

FAX

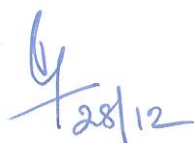
DATE : 28TH DECEMBER 2020

ALL BRANCH / R.O.MANAGERS
REPEAT ALL BRANCH/ R.O. FINANCE HEADS/DIVISIONS AT CO
FROM ROOMA NAGRATH, GM-F, STC, NEW DELHI.

AS PER LODR AGREEMENT WITH SEBI, ACCOUNTS FOR THE QUARTER ENDING ON 31.12.2020 ALONGWITH SEGMENTAL REPORTING DULY REVIEWED (LIMITED) BY THE STATUTORY AUDITORS ARE REQUIRED TO BE PUBLISHED IN THE LEADING NEWSPAPERS WITHIN PRESCRIBED TIME LIMIT.

THE SCHEDULE APPROVED BY COMPETENT AUTHORITY FOR SUBMISSION OF CERTIFIED QUARTERLY ACCOUNTS BY ALL BRANCHES/DIVISIONS AT C.O IS ATTACHED AT ANNEXURE I. FORMATS OF ACCOUNTS ARE AVAILABLE ON STC's WEBSITE UNDER CORPORATE ACCOUNTS FORMAT FOR NECESSARY ACTION.THE FOLLOWING MAY BE ENSURED WHILE PREPARATION OF QUARTELY ACCOUNTS:-

1. THE QUARTERLY ACCOUNTS ARE PREPARED AS PER ACCOUNTING POLICIES UPOADED IN THE WEBSITE FOR THE FINANCIAL YEAR 2019-20.
2. THE QUARTERLY ACCOUNTS TO BE SUBMITTED ALONGWITH CORRESPONDING PREVIOUS YEAR'S PERIOD ENDED 31.12.2019 FIGURES.
3. CLASSIFICATION OF CURRENT ASSETS AND CURRENT LIABILITIES : ASSETS AND LIABILITIES BE CLASSIFIED AS CURRENT AND NON-CURRENT STRICTLY AS PER THE CRITERIA DEFINED IN SCHEDULE III (DIVISION - II) OF THE COMPANIES' ACT 2013. FOR CLARITY, THE CRITERIA IS GIVEN AS BELOW:
 - A) CURRENT ASSETS - AN ASSET SHALL BE CLASSIFIED AS CURRENT WHEN IT SATISFIES THE FOLLOWING CRITERIA :
 - I) IT EXPECTS TO REALIZE THE ASSET, OR INTENDS TO SELL OR CONSUME IT, IN ITS NORMAL OPERATING CYCLE.
 - II) IT HOLDS THE ASSET PRIMARILY FOR THE PURPOSE OF TRADING.
 - III) IT EXPECTS TO REALISE THE ASSETS WITHIN 12 MONTHS AFTER THE REPORTING PERIOD OR
 - IV) THE ASSET IS CASH OR CASH EQUIVALENT UNLESS THE ASSET IS RESTRICTED FROM BEING EXCHANGED OR USED TO SETTLE A LIABILITY FOR AT LEAST 12 MONTHS AFTER THE REPORTING PERIOD.
 - B) NON-CURRENT ASSET: ALL OTHER ASSETS SHALL BE CLASSIFIED AS NON-CURRENT.
AN OPERATING CYCLE IS THE TIME BETWEEN THE ACQUISITION OF ASSET FOR PROCESSING AND THEIR REALIZATION IN CASH OR CASH EQUIVALENTS. WHEN THE ENTITY'S NORMAL OPERATING CYCLE IS NOT CLEARLY IDENTIFIABLE, IT IS ASSUMED TO BE 12 MONTHS.
 - C) CURRENT LIABILITY: AN ENTITY SHALL CLASSIFY A LIABILITY AS CURRENT WHEN :


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- I) IT EXPECTS TO SETTLE THE LIABILITY IN ITS OPERATING CYCLE.
 - II) IT HOLDS THE LIABILITY PRIMARILY FOR THE PURPOSE OF TRADING.
 - III) THE LIABILITY IS DUE TO BE SETTLED WITHIN 12 MONTHS AFTER THE REPORTING PERIOD OR
 - IV) IT DOES NOT HAVE AN UNCONDITIONAL RIGHT TO DEFER SETTLEMENT OF THE LIABILITY FOR AT LEAST 12 MONTHS AFTER THE REPORTING PERIOD. TERMS OF A LIABILITY THAT COULD, AT THE OPTION OF THE COUNTER PARTY, RESULT IN ITS SETTLEMENT BY THE ISSUE OF EQUITY INSTRUMENTS DO NOT AFFECT ITS CLASSIFICATION.
- D) NON-CURRENT LIABILITY – ALL OTHER LIABILITIES SHALL BE CLASSIFIED AS NON-CURRENT.
4. THE ACCOUNTING OF FOLLOWING ASSETS/LIABILITIES WOULD BE IN LINE WITH ACCOUNTING TREATMENT ALREADY ADOPTED DURING 2018-19:-
- (a) COMPONENT-WISE ACCOUNTING IN RESPECT OF PPE.
 - (b) INVESTMENT PROPERTY.
 - (c) AMORTIZATION OF FAIR VALUE ADJUSTMENT (DISCOUNTING) IN RESPECT OF ADVANCES TO EMPLOYEES, EMD, DEPOSITS ETC. IS TO BE TREATED AS UNDER :
 - (i) EXISTING AMORTIZED VALUE IS TO BE ACCOUNTED FOR THE QUARTER ON PRO-RATA BASIS.
 - (ii) THE AMORTIZATION IN RESPECT OF TRANSACTION TAKEN PLACE UPTO 31ST DEC, 2020 IS TO BE WORKED OUT ON THE SAME LINE AT PAR WITH F.Y. 2019-20 AND PRO-RATA VALUE FOR THE PERIOD ENDED 31.12.2020 IS TO BE ACCOUNTED FOR.
 - (iii) IMPAIRMENT / LIFE TIME CREDIT RISK IN RESPECT OF FINANCIAL ASSETS IS TO BE TAKEN INTO ACCOUNT AS ON REPORTING DATE WHEREVER APPLICABLE.
 - (iv) PRIOR PERIOD ITEMS (INCOME/EXPENDITURE).
- (5) HOR ACCOUNTS (CASH, OTHERS) AND INTER BRANCH STOCK RECEIPTS/ DESPATCHES HAVE BEEN RECONCILED AND CONFIRMATION OF BALANCES AS ON 31.12.2020 IS OBTAINED FROM F&A BANKING &CORPORATE ACCOUNTS DIVISION BEFORE FINALIZING THE QUARTERLYACCOUNTS.
- (6) PARTIES' ACCOUNTS/LEDGER BALANCES INCLUDING CONTINGENT ASSETS/CONTINGENT LIABILITIES HV BN REVIEWED/RECONCILED AS ON 31.12.2020. BALANCE CONFIRMATION MUST BE OBTAINED AS PER DIRECTION OF THE AUDIT COMMITTEE OF DIRECTORS. COMPLIANCE OF THE SAME IS TO BE REPORTED TO THE AUDIT COMMITTEE OF DIRECTORS.
- (7) FOR BRANCHES / RO'S / DIVISIONS AT CO - A STATEMENT DULY VERIFIED BY BRANCH / RO'S / DIVISIONAL HEADS MUST BE

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PROVIDED TO CORPORATE ACCOUNTS AT CO BY 04.01.2021 JUSTIFYING OUTSTANDING ASSETS/LIABILITIES APPEARING IN THE BOOKS AS ON BOOKS 31.12.2020. ACCORDINGLY NECESSARY ACTION TO BE TAKEN FOR WRITE OFF/WRITE BACK WITH THE APPROVAL OF COMPETENT AUTHORITY.

- (8) ALL OUTSTANDING PAYABLES/RECEIVABLES AS ON 31.12.2020 SHOULD BE PROPERLY ENTERED IN THE BOOKS OF ACCOUNTS AND NOT KEPT OUT OF BOOKS. AFTERWARDS ACTUAL PAYMENTS/RECEIPTS MAY BE ROUTED THROUGH PARTIES' ACCOUNTS.
- (9) IMPACT OF UPDATION OF EXCHANGE FLUCTUATION AS ON 31.12.2020 HAS BEEN TAKEN INTO ACCOUNT IN THE BOOKS OF ACCOUNTS AS PER THE REQUIREMENTS OF IND-AS-21. THIS FACT MAY BE DISCLOSED AS NOTES IN THE QUARTERLY ACCOUNTS. HOWEVER, AS PER EXISTING PRACTICE EXCHANGE UPDATION BE REVERSED ON THE FIRST DAY OF NEXT QUARTER AS THE ACTUAL EXCHANGE GAIN/LOSS IS RECOGNISED ON PAYMENT/SETTLEMENT BASIS WITHIN THE SAME ACCOUNTING YEAR.
- (10) PARTYWISE AND FOREIGN CURRENCY WISE STATEMENT OF FOREIGN CURRENCY RECEIVABLE/PAYABLE AS ON 31.12.2020 HAS BEEN SUBMITTED.
- (11) DETAILS OF LEASES IN RESPECT OF IND AS 116 APPLICABLE W.E.F. 01.04.2019.
- (12) PARTYWISE/ITEMWISE/AGEWISE STATEMENT OF TRADE RECIVABLES, LOANS ADVANCES, CLAIMS & OVERDUES AS ON 31.12.2020 IN THE PRESCRIBED FORMAT I.E. A-1 – A-4, B-1 & B-2 SUBMITTED AS PER SCHEDULE
- (13) BRANCHES/ R.OS /ACCOUNTING UNITS WILL SUBMIT THE ACCOUNTS COMPLETE IN ALL RESPECT WITHIN TIME SCHEDULE TO F&A CORPORATE ACCOUNTS DIVISION DULY CERTIFIED BY INTERNAL AUDITORS.
- (14) IT MAY ALSO BE ENSURED THAT THE FIGURES CONTAINED IN THE OVERDUES STATEMENT ARE MATCHED WITH QUARTERLYACCOUNTS.
- (15) DETAILS OF FRAUD NOTICED, IF ANY, AS REQUIRED IN THE 'ANNEXURE' BE POSITIVELY SUBMITTED ALONG WITH ACCOUNTS, DULY SIGNED BY HOD FINANCE AND BM AT BRANCHES AND BY HOD FINANCE AT C.O. IN CONSULTATION WITH TRADE DIVISION. THIS IS REQUIRED FOR SUBMISSION OF CONSOLIDATED DETAILS TO STATUTORY AUDITORS.

FOR TIMELY SUBMISSION OF THE DATA TO AUDITOR, ACCOUNTS & OVERDUE STATEMENT MAY BE SUBMITTED IN SOFTCOPY FOLLOWED BY SIGNED COPY IN DUPLICATE.

THE ABOVE BE STRICTLY ADHERED TO, THE COMPLIANCE WILL BE MONITORED AND REPORTED TO DIRECTOR-FINANCE ON DAILY BASIS.

RGDS


(ROOMA NAGRATH)
GM-F & CFO
28/12/2020