

# THE STATE TRADING CORPORATION OF INDIA LIMITED

## CIRCULAR NO. 65

No: STC/SECY/93/89

Dated : 23.8.89

### DELEGATION OF POWERS TO CHAIRMAN

STC Board at its 425th meeting held on 7.8.89 has approved the following Delegation of Powers to Chairman STC in modification of the existing Delegation of Powers :

1. Subject to the provisions of the Companies Act and other statutory requirements, Memorandum and Articles of Association of the Corporation, Govt. policies/directives, policies laid down by the Board from time to time and general canons of propriety the Chairman shall, for conducting the day to day affairs of the Corporation, exercise all the powers vested in the Board of Directors except the following :
  - i) changes in service conditions of employees;
  - \*\*\* ii) creation of posts and framing of recruitment rules in the case of posts of CGMs and above.
  - iii) grant of study leave/special disability leave beyond 2 years;
  - \*\*iv) extension of service of employees beyond 58 years or redeployment of retired employees beyond the age of 58 years;
  - v) financial assistance to associates/handling agents/transport agents etc. in excess of Rs. 50 lakhs at a time without security and in excess of Rs. 15 crores\* at a time with security, or where the total amount of such financial assistance outstanding at any time exceeds Rs. 75 crores.\*

---

\*Enhanced from Rs. 5 crores to Rs. 15 crores and from Rs. 50 crores to Rs. 75 crores respectively vide Board decision dated 22.2.1996 (470th meeting).

\*\*Retirement age of STC employees revised to 60 years w.e.f. 29.05.1998.

\*\*\*Amended vide circular no. 172 dt. 4.7.2000

- vi) sanction of capital expenditure in excess of Rs. 50 lakhs at a time for construction/alteration/addition to office/residential buildings/colony;
  - vii) write off of losses in excess of Rs. 1 crore at a time in the case of trading losses and in excess of Rs. 5 lakhs at a time in the case of other losses;
  - viii) Investment of surplus funds in other than Govt. securities/banks/financial institutions/Unit Trust of India/public sector companies/Corporations/statutory Corporations, or where such investments at any time exceeds Rs. 700 crores.
  - ix) Borrowing of money from Govt./Banks/Financial Institutions/Unit Trust/Public Sector Companies etc.
  - x) Purchases in excess of Rs. 10 crores at a time in cases where the purchases are not made through a Committee duly constituted by Chairman.
- 2) Notwithstanding the above the Chairman is authorised to exercise any of the powers listed at serial numbers (i) to (x) above in case of operational necessity/emergency subject to reporting to the Board at the following meeting for ratification.
- 3) The above powers would include powers to sub-delegate any of his powers to officers working under him including Committees constituted by him from time to time.

Circulated to all concerned for information and guidance.

Sd/-  
(NM Samuel)  
Company Secretary)  
23.8.89

To All Concerned

S.T.C. - D.O.P.