,831
Remuneration	-	-	-	-	-	-	-	-	-	-	84,55,657	45,31,575	84,55,657	45,31,575
Assets acquired from	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans received during the year	-	-	50,00,000	-	-	-	-	-	-	-	-	-	50,00,000	-
Loans repaid during the year	-	-	75,00,000	-	-	-	-	-	-	-	-	-	75,00,000	-
Payment received on loan given	-	-	-	-	5,00,000	-	-	-	-	-	-	-	5,00,000	-
<b>(B) BALANCES OUT-STANDING AT THE END OF THE YEAR</b>														
Equity Participation in	-	-	-	-	4,15,56,605	4,15,56,605	9,55,278	9,55,278	75,53,353	75,53,353	-	-	5,00,65,236	5,00,65,236
Equity Participation by	-	-	1,65,34,180	1,65,34,180	-	-	3,81,000	3,81,000	-	-	-	-	1,69,15,180	1,69,15,180
Loan/Finance facilities availed from	-	-	1,00,00,000	1,25,00,000	-	-	81,51,147	1,14,21,862	-	-	-	-	1,81,51,147	2,39,21,862
Loan/Finance facilities given to	-	-	-	-	1,17,00,000	1,22,00,000	-	-	-	-	-	-	1,17,00,000	1,22,00,000
Receivables from	-	-	8,54,241	3,33,183	12,73,211	14,98,203	23,55,145	19,44,953	6,35,834	1,99,065	-	-	51,18,431	39,75,404
Payables to	-	-	1,53,484	4,83,956	21,58,888	22,43,401	4,52,616	1,16,51,910	1,44,264	86,488	-	-	29,09,252	1,44,65,755
Guarantee given to	-	-	-	-	-	6,80,00,000	-	-	-	-	-	-	-	6,80,00,000
Guarantee given by	35,29,00,000	35,31,00,000	-	-	-	-	-	-	-	-	-	-	35,29,00,000	35,31,00,000
<b>TOTAL</b>	<b>35,72,35,931</b>	<b>35,73,93,048</b>	<b>4,69,22,296</b>	<b>4,02,55,442</b>	<b>5,88,97,085</b>	<b>12,89,59,686</b>	<b>3,23,28,800</b>	<b>4,55,44,647</b>	<b>1,58,25,348</b>	<b>1,66,19,905</b>	<b>84,55,657</b>	<b>45,31,575</b>	<b>55,42,65,117</b>	<b>60,33,04,303</b>

(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 reflects relationship with the parties from the date such relationship came into effect and hence the current year figures may not be comparable to the previous years.



# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS – (Contd.)

### NOTE 41 - (b) DETAILS OF RELATED PARTY TRANSACTIONS DURING THE YEAR ENDED 31st MARCH, 2014 AND BALANCES OUTSTANDING AS AT 31st MARCH, 2014

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Companies		Fellow Subsidiary Companies		Associates		Key Personnel		Total	
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
<b>(A) TRANSACTIONS DURING THE YEAR</b>	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>Sales</b>														
The United Nilgiri Tea Estates Company Ltd.	-	-	-	-	-	-	-	-	53,82,262	42,20,125	-	-	53,82,262	42,20,125
Stanes Amalgamated Estates Ltd.	-	-	-	-	-	-	55,62,666	49,85,328	-	-	-	-	55,62,666	49,85,328
Southern Tree Farms Limited	-	-	-	-	-	-	39,24,431	26,29,501	-	-	-	-	39,24,431	26,29,501
Simpson & Company Limited	-	-	6,90,426	11,09,706	-	-	-	-	-	-	-	-	6,90,426	11,09,706
<b>Service rendered to</b>														
The United Nilgiri Tea Estates Company Ltd.	-	-	-	-	-	-	-	-	24,000	3,3101	-	-	24,000	33,101
Stanes Motors (S.I) Limited	-	-	-	-	1,20,000	1,20,000	-	-	-	-	-	-	1,20,000	1,20,000
George Oakes Limited	-	-	-	-	-	-	92,069	-	-	-	-	-	92,069	-
Addison Paints & Chemicals Ltd.	-	-	-	-	-	-	2,22,451	-	-	-	-	-	2,22,451	-
Speed-A-Way Private Limited	-	-	-	-	-	-	1,39,657	1,41,749	-	-	-	-	1,39,657	1,41,749
Amalgamations Private Limited	4,59,236	3,90,970	-	-	-	-	-	-	-	-	-	-	4,59,236	3,90,970
Simpson & Company Limited	-	-	6,09,686	-	-	-	-	-	-	-	-	-	6,09,686	-
TAFE Access Limited	-	-	-	-	-	-	-	4,04,496	-	-	-	-	-	4,04,496
<b>Interest received on Loan given</b>														
Stanes Motor Parts Limited	-	-	-	-	10,00,000	10,00,000	-	-	-	-	-	-	10,00,000	10,00,000
Stanes Motors (S.I) Limited	-	-	-	-	1,70,000	3,20,000	-	-	-	-	-	-	1,70,000	3,20,000
<b>Dividend received from</b>														
Stanes Amalgamated Estates Ltd.	-	-	-	-	-	-	5,46,007	-	-	-	-	-	5,46,007	-
The United Nilgiri Tea Estates Company Ltd.	-	-	-	-	-	-	-	-	10,87,200	27,59,816	-	-	10,87,200	27,59,816
<b>Interest paid on Loan availed</b>														
Simpson & Company Limited	-	-	16,74,657	12,49,998	-	-	-	-	-	-	-	-	16,74,657	12,49,998
Simpson & General Finance Co. Ltd	-	-	-	-	-	-	21,68,199	17,98,928	-	-	-	-	21,68,199	17,98,928
<b>Purchases</b>														
Stanes Amalgamated Estates Ltd.	-	-	-	-	-	-	18,13,028	29,78,321	-	-	-	-	18,13,028	29,78,321
Southern Tree Farms Ltd	-	-	-	-	-	-	13,75,500	9,96,660	-	-	-	-	13,75,500	9,96,660
The United Nilgiri Tea Estates Company Ltd.	-	-	-	-	-	-	-	-	9,98,435	17,32,359	-	-	9,98,435	17,32,359



# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS – (Contd.)

### NOTE 41 - (b) DETAILS OF RELATED PARTY TRANSACTIONS DURING THE YEAR ENDED 31st MARCH, 2014 AND BALANCES OUTSTANDING AS AT 31st MARCH, 2014

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Companies		Fellow Subsidiary Companies		Associates		Key Personnel		Total	
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
<b>(A) TRANSACTIONS DURING THE YEAR – (Contd.)</b>	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>Service availed from</b>														
Amalgamations Private Limited	38,76,695	39,02,078	-	-	-	-	-	-	-	-	-	-	38,76,695	39,02,078
Stanes Motors (S.I) Limited	-	-	-	-	4,17,098	18,38,862	-	-	-	-	-	-	4,17,098	18,38,862
George Oakes Limited	-	-	-	-	-	-	4,96,476	-	-	-	-	-	4,96,476	-
Simpson & Company Limited	-	-	5,98,786	6,04,038	-	-	-	-	-	-	-	-	5,98,786	6,04,038
Sree Rama Vilas Services Limited	-	-	-	-	-	-	8,08,992	-	-	-	-	-	8,08,992	-
The Madras Advertising Co. Pvt. Ltd.	-	-	-	-	-	-	22,94,961	32,72,743	-	-	-	-	22,94,961	32,72,743
Simpson & General Finance Co. Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Dividend paid to</b>														
Simpson & Company Limited	-	-	27,35,046	61,53,854	-	-	-	-	-	-	-	-	27,35,046	61,53,854
Amalgamations Private Limited	5,71,790	12,86,528	-	-	-	-	-	-	-	-	-	-	5,71,790	12,86,528
Simpson & General Finance Co. Ltd.	-	-	-	-	-	-	50,000	1,12,500	-	-	-	-	50,000	1,12,500
Sri Rama Vilas Service Limited	-	-	-	-	-	-	23,600	53,100	-	-	-	-	23,600	53,100
<b>Remuneration</b>														
Mr. K.S. Hegde	-	-	-	-	-	-	-	-	-	-	32,76,490	40,53,912	32,76,490	40,53,912
Mrs. Lakshmi Narayanan	-	-	-	-	-	-	-	-	-	-	41,37,897	4,77,663	41,37,897	4,77,663
Mr. P.S. Bopaiah	-	-	-	-	-	-	-	-	-	-	10,41,270	-	10,41,270	-
<b>Loans received during the year</b>														
Simpson & Company Limited	-	-	50,00,000	-	-	-	-	-	-	-	-	-	50,00,000	-
<b>Loans repaid during the year</b>														
Simpson & Company Limited	-	-	75,00,000	-	-	-	-	-	-	-	-	-	75,00,000	-
<b>Payment received on loan given</b>														
Stanes Motors (S.I.) Limited	-	-	-	-	5,00,000	10,00,000	-	-	-	-	-	-	5,00,000	10,00,000
<b>(B) BALANCES OUTSTANDING AT THE END OF THE YEAR</b>														
<b>Equity Participation in</b>														
Stanes Motors (S. I.) Limited	-	-	-	-	2,90,25,975	2,90,25,975	-	-	-	-	-	-	2,90,25,975	2,90,25,975
Stanes Motor Parts Limited	-	-	-	-	1,20,30,630	1,20,30,630	-	-	-	-	-	-	1,20,30,630	1,20,30,630
Stanes Agencies Limited	-	-	-	-	-	5,00,000	-	-	-	-	-	-	-	5,00,000
Stanes Amalgamated Estates Ltd.	-	-	-	-	-	-	9,55,278	9,55,278	-	-	-	-	9,55,278	9,55,278
Stanes MJF Teas Limited	-	-	-	-	-	-	25,00,000	25,00,000	-	-	-	-	25,00,000	25,00,000
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	50,53,353	50,53,353	-	-	-	-	50,53,353	50,53,353



# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS – (Contd.)

### NOTE 41 - (b) DETAILS OF RELATED PARTY TRANSACTIONS DURING THE YEAR ENDED 31st MARCH, 2014 AND BALANCES OUTSTANDING AS AT 31st MARCH, 2014

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Companies		Fellow Subsidiary Companies		Associates		Key Personnel		Total	
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
<b>(B) BALANCES OUTSTANDING AT THE END OF THE YEAR – (Contd.)</b>	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>Equity Participation by</b>														
Simpson & Company Limited	-	-	1,36,75,230	1,36,75,230	-	-	-	-	-	-	-	-	1,36,75,230	1,36,75,230
Amalgamations Private Limited	28,58,950	28,58,950	-	-	-	-	-	-	-	-	-	-	28,58,950	28,58,950
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 Equipments Ltd.	-	-	-	-	-	-	13,000	13,000	-	-	-	-	13,000	13,000
<b>Loan/Finance facilities availed from</b>														
Simpson & Company Limited	-	-	1,00,00,000	1,25,00,000	-	-	-	-	-	-	-	-	1,00,00,000	1,25,00,000
Simpson & General Finance Company Limited	-	-	-	-	-	-	81,51,147	1,14,21,862	-	-	-	-	81,51,147	1,14,21,862
<b>Loan/Finance facilities given to</b>														
Stanes Motors (S.I.) Limited	-	-	-	-	17,00,000	22,00,000	-	-	-	-	-	-	17,00,000	22,00,000
Stanes Motor Parts Limited	-	-	-	-	1,00,00,000	1,00,00,000	-	-	-	-	-	-	1,00,00,000	1,00,00,000
<b>Receivables from</b>														
Bimetal Bearings Limited	-	-	-	-	-	-	28,090	27,610	-	-	-	-	28,090	27,610
Stanes Amalgamated Estates Ltd.	-	-	-	-	-	-	15,69,354	6,26,802	-	-	-	-	15,69,354	6,26,802
Speed-A-Way Private Limited	-	-	-	-	-	-	12,270	11,406	-	-	-	-	12,270	11,406
George Oakes Limited	-	-	-	-	-	-	16,348	18,691	-	-	-	-	16,348	18,691
TAFE Access Limited	-	-	-	-	-	-	48,259	8,09,625	-	-	-	-	48,259	8,09,625
Stanes Motors (S.I.) Limited	-	-	-	-	2,26,946	6,99,469	-	-	-	-	-	-	2,26,946	6,99,469
Stanes Agencies Limited	-	-	-	-	6,98,276	7,98,733	-	-	-	-	-	-	6,98,276	7,98,733
Addison & Company Limited	-	-	-	-	-	-	24,843	33,414	-	-	-	-	24,843	33,414
Tractors and Farm Equipment Ltd.	-	-	-	-	-	-	44,514	-	-	-	-	-	44,514	-
Southern Tree Farms Limited	-	-	-	-	-	-	3,52,783	4,00,525	-	-	-	-	3,52,783	4,00,525
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	6,35,834	1,99,065	-	-	6,35,834	1,99,065
Simpson & Company Limited	-	-	8,54,241	3,33,183	-	-	-	-	-	-	-	-	8,54,241	3,33,183
Addison Paints & Chemicals Ltd.	-	-	-	-	-	-	21,503	-	-	-	-	-	21,503	-
Sri Rama Vilas Service Ltd	-	-	-	-	-	-	10,235	16,881	-	-	-	-	10,235	16,881

TS 61



# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS – (Contd.)

### NOTE 41 - (b) DETAILS OF RELATED PARTY TRANSACTIONS DURING THE YEAR ENDED 31st MARCH, 2014 AND BALANCES OUTSTANDING AS AT 31st MARCH, 2014

Particulars	Ultimate Holding Company		Holding Company		Subsidiary Companies		Fellow Subsidiary Companies		Associates		Key Personnel		Total	
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
<b>(B) BALANCES OUTSTANDING AT THE END OF THE YEAR – (Contd.)</b>	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>Payables to</b>														
Amalgamations Private Limited	1,53,484	4,83,956	-	-	-	-	-	-	-	-	-	-	1,53,484	4,83,956
Stanes Agencies Limited	-	-	-	-	21,58,887	21,58,887	-	-	-	-	-	-	21,58,887	21,58,887
Stanes Motors (S.I.) Limited	-	-	-	-	-	84,514	-	-	-	-	-	-	-	84,514
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	-	-	-	1,44,264	86,488	-	-	1,44,264	86,488
Addisons Paints & Chemicals Ltd.	-	-	-	-	-	-	-	5,469	-	-	-	-	-	5,469
Stanes Amalgamated Estates Ltd.	-	-	-	-	-	-	1,11,539	2,24,569	-	-	-	-	1,11,539	2,24,569
Southern Tree Farms Limited	-	-	-	-	-	-	3,15,000	-	-	-	-	-	3,15,000	-
Addison and Company Limited	-	-	-	-	-	-	-	24,843	-	-	-	-	-	24,843
TAFE Access Limited	-	-	-	-	-	-	-	1,234	-	-	-	-	-	1,234
<b>Guarantee given to</b>														
Stanes Motor Parts Limited	-	-	-	-	5,00,00,000	5,00,00,000	-	-	-	-	-	-	5,00,00,000	5,00,00,000
Stanes Motors (S.I.) Limited	-	-	-	-	1,80,00,000	1,80,00,000	-	-	-	-	-	-	1,80,00,000	1,80,00,000
<b>Guarantee given by</b>														
Simpson & Company Limited & Amalgamations Private Limited	35,29,00,000	35,31,00,000	-	-	-	-	-	-	-	-	-	-	35,29,00,000	35,31,00,000

# T. STANES AND COMPANY LIMITED



## NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
	₹	₹	₹	₹
<b>Note 42 – EMPLOYEE BENEFITS PLANS</b>				
<b>(a) Defined Contribution Plans</b>				
The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme Contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.				
Contribution to Provident Fund		71,34,369		68,00,514
Contribution to Superannuation Fund		11,29,680		17,52,435
Contribution to Employee State Insurance Scheme		28,06,270		29,30,315
<b>(b) Defined Benefit Plans</b>				
Disclosure required under Revised Accounting Standard 15 are as below :-				
<b>1. Change in defined benefit obligations during the year</b>				
Present value of obligations at beginning of the year	₹	6,10,85,321	₹	4,73,83,762
Current Service Cost		25,63,709		22,80,062
Interest Cost		42,21,177		35,74,639
Benefits Paid		(65,57,503)		(28,54,921)
Actuarial gain/(Loss) on obligation		5,09,662		1,07,01,779
Present value of obligations as at end of the year		6,18,22,366		6,10,85,321
<b>2. Change in fair value of assets during the year</b>				
Plan assets at beginning of the year		5,92,32,762		4,32,23,027
Expected return on plan assets		51,05,838		40,18,122
Contributions		15,24,065		1,35,28,461
Benefits paid		(65,57,503)		(28,54,921)
Actuarial gain/(Loss) on plan assets				13,18,073
Plan assets at the end of the year		5,93,05,162		5,92,32,762
<b>3. Net Asset/(Liability) recognised in the Balance Sheet</b>				
Present value of obligations as at the end of the year		6,18,22,366		6,10,85,321
Plan assets as at the end of the year		5,93,05,162		5,92,32,762
Unrecognized past service cost				
Net Asset/(Liability) recognized in balance sheet		(25,17,204)		(18,52,559)



# T. STANES AND COMPANY LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars	31.03.2014		31.03.2013	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
<b>Note 42 – EMPLOYEE BENEFITS PLANS – (Contd.)</b>	₹	₹	₹	₹
<b>4. Expenses recognised in statement of Profit and Loss</b>				
Current Service Cost	25,63,709		22,80,062	
Interest Cost	42,21,177		35,74,639	
Expected return on plan assets	(51,05,838)		(40,18,122)	
Net Actuarial gain/(Loss) recognised in the year	5,09,662		93,83,706	
Total expenses recognised in statement of Profit and Loss	21,88,710		1,12,20,285	
<b>5. Composition of plan assets</b>				
Equity Instruments				
GOI Securities	52,685		52,685	
Private Securities	12,00,000		12,00,000	
Insurer Managed Asset **	5,80,36,437		5,79,24,215	
Others(Bank Balance)	16,040		55,862	
<b>6. Actuarial Assumptions</b>				
Discount Rate	8.00%	8.90%	8.00%	8.10%
Salary Escalation	7%	7%	7.00%	7%
Rate of return on plan assets	9.60%		9.25%	
Attrition rate		3%		3%
Mortality rate	#		#	

The estimates of future salary increases considered in the actuarial valuation take account of inflation seniority promotion and other relevant factors such as supply and demand in the employment market. The above information is actuarially determined upon which reliance is placed by the auditors.

The details of experience adjustments arising on account of plan assets and plan liabilities as required by para 120(n)(ii) of AS-15R on employee benefits are not readily available in the actuarial valuation report and hence are 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.

# Depending on age LIC(1994-96) ultimate

**T. STANES AND COMPANY LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**



<b>Note 43 – SEGMENT REPORTING FOR THE YEAR ENDED 31ST MARCH 2014</b>		
<b>PARTICULARS</b>	<b>For the year ended 31st March, 2014</b>	<b>For the year ended 31st March, 2013</b>
<b>1. SEGMENT REVENUE</b>	₹	₹
[Net Sale / Income from each segment		
Agricultural Products	<b>191,34,27,966</b>	157,69,91,215
Consumer Industrial Products	<b>42,99,05,892</b>	40,82,11,604
<b>Net Sales / Income from Operations</b>	<b><u>234,33,33,858</u></b>	<u>198,52,02,819</u>
<b>2. SEGMENT RESULTS</b>		
[Profit] (+) / Loss (-) before tax and interest from each segment		
Agricultural Products	<b>19,87,71,785</b>	15,81,78,954
Consumer Industrial Products	<b>1,28,64,787</b>	1,65,14,128
<b>Total</b>	<b><u>21,16,36,572</u></b>	<u>17,46,93,082</u>
Less :		
Interest	<b>4,63,34,572</b>	4,84,21,125
Other unallocable Expenditure net off other income	<b>5,58,89,686</b>	6,03,29,683
<b>Total</b>	<b><u>10,22,24,258</u></b>	<u>10,87,50,808</u>
<b>Profit Before Tax</b>	<b><u>10,94,12,314</u></b>	<u>6,59,42,274</u>
<b>3. CAPITAL EMPLOYED</b>		
[Segment assets - Segment Liabilities]		
Agricultural Products	<b>55,08,14,958</b>	53,94,32,663
Consumer Industrial Products	<b>14,29,17,722</b>	14,04,68,099
Unallocated	<b>(28,58,35,123)</b>	(32,19,22,786)
<b>Total</b>	<b><u>40,78,97,557</u></b>	<u>35,79,77,976</u>
The Company has only one geographical segment viz. India. Hence, secondary segmentwise reporting is not applicable		
<b>Note 44</b> – Previous years figures have been re-grouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.		

In terms of our report attached

For FRASER & ROSS  
Chartered Accountants

**C.R. RAJAGOPAL**  
Partner

Place: Chennai - 600 002  
Date : 30th May, 2014

For and on behalf of the Board of Directors

**A. KRISHNAMOORTHY**  
Chairman

**P. M. VENKATASUBRAMANIAN**  
Director

**R. VIJAYARAGHAVAN**  
Director

**K. K. UNNI**  
Director

**S. RAMACHANDRA**  
Director

**S. RAMANUJACHARI**  
Director

**K. S. HEGDE**  
Director

**Mrs. LAKSHMI NARAYANAN**  
Whole Time Director

**P.S.BOPAIAH**  
Whole Time Director

**S. C. SEKAR**  
Chief Financial Officer





## T. STANES AND COMPANY LIMITED

### NOTES FORMING PART OF FINANCIAL STATEMENTS

#### NOTE 45 – STATEMENT IN PURSUANCE OF SECTION 212(1)(e) OF THE COMPANIES ACT, 1956.

- (a) The extent of the Holding Company's interest in its subsidiaries.
- (b) The net aggregate amount of the subsidiaries Profit (+) or Loss(-) so far as it concerns the Members of the Company to the extent they are not dealt with in the accounts of the Company

Name of the company	Paid-up Equity/ Preference Shares of the Subsidiaries		Holding Company's Interest in Subsidiaries		Net Profit(+)/ Net Loss(-)	
	Face Value ₹	Equity/ Preference Shares Nos.	Equity/ Preference Shares Nos.	Extent of Interest %	For the year ended 31.03.2014 ₹	Upto 31.03.2014 (Since inception) ₹
Stanis Motors(South India) Limited	10	15,00,000	15,00,000	100	(18,37,781)	(70,11,348)
Stanis Agencies Limited	10	50,000	50,000	100	1,05,023	9,25,818
Stanis Motor Parts Limited	10	10,00,000	10,00,000	100	11,96,648	2,17,55,594

- (c) (i) The net aggregate of the Profit of the subsidiaries after deducting their losses dealt with in the Company's Accounts (to the extent of dividend received)

Name of the company	For the year ended 31.03.2014	Upto 31.03.2014 (Since Inception)
Stanis Motors (South India ) Limited	₹ NIL	₹ 99,54,285
Stanis Agencies Limited	NIL	NIL
Stanis Motor Parts Limited	NIL	40,00,000

- (ii) No part of the Profit/(Loss) of the subsidiary companies for the year ended 31st March 2014 has been dealt with in the accounts of the Holding Company for the year ended 31st March 2014.