

## **STCL LIMITED, BANGALORE**

### **INFORMATION RELATED TO THE RIGHT TO INFORMATION ACT**

- i. The particulars of its organization, functions and duties
- ii. The powers and duties of its officers and employees
- iii. The procedure followed in the decision making process, including channels of supervision and accountability
- iv. The norms set by it for the discharge of its functions
- v. The rules, regulations, instructions, manuals and records, held by it or under its control or used by its employees for discharging its functions
- vi. A statement of the categories of documents that are held by it or under its control
- vii. The particulars of any arrangement that exists for consultation with, or representation by, the members of the public in relation to the formulation of its policy or implementation thereof
- viii. A statement of the boards, councils, committees and other bodies consisting of two or more persons constituted as its part or for the purpose of its advice, and as to whether meetings of those boards, councils, committees and other bodies are open to the public, or the minutes of such meetings are accessible for public
- ix. A directory of its officers and employees
- x. The monthly remuneration received by each of its officers and employees, including the system of compensation as provided in its regulations
- xi. The budget allocated to each of its agency, indicating the particulars of all plans, proposed expenditures and reports on disbursements made
- xii. The manner of execution of subsidy programmes, including the amounts allocated and the details of beneficiaries of such programmes

- xiii. Particulars of recipients of concessions, permits or authorizations granted by it
- xiv. Details in respect of the information, available to or held by it reduced in an electronic form
- xv. The particulars of facilities available to citizens for obtaining information, including the working hours of a library or reading room, it maintained for public use
- xvi. The names, designations and other particulars of the Public Information Officers
- xvii. Such other information as may be prescribed; and thereafter update these publications every year.

(i) **The particulars of STCL's organization, functions and duties**

**PARTICULARS**

Name	:	STCL Limited
Incorporation	:	23 <sup>rd</sup> October 1982 under Indian Companies Act, 1956
CIN No.	:	U51227KA1982 PLC005013
Address (Corporate Office)	:	No.166/2, 13th Main Road, Vasanthanagar, Bangalore – 560 052 (India)
Phone	:	0091 (80) 22286925,22381376, 22260409
Fax	:	0091 (80) 22285086
E-mail	:	<a href="mailto:stcl@bgl.vsnl.net.in">stcl@bgl.vsnl.net.in</a>
Website	:	<a href="http://www.stclindia.com">www.stclindia.com</a>
Principal Activities	:	Domestic and International Trading of Spices, Agricultural inputs, Industrial inputs and Industrial products.
Administrative Ministry	:	Ministry of Commerce and Industry
Present Status	:	Schedule 'C' Public Sector Company
Board of Directors	:	<b><u>Full Time Director:</u></b>  Sh. K.C. Ponnana Managing Director <b><u>Non Functional Directors:</u></b>  1.Dr. Arvind Pandalai Chairman, STCL & Chairman –cum–Managing Director The STC of India Ltd., <u>New Delhi-1.</u>

		2. Sh. Vijay Krishan Director STCL & Director (Finance) The STC of India Ltd., New Delhi -1.
		<b>Ex-officio Director</b>
		1. Sh. V.K. Gauba Director STCL & Deputy Secretary Ministry of Commerce & Industry Govt. of India New Delhi-1.
Chief Vigilance Officer	:	Sh. Suresh Chowdhary
Branches	:	In addition to its Corporate Office at Bangalore, STCL has Six branch offices and 5 Collection Centres at Kumily, Idukki District. For the addresses and contact details of the branch offices (Annexure-1)
Manpower (As on 1.4.2005)	:	Managers 13 Staff 20  <b>Total Manpower 33</b>
Net Worth (As at 31.03.05)	:	Rs. in Crores Equity 1.50 Reserves <u>11.52</u> <b>Net Worth 13.02</b>
Turnover (2004-05)	:	Rs. in Crores Export 87.26 Import (138.09) Domestic Sales <u>344.70</u> Total Turn over <b>431.96</b>
Profit After Tax (2004-05)	:	Rs. in Crores <b>3.58</b>

Holding Company	:	The State Trading Corporation of India Ltd., STC is engaged in International Trading.
Address	:	Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi - 110 001 (India)
Phone	:	0091(11) 23313177, 23701100
Fax	:	0091 (11) 23701123, 23701191
E-mail	:	<a href="mailto:Co.stc@nic.in">Co.stc@nic.in</a>
Website	:	Stc.gov.in
Chairman-cum-Managing Director	:	Dr. Arvind Pandalai
Equity (As on 31.3.2005)	:	US\$ 7 Million
Reserves (As on 31.03.05)	:	US\$ 64 Million
Manpower (As on 31.3.2005)	:	942
Turnover (2004-05)	:	US\$ 2123 Million
Profit After Tax (2004-05)	:	US\$ 5.6 Million

## **FUNCTIONS & DUTIES**

STCL Ltd. was initially established in 1982 as Cardamom Trading Corporation Ltd., a Government of India undertaking under the Ministry of Commerce. The company has undergone various stages of metamorphosis in terms of its growth and development. Realising the immense market potential, the company evolved from a solely Cardamom Trading Corporation to become Spices Trading Corporation Ltd. in 1987. With globalisation and opening up of trade world over for agricultural and non-agricultural products, Spices Trading Corporation Ltd. was renamed as STCL Ltd in the year 2004.

STCL's main objective is to extend to the world, the age-old excellence of Indian spices and other agricultural commodities including onion, wheat, rice and maize. STCL is involved in imports, exports and domestic trading of diverse range of products, such as Spices, Agricultural commodities, industrial inputs and products.

At STCL, the tradition is to maintain not just the best but legendary quality in its products. STCL is today renowned world over for being a reliable trading company taking care of the welfare of both its suppliers and buyers.

## **VISION**

With the diversified trade outlook, the company would grow from strength to strength in a sustained manner and achieve the turnover exceeding Rs.1000 crores in the coming years and at the same time helping the growing community to realize better price for their produce and help them to improve their standard of living.

## **CORPORATE OBJECTIVE**

Since centuries, the scent, flavour and quality of Indian spices have beckoned traders from far and wide. Even today, India continues to be a rich source of spices and other natural resources. India continues to top the destination chart of most traders for top quality products at reasonable price. STCL's main objective is to extend to the world, the age-old excellence of Indian spices and other agricultural and non-agricultural commodities. The main corporate objectives of STCL Ltd. are as follows:

- Trading in domestic and international markets of spices and other agricultural commodities
- To process and manufacture spice and agricultural products of international standards
- To support, protect, maintain, increase and promote production of Indian spices and other agricultural commodities as well as their sale / export
- To effectively participate with Government of India as one of their strategic partners in Agri-based programs
- To conduct open auctions and sell agricultural commodities as auctioneer
- To undertake and promote Research and Development
- Adopting a diversified trade outlook to trade in non-agricultural products like industrial goods, equipments & components, materials consumed by industries of power and energy and to also trade in other commercial products
- To carry on domestic and international trade in Iron Ore, Bullion, Precious Metals, Limestones, Metcoke, Minerals, polymer, Polyester Yarn, cotton Yarn, PVC Resins, HMS Scarps and other metal Scraps.

**(ii) The powers and duties of STCL Officers and employees**

The highest decision making authority in the Company is the Board of Directors. The Board has delegated its executive powers to Management Committee/ the Managing Director for conducting the day-to-day affairs of the Company. The powers delegated to Managing Director also include powers to sub-delegate any of his powers to other officers. These powers have been are exercised in line with various guidelines and circulars issued from time to time.

Normally, all the powers pertaining to decision making and matters involving finance rest with the managerial cadre. Lower level staff has no powers as such, unless otherwise specifically authorized.

The Directors of the Company, comprising the top management, are mainly involved in strategic planning and formulation of various policies and procedures for the Company. The middle level management consists of Branch Heads/In-charge of various Divisions who look after the task of generating business, negotiating, signing and execution of contracts as per policy guidelines and assist the top management in decision making process by collecting and making available all relevant information.

The lower level staff is engaged in assisting the managers in documentation, preparing reports, keeping records etc.

The various service divisions of the Company viz. Finance and legal provide support and assistance services to the trading divisions.

The branch offices of STCL, operates as per the policy guidelines and trading norms and also assist other branches/corporate office in loading/unloading of goods at ports, supervising, making and receiving payments, locating buyers/suppliers in their respective regions, etc.

**(iii) the procedure followed in the decision making process, including channels of supervision and accountability**

Every manager of the Company is expected to operate as per the policy guidelines laid down from time to time and the trading norms.

The Company also has a proper system of checks and balances in place. Besides Statutory Audit and Audit by CAG, the functions of the Company are also subjected to an Internal Audit by professional outside agencies. The quarterly financial statements, reporting processes, internal control systems as also findings of internal, external and Government audit are reviewed from time to time in the meetings of Management Committee and the Meetings of the Board of Directors. The various systems and procedures of the Company have been laid down in such a manner that transparency is ensured in all commercial deals. The Company has a Vigilance Division to oversee that the guidelines of the Government are strictly adhered to/implemented in all matters requiring transparency of operations.

**(iv) The norms set by it for the discharge of its functions**

While carrying out its day-to-day operations, STCL ensures supply of quality goods, transparency in commercial deals, timely settlement of contracted payments. All contractual obligations are discharged with utmost care and promptness while achieving the Corporate goals and objectives.

**(v) The rules, regulations, instructions, manuals and records, held by it or under its control or used by its employees for discharging its functions**

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**(vi) A statement of the categories of documents that are held by it or under its control**

- Memorandum and Articles of Association
- Conduct, Discipline & Appeal Rules (Annexure-II )
- Minutes of Board
- Personnel Manual
- Delegation of Powers (DoP) (Annexure -III)
- Annual reports
- Various periodicals, journals, magazines and annual reports of other companies/ external agencies.

- Copies of contracts, agreements and other documents related to various commercial transactions.

Besides above, the employees of the Company also continuously make use of the websites of various trade/service bodies including Ministry of Commerce & Industry, RBI, DGFT etc.

**(vii) The particulars of any arrangements that exists for consultation with, or representation by, the members of the public in relation to the formulation of its policy or implementation thereof**

No formal arrangement is in place for consultation with, or representation by, the members of the public in relation to the formulation of its policy or implementation thereof. However, STCL keeps modifying its trading policy and terms from time to time depending on market feedback and expectations of customers/growers.

For the names, designations and particulars such as addresses, phone, fax nos. and e-mail, etc. of the Public Information Officer (PIO) in STCL Corporate Office at Bangalore (Annexure - IV)

**(viii) A statement of the boards, councils, committees and other bodies consisting of two or more persons constituted as its part or for the purpose of its advice, and as to whether meetings of those boards, councils, committees and other bodies are open to the public, or the minutes of such meetings are accessible for public**

**Names of the Directors of the Board**

**Board of Directors**

**Full Time Director**

**Sh.K.C.Ponnana - Managing Director**

**Board of Directors**

**Non-Functional Director**

**Dr. Arvind Pandalai - Chairman**  
CMD, STC of India Ltd.,

**Sh.Vijay Krishan - Director**  
Director (Finance)  
STC of India Ltd.,

**Ex-Officio Director**

1. Sh.V.K. Gauba - Director  
Dy.Secretary  
Min. of Commerce & Industry

**Management Committee:**  
(Finance & Marketing)

Sri K.C. Ponnana  
Managing Director  
Member

Sri N.Devaraje Gowda  
Chief Finance Manager  
Member

Sri K.L. Anand Sai,  
Chief Marketing  
Manager  
Member

**Administration Committee:**

Sri K.C. Ponnana  
Managing Director  
Member

Sri N.Devaraje Gowda  
Chief Finance Manager  
Member

Company Secretary  
(Retainer)  
Member

**Selection Committee**

- i) For appointments in Group **A** and for promotions from Group **B** to Group **A** and for promotions within Group **A**

- Managing Director
- Any other Director to be nominated by the MD
- An External Expert
- A representative of SC/ST
- A representative of Minority Community

- ii) For appointments in Group **B** and promotions from Group **C** to Group **B** and for promotions within Group **B**

- Managing Director
- Chief Finance Manager
- An External Expert
- A representative of Sc/ST
- A representative of Minority Community

- iii) For appointments to Group **C** & **D** and promotion within Group **C** and **D**

- One Manager from Marketing Division
- One Manager from Finance Division
- One from Administrative/Secretarial/Service Department
- One representative of SC/ST
- One representative of Minority Community

The Middle level Managers in Marketing, the Finance Manager and Deputy Finance Manager put up the proposal concerning marketing and finance after thorough evaluation and scrutiny for the consideration of the Management Committee (F&M). The Committee approves the proposal after taking into account all relevant factors for transacting the proposed business.

The meetings of the Board, however are not open to the public. Nor the minutes of these meetings are accessible to public. However, Annual Report of STCL is a public document.

**(ix) A directory of its officers and employees**

For directory of STCL key officials, (Annexure-V )

**(x) The monthly remuneration received by each of its officers and employees, including the system of compensation as provided in its regulations**

For the system of compensation of STCL employees, (Annexure-VI)

**(xi) The budget allocated to each of its agency, indicating the particulars of all plans, proposed expenditures and reports on disbursements made**

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**(xii) the manner of execution of subsidy programmes, including the amounts allocated and the details of beneficiaries of such programmes.**

Not applicable

**(xii) Particulars of recipients of concessions, permits or authorizations granted by it**

Not applicable

**(xiii) Details in respect of the information, available to or held by it reduced in an electronic form**

The Company has its website (www.stclindia.com), hosted on the internet. This give a brief account of general overview, functions, activities, financial and trading performance of the Company.

**(xiv) The particulars of facilities available to citizens for obtaining information, including the working hours of a library or reading room, it maintained for public use**

Citizens may approach Public Information Officer for any information required by them.

**(xvi) The names, designations and other particulars of the Public Information Officer**

For the name, designation and particulars such as addresses, phone, fax nos and e-mail, etc of the Public Information Officer (PIO) in STCL 's Corporate office at Bangalore (Annexure -IV)

**(xv) Such other information as may be prescribed; and thereafter update these publications every year**

Nil

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**ANNEXURE -I**

<p style="text-align: center;"><b>STCL LTD.,</b> <b>NO.166/2, 13<sup>TH</sup> MAIN ROAD,</b> <b>VASANTH NAGAR,</b> <b><u>BANGALORE - 560 052</u></b> <b><u>REGISTERED OFFICE</u></b> <b>TEL.NO.22286925/22286926/22381376/22260409</b> <b>FAX NO.22285086</b></p>	
<p><b>BRANCHES:</b></p>	
<p>Door No.8, Ward No.32, 9<sup>th</sup> Street, Subbaraj Nagar <b>BODINAYAKANUR- 626513</b> <b>Tel. No. 04546 280571</b></p>	<p>STCL Ltd., No.123/255, Linghi Chetty St., <b>CHENNAI - 600 001</b> Tel.No.25251415</p>
<p>43/1548, Lakshmi Kunjch, S.R.M. Road, Pachalam P.O. <b>COCHIN - 682 012</b> <b>Tel. No. 04842- 401674</b></p>	<p>No.20<sup>th</sup> Block, Temple Road (Near Omkareshwara Temple) <b>MADIKERI - 571 201</b> Tel. 08272-229630</p>
<p>C/o. The State Trading Corpn. of India Ltd., Jawahar Vyapar Bhawan. No.1, Tolstoy Marg <b><u>NEW DELHI - 110001.</u></b> 23701102/23701172</p>	<p>No.125/A, Ashoka Road, <b>SAKLESPUR - 573 134</b> Tel.No.8173-344122</p>
<p>No.847, High Range Plaza K.K. Road, Idukki District <b>KUMILY- 685509,</b> KERALA Tel.048639- 322138</p>	<p>No.8-3-313, New Street, <b>TIRUPATI - 517 501</b></p>

**SUB COLLECTION CENTRES ( KUMILY BRANCH)**

No.318, Anavilasam, Idukki District -685535, Kerala <b>ANAVILASAM</b>	Kumily Munnar Road, Pampupara, <u>Idukki District, Kerala</u> <b>PAMPUPARA</b>
V.D. Joseph Building, Main Road, Vandanmettu, Idukki District, Kerala <b>VANDANMETTU</b>	No.218b, Kaujiar Panchayat Bankimattam Building, Nariampara <u>Idukki District, Kerala</u> <b>NARIAMPARA</b>
No. 14, 15, Pelapalli Building Main Road, Parathode, Idukki District, Kerala <b>PARATHODE</b>	No.8W/245, Pethotty Road Santhanpara Service co-op Bank Building, <b>SANTHANPARA - 685619</b> Kerala.

**STCL LIMITED, BANGALORE**

**CONDUCT, DISCIPLINE & APPEAL RULES, 1985.**

Rule I. Short title and commencement:

- i. These rules may be called Cardamom Trading Corpn. Ltd., Conduct, Discipline and Appeal Rules 1985.
- ii. They shall come into force immediately.

Rule 2. Application:

These rules shall apply to employees except/

- i. Those in Casual Employment or Paid from contingencies;
- ii. Those governed by the standing orders under the Industrial Disputes Act, 1947.

Rule 3. Definitions:

In these rules, unless the context otherwise requires:

- a. Employee means a person in the employment of the undertaking other than the casual, work-charged or contingent staff or workman as defined in the Industrial Disputes Act, 1947, but includes a person on deputation to the Corporation.
- b. Workman means a person as defined in the Industrial Disputes Act 1947, and to whom the provision of these rules shall not apply.
- c. Corporation means the Cardamom Trading Corpn. Ltd.,
- d. Board means the Board of Directors of the Corporation and includes, in relation to the exercise of powers, any committee of the Board/Management or any officer of the undertaking to whom the Board delegates any of its powers.
- e. Chairman/Managing Director means the Chairman/Managing Director of the Corporation.
- f. Disciplinary Authority means the authority specified in the Schedule appended to these rules and competent to impose any of the penalties specified in Rule 23.
- g. Competent Authority means the authority empowered by Board of Directors by any general or special rule or order to discharge the function or use the powers specified in the rule or order.

- h. Government means the Government of India.
- i. Appellate Authority means the authority specified in the Schedule appended to these rules.
- j. Reviewing Authority means the authority specified, in the schedule attached to these rules.
- k. Family in relation to an employee includes,
  - i. The wife or husband as the case may be of the employee, whether residing with him or not but does not include a wife or husband as the case may be separated from the employee by a decree or order of a competent court.
  - ii. Sons or Daughters or stepsons or stepdaughters of the employee and wholly dependent on him, but does not include a child or step child who is no longer in any way dependent on the employee or of whose custody the employee has been deprived of by or under any law.
  - iii. Any other person related, whether by blood or marriage to the employee or to such employee's wife or husband and wholly dependent on such employee.
- l. Public servant shall mean and include a person as mentioned in Section 21 of Indian Penal Code as amended from time to time.
- m.- Sexual harassment means and includes such unwelcome sexually determined behaviors (whether directly or by implication) as:-
  - a. Physical contact and advances;
  - b. A demand or request for sexual favour
  - c. Sexually coloured remarks;
  - d. Showing pornography
  - e. Any other unwelcome physical, verbal or non-verbal conduct of sexual nature

Rule 4 General:

- 1. Every employee of the Corporation shall at all times:
  - i. Maintain absolute integrity;
  - ii. Maintain devotion to duty; and
  - iii. Do nothing which is unbecoming of a public servant.
- 2. Every employee of the Corporation holding a supervisory post shall take all possible steps to ensure the integrity and devotion

to duty of all employees for the time being under his control and authority.

3. \*Notwithstanding anything contained in the above rules Chairman and Managing Director of the Corporation has the absolute right to retire if it is necessary to do so in public interest /in the interest of the Corporation any employee of the Corporation who has attained the age of 50 (Fifty) years

#### Rule. 5 Misconduct:

Without prejudice to the generality of the term "mis-conduct' The following acts of omission and commission shall be treated as misconduct:-

1. Theft, fraud or dishonesty in connection with the business or property of the Corporation or of property of another person within the premises of the Corporation.
2. Taking or giving bribes or any illegal gratification.
3. Possession of pecuniary resources or property disproportionate to the known source of income by the employee or on his behalf by another person, which the employee cannot satisfactorily account for.
4. Furnishing false information regarding name, age, father's name, qualification, ability or previous service or any other matter germane to the employment at the time of employment or during the course of employment.
5. Acting in a manner prejudicial to the interests of the Corporation.
6. Wilful insubordination or disobedience, whether or not in combination with other, of any lawful and reasonable order of his superior.
7. Absence without leave or over-staying the sanctioned leave for more than four consecutive days without sufficient grounds or proper or satisfactory explanation.
8. Habitual late or irregular attendance.
9. Neglect of work or negligence in the performance of duty including malingering or slowing down of work and if in the opinion of the Disciplinary Authority/Competent Authority any employee is not taking interest in attaining the set targets/turn over of business.
10. Damage to any property of the Corporation.
11. Interference or tampering with any safety devices installed in or about the premises of the Corporation.
12. Drunkenness or riotous or disorderly or indecent behaviour in the premises of the Corporation or outside such premises where such behaviour is related to or connected with the employment.

13. Gambling within the premises of the establishment.
14. Smoking within the premises of the establishment where it is prohibited.
15. Collection without the permission of the competent authority of any money within the premises of the Corporation except as sanctioned by any law of the land for the time being in force or rules of the Corporation.
16. Sleeping while on duty.
17. Commission of any act which amounts to a criminal offence involving moral turpitude.
18. Absence from the employees' appointed place of work without permission or sufficient cause.
19. Purchasing properties, machinery, stores, etc., from or selling properties, machinery, stores, etc., to the Corporation without express permission in writing from the competent authority.
20. Commission of any act subversive of discipline or of good behaviour.
21. Abetment of or attempt at abetment of any act which amount to misconduct.
22. Any act of sexual harassment of women employee amounts to a misconduct and appropriate disciplinary action will be initiated in such cases against the delinquent employee in accordance with the Rules

**NOTE:** The above instances of misconduct are illustrative in nature, and not exhaustive.

Rule 6: Employment of near relatives of the employees of the Corporation in any company or firm enjoying patronage of the Corporation.

1. No employee shall use his position or influence directly or indirectly to secure employment for any person related, whether by blood or marriage to the employee or to the employee's wife or husband, whether such a person is dependent on the employee or not.

2. No employee shall, except with the previous sanction of the competent authority, permit his son, daughter or any member of the family to accept employment with any company or firm with which he has official dealings, or with any company or firm, having official dealings with Corporation.

Provided that where the acceptance of the employment can't await the prior permission of the competent authority, the employment may be accepted provisionally subject to the permission of the competent authority, to whom the matter shall be reported forthwith.

3. No employee shall in the discharge of his official duties deal with any matter or give or sanction any contract to any company or firm or any other person if any member of his family is employed in that company or firm or under that person or if he or any member of his family is interested in such matter or contract in any other matter and the employee shall refer every such matter or contract to his official superior and the matter or the contract thereafter be disposed of according to the instructions of the authority to whom the reference is made.

#### Rule 7 Taking part in demonstration

No employee of the Corporation shall engage himself or participate in any demonstration which involved incitement to an offence.

#### Rule 8. Connection with Press or Radio:

1. No employee of the Corporation shall, except with the previous sanction of the competent authority, own wholly or in part, or conduct or participate in the editing or management of, any news paper or other periodical publication.
2. No employee of the Corporation shall, except with the previous sanction of the competent authority or he prescribed authority or in the bonafide discharge of his duties, participate in a radio broadcast or contribute any article or write any letter either in his own name or anonymously, pseudonymously, or in the name of any other person to any newspapers or periodicals.

Provided that no such sanction shall be required if such broadcast or such contribution is of a purely literary, artistic or scientific character.

#### Rule. 9 Criticism of Government & the Corporation:

No employee shall, in any radio broadcast or in any document published under his name or in the name of any other person or in any

communication to the press, or in any public utterances, make any statement:

- a. Which has the effect of adverse criticism of any policy or action of the Central or State Government or of the Corporation.

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- b. Which is capable of embarrassing the relations between the Corporation and the Public.

Provided that nothing in these rules shall apply to any statement made or views expressed by an employee, of purely factual nature which are not considered to be of a confidential nature, in his official capacity or in due performance of the duties assigned to him.

Provided further that nothing contained in this clause shall apply to bonafide expression of views by him as an office-bearer of a recognised trade union for the purpose of safe guarding the conditions of service of such employees or for securing an improvement thereof.

Rule 10 Evidence before Committee or any other Authority:

1. Save as provided in sub-rule (3), no employee of the Corpn. shall, except with the previous sanction of the competent authority, give evidence in connection with any enquiry conducted by any person, committee or authority.
2. Where any sanction has been accorded under sub-rule(1), no employee giving such evidence shall criticise the policy or any action of the Central Government or of a State Government or of the Corporation.
3. Nothing in this rule shall apply to:-
  - a. evidence given at any enquiry before an authority appointed by the Government, Parliament or a State Legislature or any corporation.
  - b. Evidence given in any judicial enquiry; or
  - c. evidence given at any departmental enquiry ordered by authorities subordinate to the Government.

Rule.11 Unauthorised communication of information.

No employee shall, except in accordance with any general or special order of the Corporation or in the performance in good faith of the duties assigned to him, communicate, directly or indirectly, any official document or any part thereof to any officer or other employee, or any other person to whom he is not authorised to communicate such document or information.

Rule. 12 Gifts :

1. Save as otherwise provided in these rules, no employee of the Corporation shall accept or permit any member of his family or any other person acting on his behalf, to accept any gift.

Explanation: The expression "Gift" shall include free transport, board, lodging or other service or any other pecuniary advantage when provided by any person other than a near relative or a personal friend having no official dealings with the employee.

Note: An employee of the Corporation shall avoid acceptance of lavish or frequent hospitality from any individual or firm having official dealings with him.

2. On occasions such as weddings, anniversaries, funerals or religious functions, when the making of gifts is conformity with the prevailing religious or social practices, an employee of the Corporation may accept gifts from his near relatives but he shall make a report to the competent authority if the value of the gift exceeds Rs.500/-.
3. On such occasions as are specified in sub-rule(2) an employee of the Corporation may accept gifts from his personal friends having no official dealings with him, but he shall make a report to the competent authority if the value of any such gift exceeds Rs.250/-.
4. In any other case, an employee of the Corporation shall not accept or permit any other member of his family or any other person acting on his behalf to accept any gifts without the sanction of the competent authority if the value thereof exceeds Rs.250/-.

Provided that when more than one gift has been received from the same person/firm within a period of 12 months, the matter shall be reported to the competent authority if the aggregate value of the gifts exceeds Rs.250/-.

Rule 12A. No employee of the Corporation shall –

- i. give or take or abet the giving or taking of dowry; or
- ii. demand, directly or indirectly, from the parents or guardian of a bride or bridegroom, as the case may be, any dowry.

Explanation: For the purpose of this rule 'dowry' has the same meaning as in the Dowry Prohibition Act, 1961 (28 of 1961).

Rule 13 private Trade or employment:

1. No employee of the Corporation shall except with the previous sanction of the competent authority, engage directly or indirectly in any trade or business or undertake any other employment;

Provided that an employee may, without such sanction, undertake honorary work of a social or charitable nature or occasional work of a literary, artistic or scientific character, subject to the condition that his official duties do not thereby suffer.

2. Every employee of the Corporation shall report to the competent authority; any member of his family is engaged in a trade or business or owns or manages an insurance agency or commission agency.

3. No employee of the Corporation shall without the previous sanction of the competent authority except in the discharge of his official duties, take part in the registration, promotion or management of any bank or other company which is required to be registered under the Companies Act, 1956 (I of 1956) or other law for the time being in force or any co-operative Society for commercial purpose:

Provided that an employee of the Corporation may take part in the registration, promotion or management of a consumer/House Building co-operative Society substantially for the benefit of employees of the Corporation, registered under the Co-operative Societies Act, 1912 (2 of 1912) or any other law for the time being in force, or of a literary, scientific or charitable society registered under the Societies Registration Act, 1860 (21 of 1860) or any corresponding law in force.

4. No employee of the Corporation may accept any fee or any pecuniary advantage for any work done by him for public body or any private person without the sanction of the Competent Authority.

Rue 14 Investment, lending and borrowing:

No employee shall, serve in the ordinary course of business with a bank, the Life Insurance Corporation of a firm of standing, borrow money from or lend money to or otherwise place himself under pecuniary obligation to any person with whom he has or is likely to have official dealings or permit any such borrowing, lending or pecuniary obligation in his name or for his benefit or for the benefit of any member of his family.

Rule 15 Insolvency and habitual indebtedness:

1. An employee of the Corporation shall avoid habitual indebtedness unless he proves that such indebtedness or insolvency is the result of circumstances beyond his control and does not proceed from extravagance or dissipation.

2. An employee of the Corporation who applies to be, or is adjudged or declared insolvent shall forthwith report the fact to his competent authority.

#### Rule 16 Movable, Immovable and valuable property

1. No employee of the Corporation shall, except with the previous knowledge of the competent authority, acquire or dispose of any immovable property by lease, mortgage, purchase, sale, gift or otherwise, either in his own name or in the name of any member of his family.
2. No employee of the Corporation shall, except with the previous sanction of the competent authority, enter into any transaction concerning any immovable or movable property with a person or a firm having/dealings with the employee or his subordinate/official.
3. Every employee of the Corporation shall report to the competent authority every transaction concerning movable property owned or held by him in his own name or in the name of a member of his family, if the value of such property exceeds Rs.2500/-.
4. Every employee shall, on first appointment in the Corporation submit a return of assets and liabilities in the prescribed form giving the particulars regarding:-
  - a. the immovable property inherited by him, or owned or acquired by him, held by him on lease or mortgage, either in his own name or in the name of any member of his family or in the name of any other person.
  - b. Shares, debentures, and cash including bank deposits inherited by him or similarly owned, acquired or held by him;
  - c. Other movable property inherited by him or similarly owned, acquired or held by him if the value of such property exceeds Rs.2500/-.
  - d. Debits and other liabilities incurred by him directly or indirectly;
  - e. Every employee shall, beginning 1<sup>st</sup> January, submit a return of immovable property inherited/owned/acquired once in every two years.
5. The competent authority, may, at any time, by general or special order require an employee to submit, within a period specified in the order a full and complete statement of such movable or immovable property held or acquired by him or on his behalf or by any member of his family as may be specified in the order. Such statement shall, if so required by the competent authority, include details of the means by which, or the source from which such property was acquired.

#### Rule 17 Canvassing of non-official or other influence:

No employee shall bring or attempt to bring any outside influence to bear upon any superior authority to further his interests in respect of matters pertaining to his service in the Corporation.

Rule 18 Bigamous marriages:

1. No employee shall enter into, or contract, a marriage with a person having a spouse living; and
2. No employee, having a spouse living, shall enter into, or contract, a marriage with any person;

Provided that the Board may permit an employee to enter into, or contract, any such marriage as is referred to in Clause (1) or Clause (2) if it is satisfied that:

- a. Such marriage is permissible under the personal law applicable to such employee and the other party to the marriage; and
- b. there are other grounds for so doing.

Rule 19 Consumption of intoxicating drinks and drugs

An employee of the Corporation shall take due care that the performance of his duties is not affected in any way by the influence of any intoxicating drink or drug.

Rule 20 Suspension:

1. The appointing authority or any authority to which it is subordinate or the disciplinary authority or any authority empowered in that behalf by the management by general or special order may place an employee under suspension:
  - a. Where disciplinary proceeding against him is contemplated or is pending; or
  - b. Where case against him in respect of any criminal offence is under investigation or trial.
2. An employee who is detained in custody, whether on a criminal charge or otherwise, for a period exceeding 48 hours shall be deemed to have been suspended with effect from the date of detention, by an order of the appointing authority, and shall remain under suspension until further orders.
3. Where a penalty of dismissal or removal from service imposed upon an employee under suspension is set aside on appeal or on review under these rules and the case is remitted for further inquiry or action

or with any other directions, the order of his suspension, shall be deemed to have continued in force on and from the date of the original order of dismissal or removal and shall remain in force until further orders.

4. where a penalty of dismissal or removal from service imposed upon an employee is set aside or declared or rendered void in consequence of or by a decision of court of law and the disciplinary authority, on consideration of the circumstances of the case, decided to hold a further inquiry against him on the allegations on which the penalty of dismissal or removal was originally imposed, the employee shall be deemed to have been placed under suspension by the appointing authority from the date of the original order of dismissal or removal and shall continue to remain under suspension until further orders.

5. An order of suspension made or deemed to have been made under this Rule may at any time be revoked by the authority which made or is deemed to have made the order or by any authority to which that authority is subordinate.

#### Rule 21 Subsistence Allowance:

1. An employee under suspension shall be entitled to draw subsistence allowance equal to 50% of his basic pay provided the disciplinary authority is satisfied that the employee is not engaged in any other employment or business or profession or vocation. In addition he shall be entitled to Dearness Allowance admissible on such subsistence allowance and any other compensatory allowance of which he was in respect on the date of suspension provided the suspending authority is satisfied that the employee continues to meet the expenditure which the allowance was granted.
2. Where the period of suspension exceeds six months, the authority which made or is deemed to have made the order of suspension shall be competent to vary the amount of subsistence allowance for any period subsequent to the period of the first six months as follows:-
  - i. the amount of subsistence allowance may be increased to 75% of basic pay and allowance thereon if, in the opinion of the said authority, the period of suspension has been prolonged due to the reasons to be recorded in writing, directly attributable to the employee under suspension.
  - ii. The amount of subsistence allowance may be reduced to 25% of basic pay and allowances thereon if in the opinion of the said authority, the period of suspension has been prolonged due to the reasons to be recorded in writing, directly attributable to the employee under suspension.

3. If an employee is arrested by the Police on a criminal charge and bail is not granted, no subsistence is payable. On grant of bail, if the competent authority decides to continue the suspension, the employee shall be entitled to subsistence allowance from the date he is granted bail.

#### Rule 22 Treatment of the period of suspension:

1. When the employee under suspension is reinstated, the competent authority may grant to him the following pay and allowances for the period of suspension:

- a. if the employee is exonerated and not award any of the penalties mentioned in Rule 23 the full pay and allowances which he would have been entitled to if he had not been suspended, less the subsistence allowance already paid to him; and
- b. if otherwise, such proportion of pay and allowance as the competent authority may prescribe.

2. In a case falling under sub-clause (a) the period of absence from duty will be treated as a period spent on duty. In case falling under sub-clause (b) it will not be treated as a period spent on duty unless the competent authority so directs.

#### Rule 23 Penalties:

The following penalties may be imposed, on an employee, as hereinafter provided, for misconduct committed by him or for any other good and sufficient reasons.

##### Minor Penalties:

- a. Censure;
- b. Withholding of increments of pay with or without cumulative effect;
- c. With holding of promotion;
- d. Recovery from pay or such other amounts as be due to him of the whole or part of any pecuniary loss caused to the Corporation by negligence or breach of orders.

##### Major Penalties:

- e. reduction to a lower grade or post, or to a lower stage in a time scale;
- f. removal from service which shall not be a disqualification for future employment.
- g. Dismissal

Explanation – The following shall not amount to a penalty within the meaning of this rule: -

- i) with holding of increment of an employee on account of his work being found unsatisfactory or not being of the required standard, or for failure to pass a prescribed test or examination.
- ii) Stoppage of an employee at the efficiency bar in a time scale, on the ground of his unfitness to cross the bar;
- iii) Non-promotion, whether in an officiating capacity or otherwise, of an employee, to a higher post for which he may be eligible for consideration but for which he is found unsuitable after consideration of his case;
- iv) Reversion to a lower grade or post, of an employee officiating in a higher grade or post, on the ground that he is considered after trial, to be unsuitable for such higher grade or post, or on administrative grounds unconnected with his conduct;
- v) Reversion to his previous grade or post, of an employee appointed on probation to another grade or post, during or at the end of the period of probation. In accordance with the terms of his appointment.
- vi) Termination of service:
  - a. of an employee appointed on probation during or at the end of the period of probation, in accordance with the terms of his appointment.
  - b. of an employee appointed in a temporary capacity otherwise than under a contract or agreement, on the expiration of the period for which he was appointed, or earlier in accordance with the terms of his appointment.
  - c. of an employee appointed under a contract or agreement, in accordance with the terms of such contract or agreement; and
  - d. of any employee on reduction of establishment.

#### Rule 24 Disciplinary Authority:

The Disciplinary Authority, as specified in the schedule, or any authority higher than it may impose any of the penalties in Rule 23 on any employee.

#### Rule 25 Procedure for imposing major penalties:

1. No order imposing any of the major penalties specified in clauses (e), (f) and (g) of Rule 23 shall be made except after an inquiry is held in accordance with this rule.

2. \*\* Whenever the disciplinary authority is of the opinion that there are grounds for inquiring into the truth of any imputation of misconduct or misbehaviour against an employee, it may itself enquire into or appoint any public servant or any outsider including persons who have retired from the services of the Corporation or any other Public Sector Organisation .

3. Where it is proposed to hold an enquiry, the disciplinary authority shall frame definite charges on the basis of the allegations against the employee. The charges, together with a statement of the allegations on which they are based, a list of documents by which and a list of witnesses by whom, the articles of charge are proposed to be sustained, shall be communicated in writing to the employee, who shall be required to submit within such time as may be specified by the Disciplinary Authority (not exceeding 15 days) a written statement whether he admits or denies any of or all the articles of charges.

Explanation, it will not be necessary to show the documents listed with the charge sheet or any other document to the employee at this stage.

4. On receipt of the written statement of the employee, or if no such statement is received within the time specified, an enquiry may be held by the Disciplinary Authority itself, or by any other public servant appointed as an inquiring authority under sub-clause(2).

Provided that it may not be necessary to hold an inquiry in respect of the charges admitted by the employee in his written statement. The Disciplinary Authority shall, however, record its findings on each such charge.

5. Where the Disciplinary Authority itself inquires or appoints an inquiring authority for holding an inquiry, it may, by an order appoint a public servant to be known as the "Presenting Officer" to present on its behalf the case in support of the articles of charge.

6. The employee may take the assistance of any other public servant but may not engage a legal Practitioner for the purpose.

7. On the date fixed by the inquiring authority, the employee shall appear before the inquiring authority at the time, place and date specified in the notice. The inquiring authority shall ask the employee whether he pleads guilty or has any defence to make and if he pleads guilty to any of the articles of charge, the inquiring authority shall record the plea, sign the record and obtain the signature of the employee concerned thereon. The inquiring authority shall return a finding of guilt in respect of those articles of charge to which the employee concerned pleads guilty.

8. If the employee does not plead guilty, the inquiring authority shall adjourn the case to a later date not exceeding thirty days, after recording an order that the employee may, for the purpose of preparing his defence.

- i. inspect the documents listed with the charge sheet;
- ii. submit a list of additional documents and witnesses that he wants to examine; and
- iii. be supplied with the copies of the statements of witnesses if any listed in the chargesheet.

Note: Relevancy of the additional document and the witnesses referred to in sub-clause 8 (ii) above will have to be given by the employee concerned and the documents and the witnesses shall be summoned if the inquiring authority is satisfied about their relevance to the charges under inquiry.

9. The inquiring authority shall ask the authority in whose custody or possession the documents are kept, for the production of the documents on such date as may be specified.

10. The authority in whose custody or possession the requisitioned documents are, shall arrange to produce the same before the inquiring authority on the date, place and time specified in the requisition notice.

Provided that the authority having the custody or possession of the requisitioned documents may claim privilege if the production of such

Documents will be against the public interest or the interests of the Corporation. In the event, it shall inform the inquiring authority accordingly.

11. On the date fixed for the inquiry, the oral and documentary evidence by which the articles of charge are proposed to be proved shall be produced by or on behalf of the disciplinary authority. The witnesses shall be examined by or on behalf of the presenting officer, and may be cross-examined by or on behalf of the employee. The Presenting Officer shall be entitled to re-examine the witnesses on any points on which they have been cross-examined, but not on a new matter, without the leave of the Inquiring Authority. The Inquiring Authority may also put such questions to the witnesses as it thinks fit.

12. Before the close of the prosecution case, the inquiring authority may, in its discretion, allow the Presenting Officer to produce evidence not included in the chargesheet or may itself call for new evidence or recall or re-examine any witness. In such case the employee shall be given opportunity to inspect the documentary evidence before it is taken on record; or to cross-examine a witness who has been so summoned.

13. When the case for the Disciplinary Authority is closed, the employee may be required to state his defence, orally or in writing, as he may prefer. If the defence is made orally, it shall be recorded and the employee shall be required to sign the record. In either case a copy of the statement of defence shall be given to the presenting officer, if any appointed.

14. The evidence on behalf of the employee shall then be produced. The employee may examine himself in his own behalf if he so prefers. The witnesses produced by the employee shall then be examined and shall be liable to cross-examination, re-examination and examination by the inquiring authority according to the provision applicable to the witnesses for the Disciplinary Authority.

15. The inquiring authority may, after the employee closes his case, and shall if the employee has not examined himself, generally question him on the circumstances appearing against him in the evidence for the purpose of enabling the employee to explain any circumstances appearing in the evidence against him.

16. After the completion of the production of the evidence, the employee and the Presenting Officer may file written briefs of their respective cases within 15 days of the date of completion of the production of evidence.

17. If the employee does not submit the written statement of defence referred to in sub-rule(3) on or before the date specified for the purpose or does not appear in person, or through the assisting officer or otherwise fails or refuses to comply with any of the provisions of these rules, the inquires or refuses to comply with any of the provisions of these rules, the inquiring authority may hold the enquiry ex-party.

18. Whenever any inquiring authority, after having heard and recorded the whole or any part of the evidence in an inquiry cases to exercise jurisdiction therein, and is succeeded by another inquiring authority which has, and may act on the evidence so recorded by its predecessor, or partly recorded by its predecessor and partly recorded by itself:-

Provided that if the succeeding inquiring authority is of the opinion that further examination of any of the witnesses whose evidence has already

been recorded is necessary in the interest of justice, it may recall, examine, cross-examine any such witnesses as herein before provided.

19. (1) After the conclusion of the inquiry, report shall be prepared and it shall contain: -

- a. a gist of the articles of charge and the statement of the imputations of misconduct or behaviour;
- b. a gist of the defence of the employee in respect of each article of charge;
- c. and assessment of the evidence in respect of each article of charge.
- d. The findings on each article of charge and the reasons therefore.

Explanation: If in the opinion of the inquiring authority the proceedings of the inquiry establish any article of charge different from the original articles of the charge, it may record its findings on such article of charge.

Provided that the findings on such article of charge shall not be recorded unless the employee has either admitted the facts on which such article of charge is based or has had a reasonable opportunity of defending himself against such article of charge.

ii. The inquiring authority, where it is not itself the Disciplinary Authority, shall forward to the Disciplinary Authority the records of inquiry which shall include:

- a. The report of the inquiry prepared by its under sub-clause(1) above;
- b. The written statement of defence, if any submitted by the employee referred to in sub-rule (13);

Disciplinary Authority Penalty	Chairman	Chief Executive
Major penalties	Full power in respect of all employees except those appointed by President of India	Full Powers in respect of all employees under his charge.
Minor Penalties	Full Power in respect of all employees.	Full Powers in respect of all employees under his charge
Appellate Authority Reviewing Authority	*Chairman	Chairman *

- a) In no case the Disciplinary Authority WILL BE LOWER THAN THE Appointing Authority for the purpose of imposing major penalties.
- b) Board will be Appellate/Reviewing Authority where Chairman exercises powers to impose major penalty.

Note: \*      Inserted by the Board in its 41<sup>st</sup> Meeting held on 27.6.90  
      \*\*      Substituted by the Board in its 49<sup>th</sup> Meeting held on 20.3.92  
      •      Inserted by the Board in its 75<sup>th</sup> Meeting held on 18.7.98

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## STCL LIMITED, BANGALORE.

## DELEGATION OF POWER TO THE MANAGING DIRECTOR

## I. FINANCE:

1.	To sanction re -appropriation of funds within operating revenue Budget.	Empowered within the approved budget/Annual Plan.
2.	Capital Expenditure, such as purchase of Plant & Machinery, Office equipment, Furniture.	a. Empowered upto Rs.10.00 lakhs in each case with the approval of the Management Committee. b. Beyond 10.00 lakhs and upto 20.00 lakhs with the approval of the Chairman c. Beyond 20.00 lakhs and upto Rs.25.00 lakhs with the approval of the Board. d. Beyond Rs.25.00 lakhs as per clause (2) of Article 40 of the Articles of Association.
3.	Opening and closing of Bank Accounts.	Full Powers
4.	Operation of Bank Accounts.	Full powers with Chief Finance Manager.
5.	Expenditure on office contingencies: Recurring	Full powers
6.	Non-Recurring Medical Expenses	Full powers Full powers as per the Medical Rules.
7.	Advertisements	Upto Rs.50,000/- at a time
8.	Entertainment expenditures Gifts, Delegation, Visitors etc.,	Full powers
9.	Purchase of vehicles	With the approval of the Board.
10.	Sanction of interest subsidy for HBA availed with Financial Institutions.	Full powers as per Rules.
11.	Out of pocket expenses, conveyance reimbursement and such other expense.	Full powers
12.	Payment of advance /imprest.	Full powers
13.	Hiring of transport	Full powers
14.	Writing off Bad debts.	Upto Rs.1000/- per case of debts overdue for more than three years.

## II. PERSONNEL:

1.	Creation of posts	Upto Deputy Manager level
2.	Appointments	Upto Deputy Manger as approved by the Board. Professionals / Exports on assignment basis.
3.	Probation / Efficiency bar	Upto Chief Managers as per rules.
4.	Selection / Promotion	As per Recruitment & Promotion Rules
5.	Officiating promotion on leave vacancy	Full powers as per rules.
6.	Fixation of pay on initial appointments	Upon recommendation of Selection Committee.
7.	Grant of advance increments in the relevant time scale on initial appointments.	Upon recommendation of Selection / Promotion Committee
8.	Selection, appointment and termination etc on <u>daily wages</u> within the guidelines laid down by the Company.	Need based - Full powers
9.	Grant of leave other than Special, Disability and study leave.	Full powers in respect of EL, HPL, EOL, Commuted Leave and Leave not due and CL up to Chief Manager under extraordinary circumstances.
10.	Transfers and matters relating thereto	Up to Chief Manger
11.	TA/ Pay Advance	Full powers
12.	Relaxation of maximum time limit for entitlement of TA for family on transfer of personal effects	Full powers
13.	Leave travel concession/ Encasement of Earned Leave	As per Leave Rules of the Company.
14.	Power of punishment	As per C.D.A Rules of the Company.
15.	Acceptance of resignation	As per rules of the Company.
16.	Advance under Employees' welfare Rules	As per rules of the Company
17.	Grant of special pay	As per rules of the Company
18.	Overtime	As per rules of the Company.

### III. ADMINISTRATION:

1.	Traveling in India	Full powers
2.	Travel abroad	For Self with the approval of Govt.  For others-Full powers, when it is absolutely required.
3.	Air travel by non-entitled persons	Full powers
4.	Grant of TA advance	Full powers
5.	Full DA beyond 10 days of tour	Full powers
5.	Declaring a controlling officer for sanction of TA	Full powers
6.	Leases - Office/Godown for business purpose.	Full powers
7.	Books and periodicals	Full powers
8.	Telephones including Cellular phones and other communication gadgets.	Full powers
9.	Legal proceedings - Institute/Defend/abandon etc.	Full powers
10.	Legal fees and legal expenses.	Full powers
11.	Attorney appointment	Full powers

**IV. MARKETING/OPERATIONS:**

**(Rs. in Crores)**

		Management Committee *	With approval of any one Director.	With approval of Chairman	With the approval of Board.
I.	Purchase of raw materials, procurement of commodities for trading - [ <u>Export &amp; Import</u> ]				
	a) With full back to back buying arrangement with associate buyer.				
	i) Funded against stocks.	10.00	15.00	20.00	Any value.
	ii) Non-funded.	20.00	30.00	40.00	---- do ----
	b) With own exposure	02.00	05.00	10.00	---- do ----
	c) For participating in tenders floated by Govt. Departments /PSU's /Boards etc.,				
	i) Under own exposure	05.00	10.00	15.00	---- do ----
	ii) Under back to back arrangement with associate suppliers.				
	a) Funded	10.00	20.00	30.00	---- do ----
	b) Non-funded	20.00	30.00	50.00	---- do ----

\* NOTE: The Management Committee shall consists of Managing Director, Chief Finance Manager and Chief Marketing Manager, which will be expanded to include General Manager (Finance) and General Manager (Marketing) as and when they are appointed.

2.	Purchase at controlled rates without calling for tenders.	Full powers
3.	Grant of extension of time beyond the period stipulated for the execution of contracts.	Full powers
4.	Amendments to contracts	Full powers
5.	Power to sell the products at best possible price of which quality likely to deteriorate.	After observing the procedures and ratification of the same by the Board.
6.	Payment of Commission	Full powers as per the approved trade norms / as per approved Market Plan.
7.	Payments to Selling/ Clearing agents, etc., in respect of specific contracts.	Full powers without any liability to the Company.
8.	Incidental expenses to trade-transit dues, freight, duties, Bank Charges and handling charges, etc.,	Full powers
9.	Free trade samples	Full powers
10.	Participation in Exhibitions , trade fairs etc.,	Full powers

**V. SUB-DELEGATION:**

Full powers to sub-delegate as well as revise such sub-delegation as deemed necessary subject to reporting such sub-delegations to the Board from time to time.

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**ANNEXURE-IV**

**DETAILS OF PUBLIC INFORMATION OFFICER OF STCL LTD.,  
BANGALORE.**

Name	: <b>Sri R.Ravindran</b>
Designation	: Deputy Marketing Manager
Address	: No.166/2, 13 <sup>th</sup> Main Road Vasanthanagar, Bangalore -560 052
Contact Nos.	: 22286925, 22381376, 22260409
Mobile No.	9845372422

**Annexure - V**

**A DIRECTORY OF OFFICERS AND EMPLOYEES OF STCL LTD.,**

Name & Designation	Office	Fax	E- mail
Sri K.C. Ponnana Managing Director	0091-80-22286926	0091-80-22285086	stcl@bgl.vsnl.net.in
Sri N.Devaraje Gowda Chief Fin. & Admn. Manager	0091-80-222286925	0091-80-22285086	stcl@bgl.vsnl.net.in
Sri K.L.Anand Sai Chief Mktg Manager	0091-80-22201517	0091-80-22285086	stcl@bgl.vsnl.net.in
Sri M.S.Prabhu Finance Manager	0091-80-22370109	0091-80-22285086	stcl@bgl.vsnl.net.in
Sri S.Jagannatha Dy. Finance Manager	0091-80-22370109	0091-80-22285086	stcl@bgl.vsnl.net.in
Sri B.P.Venkatesh Dy.Marketing Manager	0091-04546-280571	0091-04546-280571	
Sri B.Jagadeesh Kumar Dy. Marketing Manager	0091-0484-2401674	0091-0484-2403474	stclchn@vsnl.net
Sri K.B.Devaiiah Dy. Marketing Manager	0091-08272-229630		
Sri T.S.Janardhana Dy. Finance Manager	0091-08173-244122		
Sri T.T.Suresh Babu Accountant	0091-04868-222138		
Sri D.Sethuraman Jr.Sales Officer	0091-044-25251415		

<b>General Contact Nos. at corporate office</b>	0091-80-22381376 0091-80- 22260409	0091-80-22285086	<a href="mailto:stcl@bgl.vsnl.net.in">stcl@bgl.vsnl.net.in</a>
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## ANNEXURE-VI

### SYSTEM OF COMPENSATION OF STCL EMPLOYEES

MANAGERIAL CADRES: Pay Scales of managers are governed by DPE guidelines dated 25.6.1999 and are effective w.e.f. 01.01.1997 for a period of 10 years. The pay-scales of Managers are given here under:-

DESIGNATION	PAY SCALES
MD	Rs.22500-600-27300
GMs & its equivalent	Rs.18,500-450-23,900
DGM	Rs.16,000-400-20800
CMMs/CFMs & its equivalent	Rs.14,500-350-18700
MMs & its equivalent	Rs.13,000-350-18,250
DMMs/DFMs & its equivalent	Rs.10,750-300-16,750
Asstt. Managers & its equivalent	Rs. 8,600-250-14,600

STAFF CADRES:- Pay Scales of employees in staff cadres are governed by Wage Settlement. The approval letter received from Ministry of Commerce dtd.20.2.2001 is effective w.e.f. 01.01.1997 for a period of 10 years. Pay scales of employees are given here under:-

DESIGNATION	PAY SCALES
Peon	Rs.3500-65-4150-70-6040
Office Asst./Auction Asst.	Rs.3830-85-4680-90-7110
JSO/Jr.Accountant/Jr.Stenographer/ Driver	Rs.4200-115-5350-120-7630
SO/Accountant / Sr. Stenographer	Rs.4870-155-6420-160-8980
P.O.	Rs.6550-200-11350

- VDA:- Dearness allowance is linked to Consumer Price Index (beyond 1708) and is revised every quarter on the basis of the rise or fall in the quarterly All India Average of Consumer Price Index (1960 Base).
- HRA & CCA:- As per DPE guidelines depending on the place of posting of employee.

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## **I] PURCHASE PROCEDURE**

### **PREAMBLE**

STCL undertakes purchase of a large number of materials every year in addition to availing services on contract for its office as well as for the **Pepper and Chilli Processing Plants** it owns. The procurement activities of STCL can be broadly divided into two parts, namely, purchase of goods and materials and hiring of services. In order to maintain transparency in the system as also with a view to ensuring prompt purchase of goods and services at competitive rates, the need for formulating a comprehensive purchase policy for STCL was being felt for quite sometime past. The present exercise is in response to the said need. While formulating the policy, care has also been taken to take note of the latest CVC guidelines so that the policy formulated by STCL is compatible with the laid-down policy guidelines circulated by CVC. An attempt has also been made to make the policy is implemented properly and the desired results are achieved by following the procedures laid down in the policy.

2.1 The goods and materials procured by STCL may be categorized into four groups as follows:-

- Group I. Materials like machines, accessories, spare parts, furniture and such other items, which are purchased as per necessity as and when required.
- Group II Proprietary items or OEMs (Original Equipment Manufacturer) or OESs (Original Equipment Supplier) or items of a specific brand or designated purchase from a Govt. agency (with **Managing Director's** approval).
- Group III Items which are regularly purchased like **industrial consumables for its plants and stationery items for office.**
- Group IV Small consumables like soap, detergents, etc.

The above list does not include items like printed stationery, other printed materials, etc. which are covered separately under the head of services procured by STCL.

- 2.2. For Group I items, all purchases will be done through advertisement in STCL and NIC websites. STCL would also periodically publish advertisements in the newspapers indicating that STCL purchases materials through website ads and all suppliers should watch STCL's and NIC's websites if they are interested to respond. In certain cases, brief description of the advertisement released in website will also be advertised in newspapers in case the value of tender is more than Rs. 2 Lakhs. Copies of all advertisements will also be displayed on the notice board of STCL. The parties may, at the discretion of the **Managing Director** concerned be advised to submit the bids in two parts viz. technical bid and price bid, the latter to be opened only if the party fulfils the qualifying criteria of the technical bid. However, two part bid may also be avoided if the material to be purchased is a standard one and proper technical specifications are provided in the advertisement itself. The responses received will be processed through a tender committee appointed by the **Managing Director**, which will go through technical specifications and price quotations and select L1 party and recommend purchase after due negotiation with the L1 party. No negotiation will be held with any party other than the selected one. **However, if L1 fails to effect supply, order can be placed on L2 after negotiation, if the price is workable to avoid re-tendering and consequent delay.**
- 2.3. For purchase of items like ACs of a particular make, refrigerators, TVs, etc., which fall under Group II, purchase will be made from the manufacturer or the authorized distributor. However, purchase of branded items will be done only if the requisition for procurement of a branded item is approved by the **Managing Director** from which the requisition comes as also by the **Chief Finance Manager / Chief Marketing Manager**. The purchase would be done by a three member committee comprising a representative each from the user department, Administration and a representative of Finance. The committee will also negotiate the terms of purchase covering issues like discount, warranty, buy back etc. with the authorized dealer / manufacturer as the case may be.
- 2.4. Purchase of all items which fall under Group III and Group IV will be generally made from registered vendors / suppliers who would be registered on the panel of STCL at regular intervals (normally one year) by the STCL. The empanelment of registered supplies / vendors will be made through an ad released at STCL & NIC websites. The procedure for empanelment will be, to invite offers, for vendor registration for items covered under Group III and Group IV through advertisement followed by a press advertisement which will provide information with regard to the advertisement released in website. A copy of the website advertisement will also be displayed on the notice board of the company.

On the basis of the responses received from the parties and an analysis of the quality of the products vis-à-vis the price quoted by the parties for various items, enlistment of suppliers will be made by a committee of 3 officers including an officer from Finance as may be nominated by **Managing Director**. The listed suppliers will be the source of purchase for Group III & IV items. Effort will be made to get quotations from them through enquiry as per the samples / specifications of various items and to enter into a rate contract for a specific period. Otherwise, the items including those not specifically named in the website ad but generally covered by Group III & IV will be purchased through limited tender invited from the registered vendors. For all items, rates would also be obtained from Kendriya Bhandar for comparison. In case the rates quoted by the enlisted suppliers are lower than those of Kendriya Bhandar the suppliers will be placed orders for supply of materials as per the requirements. Otherwise purchase will be made from the Kendriya Bhandar.

- 2.5. In case of rate contract, if the supplier fails to supply the item within a fixed time period or declines to supply the items as per the quoted rates or specifications, the supplier will be delisted and the material will be procured directly from Kendriya Bhandar or through offers received from other registered suppliers through E-mail communications / direct enquiry. The decision in this regard will be taken by an officer of the level of **Manager** in C.O. or BM in Branches keeping in view the urgency for procurement, the value of the material etc.
- 2.6. In case the validity of the rate contract expires, the registered vendors will be called upon to submit fresh quotations and new rate contract will be entered into in the same manner as has been provided for in para 2.4.
- 2.7. Depending on the requirement, the head of the department (of the level of **CFM / CMM**) may procure a material through cash purchases. Such purchases will however be for items of low value (**Max. Rs. 2500/-**)
- 2.8. If, in case of exigencies or for purchase of non-regular items, it becomes necessary to resort to cash purchase of items worth a larger value, the proposal to do so would require the approval of **Managing Director** who will constitute a committee of 3 officers including an officer from Finance to effect the purchase.

### **3. Purchase of Capital Items**

For purchase of capital items the same procedure as indicated for purchase of materials under Group I will be followed.

#### 4. Procurement of Services

In addition to purchase of materials, STCL also procures variety of services involving interior decoration, carpentry, plumbing, printing, gardening, electrical work etc. some of such items may, however, be contracted out for a fixed period and such contracting out would be done through website advertisement and through newspapers. There would be, however, some items for which long-term contracts are not awarded or award of long-term contract is not feasible due to the lower volume of work, infrequent work or non-specific work. For such work instead of giving a long term contract it would be preferable to select a contractor from the panel of contractors and to award contract on the basis of quotations for each work received from the contractors who are registered for specific jobs. Therefore, for all jobs which are undertaken in the company through contractors other than those for which long term contract is awarded, website advertisement would be issued periodically for empanelment of contractors for specific jobs. Such enlistment will be done after evaluation of the credential of the contractor by committee appointed by **Managing Director**. For the jobs which may be undertaken from time to time, the enlisted contractors would be called upon to give quotations which may be in two parts namely technical bid and price bid, if so decided by the **Managing Director**. In case, the contractors succeed in technical bid, the price bid would be opened and job would be awarded. It is clarified in this connection, that two part bid would not be necessary for all the jobs. Such bids would be insisted only for jobs, which are not homogenous or of special nature requiring two part bids for proper comparison of the offers and understanding the capability of the contractor to carryout the jobs as per the desired standard.

#### 5. Long Term Contract

Long term contracts for maintenance, construction, security or services, etc. would be awarded by inviting quotations through website advertisement followed by a brief advertisement to be published in newspapers and display of the copies of the advertisement on the notice board of the company. While releasing the advertisement, the **Managing Director** may direct for inviting quotations in two bid system, if necessary. The release of advertisement and award of contract would be done in terms of statutes and guidelines available on the subject.

## **6. Tender Committees**

All purchases as indicated above would be processed through the tender committee. The tender committee will have a representative from finance and a representative from the purchase department. However, the tender committee for Group I items will comprise three members and the members of each such tender committee will be nominated by the **Managing Director**. For Group II items, the tender committee will comprise two members, one from purchase department and the other from finance department as may be nominated by the **Managing Director**. For enlistment of suppliers for purchase of items under Group III and IV, the tender committee would again have three members and the members of the tender committee would be nominated by the **Managing Director**. For direct purchase of consumables and small items as indicated in Para 2.7 above, the committee will comprise two members as may be appointed by the **Managing Director**. For enlistment of parties for providing services and for selection of long term contract as indicated in para 4 above, the tender committee will be appointed by the **Managing Director**.

## **7. Delegation of Powers**

All purchases including those of capital items will be done with the approval of the competent authority as specified in the Delegation of Powers/Rules of STCL.

## **8. Change in Procedures**

All purchases in STCL will be done in terms of the purchase procedures laid down in these rules. However, in case any change in these rules is warranted for purchase of any specific item not mentioned in the rules, approval of **Management Committee** (MC) will be necessary. For certain unavoidable purchases, which may be undertaken with the approval of a **Managing Director**.

## **9. Procedure to be followed in Branches**

The purchase procedures laid down in these rules will be followed in branches also. However, the authority exercised by the **Managing Director** for nominating the tender committees will be exercised by the Branch Managers if the purchase is done up to a value of Rs.50,000/- for an item in the whole of the financial year and the purchase is done exclusively for the branch. Further, approval for purchase will be subject to the Delegation of Powers laid down in the Delegation of Powers /Rules of the company.

## **10. General**

- 10.1 Notice for all tenders costing Rupees Two Lakh and above shall be sent for publication on STCL/NIC website in addition to publishing the synopsis through newspaper. Notice for all tenders costing less than Rs. Two Lakh shall be sent for publication only in the website.
- 10.2 There shall be a time gap of minimum **2 weeks** between the date of publication of tender notice in the website/newspaper and last date of submission of quotation by the tenderer.

## **11. Date of Effect**

These rules shall come into effect immediately.

## **III] PURCHASE AND SALES POLICY FOR TRADING**

### **PREAMBLE :**

STCL is engaged in trading of variety of commodities in spices, agricultural and non-agricultural commodities considering the competition / market forces in the domestic as well as international markets.

The range of commodities include, spices, spice products, food grains, fruits & vegetables, fertilizers, pesticides, minerals and metals viz., Iron Ore Fines, Iron Ore Lumps, Coal, Metcoke, HMS Scrap, Industrial inputs, Polyester yarn, Cotton yarn etc.

The trading activities related to domestic, imports and exports are carried out on back-to-back contract terms & conditions with business associates with established credentials at their costs & risks and STCL would act only as a facilitator for the transaction.

The modalities of operation for purchase and sales policy related to domestic, import, export trading has been formulated in line with the approved policy norms and the activities are carried out by following the control measures as enumerated below :-

### **I. PROCUREMENT POLICY - DOMESTIC :**

1. STCL shall participate in tender / offer quotes against enquiries only after establishing a tie up with credible associate supplier with proven track record for the performance.
2. Based on firm orders on hand it would be the responsibility of the associate for sourcing of the product with due compliance on required quality specification supported by analysis reports by nominated inspection agency of repute.
3. The price, quality, quantity, terms of payment, delivery schedule etc., shall be negotiated and concluded by the associate both with seller as well as buyer at their costs & risks and since STCL shall act only as a facilitator, the investment ratio shall be 80:20 by STCL and the associate respectively or otherwise at the discretion of the management depending on the nature of the commodity and credibility of the associate. The funds would be deployed only after stocks of acceptable quality are to be stored in the nominated Central / State Warehouse with the warehouse receipts be obtained in the name of STCL or delivered to the buyer and acceptance report obtained. The payments to seller shall be either by way of Inland LC or direct payments.

4. The transaction shall be for a specific period and against any price fluctuation, the associate should make good the differential cost and thus maintain the ratio of investment.
5. STCL also procures fertilizers directly from the reputed manufactures based on firm orders by Government agency as well as planters with high credibility. In such an event, the source of supply is identified and informed to STCL by the Buyer. The fertilizer shall also be procured from manufacturers for stock and sale during the crop season based on previous year sales performance for each type of fertilizer by each branch and current year estimates / statistics from agricultural department / commodity growth.
6. Whenever the proposals are received from credible associates, evincing interest in participation of tenders through STCL for domestic sale, such tenders shall be published in the Website by STCL /NIC Website calling for competitive offers and to work through STCL on back-to-back contract terms & conditions.

## **II. PROCUREMENT POLICY - IMPORTS :**

Wherever STCL is facilitating for imports of commodities / industrial inputs, same shall be made on confirmed orders on back-to-back contract terms with the ultimate buyers by following procedures:

1. The price, quality, quantity, shipment schedule, terms of payment etc., shall be negotiated and concluded by the ultimate buyers at their costs and risks with the overseas seller and STCL would act only as a facilitator for these transactions.
2. The buyer shall keep STCL duly indemnified for any liability arising out of non-performance or breach of contract terms and STCL shall not be responsible for the same.
3. The Company shall also exercise due diligence to ascertain the credentials of the overseas seller as well as ultimate buyer prior to entering into an agreement.

4. On acceptance of the proposal and compliance of required documentation by the ultimate buyer / associate in terms of execution of back to back agreement, deed of Corporate Guarantee secured by post dated Cheques for the contract value, submission of copy of documents related to Sales Tax, Registration, Filing of Income Tax Returns, Audited Accounts, Import Export Code Certificate etc., STCL would facilitate for the imports by opening LC in favour of the overseas seller for usance period ranging from 90 days to 180 days for which the ultimate buyer / associate shall submit LC margin money of minimum 10% of the contract value prior to STCL establishing the LC.
5. Soon after sailing of cargo, the goods shall be sold on high seas after obtaining the goods duly hypothecated/pledged in favour of the Company and STCL shall have absolute control on the stocks till the contractual obligations are fulfilled and the stocks shall be released only against payment, which are to be cleared within the usance period of the LC.
6. The Stocks duly hypothecated shall be insured against all risks in favour of STCL.
7. The company shall utilize the services of leading security, C&F agents and reputed inspection agencies to monitor the movement of stocks, warehouse management, delivery of stocks, etc. STCL also would depute its staff to physically verify the stocks from time to time, which are hypothecated in favour of STCL.

### **III. PROCUREMENT POLICY – EXPORT :**

Export of commodities shall be made only against confirmed overseas orders on back to back contract terms & conditions with the associate / physical shipper on the following control measures :

1. On receipt of the export proposal STCL shall exercise due diligence to ascertain the credentials of the associate / physical shipper prior to entering into an agreement.
2. The price, quality, quantity, shipment schedule, terms of payment etc., shall be negotiated and concluded by the associate shipper with the overseas buyer at their costs & risks and STCL acts only as facilitator for the transaction.

3. Sourcing / procurement shall be the responsibility of the associate shipper and STCL would deploy the required funds after availing export packing credit and the investment ratio shall be 80:20 by STCL and the associate shipper respectively or otherwise at the discretion of the management depending on the nature of commodity and credibility of the associate.
4. The release of funds shall be only after the cargo is delivered at the port of loading meeting the quality specification and kept under trust in the name of STCL by the nominated C & F Agent prior to shipment.
5. All the terms & conditions of overseas buyer shall be made binding on the associate shipper.
6. All other documentation like Corporate Guarantee etc., as enumerated in para II. 4. shall also be observed.

IV. **SALES POLICY - DOMESTIC :**

1. After procurement of the commodity based on firm orders, the delivery shall be effected of the procured stocks and necessary acceptance report obtained by the buyer.
2. As per tender / order terms necessary documents shall be submitted to the buyer for obtaining of the payment.
3. On realization of the sale proceeds, STCL shall retain its trade margin, which is negotiable depending on the agreement, amount invested, interest on investment and any other expenses incurred and release the balance amount due to the associate.

V **SALES POLICY - IMPORTS :**

1. While facilitating for imports, STCL would undertake the sales to the ultimate buyer based on firm buy back arrangement within the usance period.
2. The commodities imported are sold on high seas sales basis to the ultimate buyer. However, the cargo shall be pledged to STCL and stored in the nominated Warehouse and shall be released only against payment, which has to be cleared within the usance period of the LC.

3. Against the receipt of payment, the delivery of the stocks shall be effected through the nominated C & F Agent under supervision of the nominated inspection agency. The trade margin related to sale of imported commodity is negotiable.

#### **VI. SALES POLICY – EXPORT :**

1. The export shall be effected only against L/Cs established through reputed bank. ECGC cover shall be taken in case CAD basis.
2. The stocks procured based on confirmed LC's established in favour of STCL shall be loaded on to the vessel and the shipment would be effected on FOB or C & F basis as per LC.
3. STCL in association with the associate shipper shall appoint the C & F Agent for handling of the cargo and shipment logistics / documentation and also STCL shall appoint inspection agency as per LC for certification of quality and quantity.
4. After the shipment is effected, the export bills shall be negotiated against LC and on realization of export sale proceeds, STCL shall retain its trade margin, which is negotiable depending on the proposal and agreement, amount invested, interest on investment till the date of realization which would be generally 1% over and above the Bank credit interest on packing credit, other Bank charges at actuals and release the balance to the associate shipper.

#### **VII. SALES POLICY – CARDAMOM AUCTION :**

STCL conducts cardamom auctions of the stocks registered by the growers and after effecting sale through auction extends credit to various traders based on approved credit policy to pre-identified traders while making prompt payment to the growers as per the auction system amongst all the auctioneers. The tripartite agreement supported by Cheques / depositing of title deeds shall be obtained before extending credit sale to traders.

**STCL hereby requests the entrepreneurs viz. exporters, importers, domestic traders and promoters to contact STCL to avail further information in strengthening the business in the mutual trade interest.**

## **SALE OF OLD OFFICE RECORDS**

We intend to sell old office records like, Ledgers, Cash Books, Vouchers, Flat / Box Files containing correspondence papers. The approximate weight will be around 2-3 MTs. If you are interested, please quote your maximum rates for each type of records separately viz :

- 1) Ledgers
- 2) Vouchers
- 3) Flat file with papers
- 4) Box file with papers.

Please note that the applicable Sales Tax will be charged extra.

For further clarifications, please contact :

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