



**दि स्टेट ट्रेडिंग कार्पोरेशन ऑफ इंडिया लिमिटेड**  
(भारत सरकार का उद्यम)  
**THE STATE TRADING CORPORATION OF INDIA LTD.**  
(A Govt. of India Enterprise)

**प्रभाग**  
**DIVISION**

STC/BS&P/BS/10082/2017-18/STEX

May 13, 2024

To,  
Manager - Listing Compliance Department  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra – Kurla Complex,  
Bandra (East), Mumbai – 400051  
Scrip Code : STCINDIA – EQ

**Sub: Clarification w.r.t. announcement dated March 11, 2024**

Dear Sir/Madam,

This is in reference to the email dated 24.04.2024 and 29.04.2024 received from NSE w.r.t. the captioned subject.

Please find enclosed herewith the point-wise reply of STC for the parameters of OTS with a Bank i.e. (1) reasons for opting for OTS (2) brief summary of the OTS, as per point 10 of Para A of SEBI circular dated 13.07.2023.

Please take the above document on record.

Thanking you,

Yours sincerely,  
For The State Trading Corporation of India Limited

(Vipin Tripathi)  
Company Secretary & Compliance Officer

1. On the directions of MOC&I.
2. As part of the ongoing settlements with leader of Joint Lender Forum (JLF) consisting of six lender banks and borrower STC, the amount due to them was reconciled and crystallized at Rs.1906.24 crore as on 31/12/2018 as OTS proposal was provided to Bank after Board approval dated 21<sup>st</sup> December 2018 & further resubmitted vide letter dated 20<sup>th</sup> of March 2019. The Syndicate Bank invoked NCLT proceedings against STC on 21<sup>st</sup> February 2019 and consortium of the banks took STC in DRT on 21<sup>st</sup> February 2019. After various rounds of meetings and communications with the Lenders banks, it was agreed that the STC shall pay Rs. 1100 crore as part of the settlement which shall be adjusted against the amount reconciled and crystallized at Rs.1906.24 crore. Consequently, STC paid Rs.900 crore on 29<sup>th</sup> of March 2019 as per Board approval vide bank demand letter dated 28<sup>th</sup> of March 2019 and paid Rs. 200 Crore on 27<sup>th</sup> of May 2019 vide bank demand letter dated 27<sup>th</sup> of May 2019 after Board approval dated 28<sup>th</sup> May 2019.

A high level meeting was held under the Chairmanship of the Hon'ble Minister for Commerce & Industry on 29<sup>th</sup> August 2019 with Existing Lenders regarding settlement of dues of Borrower-STC. It was minuted that **"Since STC has already paid Rs. 1100 crore to the banks, it will transfer the title of its immovable properties valued at about Rs. 300 crore on as is where is basis to the banks and with this, the OTS of STC will be completed"**

Further both the parties are facing the difficulties in the outstanding dues of the Lender Banks as the original proposal i.e. to hand over the properties



to the Lender Banks towards STC dues was facing many roadblocks and was not moving forward for last many years.

After taking Board approval STC sent a formal proposal to Canara Bank on 25.03.2024.

STC received a letter dated 06.05.2024 (received on 09.05.2024 by email) from Canara Bank stating that:-

1. Company OTS offer amount of Rs. 200.00 Crs towards settlement of lenders dues is too low when compared with the outstanding dues to lenders and need to be improved substantially.
2. Tenure for payment of OTS sought is on higher side and need to be reduced substantially.
3. Source of funds (OTS amount) to be disclosed in Company OTS offer letter.
4. Company has to share the present valuation of the assets offered earlier during the high level meeting held on 29.08.2019 along with latest list of debtors/liquid securities.

In view of the above, Company subject OTS offer of Rs. 200 Crs for settlement against the present outstanding dues to lender banks is not acceptable and hence your subject OTS proposal is lodged at our end.

Proceeding filed by Consortium of lender banks is still going on in Debt Recovery Tribunal (DRT). Last date of hearing in DRT was on 15.04.2024. Next date of hearing in DRT is 14.05.2024.

