



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

June 15, 2023

To,
Manager – Listing Compliance
Department
BSE Limited
1st Floor, P.J. Towers, Dalal Street
Mumbai – 400001
Scrip Code : 512531

**Sub: Revised Annual Secretarial Compliance Report for the Year ended
31st March, 2023**

Dear Sir/Madam,

Pursuant to Regulation 24A of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, the Annual Secretarial Compliance Report for the year ended 31st March, 2023 issued by M/s. Parveen Rastogi & Co., Practicing Company Secretaries, was submitted to stock exchanges on 29.05.2023.

BSE, vide its email dated 10.06.2023, sought certain clarification on Annual Secretarial Compliance Report and upon submission of the desired clarification, BSE advised STC to submit the revised Annual Secretarial Compliance Report.

Accordingly, revised Annual Secretarial Compliance Report for the year ended 31st March, 2023 issued by M/s. Parveen Rastogi & Co., Practicing Company Secretaries is enclosed herewith.

It is requested that the above information and document is taken on record.

Thanking you,

Yours sincerely,
For The State Trading Corporation of India Limited

(Vipin Tripathi)
Company Secretary & Compliance Officer



Parveen Rastogi & Co.

Company Secretaries

Secretarial Compliance Report of M/S THE STATE TRADING CORPORATION OF INDIA LIMITED for the financial year ended 31ST MARCH, 2023

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by The State Trading Corporation of India Limited (hereinafter referred as 'the listed entity'), having its Registered Office at Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi 110001. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide our observations thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the listed entity has, during the review period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter :

I, Parveen Kumar Rastogi, Proprietor of M/s Parveen Rastogi & Co., have examined:

- all the documents and records made available to us and explanation provided by M/s The State Trading Corporation of India Limited. ("the listed entity"),
- the filings/ submissions made by the listed entity to the stock exchanges,
- website of the listed entity,
- any other document/ filing, as may be relevant, which has been relied upon to make this report, for the financial year ended 31st March, 2023 ("Review Period") in respect of compliance with the provisions of :
 - the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The Specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **{Not Applicable to the Company during the Reporting Period}**
- Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **{Not Applicable to the Company during the Reporting Period}**



Head off. : Flat No.3, Sood Building, Teil Mill Marg, Ram Nagar, Paharganj, New Delhi-110055
Branch Off.: CS-54 & 55, 1st Floor, Ansal Plaza, Vaishali, Ghaziabad-201010
: Shop No. 5-6, Satyam Plaza, Plot No-4, Block-B & E, Dilshad Garden, North East Delhi-110093
(O) : 0120-4323445, Mobile : 98112-13445, E-mail : rastogifcs3@hotmail.com, rastogifcs3@gmail.com
Web. : csparveenrastogi.com

- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **{Not Applicable to the Company during the Report Period}**
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

Based on the above examination, I hereby report that, during the Review Period:

- I. (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Non-Compliance of Regulation 21(2) of SEBI (LODR) Regulations, 2015	Regulation 21(2) of SEBI (LODR) Regulations, 2015	Composition of the Risk Management Committee inadequate for the quarter ended December 2021, March 2022 and June 2022.	NSE	NSE had proposed imposition of fine for delay of 230 days for three quarter i.e. December 2021, March 2022 and June 2022.	Non-Compliance of Regulation 21(2) of SEBI (LODR) Regulations, 2015	4,06,000	Delay of 230 days for three quarter i.e. December 2021, March 2022 and June 2022. All the Directors of the Company (including Independent Director) are appointed by the President of India through Administrative Ministry i.e. Ministry of Commerce & Industry by following the due process.		NSE accepted the request for waiver of fines amounting to Rs. 56000/- for the period of November 05, 2021 to December 03, 2021. A request for waiver off for the remaining fine amount has been again filed by the listed entity.

- (b) The listed entity has taken the following actions to comply with the observations made in previous reports:



Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Board of Directors (i) As per Regulation 17(1)(a) of SEBI (LODR) Regulations, 2015 ("the Regulations") read with proviso, Board of Directors shall have an optimum combination of executive and non-executive directors with at least one independent woman director and not less than fifty percent of the Board of Directors shall comprise of non-executive directors. (ii) As per Regulation 17(1)(b) of the		(i) Fifty percent of the board did not comprise of Non Executive Directors and there was no independent woman from 01.04.2021 till 30.11.2021. (ii) Half of the board did not comprise of						All the Directors of the Company (including Independent Director) are appointed by the President of India through Administrative Ministry i.e. Ministry of Commerce & Industry by following the due process.	Complied with by the Company



<p>Regulations, if the listed Company does not have a regular Non-Executive Chairperson, at least half of the Board of Directors shall comprise of Independent Directors.</p> <p>(iii) As per Regulation 17(1)(c) of the Regulations, the Board of Directors of top 1,000 listed entities shall comprise of not less than six directors.</p> <p>(iv) As per Regulation 17(2A) of the Regulations, quorum shall be one-third of its total strength or three directors, whichever is higher, including at least one independent director.</p>		<p>Independent Directors from 01.04.2021 till 01.12.2021.</p> <p>(iii) There were five (5) directors in total on the Board, from 01.04.2021 till 29.11.2021.</p> <p>(iv) Due to absence of Independent Directors on the Board, quorum was not proper from 639th Board Meeting till 644th Board Meeting.</p>							
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2.	Audit Committee (i) As per Regulation 18(1)(b) of the Regulations, two-thirds of the members of Audit Committee shall be independent directors. (ii) As per Regulation 18(1)(d) of the Regulations, the chairperson of the audit committee shall be an independent director. (iii) As per Regulation 18(2)(b) of the Regulations, the quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.	(i) Two-thirds of the members of Audit Committee did not comprise of independent directors from 01.04.2021 till 04.01.2022. (ii) The chairperson of the audit committee was not an independent director from 01.04.2021 till 04.01.2022. (iii) Due to absence of Independent Directors on the Board, quorum was not proper from 98 th to 102 nd - Audit Committee Meeting.					All the Directors of the Company (including Independent Director) are appointed by the President of India through Administrative Ministry i.e. Ministry of Commerce & Industry by following the due process.	Complied with by the Company
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<p>3. Nomination and Remuneration Committee</p> <p>(i) As per Regulation 19(1)(b) of the Regulations, all directors of the Nomination and Remuneration Committee shall be non-executive directors.</p> <p>(ii) As per Regulation 19(1)(c) of the Regulations, at least fifty percent of the directors shall be independent directors.</p> <p>(iii) As per Regulation 19(2) of the Regulations, the Chairperson of the nomination and remuneration committee shall be an independent director.</p>		<p>The Committee did not comprise of all Non Executive Directors, there was no Independent Director and the Chairperson was not an Independent Director from 01.04.2021 till 04.01.2022.</p>							<p>Complied with by the Company</p>
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4.	Stakeholders Relationship Committee As per Regulation 20(2A) of the Regulations, at least three directors, with at least one being an independent director, shall be members of the Committee.	There was no Independent Director member of the committee from 01.04.2021 till 04.01.2022.								Complied with by the Company.
5.	Risk Management Committee As per Regulation 21 (1) the Board of Directors shall constitute a risk Management Committee (w.e.f. 05.05.2021).	Risk Management Committee has not been constituted.								Complied with by the Company.
6.	Performance evaluation of the Directors, as per Regulation 17(10) and 25(4) of SEBI (LODR) Regulations, 2015 has to be carried out by the Company.	Performance evaluation of the directors, as per Regulation, 2015 was not carried out by the Company.								Complied with by the Company.



ii. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
	<p>i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or</p> <p>ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or</p> <p>iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.</p>	<p>NA</p> <p>NA</p> <p>NA</p>	<p>Listed entity is a Government Company. Therefore, Auditor is appointed by C&AG of India.</p>
2.	Other conditions relating to resignation of statutory auditor		
	<p>i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the</p>	<p>NA</p> <p>NA</p> <p>NA</p>	



Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
	<p>proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>	<p>NA</p> <p>NA</p>	
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/ CFD/CMD1/114/2019 dated 18th October, 2019.	NA	

I. I hereby report that, during the review period the compliance status of the listed entity is appended as below :

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
1.	<p>Secretarial Standards:</p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p>	Yes	



Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> ● All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities ● All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI 	<p style="text-align: center;">Yes</p> <p style="text-align: center;">Yes</p>	
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> ● The Listed entity is maintaining a functional website ● Timely dissemination of the documents/ information under a separate section on the website ● Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/section of the website 	<p style="text-align: center;">Yes</p> <p style="text-align: center;">Yes</p> <p style="text-align: center;">Yes</p>	
4.	Disqualification of Director: None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013as confirmedby the listed entity.	<p style="text-align: center;">Yes</p>	
5.	Details related to Subsidiaries of listed entities have been examined w.r.t.: <p>(a) Identification of material subsidiary companies</p> <p>(b) Disclosure requirement of material as well as other subsidiaries</p>	<p style="text-align: center;">Yes</p> <p style="text-align: center;">Yes</p>	
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	<p style="text-align: center;">Yes</p>	



Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes Not Applicable	
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	NO	
11.	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein.	Yes	
12.	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	Yes	

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.



2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

FOR PARVEEN RASTOGI & CO.

(COMPANY SECRETARIES)



PARVEEN KUMAR RASTOGI

(PROPRIETOR)

M. NO.: F4764

COP. NO.: 26582

PLACE: NEW DELHI

DATE: 29/05/2023

UDIN: F004764E000404020