



प्रभाग  
DIVISION



दि स्टेट ट्रेडिंग कॉर्पोरेशन ऑफ इंडिया लिमिटेड  
(भारत सरकार का उद्यम)

THE STATE TRADING CORPORATION OF INDIA LTD.  
(A Govt. of India Enterprise)

STC/BS&P/BS/10082/2017-18/STEX

February 10, 2020

Manager- Listing Compliance Department National Stock Exchange of India Limited Exchange Plaza, Bandra – Kurla Complex, Bandra (East), Mumbai – 400051 Scrip Code : STCINDIA - EQ	Manager – Listing Compliance Department BSE Limited 1 <sup>st</sup> Floor, P.J. Towers, Dalal Street Mumbai – 400001 Scrip Code : 512531
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**Sub: Unaudited Financial Results (Limited Reviewed) for the quarter &  
Nine Months ended on December 31, 2019**

**Dear Sir/Madam,**

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Board of Directors of the Company had, at its meeting held today i.e. February 10, 2020, considered and approved the Statement of Unaudited Financial Results (Consolidated) for the quarter & nine months ended on December 31, 2019.

Statement of Unaudited Financial Results (Consolidated) along with Limited Review Report of the Statutory Auditors for the quarter ended on December 31, 2019 and Press Release are enclosed herewith.

The Board meeting commenced at 03:30 P.M. and concluded at 06: 15 P.M.

Please take note of above information on record.

Thanking you,

Yours sincerely,

For The State Trading Corporation of India Limited

  
(Vipin Tripathi)

Company Secretary & Compliance Officer

**Limited Review Report**

**Independent Auditor's Report on Unaudited Standalone financials results of the M/s The State Trading Corporation of India Limited for the quarter and period ended 31<sup>st</sup> December, 2019 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.**

To

The Board of Directors

**The State Trading Corporation of India Limited,**

**New Delhi**

1. We have reviewed the accompanying Statements of Standalone Financial Results ("the Statements") of M/s **The State Trading Corporation of India Limited ("the Company")** being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the figures for the corresponding period from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> December 2018 and from 1<sup>st</sup> October 2018 to 31<sup>st</sup> December 2018, as reported in these financials results have been approved by the Board of Directors of the Company, but have not been subjected to our review.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down In Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind-AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express conclusion on the Statement based on our review.



3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountant of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the results submitted by the branch management referred to in paragraph 6 below, and subject to the matters described in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**5. Attention is invited to the following:**

- (a) Note No 4 of Financial Results/Highlights for the period ended on 31<sup>st</sup> December 2019, for no credit impairment by STC against trade receivables of Rs. 973.37 Crores which are under dispute/litigations since long. The impact of the same is not ascertainable.



(b) Note No 5 of Financial Results/Highlights for the period ended on 31<sup>st</sup> December 2019, for non-provision of a demand of Rs 132.83 Crores received from Land and Development Office - New Delhi, which has resulted in understatement of loss by Rs. 132.83 Crores.

(c) Note No 3 and 6 of Financial Results/Highlights for the period ended on 31<sup>st</sup> December 2019, for continuing default by STC from November 2017 onwards in the repayment of principal amount of Banks Loans and interest thereon. Company owed substantial amount to the bank for which lender banks initiated the action of recovery by filing O.A. No. 148/2019 before DRT on 18/02/2019. However, subsequently Syndicate Bank, one of the constituent lender also filed insolvency petition in NCLT under section 7 of the IBC Code, 2016, on 21/02/2019. In response to the above action by Bank, company for the settlement of its debt payable to the bank offered One Time Settlement (OTS) vide letter dated 20/03/2019 to which Syndicate Bank (lead banker) responded on 22/05/2019 giving a counter offer of settlement of which principle terms, inter alia, were as under: -

- 1) Payment of Rs. 1100 Crores immediately.
- 2) Payment of Rs. 300 Crores by sale of STC immovable properties.
- 3) Balance amount of Rs. 506.24 Crores by assigning 50% of realized trade receivable within 5 years from 1st Jan 2019.

Syndicate Bank by their offer dated 22/05/2019 proposed to sign MOU not later than 30/06/2019. Syndicate Bank also confirmed vide letter dated 22/05/2019 that as part of settlement, Rs. 900 Crores were already received from STC and balance amount of Rs. 200 Crores were to be remitted, based on balances arrived on 31/12/2018. On verification of documents, it is found that Rs. 200 Crores were remitted on 27/05/2019 but without executing any MOU and till date revised MOU, if any, has not been executed.



Based on the information and explanations provided to us, in our opinion, non-execution of MOU to bind the banker in terms of final settlement is a lapse on the part of the company.

Further, subsequently a meeting was held on 29/08/2019 under the Chairmanship of Hon'ble Minister, Commerce & Industry, regarding settlement of dues of PEC and STC. PEC is an unlisted company 100% owned by Government whereas STC is a listed company, listed with Bombay Stock Exchange and National Stock Exchange and as on date of our report 10% of shares are held by the public at large and remaining 90% is held by the Central Government. As per minutes of the meeting held on 29/08/2019 and communicated by letter dated 09/09/2019 by Under Secretary, Govt. of India, it was resolved that since PEC does not have meaningful assets to pay its present outstanding except certain flats /homes having value approximately of Rs. 10 Crores therefore in order to repay debt of PEC of Rs 1390.01 Crores so that public sector bank do not suffer, a decision was taken in the meeting to sell/transfer Jawahar Vyapaar Bhawan, New Delhi, an immovable property owned by the STC, after due process of taking exemption from Land & Development office, the lessor of the plot of land on which Jawahar Vyapaar Bhawan is constructed, title will be transferred and lender bank will dispose off the properties in transparent manner. It was further decided that Syndicate Bank will revise the agreement of OTS with STC and include PEC in its ambit so as to swiftly conclude the full and final settlement of pending dues of these companies to banks.

The meeting under the Chairmanship of Hon'ble Minister, Commerce & Industry also decided that Government was going to close down STC and PEC.

Based on minutes of the meeting dated 29/08/2019, Syndicate Bank vide letter dated 11/10/2019 communicated about the opinion that they have obtained



from their counsel namely M/s Cyril Amarchand Mangaldas about possible way out to save the payment of stamp duty on transfer / assignment of Jawahar Vyapaar Bhawan through binding agreements in favor of buyer.

Thereafter, an opinion has been sought by the company from M/s Shardul Amarchand Mangaldas wherein they have opined, inter-alia, that merger with any other profitable company namely MMTC could be another option, other than closer.

We have been informed that NCLT proceedings have been withdrawn by Syndicate Bank but the DRT withdrawal process is still pending. In the Consortium meeting held at Stressed Asset Management branch, Delhi of the Syndicate Bank on 13.01.2020, it was unanimously suggested by the Lenders that instead of withdrawing the case from DRT, possibility may be explored to obtain a consent decree based upon the broad settlement arrived during the high level meeting dated 29.08.2019.

Further we have not been provided any document to substantiate that the Company has countered the claim of the consortium banks to takeover Jawahar Vyapaar Bhawan for settlement of liabilities pertaining to the PEC Limited, where as it is understood that the Company has instead started the process of clearing the title deed of Jawahar Vyapaar Bhawan from L&DO so that transfer can be executed in favor of the Bank.

Considering the provisions of the Companies Act, 2013, and the fact that 10% shareholding of STC is held by public at large, the decision of Ministry of taking over the liability of PEC amounting to Rs 1390.01 Crores by STC in the meeting held on 29/08/2019 are in contravention to section 180 and 186 of the Companies Act, 2013, and would also be prejudicial to the interest of the minority shareholders which is public at large because STC by taking the liability is not gaining in any manner and this will also be contrary to the settled



accounting principles because the liability is being fastened on the company without any corresponding asset. We are of the considered opinion that the decision taken in the meeting held on 29/08/2019 and insistence of the bankers to sell/transfer the Jawahar Vyapaar Bhawan for settlement of remaining liabilities of the Company along with PEC's debts in the consortium meeting held on 13.01.2020 is prejudicial to the interest of the minority shareholders and is taken without following due process of law, is not in the interest of the company and its members and is also contrary to the corporate structure envisaged under the provisions of the Companies Act, 2013. Such decision taken, without the consent of the shareholders, firstly by not convening meeting of the members is also affecting adversely the fundamental of the company being its ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

- (d) We draw attention to Note no 6 where company has stated that keeping in mind strength of the company and business plans and future outlook as assessed, the accounts have been prepared on going concern basis. We have considered the minutes of the ministry which indicates that the Ministry of Commerce & Industry in its meeting held on 29.08.2019 decided to close down the company. Further it is stated that net worth of the company is fully eroded. However, since opinion has been taken by the company and option qua closer or merger are still open, therefore, we cannot give our opinion as uncertainty exists.

Our opinion is not modified in respect of this matter.

6. We did not review the interim financial results of 8 Branches included in the unaudited standalone interim financial results of the entity included in the Company and results for these branches is as follows:



(Amount in Rs. Crores)

Particulars	For the Quarter Ended 31 <sup>st</sup> December 2019	For the Quarter Ended 31 <sup>st</sup> December 2018
Total Assets	1,241.12	1,261.81
Total Revenue from Operations	286.35	1,380.38
Profit/(Loss) after Tax	(8.51)	(16.55)

The Interim financial results for the 8 branches have been reviewed by the branch management and internal auditors of the Company, whose financial results have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the basis of results furnished by management of the Branch and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

**For and on behalf of**

**HDSG & Associates**

Chartered Accountants

Firm Reg. No. 002871N

  
**Arun Saini**

Partner

M.No. 082070

Place: New Delhi

Date: 10<sup>th</sup> February 2020

UDIN: 20082070AAAAAB4940





**Limited Review Report**

**Independent Auditor's Report on Consolidated Unaudited financial results of the M/s The State Trading Corporation of India Limited for the quarter and period ended 31<sup>th</sup> December, 2019 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.**

To

The Board of Directors

**The State Trading Corporation of India Limited,  
New Delhi**

1. We have reviewed the accompanying Statements of Consolidated Financial Results ("the Statements") of M/s **The State Trading Corporation of India Limited** ("The Parent") and its subsidiaries (the parent and its subsidiaries together referred to as "the Group"), (the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the figures for the corresponding period from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> December 2018 and from 1<sup>st</sup> October 2018 to 31<sup>st</sup> December 2018, as reported in these financials results have been approved by the Board of Directors of the Company, but have not been subjected to our review.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down In Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other



accounting principles generally accepted in India. Our responsibility is to express conclusion on the Statement based on our review.

3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountant of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. The review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable

4. The Statement includes the results of the following entities

**A. Holding Company**

M/s The State Trading Corporation of India Limited

**B. Subsidiary Company**

M/s STCL Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the results submitted by the branch management referred to in paragraph 7 below, and subject to the matters described in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and



Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**6. Attention is invited to the following:**

- (a) Note No 4 of Financial Results/Highlights for the period ended on 31<sup>st</sup> December 2019, for no credit impairment by STC against trade receivables of Rs. 973.37 Crores which are under dispute/litigations since long. The impact of the same is not ascertainable.
- (b) Note No 5 of Financial Results/Highlights for the period ended on 31<sup>st</sup> December 2019, for non-provision of a demand of Rs 132.83 Crores received from Land and Development Office - New Delhi, which has resulted in understatement of loss by Rs. 132.83 Crores.
- (c) Note No 3 and 6 of Financial Results/Highlights for the period ended on 31<sup>st</sup> December 2019, for continuing default by STC from November 2017 onwards in the repayment of principal amount of Banks Loans and interest thereon. Company owed substantial amount to the bank for which lender banks initiated the action of recovery by filing O.A. No. 148/2019 before DRT on 18/02/2019. However, subsequently Syndicate Bank, one of the constituent lender also filed insolvency petition in NCLT under section 7 of the IBC Code, 2016, on 21/02/2019. In response to the above action by Bank, company for the settlement of its debt payable to the bank offered One Time Settlement (OTS) vide letter dated 20/03/2019 to which Syndicate Bank (lead banker) responded on 22/05/2019 giving a counter offer of settlement of which principle terms, inter alia, were as under: -
- 1) Payment of Rs. 1100 Crores immediately.
  - 2) Payment of Rs. 300 Crores by sale of STC immovable properties.



- 3) Balance amount of Rs. 506.24 Crores by assigning 50% of realized trade receivable within 5 years from 1st Jan 2019.

Syndicate Bank by their offer dated 22/05/2019 proposed to sign MOU not later than 30/06/2019. Syndicate Bank also confirmed vide letter dated 22/05/2019 that as part of settlement, Rs. 900 Crores were already received from STC and balance amount of Rs. 200 Crores were to be remitted, based on balances arrived on 31/12/2018. On verification of documents, it is found that Rs. 200 Crores were remitted on 27/05/2019 but without executing any MOU and till date revised MOU, if any, has not been executed.

Based on the information and explanations provided to us, in our opinion, non-execution of MOU to bind the banker in terms of final settlement is a lapse on the part of the company.

Further, subsequently a meeting was held on 29/08/2019 under the Chairmanship of Hon'ble Minister, Commerce & Industry, regarding settlement of dues of PEC and STC. PEC is an unlisted company 100% owned by Government whereas STC is a listed company, listed with Bombay Stock Exchange and National Stock Exchange and as on date of our report 10% of shares are held by the public at large and remaining 90% is held by the Central Government. As per minutes of the meeting held on 29/08/2019 and communicated by letter dated 09/09/2019 by Under Secretary, Govt. of India, it was resolved that since PEC does not have meaningful assets to pay its present outstanding except certain flats /homes having value approximately of Rs. 10 Crores therefore in order to repay debt of PEC of Rs 1390.01 Crores so that public sector bank do not suffer, a decision was taken in the meeting to sell/transfer Jawahar Vyapaar Bhawan, New Delhi, an immovable property owned by the STC, after due process of taking exemption from Land & Development office, the lessor of the plot of land on which Jawahar Vyapaar Bhawan is constructed, title will be transferred and lender bank will dispose



off the properties in transparent manner. It was further decided that Syndicate Bank will revise the agreement of OTS with STC and include PEC in its ambit so as to swiftly conclude the full and final settlement of pending dues of these companies to banks.

The meeting under the Chairmanship of Hon'ble Minister, Commerce & Industry also decided that Government was going to close down STC and PEC.

Based on minutes of the meeting dated 29/08/2019, Syndicate Bank vide letter dated 11/10/2019 communicated about the opinion that they have obtained from their counsel namely M/s Cyril Amarchand Mangaldas about possible way out to save the payment of stamp duty on transfer / assignment of Jawahar Vyapaar Bhawan through binding agreements in favor of buyer.

Thereafter, an opinion has been sought by the company from M/s Shardul Amarchand Mangaldas wherein they have opined, inter-alia, that merger with any other profitable company namely MMTC could be another option, other than closer.

We have been informed that NCLT proceedings have been withdrawn by Syndicate Bank but the DRT withdrawal process is still pending. In the Consortium meeting held at Stressed Asset Management branch, Delhi of the Syndicate Bank on 13.01.2020, it was unanimously suggested by the Lenders that instead of withdrawing the case from DRT, possibility may be explored to obtain a consent decree based upon the broad settlement arrived during the high level meeting dated 29.08.2019.

Further we have not been provided any document to substantiate that the Company has countered the claim of the consortium banks to takeover



Jawahar Vypaar Bhawan for settlement of liabilities pertaining to the PEC Limited, where as it is understood that the Company has instead started the process of clearing the title deed of Jawahar Vypaar Bhawan from L&DO so that transfer can be executed in favor of the Bank.

Considering the provisions of the Companies Act, 2013, and the fact that 10% shareholding of STC is held by public at large, the decision of Ministry of taking over the liability of PEC amounting to Rs 1390.01 Crores by STC in the meeting held on 29/08/2019 are in contravention to section 180 and 186 of the Companies Act, 2013, and would also be prejudicial to the interest of the minority shareholders which is public at large because STC by taking the liability is not gaining in any manner and this will also be contrary to the settled accounting principles because the liability is being fastened on the company without any corresponding asset. We are of the considered opinion that the decision taken in the meeting held on 29/08/2019 and insistence of the bankers to sell/transfer the Jawahar Vyapaar Bhawan for settlement of remaining liabilities of the Company along with PEC's debts in the consortium meeting held on 13.01.2020 is prejudicial to the interest of the minority shareholders and is taken without following due process of law, is not in the interest of the company and its members and is also contrary to the corporate structure envisaged under the provisions of the Companies Act, 2013. Such decision taken, without the consent of the shareholders, firstly by not convening meeting of the members is also affecting adversely the fundamental of the company being its ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

- (d) We draw attention to Note no 6 where company has stated that keeping in mind strength of the company and business plans and future outlook as assessed, the accounts have been prepared on going concern basis. We have considered the minutes of the ministry which indicates that the Ministry of



Commerce & Industry in its meeting held on 29.08.2019 decided to close down the company. Further it is stated that net worth of the company is fully eroded. However, since opinion has been taken by the company and option qua closer or merger are still open, therefore, we cannot give our opinion as uncertainty exists.

Our opinion is not modified in respect of this matter.

7. We did not review the interim financial results of 8 Branches included in the unaudited standalone interim financial results of the entity included in the Group and results for these branches is as follows:

(Amount in Rs. Crores)

Particulars	For the Quarter Ended 31 <sup>st</sup> December 2019	For the Quarter Ended 31 <sup>st</sup> December 2018
<b>Total Assets</b>	1,241.12	1,261.81
<b>Total Revenue from Operations</b>	286.35	1,380.38
<b>Profit/(Loss) after Tax</b>	(8.51)	(16.55)

The Interim financial results for the 8 branches have been reviewed by the branch management and internal auditors of the Company, whose financial results have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the basis of results furnished by management of the Branch and the procedures performed by us as stated in paragraph 3 above.

8. We did not review the Interim financial results of the subsidiary, M/s STCL Limited included in the consolidated unaudited financial results and results for the subsidiary is as follows:



(Amount in Rs. Crores)

Particulars	For the Quarter Ended 31 <sup>st</sup> December 2019	For the Quarter Ended 31 <sup>st</sup> December 2018
Total Assets	6.98	7.05
Total Revenue from Operations	Nil	Nil
Profit/(Loss) after Tax (Incl. Exception Items)	(0.34)	(0.46)

These Interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of such subsidiary, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

For and on behalf of

**HDSG & Associates**

Chartered Accountants

Firm Reg. No. 002871N



**Arun Saini**

Partner

M.No. 082070



Place: New Delhi

Date: 10<sup>th</sup> February 2020

UDIN: 20082070AAAAAC3352



**THE STATE TRADING CORPORATION OF INDIA LTD.**  
**Statement of Financial Results for the Period ended Dec 31, 2019**  
 CIN: L74899DL1956GOI002674

(Rs. crore)

Particulars	STANDALONE						CONSOLIDATED					
	Quarter ended 31.12.2019	Quarter ended 30.09.2019	Quarter ended 31.12.2018	Nine Months ended 31.12.2019	Nine Months ended 31.12.2018	Year ended 31.03.2019	Quarter ended 31.12.2019	Quarter ended 30.09.2019	Quarter ended 31.12.2018	Nine Months ended 31.12.2019	Nine Months ended 31.12.2018	Year ended 31.03.2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Income</b>												
Revenue from Operations	315.05	156.71	1,622.60	2,732.35	8,193.10	8,903.44	315.05	156.71	1,622.60	2,732.35	8,193.10	8,903.44
Other Income	19.95	24.45	(76.84)	62.81	87.44	109.63	19.95	24.51	(76.84)	62.85	87.44	109.85
<b>Total Income</b>	<b>335.00</b>	<b>181.16</b>	<b>1,545.76</b>	<b>2,795.16</b>	<b>8,280.54</b>	<b>9,013.07</b>	<b>335.00</b>	<b>181.22</b>	<b>1,545.76</b>	<b>2,795.20</b>	<b>8,280.54</b>	<b>9,013.29</b>
<b>Expenses</b>												
Purchases of Stock in trade	312.02	154.00	1,617.87	2,723.95	8,178.97	8,886.81	312.02	154.00	1,617.87	2,723.95	8,178.97	8,886.81
Change in Inventory	-	-	-	-	0.02	0.02	-	-	-	-	0.02	0.02
Employees' Benefit Expenses	17.55	25.61	17.84	64.12	80.95	100.12	17.71	25.78	18.06	64.69	81.67	101.38
Finance Cost	0.49	3.31	58.30	7.43	156.24	155.59	0.49	3.31	58.30	7.43	156.25	155.59
Depreciation & Amortization Expenses	2.78	2.76	3.93	9.37	11.83	15.14	2.86	2.84	4.01	9.61	12.07	15.46
Other Expenses	5.31	5.63	9.94	16.15	25.32	38.07	5.41	5.68	10.10	16.41	25.77	38.60
<b>Total expenses</b>	<b>338.15</b>	<b>191.31</b>	<b>1,707.88</b>	<b>2,821.02</b>	<b>8,453.33</b>	<b>9,195.75</b>	<b>338.49</b>	<b>191.61</b>	<b>1,708.34</b>	<b>2,822.09</b>	<b>8,454.75</b>	<b>9,197.86</b>
<b>Profit before exceptional items and tax</b>	<b>(3.15)</b>	<b>(10.15)</b>	<b>(162.12)</b>	<b>(25.86)</b>	<b>(172.79)</b>	<b>(182.68)</b>	<b>(3.49)</b>	<b>(10.39)</b>	<b>(162.58)</b>	<b>(26.89)</b>	<b>(174.21)</b>	<b>(184.57)</b>
Exceptional Items - Expense/(Income)	2.78	(2.53)	665.25	82.03	665.55	714.44	2.78	(4.07)	665.25	80.49	665.36	714.49
<b>Profit Before Tax</b>	<b>(5.93)</b>	<b>(7.62)</b>	<b>(827.37)</b>	<b>(107.89)</b>	<b>(838.34)</b>	<b>(897.12)</b>	<b>(6.27)</b>	<b>(6.32)</b>	<b>(827.83)</b>	<b>(107.38)</b>	<b>(839.57)</b>	<b>(899.06)</b>
<b>Tax expense</b>												
(i) Current tax	-	-	(0.90)	-	-	-	-	-	(0.90)	-	-	-
(ii) Tax related to earlier years	-	-	12.76	-	12.76	(16.04)	-	-	12.76	-	12.76	(16.04)
(iii) Deferred tax	-	-	-	-	-	-	-	-	-	-	-	-
<b>Profit for the period from continuing operations (A)</b>	<b>(5.93)</b>	<b>(7.62)</b>	<b>(839.23)</b>	<b>(107.89)</b>	<b>(851.10)</b>	<b>(881.08)</b>	<b>(6.27)</b>	<b>(6.32)</b>	<b>(839.69)</b>	<b>(107.38)</b>	<b>(852.33)</b>	<b>(883.02)</b>
Profit/(loss) from discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-
Tax expense of discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-
<b>Profit from discontinued operations after tax (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>I Profit for the period (A+B)</b>	<b>(5.93)</b>	<b>(7.62)</b>	<b>(839.23)</b>	<b>(107.89)</b>	<b>(851.10)</b>	<b>(881.08)</b>	<b>(6.27)</b>	<b>(6.32)</b>	<b>(839.69)</b>	<b>(107.38)</b>	<b>(852.33)</b>	<b>(883.02)</b>
<b>II Other Comprehensive Income</b>												
Items that will not be reclassified to profit or loss						1.62						1.62
- Remeasurements of the defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-
Less: Income Tax on Above	-	-	-	-	-	-	-	-	-	-	-	-
Items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total of Other Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.62</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.62</b>
<b>Total Comprehensive Income for the period</b>	<b>(5.93)</b>	<b>(7.62)</b>	<b>(839.23)</b>	<b>(107.89)</b>	<b>(851.10)</b>	<b>(879.46)</b>	<b>(6.27)</b>	<b>(6.32)</b>	<b>(839.69)</b>	<b>(107.38)</b>	<b>(852.33)</b>	<b>(881.40)</b>
<b>Paid up equity share capital (Face value of Rs. 10/- each)</b>	<b>60.00</b>	<b>60.00</b>	<b>60.00</b>	<b>60.00</b>	<b>60.00</b>	<b>60.00</b>	<b>60.00</b>	<b>60.00</b>	<b>60.00</b>	<b>60.00</b>	<b>60.00</b>	<b>60.00</b>
Other Equity excluding Revaluation Reserves	-	-	-	(1,001.16)	(863.95)	(893.24)	-	-	-	(5,566.60)	(5,430.15)	(5,459.22)
<b>Earnings per equity share : (Not Annualized)</b>												
(1) Basic (in Rupees)	(0.99)	(1.27)	(139.87)	(17.98)	(141.85)	(146.85)	(1.05)	(1.05)	(139.95)	(17.90)	(142.06)	(147.17)
(2) Diluted (in Rupees)	(0.99)	(1.27)	(139.87)	(17.98)	(141.85)	(146.85)	(1.05)	(1.05)	(139.95)	(17.90)	(142.06)	(147.17)



10/1/2020

The State Trading Corp. of India Ltd.  
New Delhi

10/2

Segment-wise Revenue, Results, Assets & Liabilities													(Rs. crore)
Particulars	STANDALONE						CONSOLIDATED						
	Quarter ended 31.12.2019	Quarter ended 30.09.2019	Quarter ended 31.12.2018	Nine Months ended 31.12.2019	Nine Months ended 31.12.2018	Year ended 31.03.2019	Quarter ended 31.12.2019	Quarter ended 30.09.2019	Quarter ended 31.12.2018	Nine Months ended 31.12.2019	Nine Months ended 31.12.2018	Year ended 31.03.2019	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
<b>1. Segment revenue</b>													
a) Export	5.55	2.07	4.24	10.53	8.20	13.89	5.55	2.07	4.24	10.53	8.20	13.89	
b) Import	220.43	102.96	1,475.06	2,535.25	7,767.35	8,437.75	220.43	102.96	1,475.06	2,535.25	7,767.35	8,437.75	
c) Domestic	89.07	51.68	143.30	186.57	417.55	451.80	89.07	51.68	143.30	186.57	417.55	451.80	
<b>Total</b>	<b>315.05</b>	<b>156.71</b>	<b>1,622.60</b>	<b>2,732.35</b>	<b>8,193.10</b>	<b>8,903.44</b>	<b>315.05</b>	<b>156.71</b>	<b>1,622.60</b>	<b>2,732.35</b>	<b>8,193.10</b>	<b>8,903.44</b>	
Less -Inter-segment revenue	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Revenue from operations</b>	<b>315.05</b>	<b>156.71</b>	<b>1,622.60</b>	<b>2,732.35</b>	<b>8,193.10</b>	<b>8,903.44</b>	<b>315.05</b>	<b>156.71</b>	<b>1,622.60</b>	<b>2,732.35</b>	<b>8,193.10</b>	<b>8,903.44</b>	
<b>2. Segment results - Profit /(Loss) before tax and interest from each segment</b>													
a) Export	0.12	1.76	0.10	1.94	3.61	3.73	0.12	1.76	0.10	1.94	3.61	3.73	
b) Import	0.73	(0.63)	1.76	0.26	0.91	1.75	0.73	(0.63)	1.76	0.26	0.91	1.75	
c) Domestic	2.01	1.18	2.47	5.49	8.26	9.44	2.01	1.18	2.47	5.49	8.26	9.44	
<b>Total</b>	<b>2.86</b>	<b>2.31</b>	<b>4.33</b>	<b>7.69</b>	<b>12.78</b>	<b>14.92</b>	<b>2.86</b>	<b>2.31</b>	<b>4.33</b>	<b>7.69</b>	<b>12.78</b>	<b>14.92</b>	
Less:(i) Finance cost	0.49	3.31	58.30	7.43	156.24	155.59	0.49	3.31	58.30	7.43	156.25	155.59	
(ii) Other unallocable expenditure net off	8.30	6.62	773.40	108.15	694.88	756.45	8.64	5.32	773.40	107.64	696.10	758.39	
Unallocable income													
<b>Profit before Tax</b>	<b>(5.93)</b>	<b>(7.62)</b>	<b>(827.37)</b>	<b>(107.89)</b>	<b>(838.34)</b>	<b>(897.12)</b>	<b>(6.27)</b>	<b>(6.32)</b>	<b>(827.83)</b>	<b>(107.38)</b>	<b>(839.57)</b>	<b>(899.06)</b>	
<b>3. Segment Assets</b>													
a) Export	1,060.21	1,064.14	1,665.85	1,060.21	1,665.85	1,063.54	1,060.21	1,064.14	1,665.85	1,060.21	1,665.85	1,063.54	
b) Import	78.88	32.91	49.56	78.88	49.56	29.83	78.88	32.91	49.56	78.88	49.56	29.83	
c) Domestic	66.49	34.39	87.18	66.49	87.18	34.24	66.49	34.39	87.18	66.49	87.18	34.24	
d) Unallocated	1,291.12	1,358.91	1,952.38	1,291.12	1,952.38	1,675.47	1,291.76	1,365.48	1,956.49	1,291.76	1,956.49	1,680.11	
<b>Total</b>	<b>2,496.70</b>	<b>2,490.35</b>	<b>3,754.97</b>	<b>2,496.70</b>	<b>3,754.97</b>	<b>2,803.08</b>	<b>2,497.34</b>	<b>2,496.92</b>	<b>3,759.08</b>	<b>2,497.34</b>	<b>3,759.08</b>	<b>2,807.72</b>	
<b>4. Segment Liabilities</b>													
a) Export	1,185.15	1,193.32	1,365.66	1,185.15	1,365.66	1,250.76	1,185.15	1,193.32	1,365.66	1,185.15	1,365.66	1,250.76	
b) Import	354.83	317.75	292.06	354.83	292.06	348.11	354.83	317.75	292.06	354.83	292.06	348.11	
c) Domestic	58.79	79.71	89.95	58.79	89.95	36.45	58.79	79.71	89.95	58.79	89.95	36.45	
d) Unallocated	954.49	950.20	1,927.57	954.49	1,927.57	1,116.40	5,523.35	5,521.40	6,528.71	5,523.35	6,528.71	5,685.66	
<b>Total</b>	<b>2,553.26</b>	<b>2,540.98</b>	<b>3,675.24</b>	<b>2,553.26</b>	<b>3,675.24</b>	<b>2,751.72</b>	<b>7,122.12</b>	<b>7,112.18</b>	<b>8,276.38</b>	<b>7,122.12</b>	<b>8,276.38</b>	<b>7,320.98</b>	

**Notes**

1) These Financial results have been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

2) The financial results for the Period ended on 31st December 2019 were reviewed by the Audit Committee on 10.02.2020 and approved by the Board of Directors in its meeting held on 10.02.2020

3) In view of the default by the Company in paying due interest amount to the banks, STC was declared a NPA. The lender banks initiated DRT proceedings against the Company and Syndicate bank initiated NCLT proceedings. However, NCLT proceedings have been withdrawn by Syndicate Bank and the lender banks are in the process of withdrawing the DRT proceedings also. The Company has already initiated the OTS proposal with the lender banks and accordingly a part payment of Rs. 1,100.00 Crore has been made to Syndicate Bank, leader of Joint lenders forum on 29.03.2019 (Rs. 900 Crore) and on 27.05.2019 (Rs. 200 Crore). The process of OTS with the lender banks is in progress and the same is being vigorously followed up at appropriate levels.

4) Total trade receivable of Rs. 1,111.60 Crore includes Rs. 973.37 Crore "having significant increase in credit risk" being under dispute/litigation and outstanding since long. However, no credit impairment has been made, as the Company feels that even if the amount is eventually not recovered, the creditor will not be paid by the Company to the extent the amount is not realized from trade receivables. Though in certain cases Court has directed STC to pay the creditors.

5) STC was allotted a plot of land measuring 2,599 acres by L&DO for constructing of Office building at a rate of Rs.1,000 per sq. yard vide Lease Agreement dated 05.12.1975. On 26.03.2018, L&DO raised a demand on STC vide its letter no. L&DO/LS2A/9225/133 for an amount of Rs.132.83 crore w.r.t. various conditions of the Lease Deed. L&DO had further stated that the execution of lease deed shall be subject to complete payment & putting to use of premises as permissible under Master plan. However, STC has disputed the demand and asked for certain details/clarifications for the purpose of reconciliation. Despite repeated follow-up by STC in the matter, L&DO is yet to provide the requisite details. Till date, there is no confirmatory order from L&DO and hence, clear Liability for the said demand is not ascertainable. Moreover, STC has intimated L&DO about the area of land at JVB which was acquired/utilized by NDMC and Delhi Metro for 325.686 sq. mtr. & 388.910 sq.mtr respectively. L&DO has also been requested to consider for the reduction in land area initially allotted to STC and to intervene for early disbursement of compensation, if any.



20/2/2020  

 10/2

6) Eventhough the net worth of the Company has been eroded fully (even including revaluation reserve), in the opinion of the Management, the Company is going concern as : The Company is a CPSE under administrative control of the Ministry of Commerce & Industry. The Company is primarily in the business of trade with State Trading Organizations of various countries, to undertake promotion of export and to undertake market intervention operations in commodities as specified by Government from time to time. The Company has seven offices and 3 representative offices all over the country and is fully equipped with the necessary infrastructural facilities to undertake any volume of business operations. The Company is participating in several business opportunities. For last few years the Company is facing mismatch in inflows and outflows of funds due to huge recoverable from associates with whom the Company had undertaken trade transactions and who had defaulted in making timely payment to STC. This has led to temporary financial crunch, operating losses, reduction of net worth. Simultaneously the Company initiate legal action against the defaulting associates. One of the major associates has made sufficient payment to STC on direction of Hon'ble Supreme Court. This has eased out the financial crisis of the Company to some extent. The Company has therefore proposed settlement with the lender banks. Simultaneously, the Company has undertaken various cost reduction measures to improve the liquidity / profitability such as closure of unviable branches undertaking trade in those commodities fetching higher trade margins etc. In view of this it is believed that, after the proposed settlement, sufficient liquidity would be available with the Company to undertake further business operation. The Company has also requested to JLF to provide some funded/non-funded limit for conducting business on behalf of Govt. of India. It is believed that this would generate sufficient trade margin for STC in the process of revival, it is believed that STC shall be in a position to confidently sail as a going concern. Considering the strength of the Company, business plans and future outlook as assessed, the Company is quite confident to reach at some workable solution to resolve financial position of the Company. Pending such resolution and considering the facts given above:-

- a. Accounts have been prepared on going concern basis.
- b. As regards to business plan, it is to mention that STC has projected a turnover of Rs. 9,000 Crore as per MOU for the F.Y 2019-20 against which almost one-third has been achieved till the reporting period.
- c. The Company is continuing to carry forward deferred tax assets, which will be available for set of against future profits in view of anticipated business opportunities and improved availability of working capital,

d. No provision for impairment of non-current assets has been considered necessary and

e. As a cost cut measure, the Company has introduced Voluntary retirement scheme (VRS), first phase of VRS was introduced starting from 18.06.2018 to 17.07.2018 up to level of Chief Manager excluding professionals. The VRS in the first phase was to cover maximum 80 employees on first come first serve basis. Total 101 applications were received out of which 06 applications were rejected, 07 applications were withdrawn. Application of 80 employees out of balance 88 applications were accepted and their dues have been settled. Further Second phase has also been introduced from 29.03.2019 till 29.04.2019 up to level of Chief Manager and 43 applications have been accepted and settled. Further, VRS was opened on 20.06.2019 and is opened till 31.03.2020. Total application received as on 31.01.2020 was 12 and all the applications have been accepted, out of this 11 employees were relieved. There is 01 application pending for processing.

7) Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of 0.85 crore, and a lease liability of 0.86 crore. The cumulative effect of applying the standard resulted in 0.01 crore being debited to retained earnings, net of taxes. The effect of this adoption is insignificant on the profit for the period and earnings per share.

8) As a matter of accounting prudence, Deferred Tax Assets for the period ended 31.12.2019 have not been recognized.

9) Figures of the previous period have been recasted / reclassified to make them comparable with those of the current period wherever necessary.

As per our report of even date  
M/s HDSG & Associates  
Chartered Accountants  
FRN : 002871N

*Arun Saini*

Arun Saini  
Partner  
M. No. 082070



Place: New Delhi  
Date: 10.02.2020

By order of the Board of Directors

*Rajiv Chopra*  
(Rajiv Chopra)  
Director (Marketing)  
with additional charge of CMD  
DIN -06466326



*Boojna Nagrath*  
(Boojna Nagrath)  
GM-F & CFO

THE STATE TRADING CORPORATION OF INDIA LTD.  
Statement of Financial Results for the Period ended Dec 31, 2019  
CIN: L74899DL1956GOI002674

(Rs. Crore)

S.NO.	PARTICULARS	STANDALONE						CONSOLIDATED					
		Quarter ended 31.12.2019	Quarter ended 30.09.2019	Quarter ended 31.12.2018	Nine Months ended 31.12.2019	Nine Months ended 31.12.2018	Year ended 31.03.2019	Quarter ended 31.12.2019	Quarter ended 30.09.2019	Quarter ended 31.12.2018	Nine Months ended 31.12.2019	Nine Months ended 31.12.2018	Year ended 31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Total income from operations	315.05	156.71	1,622.60	2,732.35	8,193.10	8,903.44	315.05	156.71	1,622.60	2,732.35	8,193.10	8,903.44
2	Net Profit /(Loss) for the period (before tax, exceptional and/or Extraordinary items)	(3.15)	(10.15)	(162.12)	(25.86)	(172.79)	(182.68)	(3.49)	(10.39)	(162.12)	(26.89)	(174.21)	(184.57)
3	Net Profit /(Loss) for the period before tax (after Exceptional and/or Extraordinary items)	(5.93)	(7.62)	(827.37)	(107.89)	(838.34)	(897.12)	(6.27)	(6.32)	(827.37)	(107.38)	(839.57)	(899.06)
4	Net Profit /(Loss) for the period after tax (after Exceptional and/or Extraordinary items)	(5.93)	(7.62)	(839.23)	(107.89)	(851.10)	(881.08)	(6.27)	(6.32)	(839.23)	(107.38)	(852.33)	(883.02)
5	Total comprehensive income for the period [comprising Profit/ (Loss) for the period (after Tax) and other comprehensive income (after tax)]	(5.93)	(7.62)	(839.23)	(107.89)	(851.10)	(879.46)	(6.27)	(6.32)	(839.23)	(107.38)	(852.33)	(881.40)
6	Equity Share Capital	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00
7	Other Equity excluding Revaluation Reserves	-	-	-	(1,001.16)	(863.95)	(893.24)	-	-	-	(5,566.60)	(5,430.15)	(5,459.22)
8	Earning per share (of Rs. 10/- each) (for continuing and discontinued operations) (not Annualized) :												
	(a) Basic (in Rupees)	(0.99)	(1.27)	(139.87)	(17.98)	(141.85)	(146.85)	(1.05)	(1.05)	(139.87)	(17.90)	(142.06)	(147.17)
	(b) Diluted (in Rupees)	(0.99)	(1.27)	(139.87)	(17.98)	(141.85)	(146.85)	(1.05)	(1.05)	(139.87)	(17.90)	(142.06)	(147.17)

**Notes:**

- These Financial results have been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- The financial results for the Period ended on 31st December 2019 were reviewed by the Audit Committee on 10.02.2020 and approved by the Board of Directors in its meeting held on 10.02.2020
- In view of the default by the Company in paying due interest amount to the banks, STC was declared a NPA. The lender banks initiated DRT proceedings against the Company and Syndicate bank initiated NCLT proceedings. However, NCLT proceedings have been withdrawn by Syndicate Bank and the lender banks are in the process of withdrawing the DRT proceedings also. The Company has already initiated the OTS proposal with the lender banks and accordingly a part payment of Rs. 1,100.00 Crore has been made to Syndicate Bank, leader of Joint lenders forum on 29.03.2019 (Rs. 900 Crore) and on 27.05.2019 (Rs. 200 Crore). The process of OTS with the lender banks is in progress and the same is being vigorously followed up at appropriate levels.
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10/2/2020



9/10/2

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(Rajiv Chopra)  
Director (Marketing) with additional charge of CMD  
DIN -06466326

By order of the Board of Directors



(Roorna Nagrath)  
GM-F & CFO

Place: New Delhi  
Date: 10.02.2020