

THE STATE TRADING CORPORATION OF INDIA LTD., NEW DELHI

CORPORATE ACCOUNTS DIVISION

No. STC/CO/F&A/CA/01001/2017

Date: 27.03.2018

CIRCULAR

Closing of Accounts for the year 2017-18

Time schedule for receipt of audited accounts for 2017-18 has been drawn up and is indicated in Annexure. All accounting units at Corporate Office and Branches are advised to adhere strictly to the prescribed time schedule. Branches should coordinate with the respective branch auditors for completion of audit within scheduled time. Last date for submission of audited accounts to F&A Corporate Accounts Divn. is 25.04.2018.

Detailed guidelines for preparation of Annual Accounts as set out in the manual for Closing of Accounts issued during February 2010 and already circulated by F&A Corporate Accounts Divn. vide letter dated 25.02.2010 and additional guidelines issued from time to time should be strictly complied with by all Branches and Accounting Units at C.O.

W.e.f. 01.04.2017 Ind-AS has been implemented. Financial statement for the financial year 2017-18 is to be prepared as per the requirements of Ind-AS notified by Ministry of Corporate affairs (MCA). In this connection various instructions and guidelines have been issued by F & A corporate accounts division CO during the course of implementation of Ind-AS w.e.f. 01.04.2017 and finalising the quarterly accounts for the financial year 2017-18.

The above must be kept in view while preparing the Ind-AS complied financial statements 2017-18. Accounting Policy 2017-18 duly approved by the Board is already communicated to all the branches / accounting units at CO during June Quarter 2017 and also available on STC's web site under employees corner, which may be strictly followed. It may also be ensured that:

- a) Physical verification of inventories and its valuation as communicated vide our message dated 05.03.2018 is conducted in time. Stock should be valued as per para no. 3.13 of the accounting policy.
- b) Accounting of interest income and expenditure is done by concerned branch/accounting units as communicated vide F&A Corporate Accounts Divn.'s message dated 01.10.2011.
- c) Review of trade receivables, trade payables and outstanding liabilities etc. has been carried out. Instructions of Internal Audit Division dated 15.01.2016 is also taken in to account.
- d) Letters for confirmation of outstanding balances have been dispatched to all parties for confirmation of the balance as on 31.03.2018 to the Statutory /Branch Auditors directly as per fax message dated 16.12.2013 of F&A Corporate accounts division.



- e) Copies of physical verification report of inventories and net realizable value of pledged inventories taken from reputed valuer/surveyor in the field and must be furnished along with audited accounts for onward submission to the statutory auditors at C.O.
- f) Receivables and payables as on 31.03.2018 in foreign currency are updated at the exchange rate as communicated by C.O.
- g) All necessary corrective actions of GAP Half Margins for F.Y. 2016-17 have been carried out in the accounts as on 31.03.2018. There should not be any repetition of the existing Half Margins during 2017-18. Further, it may be ensured that assurance given to Govt. Audit for the F.Y. 2016-17 have been complied during the year 2017-18, wherever applicable. In case of non-compliance- reasons for non-compliance must be given.
- h) Existing cross reference notes in the Annual report 2016-17 are to be duly updated and included in the branch/accounting unit's audited accounts by the respective branch/ accounting unit, Where ever applicable. Similarly, any additional accounting note pertaining to particular "notes to account" , if required, must be given below the concerned note as per Division-II of Schedule III of the Companies Act, 2013. Govt. Audit Party (GAP) has issued a specific Half Margin in earlier years in this regard.

Notes which are of general nature and not specifically pertains to a particular Notes to Account should be disclosed in other notes (refer annual report 2016-17).

- i) Disclosures required as per Ind-AS in the financial statement have been given in the format at the appropriate notes and are mandatory in nature. Similarly, disclosure notes which are common in nature are given separately as notes to accounts. Complete disclosure for both the cases must be given. In case nil figure/ no information, the same has to be indicated clearly. There should not be any blank or incomplete information in the disclosure notes.
- j) Annexure complete in all respects have been annexed with the financial statements being part of financial statements and also ensure that total of relevant annexure must match with the appropriate note of the financial statements.
- k) Information/Notes/Foot notes of each annexure and balance sheet / profit & loss account format have been taken into account in the preparation of accounts. Any lapse in this regard may result in non-compliance of Companies Act 2013.
- l) Depreciation is calculated and accounted for as per F&A corporate account division circular dated 01/04/2015 and instructions issued from time to time during the course of implementation of Ind-AS w.e.f. 01.04.2017.
- m) Classification of current /non-current assets and liabilities have been carried out as defined by the companies Act, 2013. F&A corporate accounts division instructions dated 18.10.2017 and 15.12.2017 must



be followed in this regard. Para 3.18 of the accounting policy may also be referred for this purpose.

- n) Classification of financial assets/liabilities and non-financial assets/liabilities have been carried out as defined by the Ind-AS 32 notified by Ministry of Corporate Affairs (MCA). F&A corporate accounts division instructions dated 18.10.2017 and 15.12.2017 must be followed in this regard.
- o) Provisional Overdue Statement and Monthly Accounts for the period ended 31st March 2018 in the prescribed format to be forwarded to F&A Corporate Account, C.O. by 7th April 2018 positively. However, the final overdue report in the prescribed format duly matched with the audited accounts as on 31.03.2018 may be furnished along with the audited accounts.
- p) Tax audit report in form 3CD u/s 44AB of The Income Tax Act, 1961 is to be submitted by 15.06.2018 positively to F& A Corporate Tax cell, C.O. Instructions and format of Tax Audit is being forwarded separately.

Format of Ind-AS complied financial statements duly updated along with necessary annexure and brief notes etc. is being uploaded in the STC's website in 'Corporate Account Formats' under employee corner. All concerned officials may download the same for necessary action. **In order to maintain uniformity, no alteration in the formats and annexures is permitted. In case of any additional particulars, not covered in the format, the same should be furnished in additional space provided in the format.** Complete information must be furnished in each and every note to accounts, disclosure note and annexure as these are part of the financial statements. Wherever information is nil or not applicable for any disclosure note/ annexure, a clear cut indication must be given instead of leaving blank which creates confusion in compilation of data.

Soft copy of the Audited Accounts along with complete annexures be e-mailed to F&A Corporate Accounts' email ID corporateaccs@stc.gov.in followed by hard copy in triplicate within the scheduled time.



(B.R. DHAWAN)
CGM-FIN

TO: All Branch Managers
All head of Finance in Branches
All GM-Fs/JGM-Fs/DGM-Fs at C.O.

SCHEDULE FOR CLOSING OF ACCOUNTS FOR THE F.Y. 2017-18

S.N O	ITEMS	last date for completion/ submission to corporate account div.
1	Obtaining physical verification reports of inventories & fixed assets	03.04.2018
2	Necessary adjustment entries for inventories/assets regarding discrepancies in PV report	03.04.2018
3	Completion of valuation of inventories	03.04.2018
4	Completion of bank reconciliation	03.04.2018
5	Booking of purchase/sales & claims	05.04.2018
6	Review of sundry debtors & creditors a/c's	05.04.2018
7	Submission of statements of daily transfer of funds to F&A Banking Divn. C.O.	06.04.2018
8	Issue of letters to debtors & creditors through statutory auditors for confirmation of Balances as on 31.03.2018	06.04.2018
9	Review of ledger accounts (other than debtors/ creditors)	07.04.2018
10	Submissions of statement of inter branch stock transfers to F&A Corporate Accounts Divn.	07.04.2018
11	Submission of final HOR extracts to F&A Corporate Accounts Divn.	10.04.2018
12	Confirmation of Inter branch stock transfer by F&A Corporate Accounts Divn., C.O.	10.04.2018
13	Confirmation of remittances of CPF, EPS-95, Pension etc by CPF cell (A&E), CO	10.04.2018
14	Confirmation of HOR cash balances by F&A Banking Division C.O.	11.04.2018
15	Confirmation of HOR (others) balance by F&A Corporate Accounts Divn., C.O.	11.04.2018
16	Submission of accounts to internal audit and Ind-AS Consultant M/s ASA & Associates.	12.04.2018
17	Submission of complete set of balance sheet P&L a/c to Branch Auditors/Statutory Auditors for review & clearance	15.04.2018
18	Submission of audited accounts to F & A Corporate Accounts Divn.	25.04.2018

RDJ