

MINUTES OF THE 59<sup>TH</sup> ANNUAL GENERAL MEETING OF THE STATE TRADING CORPORATION OF INDIA LIMITED HELD ON MONDAY, THE 28<sup>TH</sup> SEPTEMBER, 2015 AT 3.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT JAWAHAR VYAPAR BHAWAN, TOLSTOY MARG, NEW DELHI -110 001 AND THE RESULT OF REMOTE E-VOTING HELD FROM 23<sup>RD</sup> SEPTEMBER, 2015 TO 27<sup>TH</sup> SEPTEMBER, 2015 AND PHYSICAL POLL CONDUCTED ON 28<sup>TH</sup> SEPTEMBER, 2015

**PRESENT**

Shri Khaleel Rahim, CMD & Director (Finance) and shareholder - in the Chair  
Shri Rajiv Chopra, Director (Marketing) and shareholder  
Shri S.K. Sharma, Director (Personnel) and shareholder  
Shri Samir Kumar, Additional Economic Advisor, Department of Commerce and representing President of India - a Shareholder

Shri Rakesh Kumar Gogia, Company Secretary

**INVITEES**

Shri Pankaj Jain, Partner, M/s P. Jain & Company, Chartered Accountants, Statutory Auditors.

Shri Shashi Kant Tiwari, Partner, M/s Chandrasekaran Associates, Company Secretaries, Secretarial Auditors

Shri Parveen Rastogi, Proprietor, M/s Parveen Rastogi & Co., Company Secretaries, Scrutinizer

**Members Attendance:**

- Individual shareholders including representatives numbering 4,253 in person were present.
- 75 proxies representing 1493 shares were present.

**Chairman of the Meeting:**

Pursuant to Article No. 63 of the Articles of Association of the Company, Shri Khaleel Rahim, Chairman and Managing Director chaired the meeting.

**Documents available for Inspection:**

Register of Members, Proxies received by the Company, Auditors Report and C& AG Comments on the Audited Accounts (including Consolidated Financial

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Statements), Secretarial Audit Report etc. were made available for inspection by shareholders.

**Quorum:**

Upon confirmation by the Company Secretary that the quorum for the meeting was present, the Chairman called the meeting to order. Chairman extended a hearty welcome to the members at the Annual General Meeting of STC.

**Notice convening the Meeting, Audited Accounts (including Consolidated Financial Statements), and Directors' Report thereon:**

With the permission of the Shareholders, the Notice of the meeting, Audited Accounts (including Consolidated Financial Statements) and Directors' Report thereon having already been circulated were taken as read.

**Chairman's Speech:**

Chairman informed that during the year 2014-15, the Corporation achieved a turnover of ₹14,397 crore which was marginally lower than the previous year due to non-allocation of wheat from Central Pool stocks by the Govt. for exports that resulted into a decline of ₹1,684 crore in the turnover and changes in Govt. policies with regard to import of gold which led to a decline of ₹3,062 crore in the turnover vis-à-vis the previous year. However, the loss of turnover was, to a large extent, made good by undertaking exports to Iran and higher import of fertilizers in addition to other new initiatives like import of cashew, domestic sale of fertilizers and cardamom auctions.

Chairman further informed that the Corporation achieved a Profit Before Tax (PBT) of ₹31 crore during the year vis-à-vis a loss of ₹492 during 2013-14.

The Chairman further informed that the Company had not recommended any dividend for the year 2014-15 in view of loss of Rs.492 crore suffered by the Corporation in the preceding year and need to conserve cash for its business operations due to rising borrowing costs.

Sharing the philosophy of the company in relation to Corporate Governance, Chairman informed the Shareholders that the Company was committed to fully conform to laws, regulations, and guidelines and to promote ethical conduct throughout the organization.

Chairman also informed that the Management was hopeful of yet better performance in the coming year as it had taken a number of important initiatives

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such as export of steel plates and coils, agro pesticides and rails to Iran and conducting cardamom auctions in Tamil Nadu.

**Auditors' Report:**

With the permission of the Shareholders, Statutory Auditors' Report and Comments of the Comptroller and Auditor General of India on the 2014-15 Annual Accounts of the Corporation (including Consolidated Financial Statements) made under Section 129(4) and 143(6)(b) of the Companies Act, 2013, were taken as read.

**Invitation to the Members to speak:**

Chairman then invited the Members to speak on the subjects related to the Company and seek clarifications, if any on the Audited Accounts and Directors' Report etc. of the Corporation for the year 2014-15. First speaker, Shri Yash Pal Chopra (Client ID 1205920000000281) appreciated the Company for excellent arrangements made for the shareholders at the AGM venue and complimented the management for the Corporate Governance initiatives.

Shri Jasmeet Singh (IN302269/10987503) appreciated the management for the arrangements made by the Company for the Shareholders at the AGM venue. Shri Singh wished to enquire when the Corporation would be able to achieve a turnover of Rs.25,000 crore and would improve its bottom-line. Shri Singh further suggested for distribution of company's products as depicted on the Annual Report to the shareholders instead of refreshment boxes.

Shri Sunil Kumar Sharma (Client ID 1201910101806440) suggested that the shareholders be treated with greater dignity and respect.

The Chairman informed the shareholders that the Company has planned to achieve a turnover of Rs.15,000 crore during the current financial year and would strive to achieve a turnover of Rs.20,000 crore during next financial year besides improving its bottom-line. The Chairman thereafter stated that suggestions given by the shareholders shall be examined by the Company.

**Remote E-Voting Facility:**

The Chairman then informed the Shareholders that pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company had extended the remote e-Voting facility to the shareholders of the Company from 23<sup>rd</sup> September, 2015 (9.00 a.m.) to 27<sup>th</sup> September, 2014 (5.00 p.m.) in respect of Ordinary and Special Business to be transacted at the Annual General Meeting.

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He further informed that Shri Parveen Rastogi, Proprietor, Parveen Rastogi & Co., Company Secretaries (CoP 2883) was appointed as Scrutinizer for the said process.

**Physical Ballot:**

The Chairman then requested the Shareholders, physically present and who had not voted electronically, to cast their vote through physical ballot for all the five resolutions specified in the Notice dated 13<sup>th</sup> August, 2015. He declared that Shri Parveen Rastogi, Proprietor, Parveen Rastogi & Co., Company Secretaries (CoP 2883) will act as the scrutinizer for the ballot process. The Chairman further informed that upon completion of voting by physical ballot, the Scrutinizer will compile the results of voting considering physical votes as well as the electronically cast votes in favour and against each resolution and submit the same to the Chairman/ any Director duly authorized by the Chairman on or before 30.09.2015 i.e. within Two working day from the conclusion of the Meeting.

**Result of E-Voting and Physical Ballot:**

The Chairman then informed to the Shareholders that the Combined Result of E-Voting and Polling would be declared by the Company to the Stock Exchanges within Three (3) working days from the conclusion of the Meeting. He also mentioned that the combined Result of E-Voting and Polling would also be displayed by the Company on its website ([www.stc.gov.in](http://www.stc.gov.in)). He also informed that the Reports of the Scrutinizer on E-Voting and the Physical Ballot would be available for inspection at the Registered Office of the Company.

**Conduct of Physical Ballot:**

As advised by the Chairman, voting process was started by distributing the ballot papers to the shareholders/ proxies present in the Meeting hall after showing empty ballot boxes to the Members, locking and sealing empty ballot boxes in presence of the Shareholders and Proxy holders.

After the shareholders had cast their votes, the Scrutinizer closed the voting at around 3.35 P.M. and took custody of the ballot boxes.

**Vote of Thanks:**

The Chairman requested Shri S.K. Sharma, Director (Personnel) to propose a vote of thanks.

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Shri S.K. Sharma thanked all the shareholders present and in particular the representative of the President of India, Shri Samir Kumar, Additional Economic Advisor, Department of Commerce, for making it convenient to attend the 59<sup>th</sup> Annual General Meeting. He also placed on record the best efforts made by all the employees of the Company in achieving current level of performance.

The Chairman thereafter declared the meeting as concluded at 3.35 P.M.

**Results of Electronic Voting and Physical Ballot on the Ordinary and Special Business conducted at the 59<sup>th</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September, 2015**

On the basis of the Scrutinizer's Reports (i) Electronic Voting, (ii) Physical votes polled at the Annual General Meeting and (iii) Combined results of remote E-Voting and physical ballot, all dated 30.09.2015, the Director (Personnel) duly authorized by the Chairman, announced the result of the Voting on 30<sup>th</sup> September, 2015 that all the 5 Resolutions for the Ordinary Business and Special Business specified in the Notice dated 13.08.2015 had been passed with requisite majority as follows:

Resolution No.	Particulars	No. of Votes in Favour	No. of Votes Against	Invalid Votes	Total Votes	% Votes in Favour	% Votes Against	% Invalid Votes
1.	To receive, consider and adopt the Audited Balance Sheet as at 31 <sup>st</sup> March, 2015, and Statement of Profit & Loss for the year ended 31 <sup>st</sup> March, 2015(Including Consolidated Financial Statements), together with the reports of the Directors and Auditors thereon and comments of the Comptroller & Auditor General of India in terms of Section 143 (6) of the Companies Act, 2013.	54064541	0	55	54064596	99.99	0	0.01
2.	To appoint a Director in place of Shri Rajiv Chopra (holding DIN 06466326), who retires by rotation and being eligible, has offered himself for re-appointment.	54002244	62297	55	54064596	99.88	0.11	0.01

3.	Authorizing Board of Directors of the Company to fix remuneration of the Statutory/Branch Auditors of the Company for the year 2015-16.	54064531	10	55	54064596	99.88	0.01	0.01
4.	Appointment of Shri Ajay Kumar Bhatta (holding DIN 00173920) as Part-time Official Director (Government Nominee Director)	54002599	60642	1355	54064596	99.88	0.10	0.02
5.	Appointment of Shri Jitendra Kumar Dadoo (holding DIN 02481702) as Part-time Official Director (Government Nominee Director).	54002599	60642	1355	54064596	99.88	0.10	0.02

The Resolutions for the Ordinary and Special Business as set out from Item no. 1 to 5 in the Notice of the 59<sup>th</sup> Annual General Meeting, duly approved by the Shareholders with requisite majority, are recorded hereunder as part of the proceedings of the 59<sup>th</sup> Annual General Meeting of the company held on 28<sup>th</sup> September, 2015.

**RESOLUTION NO. 1 (ORDINARY RESOLUTION)**

**ADOPTION OF DIRECTORS' REPORT AND AUDITED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015.**

"RESOLVED THAT Audited Accounts of the Corporation for the year 2014-15 (including Consolidated Financial Statements) together with the Directors' Report, Auditors' Report, Comments of the C&AG thereon and the Management's replies thereto be and are hereby adopted."

**RESOLUTION NO.2 (ORDINARY RESOLUTION)**

**APPOINTMENT OF SHRI RAJIV CHOPRA AS DIRECTOR**

"RESOLVED THAT Shri Rajeev Chopra (holding DIN 06466326) who retires by rotation and who is eligible for re-appointment, be and is hereby appointed as a Director of the Company".

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**RESOLUTION NO.3 (ORDINARY RESOLUTION)**

**TO APPROVE THE REMUNERATION OF THE STATUTORY/ BRANCH AUDITORS TO BE APPOINTED BY C&AG OF INDIA UNDER SECTION 142 OF THE COMPANIES ACT, 2013 FOR THE FINANCIAL YEAR 2015-16**

"RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Statutory/Branch Auditors of the Company appointed by Comptroller and Auditor General of India for the financial year 2015-16, as may be deemed fit by the Board."

**SPECIAL BUSINESS**

**RESOLUTION NO.4 (ORDINARY RESOLUTION)**

**APPOINTMENT OF SHRI AJAY KUMAR BHALLA AS PART-TIME OFFICIAL DIRECTOR**

"RESOLVED THAT Shri Ajay Kumar Bhalla (holding DIN 00173920), who, on appointment by the President of India, joined the Board as an Additional Director w. e. f. 29.04.2015, be and is hereby appointed as Part-time Official Director of the Company, liable to retire by rotation, on such terms, conditions and tenure as may be determined by the President of India from time to time."

**RESOLUTION NO. 5 (ORDINARY RESOLUTION)**

**APPOINTMENT OF SHRI JITENDRA KUMAR DADOO AS PART-TIME OFFICIAL DIRECTOR**

"RESOLVED THAT Shri Jitendra Kumar Dadoo (holding DIN 02481702), who, on appointment by the President of India, joined the Board as an Additional Director w. e. f. 06.08.2015, be and is hereby appointed as Part-time Official Director of the Company, liable to retire by rotation, on such terms, conditions and tenure as may be determined by the President of India from time to time."

Place: New Delhi  
Date: 08.10.2015

  
(Khaleel Rahim)  
Chairman and Managing Director  
DIN 02455606  
Chairman of the Meeting

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