



दि स्टेट ट्रेडिंग कॉरपोरेशन ऑफ़ इंडिया लिमिटेड
(भारत सरकार का उद्यम)
THE STATE TRADING CORPORATION OF INDIA LTD.
(A Govt. of India Enterprise)

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

February 09, 2018

Manager –Listing Compliance Department National Stock Exchange of India Limited Exchange Plaza, Bandra –Kurla Complex, Bandra (East), Mumbai-400051 Scrip Code : STCINDIA-EQ	Manger- Listing Compliance Department BSE Limited 1 st Floor, P.J.Towers, Dalal Street, Mumbai-400001 Scrip Code : 512531
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**Sub: Unaudited Financial Results (Limited Reviewed) for the quarter ended
December 31, 2017**

Dear Sir,

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 09, 2018 considered and approved the Statement of Unaudited Financial Results (Standalone) for the quarter and nine months ended December 31, 2017.

Statement of Unaudited Financial Results along with Limited Review Report for the quarter and Nine Months ended December 31, 2017 and Press Release are enclosed herewith.

The Board meeting commenced at 04:30 P.M. and concluded at 11:50 P.M.

This is for your information and record please.

Thanking you,

Yours sincerely,
For The State Trading Corporation of India Limited


(Kamlesh Kumari)
Company Secretary
ACS No. 24616

Encl: as above

पंजीकृत कार्यालय: जवाहर व्यापार भवन, टॉलस्टॉय मार्ग, नई दिल्ली – 110001 / Regd. Office : Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi – 110001

कॉर्पोरेट पहचान संख्या / Corporate Identity No.: L74899DL1956GOI002674

दूरभाष / Telephone : 011- 23313177, ई-मेल/ E-mail : co@stclimited.co.in वेबसाइट/ website: www.stclimited.co.in

THE STATE TRADING CORPORATION OF INDIA LTD.
Statement of Standalone Financial Results for the Quarter & Nine Months ended Dec. 31, 2017 (Ind AS COMPLIED)
CIN: L74899DL1956GOI002674

Annexure-II
(Rs. crore)

Particulars	Quarter ended 31.12.2017	Quarter ended 30.09.2017	Quarter ended 31.12.2016	Nine Months Ended 31.12.2017	Nine Months Ended 31.12.2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Income					
Revenue from Operations	2,236.82	1,751.37	2,172.79	8,787.13	4,988.76
Other Income	73.35	75.10	68.00	226.26	197.29
Total Income	2,310.17	1,826.47	2,240.79	9,013.39	5,186.05
Expenses					
Cost of materials consumed	0.01	-	-	0.01	0.04
Purchases of Stock in trade	2,220.07	1,722.24	2,178.93	8,731.04	5,001.78
Change in Inventory	2.78	26.98	(18.13)	29.59	(39.07)
Employees' Benefit Expenses	24.26	24.78	26.48	74.51	78.66
Finance Cost	43.94	41.95	39.63	128.03	115.96
Depreciation & Amortization Expenses	3.99	4.53	3.94	12.45	11.91
Other Expenses	5.45	7.02	8.70	19.09	24.79
Total expenses	2,300.50	1,827.50	2,239.55	8,994.72	5,194.07
Profit before exceptional items and tax	9.67	(1.03)	1.24	18.67	(8.02)
Exceptional Items - Expense / (Income)	(6.22)	(10.54)	194.15	(20.58)	165.37
Profit Before Tax	15.89	9.51	(192.91)	39.25	(173.39)
Tax expense					
(i) Current tax	(3.19)	1.75	(0.25)	(0.22)	0.54
(ii) Deferred tax	-	-	-	-	-
Profit for the period from continuing operations (A)	19.08	7.76	(192.66)	39.47	(173.93)
Profit/(loss) from discontinued operations					
Tax expense of discontinued operations					
Profit from discontinued operations after tax (B)	-	-	-	-	-
I Profit for the period (A+B)	19.08	7.76	(192.66)	39.47	(173.93)
II Other Comprehensive Income					
Items that will not be reclassified to profit or loss					
- Remeasurements of the defined benefit plans	-	-	-	0.09	0.08
Less: Income Tax on Above	-	-	-	0.03	0.03
Items that will be reclassified to profit or loss					
Total of Other Comprehensive Income	-	-	-	0.06	0.05
Total Comprehensive Income for the period	19.08	7.76	(192.66)	39.53	(173.88)
Paid up equity share capital (Face value of Rs. 10/- each)	60.00	60.00	60.00	60.00	60.00
Earnings per equity share : (Not Annualized)					
(1) Basic (in Rupees)	3.18	1.29	(32.11)	6.59	(28.98)
(2) Diluted (in Rupees)	3.18	1.29	(32.11)	6.59	(28.98)
Segment-wise Revenue, Results, Assets & Liabilities					
(Rs. crore)					
PARTICULARS	Quarter ended 31.12.2017	Quarter ended 30.09.2017	Quarter ended 31.12.2016	Nine Months Ended 31.12.2017	Nine Months Ended 31.12.2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1. Segment revenue					
a) Export	132.71	1.86	383.80	262.38	467.78
b) Import	2,022.79	1,722.37	1,647.92	8,277.38	4,017.91
c) Domestic	81.32	27.14	141.07	247.37	503.07
Total	2,236.82	1,751.37	2,172.79	8,787.13	4,988.76
Less -Inter-segment revenue	-	-	-	-	-
Revenue from operations	2,236.82	1,751.37	2,172.79	8,787.13	4,988.76
2. Segment results - Profit/(Loss) before tax and interest from each segment					
a) Export	11.29	(0.03)	8.48	17.90	11.86
b) Import	1.04	1.25	1.22	4.40	7.56
c) Domestic	0.86	0.19	1.21	1.94	4.49
Total	13.19	1.41	10.91	24.24	23.91



PARTICULARS	Quarter ended	Quarter ended	Quarter ended	Nine Months Ended	Nine Months Ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Less:(i) Finance cost	43.94	41.95	39.63	128.03	115.96
(ii) Other unallocable expenditure net off					
Unallocable income	(46.64)	(50.05)	164.19	(143.04)	81.34
Profit before Tax	15.89	9.51	(192.91)	39.25	(173.39)
3. Segment Assets					
a) Export	3,093.91	3,061.98	3,053.89	3,093.91	3,053.89
b) Import	112.44	115.42	152.97	112.44	152.97
c) Domestic	78.33	35.63	155.33	78.33	155.33
d) Unallocated	1,105.24	1,068.99	1,022.86	1,105.24	1,022.86
Total	4,389.92	4,282.02	4,385.05	4,389.92	4,385.05
4. Segment Liabilities					
a) Export	1,357.14	1,344.05	1,456.76	1,357.14	1,456.76
b) Import	275.82	267.62	233.24	275.82	233.24
c) Domestic	81.87	29.52	79.30	81.87	79.30
d) Unallocated	1,744.21	1,729.10	1,732.34	1,744.21	1,732.34
Total	3,459.04	3,370.29	3,501.64	3,459.04	3,501.64

Reconciliation of Profit after tax for the quarter & period ended 31st December 2016 between Ind-AS compliant results reported above with results reported as per previous Indian GAAP.

Particulars	Quarter ended	Nine Months Ended
	31.12.2016	31.12.2016
Profit (after tax) as per previous GAAP	(192.55)	(173.49)
Add: Adjustments as per IND AS		
Actuarial Loss/(gain) on defined plans recognised in other comprehensive income	-	(0.08)
Effect of prior period item -expense/(Income)	(0.08)	(0.32)
Effect on Depreciation & Amortization expenses	(0.03)	(0.07)
Tax expense impact	-	0.03
Profit (after Tax) for the period under Ind AS	(192.66)	(173.93)
Other comprehensive income (net of tax) (actuarial Loss/gain on defined benefit plans)	-	0.05
Total comprehensive income under Ind AS	(192.66)	(173.88)

Notes

1) The Financial Results for the quarter & nine months ended 31st Dec, 2017 were reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 09th February, 2018.

2) Limited Review as per Regulation 33 of the SEBI (LODR) Regulations, 2015 has been carried out by the Statutory Auditors of the Company.

(3) The Company has adopted Indian Accounting Standards (Ind-AS) as notified by the Ministry of Corporate Affairs, w.e.f. 01.04.2017 and accordingly the results for the quarter & nine months ended 31.12.2017 are in compliance with Ind-AS subject to ascertainment of fair valuation of financial assets / liabilities in some cases on account of expected credit loss / discounting factors. However, there will be no material variation on this account. The date of transition to Ind-AS is 01.04.2016. The results for the quarter & nine months ended 31.12.2016 have been restated to comply with Ind-AS to make them comparable. The final Ind-AS financial statements as of and for the year ending 31.03.2018 including corresponding figures may require adjustment, if any, due to changes in financial reporting requirements arising during the course of implementation of Ind-As from revision or interpretation or clarifications relating to these standards / rules issued by Ministry of Corporate Affairs (MCA) / Institute of Chartered Accountants of India (ICAI).

4) Trade receivables and other income as on 31.12.2017 include Rs. 2010.41 crore and Rs. 193.17 crore respectively, receivable from one of the associates with whom the conciliation agreement has been signed which is enforceable as decree and upheld by Hon'ble Supreme Court as final. The associate has been making part payment as per directives of Hon'ble Supreme Court. The associate is in the process of submitting final payment schedule in Hon'ble Supreme Court for repayment of entire dues. In view of the above, the debt has been considered good & interest accrued thereon is recognized as income.

5) As a matter of accounting prudence, Deferred Tax Assets for the period ended 31.12.2017 have not been recognized.

6) Figures of the previous period have been regrouped/ rearranged to make them comparable with those of the current period wherever necessary.

As per our report of even date
For M/s P. Jain & Company
Chartered Accountants
FRN : 000711C

(Pankaj Jain)
Partner
M. No. 097279



(B R Dhawan)
CGM-F

By order of the Board of Directors

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

Place: New Delhi
Date: 09.02.2018

P.JAIN & COMPANY CHARTERED ACCOUNTANTS

HO- 210 ARUNACHAL BHAWAN, 2ND FLOOR, 19 BARAKHAMBA ROAD NEW DELHI 110001
BO- 6, NAVYUG MARKET, 1ST FLOOR, GHAZIABAD 201001

Limited Review Report

The Board of Directors
The State Trading Corporation of India Limited
New Delhi

1. We have reviewed the accompanying statement of unaudited standalone financial results of **The State Trading Corporation of India Limited** for the quarter & nine month ended December 31, 2017 into which are incorporated the accounts of Corporate Office and three Branches reviewed by us and eight Branches reviewed by Internal Auditors. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. 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 Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are 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.
3. Without modifying our report, we draw attention to note no. 3 to standalone unaudited financial results:- The results and corresponding figures may require adjustments, if any, before constituting the final Ind AS financial statements as of and for the year ending March, 2018 arising from revisions, interpretations and/or clarification of certain exemptions and provisions of Ind AS from its transition date 01.04.2016.
4. Our report on the audited financial statements for the year ending 31st March, 2017 was qualified with regard to Reference is invited to Note no.22.1 and 27.1, Trade receivable includes Rs. 1904.24 crore and other income includes interest of Rs. 231.93 crore booked during the current year on over dues from one of the business associates on account of goods supplied in earlier years. The dues are stated to be secured by EMD of Rs. 29.73 crore and personal guarantee of chairman of its holding company. Consequent upon Conciliation Agreement dated 15.11.2011 and further settlement agreement dated 17.05.2012, the entire dues were payable to the company by 10.11.2012. During the year, the Business Associate remitted an amount of Rs. 70.18 crore on the directions of Hon'ble Supreme Court. Considering the poor recovery, non-availability of security, dispute by party with respect to interest charged, and age of outstanding dues, interest income should not be recognized as per provisions of Accounting Standard- 9 issued by ICAI. Had the company de-recognized the interest income, net loss of current year would have been higher by Rs. 231.93 crore, reserve & surplus and trade receivable would have been lower by Rs. 231.93 crore.

Considering the overall circumstances surrounding the recoverability of outstanding dues of Rs. 1904.24 crore, we are not in a position to ascertain whether the amount is fully recoverable or not. We are informed by the management that petition for execution of decree as per Conciliation Agreements under the Arbitration and Conciliation Act, 1996 has been filed before the Hon'ble Supreme Court wherein it has been held that decree is final. The party has submitted payment proposal before the Hon'ble Apex Court which is still sub-judice before the Hon'ble Apex Court. Cases under section 138 of Negotiable Instruments Act are also filed by the company before the Hon'ble Civil Court Delhi. The Enforcement Directorate and CBI are also investigating into the matter about cheating and fraud done by the party. We have also been provided affirmative Board Resolution dt. 14.02.2017 and outcome dt. 30.05.2017 that all possible efforts are extended for recovery of the dues through legal process and company is assured of recovering the dues.




Contd.....

5. Further during the quarter and nine months ended 31st December, 2017,
- (i) The Company has recognized interest income of Rs. 65.64 crore and Rs. 193.17 crore respectively with respect to amount recoverable from one of the associate referred in para 4 above which should not be recognized for reasons referred in para 4 above.
 - (ii) The Company has considered value of property provided by one of the associate at estimated amount of Rs. 6.12 crore while making the provision in this case. However as per the status provided by the management it is stated that inspite of various extensions for E-auction of property no response was received. Considering the above, provision to the extent of value of property considered is short by Rs 6.12 crore.
 - (iii) With regard to difficult financial condition being faced by the company, it has been explained that business restructuring plan is being formulated in consultation with Administrative Ministry, hence we are unable to comment thereon.

Considering the observations made at para 5(i) & 5(ii) above, had the company derecognized the interest income and made provision of said recoverable, net profit for current period would have been net loss of Rs 159.76 crore, reserve & surplus would have been lower by Rs. 199.29 crore and Trade receivable would have been lower by Rs. 199.29 crore.

6. Based on our review conducted as above and subject to our observations in paragraphs 4 and 5 above, we report that nothing else has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results read with notes thereon, prepared in accordance with applicable Indian Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and other recognized accounting practices and policies 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 modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, including the manner in which it is to be disclosed or that it contains any material misstatement.

For P. Jain & Company
Chartered Accountants
(Firm Regn. No. 000711C)


(Pankaj Jain)
Partner
M. No.097279



Date : 09.02.2018

Place : New Delhi

THE STATE TRADING CORPORATION OF INDIA LTD.
Statement of Standalone Financial Results for the Quarter & Nine Months ended Dec. 31, 2017
(Ind AS COMPLIED)
 CIN: L74899DL1956GOI002674

Annexure -III
(Rs. crore)

S.NO.	PARTICULARS	Quarter ended	Quarter ended	Nine Months	Nine Months
		31.12.2017	31.12.2016	Ended	Ended
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Total income from operations	2,236.82	2,172.79	8,787.13	4,988.76
2	Net Profit /(Loss) for the period (before tax, exceptional and/or Extraordinary items)	9.67	1.24	18.67	(8.02)
3	Net Profit /(Loss) for the period before tax (after Exceptional and/or Extraordinary items)	15.89	(192.91)	39.25	(173.39)
4	Net Profit /(Loss) for the period after tax (after Exceptional and/or Extraordinary items)	19.08	(192.66)	39.47	(173.93)
5	Total comprehensive income for the period [comprising Profit/ (Loss) for the period (after Tax) and other comprehensive income (after tax)]	19.08	(192.66)	39.53	(173.88)
6	Equity Share Capital	60.00	60.00	60.00	60.00
7	Earning per share (of Rs. 10/- each) (for continuing and discontinued operations) (not Annualized) :				
	(a) Basic (in Rupees)	3.18	(32.11)	6.59	(28.98)
	(b) Diluted (in Rupees)	3.18	(32.11)	6.59	(28.98)

Notes:

1) The Financial Results for the quarter & nine months ended 31st Dec, 2017 were reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 09th February, 2018.

2) Limited Review as per Regulation 33 of the SEBI (LODR) Regulations, 2015 has been carried out by the Statutory Auditors of the Company.


(3) The Company has adopted Indian Accounting Standards (Ind-AS) as notified by the Ministry of Corporate Affairs, w.e.f. 01.04.2017 and accordingly the results for the quarter & nine months ended 31.12.2017 are in compliance with Ind-AS subject to ascertainment of fair valuation of financial assets / liabilities in some cases on account of expected credit loss / discounting factors. However, there will be no material variation on this account. The date of transition to Ind-AS is 01.04.2016. The results for the quarter & nine months ended 31.12.2016 have been restated to comply with Ind-AS to make them comparable. The final Ind-AS financial statements as of and for the year ending 31.03.2018 including corresponding figures may require adjustment, if any, due to changes in financial reporting requirements arising during the course of implementation of Ind-As from revision or interpretation or clarifications relating to these standards / rules issued by Ministry of Corporate Affairs (MCA) / Institute of Chartered Accountants of India (ICAI).

4) Trade receivables and other income as on 31.12.2017 include Rs. 2010.41 crore and Rs. 193.17 crore respectively, receivable from one of the associates with whom the conciliation agreement has been signed which is enforceable as decree and upheld by Hon'ble Supreme Court as final. The associate has been making part payment as per directives of Hon'ble Supreme Court. The associate is in the process of submitting final payment schedule in Hon'ble Supreme Court for repayment of entire dues. In view of the above, the debt has been considered good & interest accrued thereon is recognized as income.

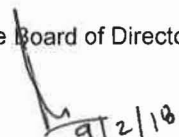
5) As a matter of accounting prudence, Deferred Tax Assets for the period ended 31.12.2017 have not been recognized.

6) Figures of the previous period have been regrouped/ rearranged to make them comparable with those of the current period wherever necessary.

7) The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results are available on the websites (www.nseindia.com, www.bseindia.com) of the stock Exchange(s) and Co.'s website (www.stclimited.co.in).


(B R Dhawan)
CGM-F

By order of the Board of Directors


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

Place: New Delhi
Date: 09.02.2018