



STANES AMALGAMATED ESTATES LIMITED

77th ANNUAL REPORT 2022-2023



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STANES AMALGAMATED ESTATES LIMITED

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STANES AMALGAMATED ESTATES LIMITED

Board of Directors

Mr. A. KRISHNAMOORTHY
Chairman

Mr. PS WALLIA
Director

Mr. V. VISWANATHAN
Director

Mrs. LAKSHMI NARAYANAN
Director

Auditors

M/s. K.S AIYAR & Co., COIMBATORE

Bankers

M/s. CENTRAL BANK OF INDIA

M/s. UNION BANK OF INDIA

M/s. HDFC BANK LTD.

Registrar and Share Transfer Agent

M/s. INTEGRATED REGISTRY MANAGEMENT SERVICES PRIVATE LIMITED,
CHENNAI

Even For E-voting (NSDL)

STANES AMALGAMATED ESTATES LIMITED - 124385

Registered Office

8/23-24, RACE COURSE ROAD, COIMBATORE - 641 018

STANES AMALGAMATED ESTATES LIMITED

Registered Office:

8/23-24, Race Course Road,

COIMBATORE - 641018

Corporate Identification Number (CIN): U01132TZ1946PLC000180

Tel : 0422 2223942

Email: saeteaadmin@saetea.com, Website: www.saetea.com

SEVENTY SEVENTH ANNUAL GENERAL MEETING

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the SEVENTY SEVENTH (77th) Annual General Meeting of the members of Stanes Amalgamated Estates Limited will be held on Thursday, 03rd August, 2023 at 10.30 A.M through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and the Audited Financial Statements of the Company for the financial year ended 31st March 2023, and the Auditors' Report attached thereto.
2. To appoint a Director in place of Mr.PS Wallia (DIN: 00010755) who retires by rotation. He is eligible for reappointment.

Place : Coimbatore

Date : 22nd May 2023

(By Order of the Board)

MANJULA NARASIMHAN

General Manager

(Finance & Accounts)

IMPORTANT NOTES

1. The Ministry of Corporate Affairs (MCA) on December 28, 2022, issued a notification General Circular No. 10/2022 clarifying that the holding of the Annual General Meeting (AGM) through Video Conference (VC) or Other Audio-Visual Means (OAVM) shall be allowed in compliance with requirements laid out in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05th May 2020. Accordingly, the Annual General Meeting is being held through Video Conferencing/Other Audio-Visual Means without the physical presence of the members.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and other relevant circulars issued by the Ministry of Corporate Affairs, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system prior to the AGM and on the date of the AGM will be provided by NSDL, on all the resolutions set forth in this Notice.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020 issued by the MCA, since this AGM is being held pursuant to the MCA Circulars on AGM through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the body corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate at the meeting and cast their votes through e-voting.
4. The Members can join the AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding). Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. An explanatory statement pursuant to Section 102(1) of the Act, relating to special business to be transacted at the AGM, is annexed hereto.
7. The Members' Register and Share Transfer books of the company will remain closed from **28th July, 2023 to 03rd August, 2023** (both days inclusive).
8. Corporate members intending to authorize their representatives to attend the Meeting are requested to send a scanned certified copy of the board resolution (pdf/jpeg format) authorizing their representative to attend and vote on their behalf at the Meeting.
9. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. The voting rights of Members shall be in proportion of their shares of the paid-up equity share capital of the company as on the cut-off date of **27th July, 2023**.
11. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their vote again.

12. Mr. S. Kasi Viswanathan, Partner, Gopalaiyer & Subramanian, Chartered Accountants, Coimbatore has been appointed by the Board of Directors as the Scrutinizer for voting at 77th Annual General Meeting, e-voting process. The Scrutinizer will scrutinize the e-voting process (both before the AGM and on the AGM date) in a fair and transparent manner.
13. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.saetea.com and also on the website of National Securities Depository Limited ("NSDL") at www.evoting.nsdl.com. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.
14. Considering the above, we urge the members to update their e-mail ID, Bank account details & Permanent Account Number (PAN) with the Company / RTA to ensure receipt of Annual Report and / or any other communications from the Company.

VOTING OPTIONS

REMOTE E-VOTING THROUGH ELECTRONIC MEANS

The e-voting period commences on **31st July 2023 at 9.00 AM and ends on 2nd August 2023 at 5.00 PM**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 27th July 2023 may cast their vote electronically. The e-voting module shall be disabled by NSDL for e-voting thereafter. Once the vote on a resolution is cast, the Member shall not be allowed to change it subsequently.

The instructions for e-voting are as under :

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

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

Step 1: Access to NSDL e-Voting system





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

Details on Step 1 is mentioned below:

l) Login method for e-Voting for Individual shareholders holding securities in DEMAT mode

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

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

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in DEMAT mode with NSDL.</p>	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit DEMAT account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center; margin-top: 20px;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in DEMAT mode with CDSL.	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on Login Icon & New System Myeasi Tab and then use your existing Myeasi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on Login & New System Myeasi Tab and then click on <u>registration option</u>. 4. Alternatively, the user can directly access e-Voting page by providing DEMAT Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the DEMAT Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in DEMAT mode) login through their depository participants	You can also login using the login credentials of your DEMAT account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in DEMAT mode with NSDL.	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022-4886 7000 & 022 - 2499 7000.
Individual Shareholders holding securities in DEMAT mode with CDSL.	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 022-2305 8738 or 022 - 23058542 - 43.

II) Login Method for shareholders other than Individual shareholders holding securities in DEMAT mode and shareholders holding securities in physical mode.

How to Log-into NSDL e-Voting website?

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

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

4. Your User ID details are given below:

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

5. In case of joint holder, since one of the several joint holders is entitled to exercise voting power in case of e-voting, the User ID & Password is sent to the first holder. Accordingly, the vote casted using the User ID and password sent to the first holder is recognized on behalf of all the joint holders, as the shareholder who casts the vote through the e-voting services of NSDL is construed to be doing so on behalf of all joint holders.
6. Password details for shareholders other than Individual shareholders are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the "initial password" which was communicated to you. Once you retrieve your 'initial password', you need to enter the "initial password" and the system will force you to change your password.
 - c. How to retrieve your "initial password"?
 - i. If your email ID is registered in your DEMAT account or with the company, your "initial password" is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your '**User ID**' and your '**initial password**'.
 - ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
7. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a. Click on "**Forgot User Details/Password?**"(If you are holding shares in your DEMAT account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your DEMAT account number/folio number, your PAN, your name and your registered address etc.
 - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
8. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
9. Now, you will have to click on "Login" button.
10. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is mentioned below:

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company i.e for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting"
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options, i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution(s) you will not be allowed to modify your vote.

B. In case Members whose email addresses are not registered with the Company / Depositories:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) and e-mail address at <https://www.integratedindia.in/emailupdation.aspx> on the RTA website.
2. In case shares are held in DEMAT mode, please provide Name, DP ID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), PAN, mobile number and email address at <https://www.integratedindia.in/emailupdation.aspx> on the RTA website.
3. Alternatively, shareholder/ may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned in Point (1) or (2) above as the case may be.
4. Please follow all steps given in detail on Step 2 above, to cast vote.
5. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM

1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.
2. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice to avoid last minute rush. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
3. The Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.

4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience. Further shareholders will be required to switch on the video facility and use Internet connection with a good speed to avoid any disturbance during the Meeting.
5. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuations in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to minimize / mitigate any kind of aforesaid glitches.
6. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 022-4886 7000 & 022 - 2499 7000.
7. In case of any grievance in connection with remote e-voting, Members may contact Ms. Sarita Mote, NSDL, 4th Floor, "A" Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013, e-mail: evoting@nsdl.co.in, Tel:022-4886 7000 & 022 - 2499 7000
8. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number to saeteaadmin@saetea.com from **31st July 2023 (9.00 AM IST) to 2nd August 2023 (5.00 PM IST)**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
9. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE MEETING

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

OTHER INSTRUCTIONS

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "**Physical User Reset Password?**" option available on www.evoting.nsdl.com to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free No.: 022-4886 7000 & 022 - 2499 7000 or send a request at evoting@nsdl.co.in.

3. Shareholders are encouraged to download the user manual available in <https://www.evoting.nsdl.com> well in advance to have a better understanding of the login and voting process.
4. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. **27th July, 2023** may obtain the login ID and password by sending a request at evoting@nsdl.co.in or issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you possess your password, you can reset your ID and password by using “**Forgot User Details / Password**” or “**Physical User Reset Password**” option available on www.evoting.nsdl.com or call on 022-4886 7000 and 022-2499 7000. In case of individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice of the AGM under “**Access to NSDL e-Voting system**”.
5. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
6. The Chairman will declare the results of voting forthwith upon receipt of report from Scrutinizer and the same shall be immediately placed on the Company’s website www.saetee.com and on the website of NSDL www.evoting.nsdl.com.
7. The resolutions shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes through a compilation of Voting results (i.e., remote e-Voting and the e-Voting held at the AGM).
8. In terms of Section 124 of the Act read with MCA General Circular No. 16/2020 dated 13th April 2020 and other relevant circulars, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, the Company will be transferring the final dividend for the financial year 2015-16 and corresponding shares to IEPF. Members are requested to ensure that they claim the dividends and shares referred above, before they are transferred to the said Fund.
9. Since the AGM will be held through VC / OAVM, the route map to the venue is not annexed to this Notice.
10. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer by e-mail to kasi.s@gopalaiyer.in with a copy marked to evoting@nsdl.co.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “**Upload Board Resolution / Authority Letter**” displayed under “**e-Voting**” tab in their login.

Place : Coimbatore
Date : 22nd May 2023

(By Order of the Board)
MANJULA NARASIMHAN
General Manager
(Finance & Accounts)

STANES AMALGAMATED ESTATES LIMITED

DIRECTORS' REPORT

Your Directors have pleasure in presenting the SEVENTY SEVENTH (77th) Annual Report and the Accounts of the Company for the year ended 31st March 2023 together with the Auditors' Report.

FINANCIAL RESULTS	2022-23	2021-22
	(Rs. in lakhs)	
Profit / (Loss) before Finance Cost, Depreciation and Tax	(186.65)	(171.15)
Finance Cost	15.61	2.85
Depreciation	32.16	35.86
Profit/(Loss) before Tax	(234.42)	(209.86)
Provision for Taxation (including Deferred Tax)	(3.03)	14.69
Profit/(Loss) for the year	(231.39)	(224.55)

OPERATIONS:

TEA: Review of Business operations.

The company harvested 7,42,317 kg of tea for the year under report.

The revenue from operations for the year at Rs. 13.72 crore has shown minimal increase. Operating margins were impacted due to steep inflation of fertilizers and other agri input costs at the backdrop of Ukraine war. The economic slowdown in European union and subdued prices at auctions resulted in widening the gap between the cost of production and farmgate prices.

These factors led to an operational loss of Rs. 231.39 lakhs for the year under report.

COFFEE:

The Company harvested 265 Kg of Coffee as the coffee fields underwent pruning during the year. Yields will improve.

HOLDING AGM THROUGH VIDEO CONFERENCING :

The Ministry of Corporate Affairs (MCA) on December 28, 2022, issued a notification clarifying the holding of the Annual General Meeting (AGM) through Video Conference (VC) or Other Audio-Visual Means (OAVM). Accordingly, the Annual General Meeting is being held through Video Conferencing/Other Audio-Visual Means without the physical presence of the members.

DIVIDEND :

Considering the loss in operation, the Directors are not recommending any dividend for the year.

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

The information pertaining to Conservation of energy, technology absorption and foreign exchange earnings and outgo as required under the Companies Act, 2013 read with Companies (Accounts) Rules 2014 is given as per **Annexure I** forming part of Directors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3) (c) read with Section 134(5) of The Companies Act, 2013 in the preparation of Financial Statements for the year ended 31st March 2023 and state that :

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the company at the end of the financial year and of the profit and loss of the Company for that period
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS:

M/s. K.S. Aiyar & Co., Chartered Accountants, Coimbatore (Registration No. 100186W), were appointed as the statutory auditors of the Company for a period of 5 years from the conclusion of the Seventy Sixth Annual General Meeting until the conclusion of Eighty First Annual General Meeting, held on 22nd August, 2022.

The ratification of appointment of Statutory Auditor every year at the Annual General Meeting by the members is not required now pursuant to The Companies (Amendment) Act, 2017.

AUDITORS' REPORT:

The auditors' report issued by the statutory auditors on the financial statements does not contain any qualifications, reservations or adverse remarks.

The auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

BOARD MEETING:

During the year 2022-23, 4 - Board meetings were held, viz. 25th May 2022, 22nd July 2022, 15th November 2022 and 20th January 2023.

DIRECTORS:

Mr. PS Wallia (DIN 00010755), Director retires by rotation and is eligible for re-appointment.

Your Directors recommend passing the necessary resolution as set out in the notice of the Annual General Meeting.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013. The details of the investments made by Company are given in the financial statements.

DEPOSITS FROM PUBLIC:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

RISK MANAGEMENT POLICY:

The major risks identified by the Company are systematically addressed through mitigating actions on a continuous basis.

CORPORATE SOCIAL RESPONSIBILITY:

The regulations governing Corporate Social Responsibility will not apply to the Company.

RELATED PARTY TRANSACTIONS:

The particulars are given in **Annexure II** forming part of Directors' Report.

ANNUAL RETURN:

The annual return of the company as required under the Companies Act, 2013 will be available on the website of the company at <http://www.saetea.com/investors/>.

DISCLOSURE REQUIREMENTS:

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF THE WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND RE-DRESSAL) ACT 2013:

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

Transfer of Un-claimed Dividend to Investors Education and Protection Fund:

The company has transferred an amount of Rs. 49,696/- to the Investor Education and Protection Fund established by the Central Government during the financial year 2022-23. In terms of Section 125 of the Companies Act 2013, unclaimed dividend or unpaid dividend relating to the financial year 2015 - 16 will be transferred to the Investors Education and Protection Fund within the stipulated time.

Transfer of unclaimed shares to IEPF Authority

The company has transferred 2460 shares during 2022-23 to the Investors Education and Protection Fund Authority to those shareholders whose dividend remained unclaimed for more than seven years .

ACKNOWLEDGEMENT:

The Directors gratefully acknowledge the continued support of the Shareholders.

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

Place : Chennai
Date : 22nd May 2023

For and on behalf of the Board
A. KRISHNAMOORTHY
CHAIRMAN

ANNEXURE I

A. CONSERVATION OF ENERGY:

- | | | |
|---|---|---|
| 1 | The steps taken or impact on Conservation of Energy : | Energy conservation continues to receive top priority in the Company. Efforts are being taken to conserve energy wherever possible and feasible by identifying for elimination of wastages in energy consumption. |
| 2 | The steps taken by the Company for utilising alternate source of energy : | Usage of Briquettes (combustible biomass material) instead of firewood has been increased. Large scale fuel tree planting undertaken. Energy conserving machineries deployed in factories as appropriate. |
| 3 | The capital investment on energy conservation equipments : | NIL |

B. TECHNOLOGY ABSORPTION:

- | | | |
|---|--|--|
| 1 | The efforts made towards technology absorption : | Adopting of UPASI's recommendation in addition to improvement in harvesting and manufacturing process.

Mechanical harvesters weeding machines and other automation efforts undertaken in field to improve productivity. |
| 2 | The benefits derived like product improvement, cost reduction, product development or import substitution : | Increase in production and cost reduction by optimisation of inputs. In addition R & D helped in analysing and suggesting solutions to agricultural problems faced by the estates from time to time. |
| 3 | In case of imported technology [imported during the last three years reckoned from the beginning of the financial year]
a) The details of technology imported :
b) The year of import :
c) Whether the technology been fully absorbed :
d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and | NIL

Not Applicable |
| 4 | The expenditure incurred on research and development : | Rs. 3.14 Lakhs- [UPASI Annual Subscription] |

C. FOREIGN EXCHANGE EARNING & OUTGO:

- | | | |
|---|--|-------------------------|
| 1 | The Foreign Exchange earned in terms of actual inflows during the year & the Foreign Exchange outgo during the year in terms of actual outflows:

Total Foreign Exchange | |
| | Earning From Exports TEA: | Rs. 711.68 Lakhs |
| | Used: | Rs. 0.23 Lakhs |

ANNEXURE II

FORM No. AOC - 2

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arms' length basis -

All transactions entered into by the Company during the year with related parties were on an arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis -

All transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature.

STANES AMALGAMATED ESTATES LIMITED

PROGRESS REPORT AND CROP HARVESTED

Year	Net Profit/ (Loss) before Taxation (₹ in lakhs)	Taxation (₹ in lakhs)	Net Profit/ (Loss) after Taxation (₹ in lakhs)	Tea Crop (Made Tea)		Coffee Crop (Tonnes)	Dividend %
				Own Leaf (Kg)	Bought Leaf (Kg)		
2018-2019	(147.64)	0.80	(148.44)	7,99,743	-	3.41	10.00
2019-2020	(271.72)	8.23	(279.95)	6,65,521	-	10.81	NIL
2020-2021	(128.19)	0.55	(128.74)	6,08,012	-	1.17	NIL
2021-2022	(209.86)	14.69	(224.55)	7,81,224	-	2.95	NIL
2022-2023	(234.39)	(3.03)	(231.36)	7,42,317	18,120	0.26	NIL

AREA OF THE ESTATES ARE APPROXIMATELY AS FOLLOWS - AREA IN HECTARES

Estate	Tea in Bearing	Replanted	Immature Tea	Coffee in Bearing	Cardamom	Roads, Buildings and Spareland	Total Area
Kotada	259.60	-	-	10.85	8.60	55.70	334.75
Deepdale & Golfston	72.60	-	-	12.05	13.03	20.32	118.00
Crofton	47.70	-	-	8.59	-	14.96	71.25
Welbeck & Cairnhill	105.01	-	-	-	-	40.99	146.00
TOTAL	484.91	-	-	31.49	21.63	131.97	670.00

INDEPENDENT AUDITORS' REPORT
To The Members of Stanes Amalgamated Estates Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Stanes Amalgamated Estates Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statements of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and the Statement of Cash Flows for the year then ended, notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, and its loss, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, key Audit matters are not applicable to the company as it is an unlisted company.

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

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report but does not include the financial statements and our auditor's report thereon. The Other Information is expected to be made available to us after the date of this Auditors Report.

- Our Opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material

uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act and on the basis of such checks of the books and records of the Company, as we considered appropriate to the information and explanations given to us, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, according to the information and explanation given to us and based on the examination of the records of the company, managerial remuneration is not paid/provided by the company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigation as at 31st March 2023 on its financial position in its Financial Statements- Refer Note 25 to the financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The company has not declared or paid any dividend during the year ended 31st March 2023.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 01st April 2023. Reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March 2023.

For **K.S Aiyar & Co.,**
Chartered Accountants
(Firm's Registration No. 100186W)

S. KALYANARAMAN
(Partner)

Membership No. 200565
UDIN: 23200565BGWUZM3050

Place : Coimbatore
Date : 22nd May 2023

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

[Referred to in paragraph 1 under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date on the financial statements for the year ended on March 31, 2023 of Stanes Amalgamated Estates Limited]

To the best of our information and according to the explanations provided to us by the management of the Company and the books of account and records examined by us in the normal course of audit we state that

- i) (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment;
 - B) The Company has no intangible assets and hence reporting under clause 3(i)(a)B of order is not applicable.
 - b) The Property, Plant and Equipment have been physically verified during the year by the Management in accordance with the phased a programme of verification of all assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed /transfer deed/conveyance deed provided to us, we report that, the title deeds of all the freehold land & buildings are held in the name of the Company as at the balance sheet date.
 - d) According to the information and explanations given to us and as shown by the records verified by us, the company has not revalued its Property, Plant and Equipment during the year.
 - e) According to the information and explanations given to us and based on the records examined by us, no proceedings have been initiated or are pending against the company under Benami Transactions (Prohibition) Act, 1988 and rules made thereunder as the Company does not hold any Benami Property.
- ii) a) The inventories (excluding stocks with third parties) has been physically verified by the Management during the year at reasonable intervals. In respect to inventory of tea lying at third party warehouses, the Company has obtained confirmations from such warehouses for the inventory held by them. In our opinion, the coverage and procedure for such verification is appropriate considering the size and nature of the business of the company. As per information and explanations given to us, no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on the said physical verification carried out by the management.
 - b) The Company has not been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, at any point of time during the year, from any banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties during the year. Accordingly, clause 3(iii) of the Order is not applicable.
- iv) In our opinion, and according to the information and explanations given to us, the Company has not granted any loans or provided guarantees and hence provisions of Section 185 and 186 of the Companies Act are not applicable.

- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public and it does not have any amounts which are deemed to be deposits within the provisions of Sections 73 to 76 of the Act read with The Companies (Acceptance of Deposits) Rules, 2014 and other relevant provisions of the Act. Hence reporting under clause 3(v) of the Order is not applicable.
- vi) The maintenance of cost records specified by the Central Government under section 148 (1) of the Companies Act, 2013 is not applicable to the company.
- vii) According to the information and explanations given to us and the records of the Company examined by us, in respect of statutory dues:
- a) The Company has been generally regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Income-Tax and other material statutory dues applicable to it. According to the information and explanations given to us and the records of the Company examined by us, there were no undisputed amount payable in respect of Goods and Service Tax, Provident Fund, Income-Tax and any other material statutory dues applicable to it, were outstanding, as on the last day of the financial year, for a period of more than six months from the date they became payable;
- b) According to information and explanations given to us, the statutory dues referred to in (vii)(a) above, which have not been deposited on account of any dispute are given below :

Name of the Statute	Nature of the dues	Amount not deposited in Rs.	Period to which the amount relates	Forum where dispute is pending
The Income-tax Act, 1961	Income-tax - Penalty	2,10,660/-	AY 2014-15	Commissioner of Income Tax (Appeals)

- viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix) a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Therefore, the question of reporting on the period and amount of default does not arise.
- b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanations given to us, the company has not obtained any term loans during the year and there are no outstanding term loans at the beginning of the year and accordingly, reporting under clause 3(ix)(c) of the order is not applicable.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) of the order is not applicable.

- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, reporting under clause 3(ix)(f) of the order is not applicable.
- x) a) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, the question of complying with Section 42 and Section 62 of the Companies Act, 2013 and reporting on its utilization does not arise.
- xi) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no instances of fraud by the Company or any fraud on the Company has been noticed or reported during the year;
- b) No report under Sub-Section 12 of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) According to the information and explanations furnished by the management, which has been relied upon by us, no Whistle Blower Complaint was received by the Company during the year.
- xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS Financial Statements, as required by the applicable Indian Accounting Standards. Further, the provisions of Section 177 of the Companies Act, 2013 is not applicable to the company.
- xiv) According to the information and explanations given to us, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.
- xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- b) The Company is not a Non-Banking Finance Company or a Housing Finance Company. Accordingly, provision of clause 3(xvi)(b) of the Order is not applicable.
- c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India

- d) According to the information and explanations given to us, the Company does not have any Core Investment Company as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable
- xvii) The Company has incurred a cash loss of Rs.2,12,19,914/- in the current financial year and Rs.1,98,61,560/- in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing as at the date of balance sheet as and when they fall due within a period of one year from the balance sheet. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) The provision of Section 135(5) of the Companies Act, 2013 is not applicable to the company and hence paragraph 3(xx) of the order is not applicable.

For **K.S Aiyar & Co.,**
Chartered Accountants
(Firm's Registration No. 100186W)

S. KALYANARAMAN
(Partner)
Membership No. 200565
UDIN: 23200565BGWUZM3050

Place : Coimbatore
Date : 22nd May 2023

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 (f) under 'Report on other Legal and Regulatory Requirements' Section of our report to the Members of Stanes Amalgamated Estates Limited of even date)

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

We have audited the internal financial controls over financial reporting of Stanes Amalgamated Estates Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management and Board of Director is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **K.S Aiyar & Co.,**
Chartered Accountants
(Firm's Registration No. 100186W)

S. KALYANARAMAN
(Partner)
Membership No. 200565
UDIN: 23200565BGWUZM3050

Place : Coimbatore
Date : 22nd May 2023

STANES AMALGAMATED ESTATES LIMITED

BALANCE SHEET AS AT 31st MARCH 2023

Particulars	Note No.	As at 31 st March 2023 (₹ in lakhs)	As at 31 st March 2022 (₹ in lakhs)
ASSETS			
Non-current assets			
a) Property, plant and equipment	3a	364.43	353.28
b) Capital Work In Progress	3b	82.99	-
c) Investment Property	3c	4.67	-
d) Financial assets			
i) Investments	4	133.65	155.95
ii) Other financial assets	5	11.68	9.83
e) Deferred tax assets (net)	23	11.82	7.86
Total non-current assets		609.24	526.92
Current assets			
a) Inventories	7	265.74	339.50
b) Financial assets			
i) Trade receivables	8	178.56	56.45
ii) Cash and cash equivalents	9	12.77	21.80
ii) Bank balances other than (ii) above	9.1	7.69	8.05
iii) Other financial assets	5	-	-
c) Other current assets	6	67.06	27.38
Total current assets		531.82	453.18
TOTAL ASSETS		1,141.06	980.10
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	10	110.75	110.75
b) Other equity	11	308.78	526.82
Total equity		419.53	637.57
LIABILITIES			
Non-current liabilities			
a) Provisions	12	-	-
b) Deferred Tax Liability	23	-	-
c) Other Financial Liabilities	14	18.60	-
Total non-current liabilities		18.60	-
Current liabilities			
a) Financial liabilities			
i) Borrowings	31	406.62	30.00
ii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	13	-	1.27
- Total outstanding dues of creditors other than micro enterprises and small enterprises	13	65.72	71.59
iii) Other financial liabilities	14	61.50	65.03
b) Other current liabilities	15	137.22	141.05
c) Current tax liabilities (net)	12	31.87	33.59
Total current liabilities		702.93	342.53
TOTAL EQUITY AND LIABILITIES		1,141.06	980.10
See accompanying notes to the financial statements	1 & 2		

In terms of our report attached

For M/s. K.S AIYAR & Co.,
Chartered Accountants
(Firm's Registration No. 100186W)

S. KALYANARAMAN
Partner
Membership No. 200565

Place : Coimbatore
Date : 22nd May 2023

For and on behalf of the Board of Directors

A. KRISHNAMOORTHY
Chairman
DIN 00001778

Place : Chennai
Date : 22nd May 2023

LAKSHMI NARAYANAN
Director
DIN 02539061

Place : Chennai
Date : 22nd May 2023

PS WALLIA
Director
DIN 00010755

Place : Chennai
Date : 22nd May 2023

V. VISWANATHAN
Director
DIN 00010777

Place : Coimbatore
Date : 22nd May 2023

STANES AMALGAMATED ESTATES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023

Particulars	Note No.	For the year ended	
		31 st March 2023 (₹ in lakhs)	31 st March 2022 (₹ in lakhs)
I Revenue from operations	16	1,372.42	1,365.98
II Other income	17	28.88	12.31
III Total income (I+II)		1,401.30	1,378.29
IV Expenses			
Purchases of tea		-	-
Green Leaf Purchases		15.65	5.59
Changes in inventories of finished goods	18	57.74	(46.39)
Employee Benefits Expense	19	989.51	1,047.49
Finance Cost	20	15.61	2.85
Depreciation Expenses	3	32.16	35.86
Other Expenses	21	525.02	542.75
Total expenses (IV)		1,635.69	1,588.15
V Loss before tax (III - IV)		(234.39)	(209.86)
VI Tax expense:			
Current tax	22	-	16.05
Deferred tax	23	(3.03)	(1.36)
		(3.03)	14.69
VII Loss for the year (V - VI)		(231.36)	(224.55)
VIII Other Comprehensive Income / (Loss)			
Item that will not be reclassified to profit or loss			
- Re-measurement of the defined benefit plans		5.44	(39.03)
- Equity and debt instruments through Other Comprehensive Income		6.94	42.97
Income tax relating to item that will not be reclassified to profit or loss		0.94	(4.13)
Other Comprehensive Income / (loss)		13.32	(0.19)
Total Comprehensive Income / (Loss) (VII + VIII)		(218.04)	(224.74)
IX Earnings per equity share (of ₹ 10/- each)			
Basic and diluted (in ₹)	30	(20.89)	(20.28)
See accompanying notes to the financial statements	1 & 2		

In terms of our report attached

For M/s. K.S AIYAR & Co.,
Chartered Accountants
(Firm's Registration No. 100186W)

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STANES AMALGAMATED ESTATES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

Particulars	For the year ended	
	31 st March 2023 (₹ in lakhs)	31 st March 2022 (₹ in lakhs)
A. Cash flow from operating activities		
Loss before tax for the year	(234.39)	(209.86)
Adjustments for:		
Depreciation expense	32.16	35.86
Profit on sales of property, plant and equipment (Net)	(3.26)	(2.03)
Interest income on financial assets at amortised cost	(2.48)	(3.60)
Dividend income on financial assets at FVOCI	(2.27)	(6.35)
Finance costs recognised in profit or loss	15.61	2.85
Rental income	(20.15)	-
Net gain on sale of investments	(0.73)	(0.33)
Operating loss before working capital changes	(215.51)	(183.46)
Changes in operating assets and liabilities		
(Increase)/decrease in inventories	73.75	(45.69)
(Increase)/decrease in trade receivables	(122.11)	18.79
(Increase)/decrease in other current financial assets	(1.85)	-
(Increase)/decrease in other current assets	(39.67)	11.32
(Increase)/decrease in other non current assets	26.26	0.50
Increase/(decrease) in trade payables	(7.15)	50.89
Increase/(decrease) in other financial liabilities	(199.49)	24.19
Increase/(decrease) in other current liabilities	(3.87)	15.51
Increase/(decrease) in provisions	(1.71)	(3.51)
	(275.83)	72.00
Net cash used in operations	(491.34)	(111.46)
Net income tax (paid) / refunds	-	(27.20)
Net cash flow (used in) operating activities (A)	(491.34)	(138.66)

STANES AMALGAMATED ESTATES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2023 (Contd...)

Particulars	For the year ended	
	31 st March 2023 (₹ in lakhs)	31 st March 2022 (₹ in lakhs)
B. Cash flow from investing activities		
Payments for property, plant and equipment	51.60	(12.87)
Proceeds from sale of property, plant and equipment	2.53	2.03
(Payments) for purchase/ sale of investments (net)	23.31	48.51
Other bank balances	0.36	48.73
Interest received	2.48	2.96
Rent Received	20.15	-
Dividends received	2.27	6.35
Net cash flow from investing activities (B)	102.70	95.71
C. Cash flow from financing activities		
Dividends paid to equity shareholders including dividend distribution tax	-	-
Proceeds from current borrowings	395.22	(10.00)
Interest paid	(15.61)	(2.85)
Net cash flow from / (used in) financing activities (C)	379.61	(12.85)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(9.03)	(55.80)
Cash and cash equivalents at the beginning of the year	21.80	77.60
Cash and cash equivalents at the end of the year	12.77	21.80
See accompanying notes to the financial statements 1 & 2		

In terms of our report attached

For M/s. K.S AIYAR & Co.,
Chartered Accountants
(Firm's Registration No. 100186W)

S. KALYANARAMAN
Partner
Membership No. 200565

Place : Coimbatore
Date : 22nd May 2023

For and on behalf of the Board of Directors

A. KRISHNAMOORTHY
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V. VISWANATHAN
Director
DIN 00010777

Place : Coimbatore
Date : 22nd May 2023

STANES AMALGAMATED ESTATES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2023

a. Equity Share Capital

Particulars	Notes	Equity Share Capital (₹ in lakhs)
Balance at 1st April, 2022	10	110.75
Changes in equity share capital during the year	-	-
Balance at 31st March 2023	10	110.75

b. Other Equity

Particulars	Reserves and Surplus			Items of Other Comprehensive Income		Total (₹ in lakhs)
	General reserve (₹ in lakhs)	Capital redemption reserve (₹ in lakhs)	Retained earnings (₹ in lakhs)	Equity and debt instruments through Other Comprehensive Income (₹ in lakhs)	Remeasurements of defined benefit plans (₹ in lakhs)	
Balance at the beginning of the reporting period i.e. 1st April, 2021	987.83	3.16	(189.94)	(56.53)	7.05	751.57
Transfer to retained earnings from Other Comprehensive Income on account of realised gains from sale of investments	-	-	6.24	(6.24)	-	-
Dividend paid	-	-	-	-	-	-
Tax on dividend	-	-	-	-	-	-
Loss for the year (net of taxes)	-	-	(224.55)	-	-	(224.55)
Other Comprehensive Income for the year (net of taxes)	-	-	-	38.84	(39.03)	(0.19)
Balance at the end of the reporting period i.e. 31st March, 2022	987.83	3.16	(408.25)	(23.93)	(31.98)	526.83

STANES AMALGAMATED ESTATES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2023 (Contd...)

b. Other Equity

Particulars	Reserves and Surplus			Items of Other Comprehensive Income		Total (₹ in lakhs)
	General reserve (₹ in lakhs)	Capital redemption reserve (₹ in lakhs)	Retained earnings (₹ in lakhs)	Equity and debt instruments through Other Comprehensive Income (₹ in lakhs)	Remeasurements of defined benefit plans (₹ in lakhs)	
Balance at the beginning of the reporting period i.e. 1st April, 2022	987.83	3.16	(408.25)	(23.93)	(31.98)	526.83
Transfer to retained earnings from Other Comprehensive Income on account of realised gains from sale of investments	-	-	0.14	(0.14)	-	-
Loss for the year (net of taxes)	-	-	(231.36)	-	-	(231.36)
Other Comprehensive Income for the year (net of taxes)	-	-	-	7.88	5.44	13.32
Balance at the end of the reporting period i.e. 31st March, 2023	987.83	3.16	(639.47)	(16.20)	(26.54)	308.78

In terms of our report attached

For M/s. K.S AIYAR & Co.,
Chartered Accountants
(Firm's Registration No. 100186W)

S. KALYANARAMAN
Partner
Membership No. 200565

Place : Coimbatore
Date : 22nd May 2023

For and on behalf of the Board of Directors

A. KRISHNAMOORTHY
Chairman
DIN 00001778

Place : Chennai
Date : 22nd May 2023

LAKSHMI NARAYANAN
Director
DIN 02539061

Place : Chennai
Date : 22nd May 2023

PS WALLIA
Director
DIN 00010755

Place : Chennai
Date : 22nd May 2023

V. VISWANATHAN
Director
DIN 00010777

Place : Coimbatore
Date : 22nd May 2023

STANES AMALGAMATED ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2023

1. Corporate Information.

Stanes Amalgamated Estates Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the erstwhile Companies Act, 1956. The Company is engaged in the manufacturing of Tea. The Company caters to both domestic and international markets. The financial statements were authorized for issuance by the Company's Board of Directors on 22nd May 2023.

2. Significant Accounting Policies.

2.1 Basis of preparation and presentation

a) Statement of compliance

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

b) Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- i. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
- ii. Derivative financial instruments;
- iii. Defined benefit and other long-term employee benefits.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

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

STANES AMALGAMATED ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

c) **Use of estimates and judgement**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following note:

i) **Other estimates:**

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

The principal accounting policies are set out below :

2.2 Revenue recognition

2.2.1 Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services, regardless of when the payment is being made. Revenue is measured at the transaction price of the consideration received or receivable, taking into account contractually defined terms of payment. The Company is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

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

i) **Sale of goods**

Revenue from sale of goods is recognised when control of the goods is transferred to the Customers. Revenue from the sale of goods is measured at transaction price which is the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates and GST

ii) **Dividend and interest income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income

STANES AMALGAMATED ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

iii) Other operating revenue :

Other export incentives are recognised on accrual basis.

iv) Trade Receivables:

Trade receivables are recognised initially at their transaction price and subsequently measured at amortised cost less any impairment loss.

v) Rental Income:

The Company's policy for recognition of revenue from operating leases is described in **Note 2.2.1.1**

2.2.1.1 Leases:

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as Operating lease.

The Company as lessor:

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2.3 Foreign currencies

i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

ii) Foreign currency transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains / (losses). Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

STANES AMALGAMATED ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

2.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in Profit or Loss in the period in which they are incurred.

2.5 Subsidies

Subsidy on Orthodox Tea from Tea board is accounted in the Statement of Profit and Loss on accrual basis to the extent sanctioned by the Tea Board.

2.6 Employee benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans.

The Company has the following employee benefit plans:

a) Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is managed by the Life Insurance Corporation of India (LIC). The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method.

Actuarial gains or losses are recognized in Other Comprehensive Income. Further, the Profit or Loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through Other Comprehensive Income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

b) Compensated absences

The certain category of employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company recognizes accumulated compensated absences based on actuals. Non-accumulating compensated absences are recognized in the period in which the absences occur.

STANES AMALGAMATED ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

c) Superannuation Fund

This is a defined contribution plan. The Company contributes a sum equivalent to 15% of eligible employees' salary towards superannuation fund administered by the Trustees and managed by Life Insurance Corporation of India (LIC). The Company has no further obligations for future superannuation benefits other than its annual contributions and recognises such contributions as expense in the year incurred.

d) Provident Fund

This is a defined contribution plan, and contributions made to the Fund as per the rules of the Company are charged to Revenue. The Company has no further obligations for future provident fund benefits other than monthly contributions.

2.7 Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in Equity or in Other Comprehensive Income.

a) Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

b) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences.

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

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

STANES AMALGAMATED ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

2.8 Biological assets, Property, Plant and Equipment

- a) **Recognition and measurement:** Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.
- b) **Land and buildings :** Land and building held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.
- c) **Biological Assets :** Biological assets are classified as Bearer biological assets, and agricultural produce. Bearer Biological Assets which are held to bear agricultural produce are classified as Bearer plants. Bearer plants are recognised under Property, Plant and Equipment on fulfilment of the following conditions:

1. Are used in the production or supply of agricultural produce;
2. Are expected to bear produce for more than one period; and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales.

Tea bushes and other minor produce are recognised as Bearer biological assets. These are classified as Mature Bearer Plants and Immature Bearer Plants. Mature Bearer Plants are those that have attained harvestable stage. Cost incurred for new plantations and immature areas are capitalised.

Cost includes cost of land preparation, new planting and maintenance till maturity. The cost of areas coming into 'bearing' is transferred to mature plantations and depreciated over their estimated useful lives.

Bearer plants relating to Tea bushes and that of Minor Produces attain harvestable stage in about 3-5 years. Bearer biological assets are carried at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure on bearer assets are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Mature bearer plants are depreciated over their estimated useful life. Immature bearer plants are tested for impairment / obsolescence.

- d) **Investment Property:** Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment property is carried at cost including related transaction costs less accumulated depreciation and impairment losses, if any. Subsequent expenditure is included in the asset's book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When a part of an investment property is replaced, the carrying amount of the replaced part is derecognised.
- e) **Depreciation:** The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

STANES AMALGAMATED ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

Category and years

Buildings	-	30 years
Computers	-	3 - 6 years
Furniture and fixtures	-	10 years
Electrical installations	-	15 years
Office equipment	-	10 years
Vehicles	-	8 - 10 years
Plant and machinery	-	15 years
Bearer Plants	-	60 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress.

2.9 Financial instruments:

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While payables are recognised net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at Fair Value Through Other Comprehensive Income (FVTOCI), equity instruments at FVTOCI or Fair Value Through Profit and Loss account (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

STANES AMALGAMATED ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

a) Non-derivative financial assets

i) Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

ii) Debt instruments at FVTOCI

A debt instrument shall be measured at Fair Value Through Other Comprehensive Income if both of the following conditions are met:

- a) The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- b) The asset's contractual cash flow represent SPPI

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in Other Comprehensive Income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain loss in Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the Effective Interest Rate (EIR) model.

STANES AMALGAMATED ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

iii) **Equity instruments at FVTOCI:**

All equity instruments are measured at fair value. Investments in Mutual funds held for trading are classified as FVTPL. For all other equity instruments, the Company has made an irrevocable election to present subsequent changes in the fair value in OCI. The Company made such election on an instrument-by-instrument basis.

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to the Statement of Profit and Loss.

iv) **Financial assets at FVTPL**

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate the financial asset, which otherwise meets amortized cost or FVOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has designated investment in Mutual fund for trading (financial asset) as FVTPL.

Financial assets included within the FVTPL category are measured at fair values with all charges in the Statement of Profit and Loss.

b) **Non-derivative financial liabilities**

i) **Financial liabilities at amortised cost**

Financial liabilities at amortised cost represented by trade and other payables are initially recognized at fair value and subsequently carried at amortized cost using the effective interest rate method.

ii) **Financial Liabilities at FVTPL**

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the statement of profit and loss.

c) **Derivative financial instruments**

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities and forecasted cash flows denominated in foreign currencies. The counterparty for these contracts is generally a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in Statement of Profit and Loss.

STANES AMALGAMATED ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

2.10 Impairment

a) Financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- i) Financial assets measured at amortised cost, contractual revenue receivable

STANES AMALGAMATED ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

- ii) ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

b) Non-financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.11 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

STANES AMALGAMATED ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

2.12 Earnings per share

Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

2.13 Inventories including Agricultural Produce

Produce growing on Bearer plant is a Biological asset and are fair valued based on the biological transformation, except where on initial recognition quoted market prices are not available and alternate fair value measures are clearly unreliable in which case biological asset is measured at cost less any accumulated depreciation and impairment loss.

Tea and minor crops are designated as agricultural produce as per Ind AS 41 and are measured at their fair value less cost to sell at the point of harvest. Any changes in fair value are recognised in the Statement of Profit and Loss in the year in which these arise upon harvest. The fair valuation so arrived at becomes the cost of Inventory under Ind AS-2.

- a) Stores and Spares are valued at cost ascertained primarily on weighted average basis.
- b) Nursery stocks are valued at cost incurred in raising and maintaining such stocks till transplanted.
- c) Tea, Coffee and Minor produce is valued at lower of cost and net realizable price.

Net realisable value represents the estimated selling price less all estimated cost of completion and selling expenses. Provision is made for obsolete, slow-moving and defective stocks, where necessary.

2.14 Premium from Fair Trade International (FLO)

Sale of tea under "Fairtrade International Charter" offers a certain premium besides "negotiated price" for the grade, payable to the buyer to the seller.

The "premium receivable on sale under 'Fairtrade charter' is invoiced separately and collected under an obligation to pay it over to a trust constituted under Fairtrade charter namely Kotada Group Welfare Trust, for the benefits of the workers and community welfare.

2.15 Critical estimates and judgements

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

STANES AMALGAMATED ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. The areas involving critical estimates or judgements is Estimation of defined benefit obligation - **Note 26**. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

2.16 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies.

The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to IndAS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and off setting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

STANES AMALGAMATED ESTATES LIMITED

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

Note : 3 Property, plant and equipment

Description of assets	Freehold land (₹ in lakhs)	Buildings (₹ in lakhs)	Machinery and electrical equipment (₹ in lakhs)	Furniture, office and other equipment (₹ in lakhs)	Vehicles (₹ in lakhs)	Bearer plant (₹ in lakhs)	Total (₹ in lakhs)
I. Gross block							
Cost as at 1 st April 2022	66.17	137.72	253.27	22.59	36.95	108.22	624.92
Additions	-	-	40.63	-	10.97	-	51.60
Disposals	-	-	2.94	2.17	16.41	1.79	23.31
Other Transfers(Refer Note Below)	2.40	23.27	-	-	-	-	25.67
Cost as at 31st March 2022	63.77	114.45	290.96	20.42	31.51	106.43	627.54
II. Accumulated depreciation as on 1st April 2022							
Charge for the year	-	74.97	139.06	14.82	22.38	20.41	271.64
Disposals	-	4.12	17.93	2.14	3.52	2.54	30.25
Other Transfers(Refer Note Below)	-	19.10	2.58	1.19	14.12	1.79	19.68
Accumulated depreciation as on 31st March 2023	-	59.99	154.41	15.77	11.78	21.16	263.11
III. Net block (I-II)							
Net Carrying amount as at 31 st March 2023	63.77	54.46	136.55	4.65	19.73	85.27	364.43

Description of assets	Freehold land (₹ in lakhs)	Buildings (₹ in lakhs)	Machinery and electrical equipment (₹ in lakhs)	Furniture, office and other equipment (₹ in lakhs)	Vehicles (₹ in lakhs)	Bearer plant (₹ in lakhs)	Total (₹ in lakhs)
I. Gross block							
Cost as at 1 st April 2021	66.17	137.72	244.91	18.92	36.11	108.22	612.05
Additions	-	-	8.36	3.67	0.84	-	12.87
Disposals	-	-	-	-	-	-	-
Cost as at 31st March 2022	66.17	137.72	253.27	22.59	36.95	108.22	624.92
II. Accumulated depreciation and impairment							
Accumulated depreciation as on 1 st April 2021	-	66.95	121.64	11.51	17.82	17.86	235.78
Charge for the year	-	8.02	17.42	3.31	4.56	2.55	35.86
Disposals	-	-	-	-	-	-	-
Accumulated depreciation as on 31st March 2022	-	74.97	139.06	14.82	22.38	20.41	271.64
III. Net block (I-II)							
Net Carrying amount as at 31 st March 2022	66.17	62.75	114.21	7.77	14.57	87.81	353.28

Note: Reclassification of items between Property Plant & Equipment & Investment Property amounting to Rs.25.67 Lakhs applied as per provisions of IND AS 40 during the Financial year 2022-23

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

Note 3B. Capital Work in Progress (Ageing Schedule)

(Amount in ₹)

Particulars	Amount in CWIP for a period of					
	For the Period ending 31.3.2023	Less than 1 yr.	1-2 years	2-3 years	More than 3 yrs.	Total
Projects in progress	82.99					82.99
Projects temporarily suspended	-	-	-	-	-	-

Note 3C Investment Property

Description of assets	Freehold land	Buildings	Total
I. Gross block			
Cost as at 1st April 2022	2.40	23.27	25.67
Additions	-	-	-
Disposals	-	-	-
Cost as at 31st March 2023	2.40	23.27	25.67
II. Accumulated depreciation and impairment			
Accumulated depreciation as on 1st April 2022	-	19.10	19.10
Charge for the year	-	1.90	1.90
Disposals	-	-	-
Accumulated depreciation as on 31st March 2023	-	21.00	21.00
III. Net block (I-II)			
Net Carrying amount as at 31st March 2023	2.40	2.27	4.67
I. Gross block			
Cost as at 1st April 2021			
Additions	-	-	-
Disposals	-	-	-
Cost as at 31st March 2022	-	-	-
II. Accumulated depreciation and impairment			
Accumulated depreciation as on 1 st April 2021	-	-	-
Charge for the year	-	-	-
Disposals	-	-	-
Accumulated depreciation as on 31st March 2022	-	-	-
III. Net block (I-II)			
Net Carrying amount as at 31st March 2022	-	-	-

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

3 C.1 Amounts recognised in profit and loss for investment property :

Particulars	Year ended 31 st March 2023 (₹ in lakhs)	Year ended 31 st March 2022 (₹ in lakhs)
Rental income from freehold buildings	20.15	-
Direct operating expense from property that generated rental income	1.08	-
Profit from investment property before depreciation	19.07	-
Depreciation	1.90	-
Profit from investment property	17.17	-

3 C.2 Fair Value

Particulars	Year ended 31 st March 2023 (₹ in lakhs)	Year ended 31 st March 2022 (₹ in lakhs)
Land	472.69	-
Buildings	2.30	-
Machinery and Electrical installations	-	-
	474.99	-

3C.3 Estimation of Fair value

The fair value of the Company's investment properties as at **31st March 2023** and **31st March 2022**, have been arrived at on the basis of a valuation carried out as on the respective dates by an approved independent valuer not related to the Company, having appropriate recognised professional qualifications and experience in the category of the property being valued. Fair valuation of freehold land is based on Government rates, market trends and comparable values as considered appropriate.

3C.4 Minimum lease payments receivable on lease of immovable property are as follows :

Particulars	Year ended 31 st March 2023 (₹ in lakhs)	Year ended 31 st March 2022 (₹ in lakhs)
Less than one year	38.13	-
One to five years	147.27	-
More than five years	-	-
Total	185.40	-

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

Note : 4 Non-current investments

Particulars	Nominal value of Shares/ units (₹)	As at 31 st March 2023		As at 31 st March 2022	
		No. of shares/ Units	Amount (₹ in lakhs)	No. of shares/ Units	Amount (₹ in lakhs)
A. Investments carried at - Fair Value through Other Comprehensive Income (FVOCI)					
I. Quoted investments (fully paid)					
a) Investments in equity instruments of					
The United Nilgiri Tea Estates Company Limited	10			7,506	25.37
Coal India Limited	10	3,000	6.41	3,000	5.49
Engineers India Limited	5	2,000	1.49	2,000	1.28
Indian Oil Corporation Limited	10	15,000	11.69	10,000	11.90
NLC India Limited	10	7,000	5.40	7,000	4.38
Oil India Limited	10			12,999	30.99
Oil and Natural Gas Corporation Limited	10			14,000	22.95
Saint Gobain Glass Limited	10	10,000	8.20	10,000	8.01
Bharat Heavy Electricals Limited	2	26,000	18.21	26,000	12.83
Schneider Electric Limited	2	3,000	4.67	3,000	3.56
ITC Limited	1	3,000	11.51	3,000	7.52
NTPC Limited Tax free secured non convertible bonds	1,000	474	4.99	474	5.17
IRFC Tax free bonds - 2013	1,000	1,000	10.61	1,000	16.05
NTPC Limited Non-convertible debentures	10	1,500	0.15	1,500	0.20
Total aggregate quoted investments			83.33		155.70
II. Unquoted investments (fully paid)					
Investments in equity instruments of					
The Tamilnadu Tea Manufacturers' Service Industrial Co-op.Society Limited	5000	5	0.25	5	0.25
Total unquoted investments			0.25		0.25
Investments carried through FVOCI (A) (I + II)			83.58		155.95

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

Note : 4 Non-current investments

Particulars	Nominal value of Shares/ units (₹)	As at 31 st March 2023		As at 31 st March 2022	
		No. of shares/ Units	Amount (₹ in lakhs)	No. of shares/ Units	Amount (₹ in lakhs)
B. Investments carried at - Fair Value Through Profit and Loss (FVTPL)					
Quoted investments in mutual funds					
SBI Liquid Fund Direct Growth	3,519	1,421	50.07	-	-
Investments carried at FVTPL [B]			50.07		-
C. Total investments carried at fair value [A+B]			133.65		155.95
Total investment carrying value [C]			133.65		155.95
Other disclosures					
Aggregate carrying amount of quoted investments			133.40		155.70
Aggregate market value of quoted investments			133.40		155.70
Aggregate amount of unquoted investments			0.25		0.25
Aggregate amount of impairment in value of investments			-		-

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

Note	Particulars	As at 31 st March 2023 (₹ in lakhs)	As at 31 st March 2022 (₹ in lakhs)
5	Other financial assets <i>(Unsecured - considered good, carried at amortized cost)</i>		
	Non Current		
	Security deposits	11.68	9.83
	Total	11.68	9.83
6	Other assets <i>(Unsecured - considered good)</i>		
	Current		
	Advances to suppliers	6.04	5.07
	Capital Advances	35.24	-
	Prepaid expenses	15.52	14.78
	Advances to employees	-	0.29
	GST receivable	9.68	6.52
	Others (Including fair trade premium)	0.58	0.72
	Total	67.06	27.38
7	Inventories <i>(at lower of cost and net realizable value)</i>		
	Finished goods		
	Tea	223.16	282.92
	Coffee	-	-
	Minor produce	5.12	3.10
	Stores and spares	37.46	53.48
	Total	265.74	339.50
8	Trade receivables		
	Other receivables		
	- Unsecured, considered good	178.56	56.45
	Total	178.56	56.45

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

Note 8A. Trade Receivables ageing schedule

Particulars	Outstanding for following period from due date of payments					
	Less than 6 months (₹ in lakhs)	6 months - 1 year (₹ in lakhs)	1-2 years (₹ in lakhs)	2-3 years (₹ in lakhs)	More than 3 years (₹ in lakhs)	Total (₹ in lakhs)
For the year ending 31st March 2023						
i) Undisputed Trade receivables – considered good	178.56	-	-	-	-	178.56
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Particulars	Outstanding for following period from due date of payments					
	Less than 6 months (₹ in lakhs)	6 months - 1 year (₹ in lakhs)	1-2 years (₹ in lakhs)	2-3 years (₹ in lakhs)	More than 3 years (₹ in lakhs)	Total (₹ in lakhs)
For the year ending 31st March 2022						
i) Undisputed Trade receivables – considered good	56.45	-	-	-	-	56.45
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

Note	Particulars	As at 31 st March 2023 (₹ in lakhs)	As at 31 st March 2022 (₹ in lakhs)
9	Cash and cash equivalents		
	Balances with banks in current accounts	6.96	21.53
	Cash in hand	0.81	0.27
	Deposit accounts - original maturity less than 3 months	5.00	-
	Total	12.77	21.80
9.1	Bank balance other than above		
	Other bank balances		
	Margin money with earmarked accounts	4.49	4.34
	Unclaimed / unpaid dividend	3.05	3.56
	Deposit accounts - original maturity more than 3 months	0.15	0.15
	Total	7.69	8.05

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd..)

Note	Particulars	As at 31 st March 2023		As at 31 st March 2022	
		Number of Shares	(₹ in lakhs)	Number of Shares	(₹ in lakhs)
10 Equity share capital					
s Authorised					
	Equity shares of ₹ 10/- each	15,00,000	150.00	15,00,000	150.00
	Issued, subscribed and fully paid-up				
	Equity shares of ₹ 10/- each with voting rights	11,07,499	110.75	11,07,499	110.75
			110.75		110.75
a. Reconciliation of the number of shares and amount outstanding at the beginning and at end of the reporting year					
	Equity shares				
	At the beginning of the year	11,07,499	110.75	11,07,499	110.75
	Movements during the year	-	-	-	-
	Outstanding at the end of the year	11,07,499	110.75	11,07,499	110.75
b. Rights, preferences and restrictions attached to equity shares					
	As per the provisions of the Companies Act, 2013 and Articles of Association of the Company.	-	-	-	-
c. Shares held by Holding / Ultimate Holding Company and /or their subsidiaries / associates:					
	Out of equity shares issued by the Company Shares held by its Holding company, Ultimate Holding company and their subsidiaries / associates are as below:				
1. T. Stanes and Company Limited - the Holding Company					
	Equity shares of ₹ 10/- each fully paid up	5,56,335	55.63	5,56,335	55.63
2. Amalgamations Private Limited- the Ultimate Holding Company					
	Equity Shares of ₹ 10/- each fully paid up	1,40,490	14.05	1,40,490	14.05
3. The United Nilgiri Tea Estates Company Limited Associate of the Ultimate Holding Company					
	Equity shares of ₹ 10/- each fully paid up	81,783	8.18	81,783	8.18
d. Details of shares held by each shareholder holding more than 5% shares in the Company					
	T. Stanes and Company Limited	5,56,335	50.23%	5,56,335	50.23%
	Amalgamations Private Limited	1,40,490	12.69%	1,40,490	12.69%
	The United Nilgiri Tea Estates Company Limited	81,783	7.38%	81,783	7.38%
	Life Insurance Corporation of India	61,552	5.56%	61,552	5.56%
		8,40,160		8,40,160	

STANES AMALGAMATED ESTATES LIMITED

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

e. Details of Shares held by Promoters

Promoter name	Number of Shares**	% of total Shares	% Change during the year ***
Shares held by promoters as on 31st March 2023			
Amalgamations Private Limited	1,40,490	12.69	-
T.Stanes and Company Limited	5,56,335	50.23	-
Total	6,96,825	62.92	-

Promoter name	Number of Shares**	% of total Shares	% Change during the year ***
Shares held by promoters as on 31st March 2022			
Amalgamations Private Limited	1,40,490	12.69	-
T.Stanes and Company Limited	5,56,335	50.23	-
Total	6,96,825	62.92	-

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

Note	Particulars	As at 31 st March 2023 (₹ in lakhs)	As at 31 st March 2022 (₹ in lakhs)
11	Other equity		
	General reserve <i>(This represents appropriation of profit by the Company)</i>		
	Balance at beginning of the year	987.83	987.83
	Movements during the year	-	-
	Balance at end of the year	987.83	987.83
	Capital redemption reserve <i>(This represents a non-distributable reserve)</i>		
	Balance at beginning of the year	3.16	3.16
	Movements during the year	-	-
	Balance at end of the year	3.16	3.16
	Retained earnings <i>(Retained earnings comprise of the Company's prior years undistributed earnings after taxes)</i>		
	Balance at beginning of the year	(408.26)	(189.95)
	Movements during the year	-	-
	Loss for the year	(231.36)	(224.55)
	Transfer of realised gain on sale of investments from Other Comprehensive Income	0.14	6.24
	Dividend paid	-	-
	Tax on dividend	-	-
	Balance at end of the year	(639.48)	(408.26)
	Other Comprehensive Income / (Loss) <i>(Other items of Other Comprehensive Income consist of remeasurement of net defined benefit liability/asset and Fair value changes on FVOCI financials assets)</i>		
	Balance at beginning of the year	(55.91)	(49.48)
	Movements during the year	13.32	(0.19)
	Transfer of realised gain on sale of investments to retained earnings	(0.14)	(6.24)
	Balance at end of the year	(42.73)	(55.91)
	Total other equity	308.78	526.82

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

Note	Particulars	As at 31 st March 2023 (₹ in lakhs)	As at 31 st March 2022 (₹ in lakhs)
12 Provisions			
	Non-current		
	Provision for compensated absences	-	-
	Total	-	-
	Current		
	Provision for income tax (Net of advance tax)	31.87	33.59
	Total	31.87	33.59
13 Trade payable			
	Other than acceptances		
	- dues of micro enterprises and small enterprises	-	1.27
	- dues of creditors other than micro enterprises and small enterprises	65.72	71.59
	Total	65.72	72.86
	i. Trade payables are generally non-interest bearing and are normally settled within a period of 180 days.		
	ii. Please see Note 13A for Trade payables Ageing.		
	iii. Please see Note 33 for Trade payable towards related parties.		

Note 13A. Trade Payables ageing schedule

Particulars	Outstanding for following period from due date of payment				
	Less than 1 year (₹ in lakhs)	1-2 years (₹ in lakhs)	2-3 years (₹ in lakhs)	More than 3 years (₹ in lakhs)	Total (₹ in lakhs)
For the year ending 31st March 2023					
i) MSME	-	-	-	-	-
ii) Others	65.72	-	-	-	65.72
iii) Disputed dues – MSME					-
iv) Disputed dues - Others					-

Particulars	Outstanding for following period from due date of payment				
	Less than 1 year (₹ in lakhs)	1-2 years (₹ in lakhs)	2-3 years (₹ in lakhs)	More than 3 years (₹ in lakhs)	Total (₹ in lakhs)
For the year ending 31st March 2022					
i) MSME	1.27	-	-	-	1.27
ii) Others	69.41	0.62	0.33	1.23	71.59
iii) Disputed dues – MSME					-
iv) Disputed dues - Others					-

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

Note	Particulars	As at 31 st March 2023 (₹ in lakhs)	As at 31 st March 2022 (₹ in lakhs)
14	Other financial liabilities <i>(carried at amortized cost)</i>		
	Current		
	Unclaimed / unpaid dividend	3.05	3.56
	Due to gratuity trust	58.45	61.47
	Total	61.50	65.03
	Non-Current		
	Security Deposit	13.26	-
	Deffered Income	5.34	-
	Total	18.60	-
15	Other current liabilities		
	Statutory remittances	13.77	10.05
	Other liabilities	123.45	131.00
	Total	137.22	141.05

STANES AMALGAMATED ESTATES LIMITED

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

Note	Particulars	For the year ended	
		31 st March 2023 (₹ in lakhs)	31 st March 2022 (₹ in lakhs)
16 Revenue from operations			
	Disaggregate revenue information: The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected. Accordingly, the disaggregation by type of goods/service & geography is provided in the table below:		
	Revenue from contract with customers:		
	a) Sales of finished goods - Tea	1,291.70	1,313.44
	b) Income from other planting activities:		
	- Coffee	0.40	4.25
	- Minor produce	11.49	10.18
	Total Revenue from contract with customers	1,303.59	1,327.87
	Other operating revenues		
	Sale of trees	50.67	-
	Miscellaneous income	2.90	9.93
	MEIS income and exchange gain	15.26	28.18
	Total other operating revenues	68.83	38.11
	Revenue from operations	1,372.42	1,365.98
	The Company disaggregate the revenue based on geographic locations and it is disclosed under Note 32 'Segment reporting'.		
17 Other Income			
	Interest income on financial assets at amortised cost	1.24	2.38
	Interest income on financial assets at FVOCI	1.23	1.22
	Rental income	20.15	-
	Dividend income on financial assets at FVOCI	2.27	6.35
	Net gain on sale of investments	0.73	0.33
	Net gain on financial assets carried at FVTPL	-	-
	Profit on sales of Property, Plant and Equipment (Net)	3.26	2.03
	Total	28.88	12.31
18 Changes in inventories of finished goods			
	Inventories at the end of the year (Finished goods)		
	Tea	223.16	282.92
	Coffee	-	-
	Minor produce	5.12	3.10
		228.28	286.02
	Inventories at the beginning of the year (Finished goods)		
	Tea	282.92	236.92
	Coffee	-	0.94
	Minor produce	3.10	1.77
		286.02	239.63
	Net (increase) / decrease	57.74	(46.39)

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

Note	Particulars	For the year ended	
		31 st March 2023 (₹ in lakhs)	31 st March 2022 (₹ in lakhs)
19 Employee benefits expense			
	Salaries, wages and bonus	833.92	884.83
	Contribution to provident and other funds	87.57	76.77
	Workmen and staff welfare expenses	68.02	85.89
	Total	989.51	1,047.49
20 Finance costs			
	Interest expense on borrowings	15.61	2.85
	Total	15.61	2.85
21 Other expenses			
	Consumption of stores and spares	193.55	140.69
	Power and fuel	87.90	87.29
	Transport charges	38.27	48.09
	Repairs and maintenance		
	- Building	40.08	54.98
	- Machinery	26.44	26.33
	- Vehicle	7.24	10.93
	Rates and taxes	8.85	5.58
	Insurance	7.82	16.06
	Brokerage	4.58	5.27
	Commission	7.00	1.24
	Directors' sitting fees	0.70	0.55
	Payments to auditors (Refer Note below)	2.07	2.00
	Export tea handling charges	13.39	15.31
	Freight and other expenses on tea export	35.50	65.51
	Printing and stationery	3.71	4.02
	Postage and telephone	1.88	2.05
	Travelling expenses	1.39	1.75
	Legal and Professional Charges	7.84	21.44
	Miscellaneous expenses	36.81	33.66
	Total	525.02	542.75
	Note : Payments to auditors comprise		
	To statutory auditor :		
	For statutory audit	1.75	1.75
	For tax audit	0.20	0.20
	Reimbursement of expenses	0.12	0.05
	Total	2.07	2.00

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

Note	Particulars	For the year ended	
		31 st March 2023 (₹ in lakhs)	31 st March 2022 (₹ in lakhs)
22 Current Tax:			
Current tax			
- In respect of current year		-	16.05
Total		-	16.05
Deferred Tax:			
Relating to the origination and reversal of temporary differences		(3.03)	(1.36)
Tax expense		(3.03)	14.69
Other Comprehensive Income Section			
Deferred tax related items recognised in OCI during the year:			
Net gain / (loss) on investment in equity shares at FVTOCI		0.94	(4.13)
Remeasurement of defined benefit obligation		-	-
Total		0.94	(4.13)
The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:			
Loss before tax		(234.39)	(209.86)
Enacted income tax rate in India		25.17%	25.17%
Tax expense		-	-
Effect of:			
Others on account of difference in fair trade income and expense		-	16.05
On account of timing differences in property, plant and equipment and Section 43B disallowance		(3.03)	(1.36)
Income tax expense recognised in the Statement of Profit and Loss		(3.03)	14.69

23 Deferred tax

Deferred tax assets/(liabilities) as at 31st March, 2022 in relation to:

Particulars	1 st April 2021	Recognised in Profit and loss credit / (change)	Recognised in Other Comprehensive Income credit / (charge)	31 st March 2022
	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)
Property, Plant and Equipment	(7.92)	1.12	-	(6.80)
On account of Sec.43B disallowances	6.57	0.21	-	6.78
Net gain arising on financial assets designated at FVTPL	(0.03)	0.03	-	-
Remeasurement of defined benefit plans in FVTOCI	1.21	-	2.72	3.93
Net gain on fair value of equity instruments	10.80	-	(6.85)	3.95
	10.63	1.36	(4.13)	7.86

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

Deferred tax assets/(liabilities) as at 31st March, 2023 in relation to (Contd...)

Particulars	1 st April 2022	Recognised in Profit and loss credit / (change)	Recognised in Other Comprehensive Income credit / (charge)	31 st March 2023
	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)
Property, Plant and Equipment	(6.80)	(6.30)	-	(13.10)
On account of Sec.43B disallowances	6.78	9.32	-	16.10
Net gain arising on financial assets designated at FVTPL	-	-	-	-
Remeasurement of defined benefit plans in FVTOCI	3.93	-	0.55	4.48
Net gain on fair value of equity instruments	3.95	-	0.39	4.34
	7.86	3.03	0.94	11.82

Note	Particulars	As at 31 st March 2023 (₹ in lakhs)	As at 31 st March 2022 (₹ in lakhs)
24	Estimated amount of Contracts remaining to be executed on capital account not provided for (net of advances)	194.08	-
25	Contingent liability Claims against the company not acknowledged as debt in respect Income Tax matters for AY 2014-15	2.11	-
26	Employee benefit plans		
	i) Defined contribution plan		
	The Company makes Provident fund contributions to 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. The same is charged to Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.		
	- Contribution to Super annuation fund	0.60	0.58
	- Contribution to Provident fund	59.36	55.85
	ii) Defined benefit plans		
	Disclosures required under Indian Accounting Standard 19 notified in the Companies (Indian Accounting Standards) Rules 2015, are given below:		
	A. Change in present value of the obligation during the year		
	1. Opening present value of the obligation	334.13	301.89
	2. Current service cost	24.18	21.13
	3. Interest costs	17.60	19.62
	4. Benefits paid	(58.45)	(47.54)
	5. Actuarial gain/(loss) on obligation	(5.44)	39.03
	6. Closing present value of the obligation	312.03	334.13

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

Note	Particulars	As at 31 st March 2023 (₹ in lakhs)	As at 31 st March 2022 (₹ in lakhs)
B. Change in assets during the year			
	1. Opening fair value of plan assets	272.66	265.91
	2. Expected return on plan assets	18.11	19.42
	3. Contribution made	25.19	34.87
	4. Benefits paid	(62.38)	(47.54)
	5. Actuarial gain/ (loss) on plan assets	-	-
	6. Closing fair value of plan assets	253.58	272.66
C. Net Asset / (Liability) recognised in the Balance Sheet			
	1. Closing present value of the obligation	312.03	334.13
	2. Closing fair value of plan assets	253.58	272.66
	3. Funded status surplus/(deficit)	(58.45)	(61.47)
	4. Net asset/ (liability) recognised in the balance sheet	(58.45)	(61.47)
D. Expenses recognised during the year			
	1. Current service cost	24.18	21.13
	2. Interest cost	17.60	19.62
	3. Expected return on plan assets	(18.11)	(19.42)
	4. Actuarial loss/(gain) during the year	(5.44)	39.03
	5. Total expenses	18.23	60.36
	6. Expenses recognised in Statement of Profit & Loss	23.67	21.33
	7. Actuary gain/ (loss) recognised in Other Comprehensive Income	(5.44)	39.03
E. Major categories of plan assets as a percentage of total plan			
	Investment with Life insurance Corporation of India*	100%	100%
F. Actuarial Assumptions			
	1. Discount rate	7.25%	7.00%
	2. Salary escalation	4.00%	4.00%
	3. Attrition rate	1% to 3%	1% to 3%

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

*The details with respect to the composition of investments in the fair value of plan assets managed by LIC have not been disclosed in the absence of the above said information.

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

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

Longevity Risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, and expected salary increase.

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

27 Standing crop: Fair value of the green leaf at the point of harvest is less than the cost of plucking, accordingly the fair value of the green leaf has been considered as Nil.			
Note	Particulars	As at 31 st March 2023 (₹ in lakhs)	As at 31 st March 2022 (₹ in lakhs)
28	Provision which are not contingent but provided based on estimation.		
	Nature of expenses - Compensated Absence		
	Provision outstanding at the beginning of the year	-	3.51
	Provision made during the year	-	-
	Provision reversed during the year	-	3.51
	Provision at the end of the year	-	-
29	The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 st March 2023 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.		
	i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year:	-	1.27
	ii) The amount of interest paid by the buyer under the Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year:	-	-
	iii) The amount of interest due and payable for the year (where the principal has been paid but interest under the Act not paid):	-	-
	iv) The amount of interest accrued and remaining unpaid at the end of accounting year:	-	-
	v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23.	-	-
30	Earnings per share:		
	For the purpose of computing the earnings per share, the net profit/ (loss) after tax has been used as the numerator and the weighted average number of shares outstanding has been considered, as the denominator		
	Net Loss attributable to shareholders	(231.36)	(224.55)
	Number of shares (Face value of Rs.10)	11.07	11.07
	Earning per share (Basic and Diluted)	(20.89)	(20.28)

STANES AMALGAMATED ESTATES LIMITED

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

Note	Particulars	As at 31 st March 2023 (₹ in lakhs)	As at 31 st March 2022 (₹ in lakhs)
31	Borrowings The Company borrowed from M/s. T.Stanes and Company Limited (Holding Company) for the purpose of working capital which is unsecured and carries interest rate of 7% per annum, payable on demand.	406.62	30.00
32	Secondary Segment Information - Geographical Segment Revenue		
	India	660.75	586.80
	Outside India	711.68	779.18
	Segment Assets		
	India	990.74	937.62
	Outside India - Trade Receivables	150.32	45.83
	Additions to Property, plant and equipment		
	India	51.60	12.87
	Outside India	-	-

STANES AMALGAMATED ESTATES LIMITED

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

Note 33

Related Party Disclosures

i) Names of related parties and nature of related party relationship where control exists are as under :-

a) Holding Companies

M/s. Amalgamations Private Limited*
(Ultimate Holding Company)

M/s. T. Stanes and Company Limited*
(Holding Company)

b) Fellow Subsidiaries

M/s. Addison and Company Limited

M/s. Southern Tree Farms Limited *

M/s. Alpump Limited

M/s. Speed-A-Way Private Limited

M/s. Amalgamations Repco Limited

M/s. Sri Rama Vilas Service Limited

M/s. AMCO Batteries Limited

M/s. Stanes Motors (South India) Limited

M/s. Associated Printers (Madras) Private Limited

M/s. TAFE Access Limited

M/s. Associated Publishers (Madras) Private Limited

M/s. TAFE Advanced AG Solutions Limited

M/s. Bimetal Bearings Limited

M/s. TAFE International Taraktor Tarim Ekipmani Sanayi VE Ticaret Limited

M/s. George Oakes Limited

M/s. TAFE Motors and Tractors Limited

M/s. Higginbothams Private Limited

M/s. TAFE Properties Limited

M/s. India Pistons Limited

M/s. TAFE Reach Limited

M/s. IP Rings Limited

M/s. Tafe Tractors Changshu Company Limited China

M/s. IPL Shaw solutions Private Limited

M/s. The Madras Advertsing Company Private Limited*

M/s. L. M. Van Moppes Diamond Tools India Private Limited

M/s. Tractors and Farm Equipment Limited

M/s. Vidagara Tech Park Private Limited

M/s. WJ Groom & Company Limited

M/s. Simpson and Company Limited *

M/s. Wallace Cartwright & Co Limited

M/s. Simpson and General Finance Company Limited

M/s. Precision Ag Tech Technologies BV

c) Associate to Holding / Ultimate Holding Company

M/s. IPR EMINOX Technolgies Private Limited

M/s. The United Nilgiri Tea Estates Company Limited*

d) Associate/Joint venture of Holding / Ultimate Holding Company

M/s. BBL Daido Private Limited

M/s. Amalagamations Valeo Clutch Private Limited

e) Directors

Mr. A. Krishnamoorthy - Chairman*

Mr. PS Wallia*

Mr. V. Viswanathan*

Mrs. Lakshmi Narayanan*

*Represents related parties with whom the Company had transactions during the year.

STANES AMALGAMATED ESTATES LIMITED

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

Note : 33. DETAILS OF RELATED PARTY TRANSACTIONS DURING THE YEAR ENDED 31st MARCH 2023 AND BALANCES OUTSTANDING AS AT 31st MARCH 2023

Description	Holding Companies		Fellow Subsidiary Companies		Associate to Holding / Ultimate Holding Company		Payment to Director		Total	
	2022-2023 (₹ in lakhs)	2021-2022 (₹ in lakhs)	2022-2023 (₹ in lakhs)	2021-2022 (₹ in lakhs)	2022-2023 (₹ in lakhs)	2021-2022 (₹ in lakhs)	2022-2023 (₹ in lakhs)	2021-2022 (₹ in lakhs)	2022-2023 (₹ in lakhs)	2021-2022 (₹ in lakhs)
A) Transactions during the year										
Sales										
M/s. Simpson and Company Limited	0.11	0.12	-	-	-	-	-	-	0.11	0.12
M/s. T.Stanes and Company Limited	1.56	0.27	-	-	-	-	-	-	1.56	0.27
M/s. Southern Tree Farms Limited	-	-	0.11	0.08	-	-	-	-	0.11	0.08
Total	1.67	0.39	0.11	0.08	-	-	-	-	1.78	0.47
Interest expense on borrowings										
M/s. T.Stanes and Company Limited	15.61	2.78	-	-	-	-	-	-	15.61	2.78
Total	15.61	2.78	-	-	-	-	-	-	15.61	2.78
Sale of investments - (Equity shares)										
M/s. Amalgamations Private Limited	-	-	-	-	-	-	-	-	-	-
M/s. Simpson and Company Limited	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Dividend received from										
Amalgamations Repco Limited	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Purchases										
T. Stanes and Company Limited	45.15	58.24	-	-	-	-	-	-	45.15	58.24
Southern Tree Farms Limited	-	-	0.27	-	-	-	-	-	0.27	-
Total	45.15	58.24	0.27	-	-	-	-	-	45.42	58.24
Service rendered to										
Southern Tree Farms Limited	-	-	1.40	0.76	-	-	-	-	1.40	0.76
Total	-	-	1.40	0.76	-	-	-	-	1.40	0.76
Service availed from										
M/s. Amalgamations Private Limited	3.42	3.11	-	-	-	-	-	-	3.42	3.11
M/s. The Madras Advertising Company Private Limited	-	-	1.08	0.93	-	-	-	-	1.08	0.93
Total	3.42	3.11	1.08	0.93	-	-	-	-	4.50	4.04

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

Note : 33. DETAILS OF RELATED PARTY TRANSACTIONS DURING THE YEAR ENDED 31st MARCH 2023 AND BALANCES OUTSTANDING AS AT 31st MARCH 2023

Description	Holding Companies		Fellow Subsidiary Companies		Associate to Holding / Ultimate Holding Company		Payment to Director		Total	
	2022-2023 (₹ in lakhs)	2021-2022 (₹ in lakhs)	2022-2023 (₹ in lakhs)	2021-2022 (₹ in lakhs)	2022-2023 (₹ in lakhs)	2021-2022 (₹ in lakhs)	2022-2023 (₹ in lakhs)	2021-2022 (₹ in lakhs)	2022-2023 (₹ in lakhs)	2021-2022 (₹ in lakhs)
Borrowings from T. Stanes and Company Limited	376.62	-	-	-	-	-	-	-	376.62	-
Total	376.62	-	-	-	-	-	-	-	376.62	-
Repayment to M/s. T.Stanes and Company Limited	-	10.00	-	-	-	-	-	-	-	10.00
Total	-	10.00	-	-	-	-	-	-	-	10.00
Sitting Fees Mr.A. Krishnamoorthy Mr. PS Wallia Mr. V Viswanathan Mrs. Lakshmi Narayanan	-	-	-	-	-	-	0.20 0.20 0.20 0.10	0.20 0.15 0.20 0.55	0.20 0.20 0.20 0.10	0.20 0.15 0.20 0.55
Total	-	-	-	-	-	-	0.70	0.70	0.70	0.55
B) Balances outstanding at the end of the year										
Equity participation by										
Amalgamations Private Limited	14.05	-	-	-	-	-	-	-	14.05	14.05
Simpson and Company Limited	0.17	-	-	-	-	-	-	-	0.17	0.17
T. Stanes and Company Limited	55.63	-	-	-	-	-	-	-	55.63	55.63
The United Nilgiri Tea Estates Company Limited	-	-	-	-	8.18	8.18	-	-	8.18	8.18
Tractors and Farm Equipments Ltd	-	-	2.65	2.65	-	-	-	-	2.65	2.65
Sri.Rama Vilas Service Limited	-	-	0.48	0.48	-	-	-	-	0.48	0.48
Bimetal Bearings Limited	-	-	0.64	0.64	-	-	-	-	0.64	0.64
Speed-A-Way Private Limited	-	-	0.15	0.15	-	-	-	-	0.15	0.15
Total	69.85	69.85	3.92	3.92	8.18	8.18	-	-	81.95	81.95

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

Note : 33. DETAILS OF RELATED PARTY TRANSACTIONS DURING THE YEAR ENDED 31st MARCH 2023 AND BALANCES OUTSTANDING AS AT 31st MARCH 2023

Description	Holding Companies		Fellow Subsidiary Companies		Associate to Holding / Ultimate Holding Company		Payment to Director		Total	
	2022-2023 (₹ in lakhs)	2021-2022 (₹ in lakhs)	2022-2023 (₹ in lakhs)	2021-2022 (₹ in lakhs)	2022-2023 (₹ in lakhs)	2021-2022 (₹ in lakhs)	2022-2023 (₹ in lakhs)	2021-2022 (₹ in lakhs)	2022-2023 (₹ in lakhs)	2021-2022 (₹ in lakhs)
Equity Participation in										
The United Nilgiri Tea Estates Company Limited	-	-	-	-	-	0.75	-	-	-	0.75
Total						0.75				0.75
Trade Payable										
T. Stanes and Company Limited	30.06	24.17	-	-	-	-	-	-	30.06	24.17
Amalgamations Private Limited	1.07	-	-	-	-	-	-	-	1.07	-
Total	31.13	24.17	-	-	-	-	-	-	31.13	24.17
Trade Receivable										
Simpson and Company Limited	0.03	-	-	-	-	-	-	-	0.03	-
Total	0.03	-	-	-	-	-	-	-	0.03	-
Current Borrowings										
T. Stanes and Company Limited	406.62	30.00	-	-	-	-	-	-	406.62	30.00
Total	406.62	30.00	-	-	-	-	-	-	406.62	30.00

Notes :

1. There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties.
2. Related party relationship is as identified by the Company on the basis of information available with the Company and relied upon by the Auditors.
3. No amount is/has been written off or written back during the year in respect of debts due from or to related party.
4. The above transactions are compiled from the date these parties became related which are accounted in the natural head of accounts.
5. Terms and conditions: Transactions relating to dividends, subscriptions for new equity shares were on the same terms and conditions that applied to other shareholders.

Note 34 : FAIR VALUE MEASUREMENTS

Financial instruments by category

(₹ in lakhs)

Financial instruments by category	As at 31 st March, 2023			As at 31 st March, 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Trade receivables	-	-	178.56	-	-	56.45
Investments	50.07	83.59	-	-	155.95	-
Cash and cash equivalents (including other bank balances)	-	-	20.46	-	-	29.86
Other financial assets	-	-	-	-	-	-
Total financial assets	50.07	83.59	199.02	-	155.95	86.31
Financial liabilities						
Trade payables	-	-	406.62	-	-	30.00
Other financial liabilities	-	-	61.50	-	-	65.03
Trade payables	-	-	65.72	-	-	72.86
Total financial liabilities	-	-	533.84	-	-	167.89

i) Fair value hierarchy

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

Financial assets and liabilities measured at fair value - recurring fair value measurements as at 31st March 2023

Particulars	Note No.	Level 1 (₹ in lakhs)	Level 2 (₹ in lakhs)	Level 3 (₹ in lakhs)	Total (₹ in lakhs)
Financial assets					
Investments	4	133.40	0.25	-	133.65
Total Financial Assets		133.40	0.25	-	133.65
Financial Liabilities		-	-	-	-
Total Financial Liabilities		-	-	-	-

Financial assets and liabilities measured at fair value - recurring fair value measurements as at 31st March 2022

Particulars	Note No.	Level 1 (₹ in lakhs)	Level 2 (₹ in lakhs)	Level 3 (₹ in lakhs)	Total (₹ in lakhs)
Financial assets					
Investments	4	155.70	0.25	-	155.95
Total Financial Assets		155.70	0.25	-	155.95
Financial Liabilities		-	-	-	-
Total Financial Liabilities		-	-	-	-

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

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

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

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

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

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

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

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

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

iii) Valuation processes

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

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

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

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

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

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

The following methods and assumptions were used to estimate the fair values.

- i) Borrowings are evaluated by the Company based on parameters such as interest rates and specific country risk factors.
- ii) Fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31st March 2023 was assessed to be insignificant.

Note : 35 Financial risk management

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to support its operations. The Company's principal financial assets include trade and other receivables, investments, cash and short-term deposits that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the company is foreign exchange risk.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below :

1) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

2) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of percentage of revenues generated from top customer and top 5 customers :

Particulars	For the year ended 31st March 2023 (₹ in lakhs)	For the year ended 31st March 2022 (₹ in lakhs)
Revenue from customer	1,303.59	1,327.87
Revenue from Top 5 customers	649.05	689.09

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The average credit period on sales of goods is 60 days. No interest is charged on trade receivables. Of the trade receivables balance as at 31st March 2023 Rs.178.56 Lakhs is due from twenty two parties (as at 31st March 2022, Rs.56.45 Lakhs is due from two parties), the Company's largest customers. There are no other customers who represent more than 5% of the total balance of trade receivables.

3) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk through credit limits with banks.

The Company's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below :

Particulars	As at 31 st March 2023 (₹ in lakhs)	As at 31 st March 2022 (₹ in lakhs)
Cash and cash equivalents (including other bank balances)	20.46	29.86
Total	20.46	29.86

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st March 2023 and 31st March 2022:

Particulars	As at	Less than 1 year (₹ in lakhs)	1-2 years (₹ in lakhs)	2 years and above (₹ in lakhs)
Borrowings	31st March 2023	406.62	-	-
	31 st March 2022	30.00	-	-
Trade payables	31st March 2023	65.72	-	-
	31 st March 2022	72.86	-	-
Other financial liabilities	31st March 2023	61.50	-	-
	31 st March 2022	65.03	-	-

4) Foreign currency risk

The Company's exchange risk arises from its foreign operations and foreign currency expenses, (primarily in U.S. Dollars, Euro and Britain Pounds). A significant portion of the Company's sales are in these foreign currencies, while Company's entire purchases are in Indian rupees. As a result, if the

STANES AMALGAMATED ESTATES LIMITED

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

value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company's management meets on a periodic basis to formulate the strategy for foreign currency risk management.

The following table presents foreign currency risk of both derivative and non-derivative financial instruments as of 31st March 2023 and 31st March 2022:

Particulars	As at	USD	EURO	GBP	Total
Assets		Non-derivative	Derivative	Derivative	(₹ in lakhs)
Trade receivables	31st March 2023	23.71	52.43	68.15	144.29
	31 st March 2022	-	45.83	-	45.83

Foreign currency sensitivity analysis

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

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

Particulars	For the year ended 31 st March 2023 (₹ in lakhs)	For the year ended 31 st March 2022 (₹ in lakhs)
Impact on profit after tax		
USD sensitivity		
INR/USD increases by 5%*	(0.89)	-
INR/USD decreases by 5%*	0.89	-
EURO sensitivity		
INR/EURO increases by 5%*	(1.96)	(1.71)
INR/EURO decreases by 5%*	1.96	1.71
GBP sensitivity		
INR/GBP increases by 5%*	(2.55)	-
INR/GBP decreases by 5%*	2.55	-

*Holding all other variables constant

STANES AMALGAMATED ESTATES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd...)

5) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments.

Interest rate sensitivity analysis

If interest rates had been 1% higher and all other variables were held constant, the company's profit for the year ended would have impacted in the following manner :

Particulars	For the year ended 31st March 2023 (₹ in lakhs)	For the year ended 31st March 2022 (₹ in lakhs)
Increase in the profit for the year if interest rate lower by 1%	1.95	0.36
Decrease in the profit for the year if interest rate increase by 1%	(1.95)	(0.36)

If interest rates were 1% lower, the company's profit would have increased by the equivalent amount as shown in the above table.

6) Capital management

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

The capital structure is as follows:

Particulars	As at 31st March 2023 (₹ in lakhs)	As at 31st March 2022 (₹ in lakhs)
Total equity attributable to the equity share holders of the company	419.53	637.57
As percentage of total capital	51%	96%
Current borrowings	406.62	30.00
Total borrowings	406.62	30.00
As a percentage of total capital	49%	4%
Total capital (borrowings and equity)	826.15	667.57

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

STANES AMALGAMATED ESTATES LIMITED

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

Note 36 : Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report attached

For M/s. K.S AIYAR & Co.,
Chartered Accountants
(Firm's Registration No. 100186W)

S. KALYANARAMAN
Partner
Membership No. 200565

Place : Coimbatore
Date : 22nd May 2023

For and on behalf of the Board of Directors

A. KRISHNAMOORTHY
Chairman
DIN 00001778
Place : Chennai
Date : 22nd May 2023

LAKSHMI NARAYANAN
Director
DIN 02539061
Place : Chennai
Date : 22nd May 2023

PS WALLIA
Director
DIN 00010755
Place : Chennai
Date : 22nd May 2023

V. VISWANATHAN
Director
DIN 00010777
Place : Coimbatore
Date : 22nd May 2023

STANES AMALGAMATED ESTATES LIMITED

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

Note 37 "Additional regulatory disclosure requirements;

- i) The Company has not made any dealings or transactions with Companies Struck off under Section 248 of the Companies Act, 2013.
- ii) There are no Proceedings initiated or are pending against the company for holding any benami property under the benami transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- iii) The Company has parent companies and accordingly, compliance with the no of layers prescribed under clause (87) of Section 2 of the Act read with companies (Restriction on number of Layers) Rules, 2017 has been complied for the year under consideration.
- iv) There are no scheme of Arrangements approved by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013 during the year.
- v) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
 - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vi) The Company do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.
- vii) The Company did not trade or invest in Crypto Currency or Virtual Currency during the financial year. Hence, disclosures relating to it are not applicable.
- viii) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.
- ix) The Company is not declared as wilful defaulter by any bank or financial Institution or other lenders.
- x) No charges or satisfaction is yet to be registered with ROC beyond the statutory period.
- xi) The Company is not covered under CSR. Hence Section 135 is not applicable to this company.

STANES AMALGAMATED ESTATES LIMITED

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

38 Additional Required information

Particulars	Item of Numerator and Denominator	For the year ended 31 st March, 2023		For the year ended 31 st March 2022	% of variance	Reason
		Numerator	Denominator			
1. Current Ratio (Times)	Current Assets / Current Liabilities	531.82	702.93	1.32	-43%	Replanting and Factory Modernization work is in progress. This cost has been classified as current asset until completion
2. Debt-Equity Ratio (Times)	Total Debt/Shareholder's Equity, i.e. Borrowings / (Equity Share capital + Other Equity)	406.62	462.26	0.04	1933%	Loan availed for Replanting and factory Modernization
3. Debt Service Coverage Ratio (Times)	Earnings available for debt service / Debt Service	(186.62)	25.61	(14.46)	-50%	Increase in loss and debt increased. Finance charges are Higher compared to last year.
4. Return on Equity(%)	Net Profit After Tax / Average Shareholder Equity	(231.36)	522.50	(27.98)	58%	Loss after tax is higher due to increased wages and escalated input charges and certification charges affecting the margins of the company.
5. Inventory Turnover Ratio (Times)	Sales/Average inventory	1,372.42	257.15	5.05	6%	
6. Trade Receivables Turnover Ratio(Times)	Net Credit Sales / Avg. Accounts Receivable	1,303.59	117.51	11.09	-45%	There has been improved collection of receivables during the year
7. Trade Payable Turnover Ratio(Times)	Net Credit Purchases / Avg. Trade Payables	531.11	69.29	11.43	-33%	There has been improved settlement of trade payables in the current year.
8. Net Capital Turnover Ratio(Times)	Net Sales/Working Capital i.e. Revenue from Operations / (Current Assets - Current Liabilities)	1,372.42	(171.11)	12.35	-165%	There is decrease in Current Assets and increase in Current liability with a marginal increase in turnover
9. Net Profit Ratio(%)	Net Profit/Net Sales	(231.36)	1,372.42	(16.44)	3%	The increase in expenditure due to increase in Input costs was not compensated by Sales realization and hence the variation
10. Return on Capital Employed(%)	Earnings before interest and taxes / Capital employed Capital employed = Networth + Total debt + Deferred tax liability	(218.78)	868.88	(28.61)	-12%	The increase in expenditure was nearly twice the amount of increase in sales.
11. Return on Investment(%)	Income from Investments/ Average Investments	12.42	144.80	8.58	-70%	There was an increase in income from investments.

NOTES :

A series of 20 horizontal dashed lines for writing notes.

