



**ANNUAL REPORT  
2021-22**





**THE STATE TRADING CORPORATION OF INDIA LIMITED  
REGISTERED & CORPORATE OFFICE**

(CIN: L74899DL1956GOI002674)

Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi-110001

Tel.: #011-23313177, Fax #011-23701123, 23701191

Email: co@stclimited.co.in Website: www.stclimited.co.in

**BOARD OF DIRECTORS**

**CMD AND FUNCTIONAL DIRECTORS**

Shri Sanjeev Kumar Sharma, Director (Personnel) [Addl. Charge of CMD] (upto 31.01.2022)

Shri Kapil Kumar Gupta, Director (Finance), MMTC with Addl. Charge of STC (from 03.06.2020)

Shri N.A.N. Jeyakumar, Director (Marketing) (upto 30.04.2022)

**PART-TIME OFFICIAL DIRECTORS**

**(GOVERNMENT NOMINEES)**

Shri Shashank Priya, Special Secretary & Financial Advisor, DoC

Shri Shyamal Mishra, Joint Secretary, DoC (upto 07.12.2021)

Shri Vipul Bansal, Joint Secretary, DoC (from 22.12.2021)

**PART-TIME NON-OFFICIAL DIRECTORS**

**(INDEPENDENT DIRECTORS)**

Shri Satish Kumar Chawla (from 30.11.2021)

Shri Divakar Shetty Kaup (from 30.11.2021)

Dr. Rohini Sanjay Kachole (from 01.12.2021)

Dr. Bhim Singh (from 01.12.2021)

Shri Manjeet Kumar Razdan (from 02.12.2021)

Dr. Vivek Atul Bhuskute (from 02.12.2021)

Shri Ashok Kumar Aseri (from 03.12.2021)

Shri Naresh Dhanrajbhai Kella (from 30.03.2022)

**CHIEF FINANCIAL OFFICER**

Shri Ashok Kumar Swain, DGM-Finance (upto 11.02.2022)

Shri B.S.Rao, Chief Manager-Finance (from 12.02.2022)

**COMPANY SECRETARY**

Shri Vipin Tripathi

**REGISTRAR & SHARE TRANSFER AGENT**

M/s. MCS Shares Transfer Agent Limited F-65,

1st Floor, Okhla Industrial Area, Phase-I, New Delhi 110020

Tel: 011-41406150 E-mail: admin@mcsregistrars.com

**STATUTORY AUDITORS**

M/s. Bhatia & Bhatia

Chartered Accountants

81-Hemkund Colony

Levels-I&II, Opp Nehru Place

New Delhi-110048

**BANKERS**

State Bank of India

Bank of India

Indian Overseas Bank

UCO Bank

HDFC Bank

Exim Bank

IDBI Bank

Bank of Baroda

Canara Bank

Indian Bank

Union Bank of India

Indusind Bank

**SECRETARIAL AUDITORS**

M/s. VAP & Associates,

Company Secretaries,

387. 1st Floor,

Shakti Khand, Indirapuram

Ghaziabad-201010



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## BOARD'S REPORT

The Board of Directors presents the 66<sup>th</sup> Annual Report of the Company and its Audited Statement of Accounts for the year ended March 31, 2022 together with the Auditors' Report and Comments on the Accounts by the Comptroller and Auditor General (CAG) of India.

### FINANCIAL RESULTS

The performance of the Company during the year 2021-22 vis-à-vis the previous year is summarized in the table below:

(₹ Crore)

	2021-22	2020-21
<b>TURNOVER</b>	-	247
<b>FINANCIALS</b>		
<u>Income</u>		
Trading Profit	-	4.84
Other Income	77.36	62.32
<u>Profits</u>		
Profit Before Tax	(49)	(51)
Profit After Tax	(94)	(51)
Net Worth	(1082)	(994)

### OPERATIONS AND BUSINESS PERFORMANCE

In pursuance of the direction of Ministry of Commerce & Industry (MOC&I) and approval of the Board of Directors, the Company is continuing as a 'non-operative' company for the time being and no business activities were undertaken by the Company during the year 2021-22. As a result, Company's turnover during the year 2021-22 was NIL as against ₹247 crore during the year 2020-21. However, the Company continued monitoring of counter trade obligation as per directions from the Govt. Also, the accounts of the Company for the financial year 2021-22 have been published on 'non-going concern basis' in compliance of the Board's direction.

In view of stoppage of business activities, the Company focussed on other avenues of generating income. Accordingly, vigorous efforts were made to enhance rental income by renting-out available surplus office space to meet the running expenses of the Company. As a result, the Company was able to earn increased rental income of ₹64.95 crore (approx.) during the year 2021-22 as compared to ₹44.58 crore (approx.) in the previous year.

The Company reported a net loss (after tax) of ₹93.97 crore during 2021-22 as against net loss (after tax) of ₹51.23 crore reported during the previous year i.e. 2020-21. The net loss during the year 2021-22 was mainly due to provisions of ₹85.42 crore (approx.) made in the books of accounts towards dues payable to L&DO.

### SETTLEMENT OF OUTSTANDING DUES WITH THE BANKS

The Company continued to follow-up with the lender banks for expediting finalisation of One Time

Settlement (OTS) for settling their remaining dues in line with the decision taken during the high level meeting held on 29.08.2019 regarding One Time Settlement of dues of STC with the Banks. As per decision, the balance dues of banks is to be settled by way of transfer of identified properties worth ₹300 crore (approx.) on as is where is basis to the banks, as full and final settlement. However, the acceptance recently received from lender banks on the Draft Memorandum of One Time Settlement (MOTS) submitted by STC to them for this purpose is not in-line with the decision taken during the meeting held on 29.08.2019. The matter is being informed to the Administrative Ministry for further directions.

### DIVIDEND

During the year 2021-22, the Company continued to pass through difficult financial phase as STC's account continues to remain NPA. Further, no business activities were undertaken during the year 2021-22 and the Company reported a net loss of ₹93.97 crore. The Company had a negative net worth of ₹1082.17 crore approx. (excluding revaluation reserves) as on 31.03.2022. As a result, the accumulated losses of STC have increased to ₹1209.54 crore as on 31.03.2022, therefore the Board of Directors of the Company have not recommended any dividend for the year 2021-22.

### RESERVES (OTHER EQUITY)

An amount of (-) ₹169.20 Crore (including revaluation reserve of ₹884.60 Crore) was available in the other equity of the company as on 01.04.2021. An amount of (-) ₹88.37 Crore (PAT: (-) ₹93.97 Crore and other comprehensive income ₹5.59 Crore) has been transferred to retained earnings. Accordingly, as on 31<sup>st</sup> March, 2022, the other equity stood at (-) ₹257.57 Crore.

### HUMAN RESOURCE

#### Manpower

STC had 165 employees on its rolls as on 31.03.2022, which included 99 managers and 66 staff. During the year 2021-22, 37 employees separated from the Company due to VRS/ Superannuation/Resignation/ Death/CRS.

#### Recruitments

The Board of Directors of the Company, in its meeting held on 30.05.2017, had put on hold fresh recruitment at induction/lateral levels till further order except selection/recruitment of any mandatory or unavoidable vacant post to be done with the prior approval of the Board. Further, as per direction of the Ministry of Commerce & Industry the existing manpower is to be reduced to zero level by introducing VRS/VSS. Accordingly, the Company did not make any recruitment during the year 2021-22.

#### Industrial Relations

During the year 2021-22, the company continued to maintain harmonious industrial relations. No man days were lost.

### **Recruitment of SC/ST/OBC/PWD**

The Company has been implementing the Government of India's directives and guidelines for SC/ST/OBC/PWD issued from time to time with regard to recruitment of SC/ST/OBC and differently abled candidates.

### **Human Resource Development**

During the year 2021-22, due to precarious financial position of the company, no budget was allocated for Training and Development of employees.

### **OFFICIAL LANGUAGE**

The Company continues to comply with the Official Language Policy of the Government of India and the guidelines issued by the Government of India. Accordingly, continuous efforts are made in the direction of implementation of official language Hindi in the Corporation. Further, necessary trainings are imparted to the employees of the Corporation on various aspects related to official language Hindi through Hindi workshops from time to time.

'Rajbhasha Pakhwada' was organized in September 2021 in the Corporation, under which various competitions were conducted and the winners were awarded prizes.

### **VIGILANCE ACTIVITIES**

During the year 2021-22, continuous efforts were made for timely completion of investigations and Departmental Inquiry proceedings. Further, the systemic deficiency noticed during the preliminary enquires/investigations were highlighted in the reports submitted to the Management for consideration with the recommendation to take further action for systemic improvement.

A brief note on routine vigilance activities bringing out important areas requiring attention of the Management was submitted to the Board of Directors on half yearly basis. The status of complaints filed by STC with CBI, in trade transactions undertaken by Company with various associates, was reported to Board.

The Corporation observed Vigilance Awareness Week (VAW) 2021 from 26.10.2021 to 01.11.2021 on the theme "Independent India@75: Self Reliance with Integrity" at Corporate Office, Agra Branch & Representative Offices. During VAW 2021, various in-house activities were undertaken such as essay competition on the topic "Preventive Vigilance - a key to good governance, online lecture/workshop on "Complaints under PIDPI Resolution" and Quiz Competition on the topics related to Vigilance/CDA Rules/RTI/GK etc. besides placing the banners at prime locations of STC premises. The posters with regard to "Complaints under PIDPI (Public Interest Disclosure and Protection of Informers) were also displayed at prominent locations in the premises of STC.

During the year 2021-22, Vigilance clearances was given to 77 employees for various purposes such as VRS, Superannuation, Foreign visit, applying for jobs outside the Corporation etc. Total 33 Annual Property Returns were scrutinized during the year.

No complaint was received during the year. However, in one administrative matter, Factual Report was sent to Department of Commerce, MoC&I. Further, 02 disciplinary proceedings have been finalized/disposed-off during the year. Action on remaining 06 disciplinary proceedings is in progress as on 31.03.2022.

### **PERFORMANCE OF SUBSIDIARY COMPANY**

STCL Limited (Formerly, Spices Trading Company Limited).

In view of extraordinary losses suffered by STCL leading to erosion of its net worth and remote possibility of its turnaround, the Union Cabinet had, in August 2013, decided to wind up STCL. Accordingly, a winding up petition was filed by STCL before the Hon'ble High Court of Karnataka and the same continues to be pending due to objections raised by Banks and 9 employees.

At present, STCL has 9 employees. No business operations were undertaken by STCL during the year. STCL has a negative net worth. Further, the posts of Chairman, STCL and MD, STCL are lying vacant and appointment is yet to be made by the Government against these posts. STCL's Board was incomplete for holding the Board Meeting and therefore its accounts for the year ended 31.03.2022 were not approved by its Board.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As per the requirement of Regulation 34(2) (e) and Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, a detailed Management Discussion and Analysis Report forming part of the Annual Report of the Company is placed at **Annexure-I**.

### **BUSINESS RESPONSIBILITY REPORT (BRR)**

As per the requirement of Clause 34(2) (f) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 for top thousand listed Companies in terms of market capitalisation, a detailed Business Responsibility Report (BRR) forming part of the Annual Report of the Company for the year 2021-22 is placed at **Annexure-II**.

### **ANNUAL RETURN**

Pursuant to Section 92(3) of the Companies Act 2013, a copy of the Annual Return is available on the website of the Company: [www.stclimited.co.in](http://www.stclimited.co.in).

### **ANTI SEXUAL HARASSMENT POLICY**

The Company has laid down an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received in this regard. All employees (permanent, contractual, temporary, trainees) are covered under this policy. One complaint of Sexual Harassment was received in the Company during the year 2021-22 on which the enquiry was going on as on 31.03.2022.



## **RIGHT TO INFORMATION**

In order to promote transparency and accountability, an appropriate mechanism has been put in place in the Company to provide information to citizens under the provisions of Right to Information (RTI) Act, 2005. For this purpose, the Company has, in line with the RTI Act, nominated Central Public Information Officers at all its Divisions at New Delhi and at Branch/Representative Offices across the country. For the convenience of public, a coordinating CPIO has also been nominated. First Appellate Authorities have also been nominated for considering the appeals of information seekers against the orders of Public Information Officers.

## **DEPOSITS**

The Company did not accept any public deposits during the year under review. Therefore, the requirements of Chapter V of the Companies Act, 2013 are not applicable to it.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

During the year 2021-22, the Company did not provide/give any loans, guarantees or made any investment as specified under section 186 of the Companies Act, 2013.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 IN THE PRESCRIBED FORM**

The Company did not enter into any contracts or arrangements with related parties as referred to in sub-section (1) of section 188 of the Companies Act, 2013, during the year under review as STC is not undertaking any business activity and continuing as a non-operative Company for the time being.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABILITY**

As per Section 135 of the Companies Act, 2013, the Company was not mandated to allocate CSR budget for the year 2021-22 due to average net loss of last three preceding financial years. Thus, no CSR activities were undertaken during the year 2021-22.

An annual report on Company's CSR activities in prescribed format as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 is placed at **Annexure-III**.

## **PUBLIC PROCUREMENT POLICY**

During the year 2021-22, the Company made procurement worth ₹ 2.04 crore from MSEs, which accounted for 43.68 percent of the total value of annual procurement made by STC of goods produced and services being rendered by MSEs as against 25 percent target specified in the guidelines for procurement from MSE. Out of this, procurement from women entrepreneurs was ₹0.40 crore i.e. 19.61 percent as against a sub-target of 3 percent. The procurement from SC/ST entrepreneurs during the year 2021-22 was Nil as against a sub-target of 4% and the same was either due to no participation by SC/ST entrepreneurs in the tender process or no SC/ST entrepreneurs being declared successful in the procurement tender process. The Company is

following applicable procurement guidelines including procurement from GeM.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, ETC.**

The information required to be disclosed in accordance with the Companies (Accounts) Rules, 2015 is 'nil' as the Company is mainly engaged in trading activities.

## **FINANCIAL ACCOUNTING**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, comply in all material aspects with the relevant provisions of the Companies Act, 2013 and other accounting principles generally accepted in India.

The Board, in its 639<sup>th</sup> adjourned meeting held on 05.04.2021, decided to continue STC as a non-operative company for the time being and that the accounts of the Company shall be prepared on non-going concern basis from the financial year 2021-22 onwards. Subsequently, the Board of Directors in its meeting held on 03.08.2021, approved new accounting policy. Accordingly, STC's accounts for the year ended 31.03.2022 were published on non-going concern basis.

Further, the financial statements have been prepared under the historical cost convention on accrual basis except certain financial assets and liabilities which are measured at fair value of amortized cost at the end of each financial year. Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses and actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a nongoing basis. Revisions to accounting estimates wherever necessary are recognized prospectively.

## **INTERNAL FINANCIAL CONTROLS**

The Company is not carrying out any business activity and the manpower of STC has also been reduced significantly due to implementation of VRS in pursuance of the directions of Administrative Ministry. Further, the posts of CMD, STC and Functional Directors except Director (Fin.) (Additional Charge) are vacant at present due to which difficulties are being faced by the Company in completing various administrative tasks/functional requirements. The appointment of Internal Auditors for FY 2021-22 was delayed due to which submission of Internal Auditors Report was delayed. Further, Management Audit Committee Meetings could not be conducted during the year 2021-22.

## **NUMBER OF MEETINGS OF THE BOARD**

During FY 2021-22, seven (7) meetings of the Board of Directors were held including one adjourned meeting. The meetings were mostly held through video-conferencing mode considering the pandemic and COVID appropriate behaviour.

## **DECLARATIONS GIVEN BY INDEPENDENT DIRECTOR**

All the Part-time Non-Official Directors (Independent Directors) on the Board of STC have affirmed that they meet the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ending 31.03.2022.

## **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION ETC.**

STC being a Government company, all members of the Board are appointed by the President of India through Administrative Ministry i.e. the Ministry of Commerce & Industry, Government of India, which, inter-alia, fixes the remuneration through their appointment orders/pay fixation orders.

The non-executive part-time official Directors (Government nominees) are not entitled to any remuneration or sitting fees. The part-time non-official (Independent) Directors are paid sitting fee for each Board / Committee meetings attended by them as approved by the Board from time to time as per the limits laid down in Companies Act, 2013 and the related rules.

The eligibility criterion for appointment of Independent Directors is laid down by the Department of Public Enterprises, Government of India which is as per the relevant provisions of Companies Act and the SEBI Regulations. The positive attributes expected to be exhibited by the Independent Directors are conveyed to them on their appointment and a declaration in the prescribed format is obtained from them every year to confirm that they continue to qualify as Independent Directors.

## **ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Ministry of Corporate Affairs vide its notification No. GSR 463(E) dated June 5, 2015 has exempted Government Companies from certain provisions of the Companies Act, 2013, which include, inter-alia, sub section (6) of Section 149, subsections (2), (3) & (4) of Section 178 regarding appointment, performance evaluation and remuneration. As per the said notification, Section 134(3)(p) regarding performance evaluation of directors also shall not apply to Government Companies in case the directors are evaluated by the Ministry or department of the Central Government which is administratively in charge of the Company.

The appointment of Members on STC's Board is done by the Government of India through the Ministry of Commerce & Industry and the terms and conditions of appointment as well as tenure of all directors is also decided by the Government. Also, there is a procedure for evaluation of performance of Chairperson and Functional Directors by the Administrative Ministry.

## **RISK MANAGEMENT POLICY**

During the year 2021-22, a Risk Management Framework continued to be in place in the Company to add objectivity to the process of risk assessment while taking a decision on accepting or rejecting a trade proposal. The Risk Management Framework measures the risk involved in a business proposal in the form of a total risk score which is weighed vis-à-vis available risk mitigation measures.

However, STC has not undertaken any business activity during the year 2021-22 and is operating as a non-operative Company for the time being in pursuance of the directions of Administrative Ministry /Board. Further, accounts of the Company for the year 2021-22 were published on non-going concern basis in pursuance of Board direction.

Further, an Anti-Fraud Policy has been implemented in STC in order to enforce controls and to aid in prevention and detection of frauds in the Company. The Policy intends to promote consistent legal and ethical organizational behaviour by assigning responsibility for the development of controls, and providing guidelines for reporting and conduct of investigations of suspected fraudulent behaviour.

## **HEDGING**

The Company did not take any exposure in volatile commodities/market condition. During the year, guidelines were in place requiring forward foreign exchange cover to be taken in respect of transactions involving STC funds. However, no such transactions were undertaken by the Company.

## **CORPORATE GOVERNANCE**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidelines on Corporate Governance for CPSEs issued by the Department of Public Enterprises (DPE), Govt of India, a Report on Corporate Governance for the year 2021-22 forming part of this report is placed at **Annexure-IV**.

The Company has complied with the conditions of Corporate Governance as stipulated in the above referred Regulations and DPE guidelines on Corporate Governance for CPSEs. Compliance certificate from the practising Company Secretary in this regard, forming part of this Report, is placed at **Annexure -V**.

The Company has got its Secretarial Audit for the financial year ended 31<sup>st</sup> March, 2022 conducted by M/s VAP & Associates, Practising Company Secretaries and their report along with Management replies to the observations made by the Secretarial Auditors, forming a part of this Annual Report is placed at **Annexure-VI**.

Your Company has made available all information of interest to its investors on the Company's website, namely, [www.stclimited.co.in](http://www.stclimited.co.in)

The Company has also put in place various policies such as:



- Whistle Blower Policy
- Web Archival Policy
- Policy on Preservation of Documents
- Policy on Materiality of Related Party Transactions and dealings with Related Party Transactions
- Code of Conduct regarding prohibition of Insider Trading and Code of Fair Disclosure and Conduct
- Policy for determination of materiality of events and information and their disclosures.
- Policy for determining material subsidiaries.

The above policies are also available on STC's website.

During the year 2021-22, a separate Meeting of the Independent Directors was held on 16.03.2022 at the Registered Office of the Company.

### **COST RECORDS**

The Central Government has not prescribed the maintenance of cost records for the Company under Section 148(1) of the Companies Act, 2013.

### **STATUTORY AUDITORS**

M/s Bhatia & Bhatia, Chartered Accountants were appointed as Statutory Auditors of the company for the FY 2021-22 by Comptroller & Auditor General of India (C&AG). Their report, along with replies of management is attached and form part of this report.

### **COMMENTS OF C&AG**

The comments of C&AG under Section 143(6) of the Companies Act, 2013, on the accounts of the Company for the year 2021-22 and replies of the management thereto are attached and form part of this report.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

At present, STC is not carrying out any business activity and is continuing as a non-operative Company for the time being. Further, the positions of CMD, STC and other Functional Directors except Director (Fin.) (Additional Charge) are lying vacant. Administrative Ministry has been requested from time to time to fill-up the vacant positions and appointment is yet to be made by the Administrative Ministry against these vacant positions. The accounts of STC for the year 2021-22 were published on non-going concern basis. Therefore, no specific Directors' responsibility statement can be mentioned in the report.

Auditors/CAG comments on annual accounts of STC for the year 2021-22 form part of the annual accounts and are available in this report.

### **BOARD OF DIRECTORS**

#### **Appointment**

Since the last Annual General Meeting (AGM) held on 24<sup>th</sup> November 2021, the following changes have taken place in the Board of Directors of the Company:

1. Ministry of Commerce & Industry, Department of Commerce (DoC) vide its Office Order no 11/9/2011 - FT (M&O) dated 5<sup>th</sup> November, 2021

appointed Shri Satish Kumar Chawla & Shri Manjeet Razdan, as Non-Official Independent Directors (Additional) of the Company. Further as per the provisions of Companies Act, 2013 they have been appointed as Additional Directors on the Board of STC w.e.f. 30.11.2021 and 02.12.2021 respectively.

2. Ministry of Commerce & Industry, Department of Commerce (DoC) vide its Office Order no 11/9/2011 - FT (M&O) dated 10<sup>th</sup> November, 2021 appointed Dr. Bhim Singh, Dr. Rohini Sanjay Kachole, Dr. Vivek Atul Bhuskute, Shri Ashok Aseri and Shri Divakara Shetty Kaup as Non-Official Independent Directors (Additional) of the Company. Further as per the provisions of Companies Act, 2013 they have been appointed as Additional Directors on the Board of STC w.e.f. 01.12.2021, 01.12.2021, 02.12.2021, 03.12.2021 and 30.11.2021 respectively.
3. Ministry of Commerce & Industry, Department of Commerce (DoC) vide its Office order no. 11/36/2001-FT(M&O) dated 17.12.2021 appointed Shri Vipul Bansal, Joint Secretary as Part time Official Director (Government Nominee Director) on the Board of STC w.e.f. 22.12.2021. Further as per the provisions of Companies Act, 2013 he has been appointed as Additional Director on the Board of STC w.e.f. 22.12.2021.
4. Ministry of Commerce & Industry, Department of Commerce (DoC) vide its Office Order no K-25014/3/2019-FT (ST) dated 25.03.2022 appointed Shri Naresh Dhanrajbhai Kella as Non-Official Independent Directors (Additional) of the Company. Further as per the provisions of Companies Act, 2013 he has been appointed as Additional Director on the Board of STC w.e.f. 30.03.2022.

The Board welcomes all the newly appointed Directors and hopes that the Company shall immensely benefit from their rich and varied experience.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Sh. Shashank Priya, Government Nominee Director would retire by rotation at the ensuing Annual General Meeting and being eligible, have offered himself for re-appointment.

As per Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief resume of all Directors seeking appointment /re-appointment are given in the notice convening the 66th Annual General Meeting of the Company.

#### **Cessation**

1. Shri Shyamal Misra, Joint Secretary(DoC), Part-time Official Director (Government Nominee ) ceased to be a Director on the Board of STC as per Office Order No. 11/36/2001-FT(M&O) dated 17.12.2021 of Department of Commerce, Ministry of Commerce and Industry.
2. On attaining the age of superannuation, Shri S.K Sharma , Director (Personnel) with additional

charge of CMD, ceased to be a Director on the Board of STC w.e.f. 31.01.2022 as per Office Order no.A-12022/17/ 2013-E.IV dated 31.01.2022 of Department of Commerce, Ministry of Commerce and Industry.

3. On attaining the age of superannuation, Shri N.A.N. Jeyakumar, Director (Marketing) ceased to be a Director on the Board of STC w.e.f. 30.04.2022 as per Office Order no. Office order no.A-12022/13/2018-E.IV dated 29.04.2022 of Department of Commerce, Ministry of Commerce and Industry.

The Board appreciates the valuable guidance and contributions made by Shri Shyamal Misra, Shri S.K Sharma and Shri N.A.N. Jeyakumar during their tenure as Members of the Board.

#### **KEY MANAGEMENT PERSONNEL**

The Company has nominated its CMD, all Directors, Company Secretary and CFO as Key Management Personnel (KMP) pursuant to Section 203 of the Companies Act, 2013. Details regarding appointments of Functional Directors are given elsewhere in this report. No Functional Director resigned during the year. Further Board of Director in its meeting held on 03.03.2021, appointed Shri D.P. Mishra, Chief General Manager; Shri Brijesh Prasad, Joint General Manager(upto 31.10.2021); Shri Sanjeev Puri, Joint General Manager(upto 31.05.2021); Shri S.K. Meena, Joint General Manager & Shri Ashok Kumar Swain, Deputy General Manager(upto 11.02.2022) as the KMP's of the Company.

#### **COMMITTEES OF DIRECTORS**

Pursuant to the provisions of various Sections of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has constituted various Committees of Directors like Audit Committee, Stakeholders Relationship Committee, CSR Committee and Nomination & Remuneration Committee. The composition of these committees and other details are mentioned in the Corporate Governance Report forming part of and annexed to the Board's Report.

#### **CODE OF CONDUCT**

Pursuant to the requirements of Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and DPE guidelines on Corporate Governance for CPSEs, the Board Members and Senior Management Personnel have affirmed compliance to the Code of Conduct for the financial year ending 31<sup>st</sup> March 2022.

#### **ACKNOWLEDGEMENT**

The Board of Directors places on record its appreciation of the continued patronage and the confidence posed by business associates and customers during the year.

The Board expresses its gratitude for the continued co-operation and support provided by the Ministry of Commerce & Industry, other Ministries and Departments of the Government of India, various state governments, financial institutions, banks, railways, ports, regulatory and statutory authorities, shareholders, legal advisers and consultants from time to time.

The Board also acknowledges the constructive suggestions received from Comptroller & Auditor General of India, Statutory Auditors and Internal Auditors.

Last but not the least, the Board places on records its appreciation for the hard work and dedication of all the employees.

For and on behalf of the Board of Directors

Sd/-  
**(Kapil Gupta)**  
Director-Finance  
(Additional Charge)  
DIN - 08751137

**Place : New Delhi**  
**Date : 10.08.2022**