



STATE TRADING CORPORATION

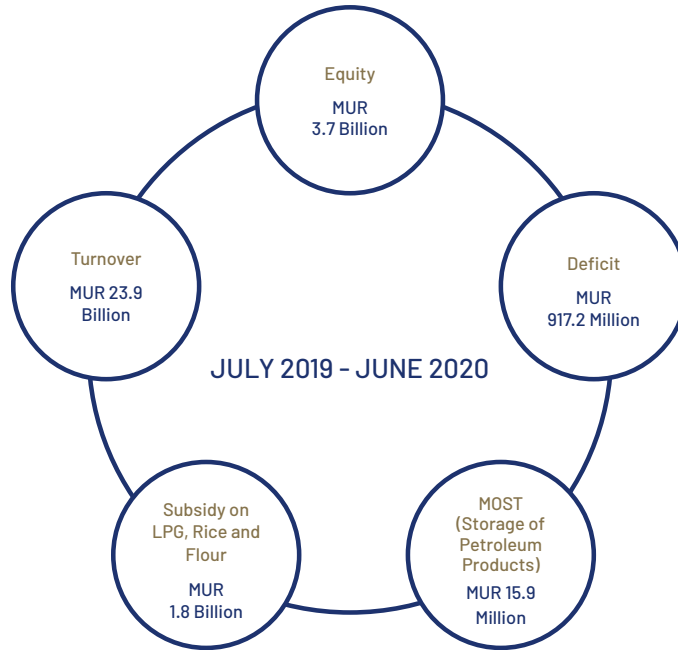
Annual Report

2019 - 2020

Contents

• STC at a Glance	2
Corporate Vision	2
Mission Statement	2
Objectives of STC	2
Impact of Covid	3
• Our Operating Activities	6
Our Division in Rodrigues	6
Procurement of Goods and Services	7
Our Products	7 - 8
Improvement in quality of petroleum products over the last 40 year	9
Contributions collected on behalf of third parties	11
• Message from the Chairman	12 - 15
• Message from the General Manager	16
• Corporate Governance	17
Reporting Structure	17
The Role of the Board	18
Audit and Risk Management Committee	20
Corporate Governance Committee	20
Staff and Remuneration Committee	20
Board Meeting and Sub-Committees	21
Attendance on Board and Sub-Committees and Remuneration of Members	22
• Director's Profile	23 - 25
• Management Profile	26 - 29
• Directors' Responsibilities	30 - 32
• Statement of Compliance	33
• 3-year Strategic Plan	34 - 35
• Report of the Director of Audit	36 - 40
• Financial Statements for the year ended 30 June 2020	41 - 76
• Trade Statistics	77 - 81
• Long Grain White Rice (LGWR)	82 - 84
• Flour	84 - 85
• Liquefied Petroleum Gas (LPG)	85 - 86
• Our Stakeholders	87
• Banking Services	88

Overview



STC at a Glance

The State Trading Corporation (STC) is a parastatal body wholly owned by the Government of Mauritius and reports to the Ministry of Commerce and Consumer Protection. Established and regulated by the STC Act of 1982, its principal place of business is 55, Business Zone, Cybercity, Ebene, Mauritius. STC is engaged in the importation of essential commodities such as Petroleum Products, Liquefied Petroleum Gas, Rice and Flour and any such commodity as the Government may decide.

Corporate Vision

To be a socially responsible, value-adding organisation doing business based on best practices.

Mission Statement

To consistently deliver quality strategic products at affordable prices to our customers in a socially responsible manner while maintaining high ethical standards in the conduct of our business.

Objectives of STC

1. Importing and supplying strategic products
2. Enhancing the logistics to secure continuity of supply of strategic products
3. Ensuring end-to-end Consumer Excellence whilst safeguarding the environment
4. Driving the development of Petroleum Hub
5. Optimizing the use of technology to improve processes and quality of service.

Salient indicators for the Financial Year

Financial performance

The Corporation ended its Financial Year by a deficit of MUR 917.2 million which is mainly attributable to payment of damages and financing of subsidy from its surplus and reserves.

- **Reduction in Retail price of LPG**

In June 2020, a reduction of MUR 30.00 or 14.3% was brought in the retail price of LPG of 12 kg cylinder, bringing the price from MUR 210.00 to MUR 180.00 per cylinder.

- **Investment in Storage Tanks**

During the Financial Year ended 30 June 2020, STC has invested an amount of MUR 15.9 million in Mer Rouge Oil Storage Terminal Co. Ltd (MOST), thus bringing the total investment in the company to MUR 64.1 million. The other shareholders are the four Oil Companies namely Vivo Energy Mauritius Ltd, Total (Mauritius) Ltd, Engen Petroleum (Mauritius) Ltd and IndianOil (Mauritius) Ltd. MOST is a terminal with a capacity for the storage of 25,000 MT of Mogas and Gas Oil. The project cost is MUR 595 million. The Corporation holds 23.5% of the shares in MOST.

Procurement Strategies

STC has adopted several competitive strategies to ensure that the Corporation leverages market forces to benefit from competitive prices for the procurement of its products.

- **Rice and Flour**

STC has embarked on a project to make Rice and Flour available throughout the whole island and to enable consumers to enjoy fully the subsidised retail prices of these products. The fixed subsidised prices are printed on the bags and polybags of Rice and Flour put on sale by STC. Packers and distributors have been appointed for the distribution of same.

- **Petroleum Products**

The contracts for the supply of Petroleum Products have been awarded as follows:

- (i) Clean Petroleum Products–Vitol Bahrain E.C. (Vitol); and
- (ii) Dirty Petroleum Products– PetroChina International (Singapore) Pte. Ltd. (PetroChina)

Impact of COVID-19

The unprecedented widespread of the COVID-19 pandemic which has led to worldwide lockdown brought about exceptional uncertainties in trade around the world and STC has not been spared from the impact of the crisis. In fact, the Corporation had to meet many challenges with regards to its operation and planning as described below.

Procurement of Foreign Currency

All the products purchased by STC are paid in US Dollar and it became difficult to procure foreign currency through commercial banks due to the world economic crisis. STC had recourse to the Bank of Mauritius to purchase its requirements in US Dollar in order to fulfill its contractual obligations.

Long Grain White Rice

In March 2020, the Corporation awarded three contracts of supply for Long Grain White Rice (LGWR) to one supplier in Pakistan and two suppliers in India. There was national lockdown in India because of COVID-19 and export restrictions in other main exporting countries like Thailand and Vietnam, borders and ports were closed. In order to ensure adequacy of stock in the country, STC carried out an Emergency Procurement for additional LGWR.

Basmati Rice

STC awarded a contract for the supply of Basmati rice in March 2020 but the order could not be processed by supplier given the COVID-19 lockdown.

In view of the uncertainty in supply and the need to ensure a continuous supply in the local market, STC procured another consignment of basmati rice from another source in April 2020 on an emergency basis.

Flour

In order to avoid disruption in the supply of Flour, the contract awarded to Les Moulins de la Concorde Ltee (LMLC) for the period 1 January 2020 to 30 June 2020 has been extended for the period ending 31 December 2020, on same terms and conditions.

Petroleum Products

The world prices of Petroleum Products have gone down due to a fall in demand and aircrafts were grounded resulting in zero demand. For instance, the consignment of Jet Fuel which arrived in February and March 2020 remained unsold in the tanks of Oil Companies for several months. Consequently, STC had to cancel its order of Jet Fuel. This has happened for the first time in the history of STC as in normal circumstances, the Corporation orders some 18,000 MT of Jet Fuel on each CPP tanker.

Moreover, with confinement around the world, the demand of Mogas and Gas Oil for land transport has also fallen drastically while on the other hand refineries continued with production of Petroleum Products resulting in an accumulation of huge stock figures and drastic fall in world prices.

Liquefied Petroleum Gas (LPG)

The drastic fall in demand of petroleum products during confinement has impacted negatively on refineries which were operating at lower outputs. The production and supply of LPG was therefore sharply decreased.

For instance, oil producers were planning to cancel or defer term cargoes. A further decrease in the production and supply of LPG on the world market would affect the supply in the country. Therefore, the Corporation decided to purchase a larger LPG consignment and for the rental of an additional storage facility.

OUR ACTIVITIES



Our Operating Activities

The Corporation has been entrusted with the responsibility of importing strategic commodities such as Long Grain White Rice, Wheat Flour, Petroleum Products and Liquefied Petroleum Gas (LPG). In line with the STC Act, which allows the Corporation to enter into any such activity as advised by the Minister, the Corporation also commercialises Basmati rice.

In line with Government policy, to provide basic necessities at affordable prices to the whole population, STC provides subsidy on Long Grain White Rice, Flour and LPG. Surplus realised on certain other products are utilized to absorb the subsidy cost. The amount of subsidy in respect of Long Grain White Rice, Flour and LPG for the Financial Year ending 30 June 2020 is MUR 1.8 billion.

The volume of commodities sold by the Corporation during the period July 2019 to June 2020 were as follows:

Commodities	MT
Petroleum Products	905,397
LPG	74,613
Flour	93,341
Long Grain White Rice	23,152
Basmati Rice	190
Sugar (Rodrigues only)	110

Shed A

The Shed A warehouse has an area of 7,500 m² situated in the port area, at Cargo Peninsula, Quay D, Mer Rouge, with a storage capacity of around 3,000 MT of Long Grain White Rice and around 6,400 MT of Flour. On a daily basis, around 80 MT of Rice and 400 MT of Flour are delivered to traders.

Roche Bois warehouse

Roche Bois warehouse has an area of 1,800 m² situated at Rue Desbouchers, Roche Bois with a storage capacity of 3,200 MT. This warehouse is used for the storage of Basmati Rice and packing operations.

Our Division in Rodrigues

The Corporation is responsible for the shipment of Rice, Flour and Sugar to Rodrigues. Thereafter, it ensures the storage and sales of these commodities to wholesalers and retailers. The Corporation is ensuring the smooth, adequate and continuous supply of these commodities with no disruption of stock, which is altogether about 400 MT of all the three products kept at any point in time. During the Financial Year ended 30 June 2020, 34 consignments were shipped to Rodrigues by MV Mauritius Trochetia and Black Rhino as follows:

Product	MT
Long Grain White Rice	4,586
Basmati Rice	52
Flour	2,167
Sugar	120

The Corporation has a department in Rodrigues which is manned by 18 staffs both from Mauritius as well as personnel recruited from Rodrigues. In addition, a team of 48 casual unloaders is contracted for unstuffing and stacking of goods.

As is the case for Mauritius, the retail prices of Rice and Flour are subsidised and the shortfall is funded by STC. Furthermore, in order to keep the retail prices of these two essential commodities at par with those in Mauritius, the Prime Minister's Office refunds STC all expenses incurred for the shipment of Rice and Flour to Rodrigues through the Rodrigues Subsidy Fund.

The warehouse located in the port area is leased from the Mauritius Ports Authority. STC has its own building at Camp du Roi which is used as office as well as residence for Mauritian officers posted at Rodrigues.

Procurement of Goods and Services

STC is fully committed to exercise sound procurement policies and practices based on open and fair procedures. The principles of fair competition are fully adhered to while inciting market forces to play in the favour of the ultimate customers' expectations of value for money.

The procurement of goods and services are subject to the Public Procurement Act. The bidding terms and conditions are subject to the prevailing market conditions, such as availability of supplies, degree of price stability, quantity required, and level of urgency. STC also launches tenders through e-procurement.

Methods of procurement

For the procurement of goods and services, the Corporation has recourse to the following methods of procurement:

- Open Advertised Bidding
- Request for Sealed Quotations
- Direct Procurement
- Restricted Bidding
- Request for proposals
- Emergency procurement

Our Products

Rice

- **Long Grain White Rice**

The sales of Long Grain White Rice are 23,152 MT (including 4,425 MT for Rodrigues) for the Financial Year ended 30 June 2020. As the selling price of Long Grain White Rice is controlled by Government and fixed at a level lower than its cost, the resulting shortfalls are met from contribution for subsidy in the price structures of Mogas and Gas Oil.

- **Basmati Rice**

The domestic market being fully dependent on rice importation, the persisting volatility in international prices of Basmati Rice tend to impact on our local rice market. Reported facts on the local Basmati market in the last few years revealed that prices of Basmati Rice have been steadily rising and no consistency was noted in the quality of the rice under specific brands.

The presence of STC in Basmati market has to a certain extent avoided an increase in the retail price of that commodity.

During the Financial Year ended 30 June 2020, 190 MT of Basmati Rice (including 53 MT for Rodrigues) has been sold.

Flour

The sales of Flour are 93,341 MT (including 2,135 MT for Rodrigues) for the Financial Year ended 30 June 2020. The sole supplier of Flour for the period is LMLC.

As the selling price of Flour is controlled by Government and fixed at a level lower than its cost, the resulting shortfalls are met from contribution for subsidy in the price structures of Mogas and Gas Oil.

Liquefied Petroleum Gas (LPG)

The sales of LPG are 74,613 MT for the Financial Year ended 30 June 2020. Since February 2006, a dual pricing policy is being implemented for LPG. About 80% of the annual imports is sold in cylinders of up to 12 kg. The retail prices of cylinders of 5, 6 and 12 kg are fixed by Government. The latest revision in the retail prices were made in June 2020 when the price of one cylinder of 12 kg was decreased from MUR 210 to MUR 180. Any shortfall on sales of LPG is expected to be met from contribution for subsidy in the price structures of Mogas and Gas Oil and partly from surpluses made on Petroleum Products.

The prices of LPG sold for Autogas and in cylinders above 12 kg for commercial purpose are currently reviewed on a monthly basis by STC on a cost plus basis.

Petroleum Products

The sales of Petroleum Products are 905,397 MT for the Financial Year ended 30 June 2020, including Fuel Oils for Central Electricity Board (CEB). STC imports the country's total requirements and sells to Oil companies, namely Vivo Energy Mauritius Ltd, Total (Mauritius) Ltd, Engen Petroleum (Mauritius) Ltd and IndianOil (Mauritius) Ltd for storage and distribution.

Petroleum Pricing Committee (PPC)

Since January 2011, the retail prices of Mogas and Gas Oil are determined by the Petroleum Pricing Committee (PPC) according to the Regulations under the section 35 of the Consumer Protection (Price and Supplies Control) Act.

Under this pricing mechanism, prices are changed only when rendered absolutely necessary as a result of significant changes in price trends on the world market. One of the key objectives of this mechanism is to mitigate the effects of world price fluctuations on retail prices. STC operates a Price Stabilisation Account (PSA) for each product in order to shield the market from price fluctuations.

At the meeting of the PPC of 10 June 2019, the retail prices of both Mogas and Gas Oil were decreased by MUR 3.00 per litre, that is from MUR 47.00 to MUR 44.00 per litre (6.38%) of Mogas and from MUR 38.00 to MUR 35.00 per litre of Gas Oil (7.89%).

IMPROVEMENT IN QUALITY OF PETROLEUM PRODUCTS OVER THE LAST 40 YEAR

Lower Sulfur Fuels: The Key to Cleaner Vehicles and Air

Air pollution is a major environmental risk to health. According to the World Health Organization, almost all of the global population are exposed to air pollution levels that put them at increased risk for diseases. Vehicle emissions are one of a number of contributing factors to poor urban air quality.

Vehicles emit many pollutants including fine particulate matter, carbon monoxide, nitrogen oxides, sulfur oxides, and volatile organic compounds that can affect people’s health and cause air quality problems. And as the number of vehicles increases, urban air pollution problems could become even worse if no action is taken.

Recent studies have shown that cleaner fuels and vehicles are an effective way to reverse the trend. Therefore, in order to reduce air pollution from the transportation sector, it is essential to reduce sulfur in fuels.

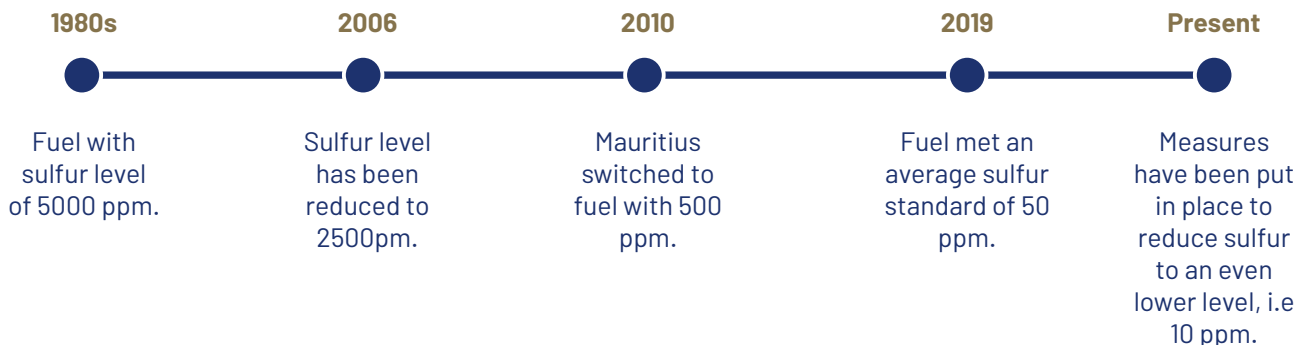
Transition to Low-Sulfur Fuels

Sulfur is a natural component in crude oil that is present in gasoline and diesel. When those fuels are burned, sulfur is emitted as sulfur dioxide or sulfate particulate matter. Sulfur is a pollutant that reduces the effectiveness of emission control systems.

Low-sulfur fuels are key to reducing emissions and enabling advanced control technologies and fuel-efficient designs – low-sulfur fuels have been subjected to desulphurization processes. Numerous countries around the world, including Mauritius, have been taking steps to lower the sulfur levels in diesel and petrol fuels, thereby reducing the impact of vehicle emissions.

For the past 40 years, Mauritius has switched from fuel with 5000 parts per million (ppm) to 10 ppm.

Timeline



Low sulfur fuel (50 ppm) is needed to avoid damage to emission control systems. Ultralow sulfur fuel (10 ppm) on the other hand enables more fuel-efficient engine designs. Particulate filters will achieve maximum efficiency with ultralow sulfur fuels. Cleaner fuels and vehicles will have a significant positive impact on health and the environment.

Risk management

Quality control of fuel oil is an essential risk management activity for producers, traders and distributors. As the market in fuel oil becomes ever more diverse and sophisticated, there is a need for consistent, detailed in-depth analysis.

All petroleum products imported in Mauritius are tested using ISO/IEC 17025 accredited laboratories – ISO/IEC 17025 accreditation is the benchmark standard for technical competency, demonstrating rigorous testing standards and a meticulous laboratory management system.

Prepared by SGS (Mauritius) Ltd

November 2021

Contributions collected on behalf of third parties

During the Financial Year ended 30 June 2020, an amount of MUR 6.8 billion has been collected and remitted to Government institutions as follows:



Rodrigues Subsidy

The item “Contribution to Rodrigues transportation and storage” of 41 cents per litre of Mogas and Gas Oil is meant to subsidise the cost of freight and other related costs to maintain the price of Petroleum Products, LPG, Long Grain White Rice and Flour at par with those prevailing in Mauritius.

Road Development Authority

“Contribution to Road Development Authority” is a charge in the price structures of Mogas and Gas Oil to be remitted to Road Development Authority (RDA) whose objective is to provide a cost efficient mobility in comfort and safety for the Mauritian population and its economic operators to all parts of the island.

MID Levy

Following the Finance (Miscellaneous Provisions) Act 2018, the levy of 30 cents per litre has been removed for both Mogas and Gas Oil. However, the levy of 30 cents is maintained on each litre of Dual Purpose Kerosene and each kilo of Liquefied Petroleum Gas. The purpose of this levy is to support the efforts to protect the environment through recycling, to encourage more efficient use of energy and to increase reliance on renewable energy.



Message from the Chairman

Introduction

I have the privilege to present you the Annual Report of the State Trading Corporation (STC) for the financial year ended 30th June 2020. The STC is a State Owned Organisation and is the trading arm of Government. STC is entrusted with the procurement and supply of essential commodities as per direction of the Government through the Parent Ministry. STC operates under the aegis of the Ministry of Commerce and Consumer Protection.

Overview

It has been a very trying year, where the STC and indeed the world had to face an unprecedented challenge and difficulties caused by the pandemic of COVID 19. The turnover of the STC has been further impacted and now amounts to MUR 23.9 billion for the year. The Corporation has ended this financial year with a deficit of MUR 917.2 million after financing of subsidy from its own funds, payment of

dividend to Government and making a provision for payment of damages as per order of the privy Council... Our reserves at 30 June 2020 stood at MUR 2.9 billion.

Subsidy for the financial year on domestic Liquid Petroleum Gas (LPG), Wheat flour, Ration rice amounted to MUR 1.8 billion out of which an amount of MUR 758.6 million has been directly funded by STC.

In spite of the difficult situation, the STC has paid a Dividend of MUR 500 million to its shareholder, the Government. STC has not resorted to loans for its infrastructure spending.

Board activities

Board met on 22 occasions at the seat of the STC. There was also much work necessarily done virtually and by Circularised Resolution during the confinement period.

During the year, Mr F Chuttan was replaced by Ms Dr N Luckheenarain then by Mr J.P. Rangan, as Director, representative of the Parent Ministry.

Mr D Kawol left the STC Board on 20th June 2020.

The subcommittees of the Board functioned satisfactorily during this past year.

I emphasise that the procurement of goods and services by the STC are subject to the Public

Procurement Act and our procurement framework is compliant.

I also wish to place on record the efforts of the Board Members to take adequate decisions throughout the year and especially with the COVID crisis situation that has profoundly modified the commercial field.

Changes in Management

Mr R Dhaliyah left the STC in October 2019. He was replaced by Mr J Ramasamy in December 2019.

Mr J Ramasamy is already acquainted with the STC setup, having acted as resource person and Consultant for the STC during the past few years.

Mr H Hoolash, Risk and Treasury Manager retired in October 2019 and Mr K Ramdenee has assumed his post responsibilities. Mr P.D. Udhin, Officer in Charge of the Administration Division left the STC in February 2020.

Ms S Bissessur was appointed as Assistant Commercial Manager from June 2019.

Mr S Demkah of the Human Resource Division left the STC in March 2020.

STC is aiming to fill the major vacancies as soon as possible and provision for Assistant Manager posts has been made in all strategic Divisions.

The impact of COVID 19 pandemic

The situation all over the world and in Mauritius has been complicated two fold; firstly by the appearance and spread of the COVID 19 virus across the world causing illness and overloading health systems and secondly by the pandemic declared by the World Health Organisation and the associated necessary sanitary precautions, causing worldwide disruption of trade.

STC also has been impacted by both of these factors; Management and staff have had to face completely new situations. The STC funds previously used to pay, during the lockdown, for Emergency purchases of medical and sanitary equipment on behalf of the Government were refunded to the STC in full.

The previous Board and Management decisions taken in accordance with the Government Directives to help ensure continuity of supply of commodities and adequacy of sanitary measures were followed up satisfactorily.

The above activities were in addition to ensuring regular supplies of fuels, cooking gas, ration rice, wheat flour and continuing our usual activities. All usual activities were, and still are, impacted by the disruption in supply, demand and logistics as at June 2020.

The shortage of US Dollars caused a major shift in our purchasing and STC resorted to purchase from the Bank of Mauritius.

The situation with Petroleum Products

The fuels situation is complicated. We have been spared shortages by the use of the Mer Rouge Oil Storage Terminal (MOST) for Mogas (L'essence) and Diesel (Gasoil). Additional upgrades to fuel pipelines in the port area have been completed and are in use.

STC resorted to Open International Tender exercises for the supply of petroleum products with a view to obtaining the best prices possible in view of the situation. Overseas fuel production, the mix of fuels required locally, logistics and shipping were all adversely impacted, requiring a fine juggling to maintain stocks at reasonable levels and to make arrangements for shipping.

On another note, STC has a glut of Jet A-1 due to the cancellation of most flights.

STC has been able to offer a regular supply of fuels for electricity generation to the CEB throughout this difficult period.

An adequate supply of Bunkers has also been maintained and sales continued even during the lockdown period, albeit at a slower rate.

STC aims at sales of 1 million MT yearly within the next few years.

It is of note that we have moved to reduced sulphur bunkers since January 2020. STC is also the lead organisation looking into the creation of a regional petroleum hub in Mauritius.

LPG

You may recall that a budgetary measure taken in June 2020 concerned a further decrease in price of the LPG for domestic use over and above that accorded last year. We are pleased to announce that it has been fully implemented by means of subsidy and actually, 12 kg LPG cylinders are sold at MUR 180 compared to MUR 210 previously. This is a relief for the population in these trying times. The production of LPG has decreased dramatically worldwide due to refinery slow down so it is much harder to procure LPG. Hence a change in strategy towards larger parcels and renting of additional LPG storage locally.

Autogas and commercial LPG comprise some 20% of total LPG sales and are sold without subsidy at a cost plus basis.

Wheat Flour

The STC has procured around 100,000 MT of wheat flour in various grades from Les Moulins de La Concorde (LMLC) and it is sold to the public in STC packaging at a subsidised price. Most of the retail printing and packing is now done locally, thereby helping local industry and preserving jobs.

There has been no major disruption in supply during the lockdown period. For the benefit of the population, the LMLC contract was extended to avoid stock out.

Long Grain White Rice

STC has been able to manage its stocks of Long Grain White Rice (LGWR) but had to resort to Emergency Procurement from countries still open to trade as well to avoid local shortages. The LGWR is of superior quality and is sold in branded subsidised packs to the public at large. Here too, local partners provide the services and logistics showing STC is committed to helping SMEs. The subsidy on the retail LGWR has increased substantially over this period so as to maintain the fixed price.

Basmati Rice

STC imports basmati rice and provides a small but continuous supply on the local market to help stabilise local retail prices of other local basmati brands. STC resorted to Emergency procurement to ensure this policy was adhered to.

Future Plans

STC intends to put in place a modern Warehouse Project for the storage of essential commodities in the best possible condition and to have space to expand.

As noted, STC is looking into Liquefied Natural Gas (LNG) as a future source of fuel for the country.

We are looking at ways to improve our local buffer and strategic stocks to ensure enhanced resilience of the country in this COVID crisis and future emergency situations that could foreseeably arise

Corporate Governance and Audit

I am proud to announce that STC applies the current Code of Corporate Governance for its activities. The STC, as a flagship parastatal organisation, intends to go forward and further enhance the Governance of our activities.

Greening our activities

STC is constantly reviewing its processes so as to have a lesser impact on the environment. Locally sold diesel for road transport has 0.001% sulphur content. STC is constantly improving the specifications and standards of the fuels it imports.

The most notable event this year was the introduction and use of Very Low Sulphur fuels, i.e. 0.0005% Sulphur, for bunkering, as per recommendations and undertaking of the International Maritime Organisation, from January 2020. We are also examining regional and international possibilities in the use of (LNG). Currently, STC is dealing at a G2G level with the ENH, a State entity in Mozambique.

Conclusion

I would like to thank the Management and the Staff who have faced stoically the adversity of the COVID-19 situation to deliver goods and services. It has been a hard time and the disruptions are continuing. As I write, the COVID-19 pandemic is continuing in the world and no end is seen. We have and we will take this situation with courage and determination. I wish to assure the public at large that the STC will do everything possible to help the country and especially the population in these trying times. God Bless.

Thank you for your attention.

Dr Ramchandra BHEENICK
Chairperson

Message from the General Manager



I am pleased to submit the Annual Report for the Financial Year ended 30 June 2020.

R. T. Servansingh

Corporate Governance

The purpose of setting up the State Trading Corporation (STC), as a para-statal body, was to create a body corporate with the commercial freedom required while trading, in an aggressive global business environment fraught with numerous challenges and pitfalls and the energy market which had become more volatile and complex.

STC operates under the aegis of the Ministry of Commerce and Consumer Protection. The purpose of Corporate Governance for the STC is to nurture the spirit of enterprise in its Board and Management whilst maintaining a high level of accountability, transparency and integrity. These core values are now embedded in the business policies, procedures and practices. There is a clear demarcation between the Board duties and activities from that of the Management of the Corporation. All sitting Board Members have a primary duty to the STC.

Transparency and accountability are the two basic principles of Corporate Governance, which creates and enhances long-term sustainable value for the stakeholders through ethically driven business processes. The philosophy of the Corporation, on Corporate Governance, is to aim for the attainment of the highest levels of transparency, accountability and ethics, in all facets of its operations, with the primary objective of enhancing shareholder value.

The approach to Governance adopted balances economic and social goals as well as individual and communal goals. The governance framework is to promote efficient use of resources but equally to provide greater accountability for the stewardship of those resources.

We believe in the emerging consensus of high standards of Governance that is required to achieve our objectives but not to the detriment of the interest of other stakeholders of the Corporation, inter-alia customers, creditors, suppliers, employees and the Government.

The Corporation has adopted a code of ethics which has been approved by the Board. The Board regularly monitors and evaluates compliance with its code of ethics.

The Corporation also has an IT policy and an Anti-Corruption Policy, that provides for Protection of whistleblowers, which have been approved by the Board.

Reporting Structure

In accordance with STC Act, the Corporation has a Unitary Board, headed by a Chairperson with eight members, as follows:

- Representative of Ministry of Commerce and Consumer Protection
- Representative of Ministry of Finance, Economic Planning and Development
- Representative of Ministry of Agro-Industry and Food Security
- Representative of Ministry of Energy and Public Utilities
- Representative of Mauritius Ports Authority
- 3 Independent Directors with relevant experience nominated by the Minister.

The Board members of STC are nominated in accordance with STC Act.

As stated above, the Board is composed of people with experience in different sectors such as economy, finance, energy, agriculture and food security among others.

The Role of the Board

The code of Corporate Governance requires the Corporation to be “headed by an effective Board, which is collectively responsible for the success of the Organisation”. Board members are expected to take decisions in the interest of the Corporation, as well as contribute constructively to Board decision with their enlightened views.

The roles of the Board are to: -

- Provide entrepreneurial leadership
- Set strategic decisions
- Ensure necessary resources are in place to achieve the objectives
- Review Management performance

An induction and orientation of new Boards members is conducted and the Directors are aware of their legal duties.

An evaluation of the effectiveness of the Board, its committees and its individual directors was conducted.

The roles and responsibilities of the Board have been set out in the Approved Board Charter.

The Board reassesses its’ charter and the charters of its subcommittees.

The Chairperson of the Board is primarily responsible for the activities of the Board and its Committees. He shall act as the spokesman of the Board.

The Acting Board Secretary assists the Board in its proper functioning and in respect of procedures and ensure that the Board complies with its obligations under law. The Acting Board secretary also maintains an interest register and it is available to Directors and other authorities upon written request.

During the Financial Year ended 30 June 2020, the Board has met 22 times. Board was chaired by Dr. Ramchandra Bheenick, the Chairperson. Major decisions were taken on: -

1. Procurement of strategic products of national importance namely, Petroleum Products, Rice, Flour and Liquefied Petroleum Gas (LPG)
2. Project monitoring of the construction of a new warehouse
3. Financing of Working Capital
4. Improvement in Corporate Governance initiatives and programs within STC

The Acting Board Secretary maintains an interest register and it is available to Directors and other authorities upon written request to the Acting Board Secretary.

Management ensures that the Audited Annual Report is tabled in the National Assembly and is published on STC’s website.

The Board of the STC for the Financial Year ended 30 June 2020, was comprised as follows:

Chairperson	
Dr. Ramchandra BHEENICK	
Directors	Post
Mr. Jaganathan Parasivam RANGAN <i>(as from 10 December 2019)</i>	Permanent Secretary Ministry of Commerce and Consumer Protection
Dr. N. Luckheerain <i>(27 November to 2 December 2019)</i>	
Mr. Fareed CHUTTAN <i>(up to 15 November 2019)</i>	
Mr. Ishwarlall BONOMAULLY	Director Economic and Finance Ministry of Finance, Economic Planning and Development
Mr. Bojrazsingh BOYRAMBOLI	Senior Chief Executive Ministry of Agro-Industry and Food Security
Dr. Dhanandjay KAWOL <i>(up to 30 June 2020)</i>	Permanent Secretary Ministry of Energy and Public Utilities
Mr. Narad DAWOODARRY	Director, Administrative and Legal Services Mauritius Ports Authority
Mr. Feizal JEETOO	Independent Member
Mr. Chetnarain POONEETH	Independent Member
Vacant	Independent Member



The memberships in these Sub-committees have been made on the basis of experience, skills and competencies of members.

The roles and responsibilities of the Sub-committees of the Board have been set out in their respective Charters as approved by Board.

The Chairperson for each Sub-committees is responsible to ensure the fulfillment of the mandates of each Committee.

Audit and Risk Management Committee

The role of the Audit and Risk Management Committee is to assist the Board in fulfilling its oversight responsibilities for the Financial Reporting process, the systems of Internal control and Risk Management, the audit process and STC's process for monitoring compliance with Laws and Regulations.

The Audit and Risk Management Committee for the Financial Year ended 30 June 2020, comprised of the following members:

Audit and risk Management Committee		
Mr I. Bonomaully Chairperson	Dr. D Kawol	Mr. F. Jeetoo

The Committee met 2 (two) times during the Financial Year ended 30 June 2020 to review the internal and external audit reports as well as reviewing the Financial Statements. The Audit and Risk Management Committee has met with the external auditor without management presence. Recommendations made, have as far as practicable been implemented forthwith by Management.

Corporate Governance Committee

The role of the Corporate Governance Committee is that it shall operate as a Standing Committee of STC Board of Directors and shall oversee all matters concerning Corporate Governance activities of STC aimed at the promotion and achievement of the objectives and such related matters as may be referred to the Committee by the Board of Directors within the limits of their powers and duties.

The Corporate Governance Committee met 2 (two) times during the Financial Year ended 30 June 2020.

The Corporate Governance Committee for the Financial Year ended 30 June 2020, comprised of the following members:

Corporate Governance Committee			
Mr N. Dawoodarry Chairperson	Mr. I. Bonomaully	Dr. D. Kawol	Mr. C. Pooneeth

Staff and Remuneration Committee

The role of the Staff and Remuneration Committee is to support and maintain a culture within the organisation where the delivery of the highest possible standard of staff management is understood to be the responsibility of everyone working within the system and is built upon partnership and collaboration. Its role is also to ensure that robust arrangements are in place for the implementation of the Staff and Remuneration Governance Standard.

The Staff and Remuneration Committee for the Financial Year ended 30 June 2020, comprised of the following members:

Staff and Remuneration Committee			
Mr. J.P.Rangan Chairperson (as from 10 December 2019)	Mr. B. Boyramboli	Mr. F. Jeetoo	Dr. D. Kawol

During the Financial Year 30 June 2020, the Staff and Remuneration Committee met 5 (five) times.

Finance and Investment Committee

The role of the Finance and Investment Committee is to undertake and be responsible for the oversight of budgeting, financial performance, financial strategy, planning and policy and financial reporting.

During the Financial Year ended 30 June 2020, the Finance and Investment Committee met once.

The Finance and Investment Committee as at 30 June 2020, was comprised of the following members:

Finance and Investment Committee			
Mr. B. Boyramboli Chairperson	Mr. J.P.Rangan	Mr. N. Dawoodarry	Mr. C. Pooneeth

Board Meeting and Sub-Committees

The members of the Board and Sub-Committees during the Financial Year ended 30 June 2020 were as follows: -

Name	Board	Audit and Risk Management Committee	Corporate Governance Committee	Staff and Remuneration Committee	Finance and Investment Committee
Dr. R. Bheenick	√				
Mr. J.P. Rangan (from 10 December 2019)	√			√	√
Dr. Leela Devi Luckheerain (27 November to 2 December 2019)	√			√	
Mr. F. Chuttan (up to 15 November 2019)	√				
Mr. I. Bonomally	√	√	√		
Mr. B. Boyramboli	√			√	√
Dr. D. Kawol	√	√	√		
Mr. N. Dawoodarry	√		√		√
Mr. C. Pooneeth	√		√		√
Mr. F. Jeetoo	√	√		√	
Vacant					

Attendance on Board and Sub-Committees and Remuneration of Members

Attendance of Board members and Sub-Committees for the Financial Year ended 30 June 2020 was as follows: -

Name	Board	Corporate Governance Committee	Audit and Risk Management Committee	Staff and Remuneration Committee	Finance and Investment Committee	Fees paid to Members MUR
Total Number of Meetings	22	2	2	5	1	-
Dr. R. Bheenick	22	-	-	-	-	531,000
Mr. J.P. Rangan (from 10 Dec 2019)	10	-	-	5	1	76,415
Dr. Leela Devi Luckheenarain (27 November to 2 December 2019)	1	-	-	-	-	-
Mr. F. Chuttan (up to 15 November 2019)	7	-	-	-	-	50,000
(Mrs Dassaye-Alternate)	3	-	-	-	-	4,450
Mr. I. Bonomaully	15	1	2	-	-	123,055
Mr. B. Boyramboli	19	-	-	1	1	121,935
Dr. D. Kawol	14	2	2	4	-	126,520
Mr. N. Dawoodarry	11	2	-	-	1	123,055
Mr. F. Jeetoo	14	-	2	5	-	125,705
Mr. C. Pooneeth	12	1	-	-	1	121,630

*Note:

1. Mr. F. Chuttan retired on 15 November 2019 and Mr. J.P. Rangan was appointed on 10 December 2019.
2. Directors' remunerations are determined by the Minister.

Director's Profile

1. Dr. Ramchandra Bheenick, M.D. Doctor in Medicine

Chairperson

Dr. Ramchandra Bheenick was appointed on the Board of STC on 22 June 2015. He assumed his functions on 1 July 2015.

Dr. R. Bheenick holds a Diploma in Occupational Safety & Health and a Certificate in Health Services Management. He was the first Mauritian Member of the British Association of Medical Managers.

Dr. R. Bheenick started his career since 1982. He is involved in activities within the medical sector, both public and private sector. Management support and consultancy role to Mauritian enterprises, Health Institutions and to Government Departments since 1987 till now.

He has also been a Member of the Medical Council of Mauritius and President of the Private Medical Practitioners Association in the past.

Presently, he is a MQA Registered Trainer and Part-time Lecturer for various instances.

He is also active in various social and socio cultural organisations.

2. Mr. Jaganathan Parasivam Rangan

Permanent Secretary, Ministry of Commerce and Consumer Protection

Mr. Jaganathan Parasivam Rangan was appointed on the Board of STC in December 2019 as representative of the Ministry of Commerce and Consumer Protection. He is also the Chairperson of the Staff and Remuneration Committee and a member of the Finance and Investment Committee, sub-committees of the Board.

He holds a LLB (Hons) UK, a Diploma in Personnel Management (DPM) and a Diploma in Development Studies.

3. Mr. Ishwarlall Bonomaully FCCA, MSc Finance (UOM)

Director Economic and Finance, Ministry of Finance, Economic Planning and Development

Mr. I. Bonomaully was appointed on the Board of STC in April 2010 as representative of the Ministry of Finance, Economic Planning and Development (MoFEPD). He is also the Chairperson of the Audit and Risk Committee and a member of the Corporate Governance Committee, sub-committees of the Board.

He started his career as Inspector of Taxes (then Income Tax Dept); joined the Management Audit Bureau as Accountant in 1992 and was appointed as Lead Analyst in MoFEPD in 2007. He was subsequently appointed as Director, Economic and Finance in August 2016.

He is also a member on the following Boards:

Development Bank of Mauritius Ltd (2012)

SME Mauritius Ltd (2019)

Investment Support Programme (ISP) Ltd (2019)

4. Mr. Bojrazsingh Boyramboli, Diploma in Public Administration and Management

Senior Chief Executive, Ministry of Agro Industry and Food Security

Mr. Bojrazsingh Boyramboli was appointed on the Board of STC in May 2018 as representative of the Ministry of Agro Industry and Food Security. He is also the Chairperson of the Finance and Investment Committee and a member of the Audit and Risk Committee, sub-committees of the Board.

Professional Journey

- Joined the Public Service in February 1978
- Appointed Executive Officer in April 1982
- Appointed Administrative Officer in September 1987
- Appointed Principal Assistant Secretary in 1991
- Appointed Permanent Secretary in March 2005
- Appointed Senior Chief Executive in September 2018

Skills

- Well versed in administration management
- Good leadership qualities

5. Dr. Dhanandjay Kawol, Doctor in Business Administration

Permanent Secretary, Ministry of Energy and Public Utilities

Dr. Dhanandjay Kawol was appointed on the Board of STC in September 2018 as representative of the Ministry of Energy and Public Utilities. He is also a member of the Audit and Risk Committee and Corporate Governance Committee, sub-committees of the Board.

QUALIFICATIONS

Academic

Doctor in Business Administration (Open University of Mauritius, 2017); MBA with Specialization in Human Resource Management (University of Mauritius, 2002); Diploma in Management Studies (Distinction, University of Mauritius 1993); BSc (Hons) Crop Science & Production (Second Class in First Division, University of Mauritius 1990); Cambridge Higher School Certificate (1984); and Cambridge School Certificate (1981)

Professional

Associate member of ICSA since 19.08.02 (Graduate ICSA from 19.02.97 to 18.08.02)

WORK EXPERIENCE

20 Aug 2018 to-date: **Permanent Secretary** at Ministry of Energy and Public Utilities

Jan 2015 to Aug 2018: **Deputy Permanent Secretary** at Ministry of Social Security, National Solidarity, and Environment and Sustainable Development. (Social Security and National Solidarity Division)

Jul 2008 to Jan 2015: **Principal Assistant Secretary** at Ministry of Health & Quality of life; Ministry of Agro-Industry, and Ministry of Public Infrastructure

Jul 2006 to Jul 2008: **Chief Executive** at Municipal Council of Quatre- Bornes /Port Louis

Sep 2004 to Jul 2006: **Principal Assistant Secretary** at the Ministry of Agro-Industry and Fisheries

Jul 2004 to Sep 2004: **Senior Assistant Secretary** at the Ministry of Commerce and Cooperatives

Nov 1995 to Jul 2004: **Assistant Secretary** at the Ministry of Agriculture, FT & NR and Ministry of Commerce

Oct 1991 to Nov 1995: **Technical Officer** at the Ministry of Agriculture, FT & NR

6. Mr. Narad Dawoodarry, ICSA, Master Degree in Public Sector Administrators, CILT

Director, Legal & Administrative Services, Mauritius Ports Authority

Mr. Dawoodarry was appointed on the Board of STC on 6 October 2015. He is also the Chairperson of the Corporate Governance Committee and a member of the Finance and Investment Committee, sub-committees of the Board.

Mr. Dawoodarry obtained his Bachelor Degree in 1979 from the University of Punjab. He was then qualified as a Chartered Secretary from the Institute of Chartered Secretaries and Administrators (UK) in August 1990 before obtaining a Master's Degree in Public Sector Management at the University of Technology, Mauritius in 2003. In April 1991, he was elected as a Chartered member of the then Chartered Institute of Transport (UK) now renamed as the Chartered Institute of Logistics and Transport.

He was upgraded as a Fellow of the Chartered Institute of Logistics and Transport since June 2006. He became an Associate Member of the Institute of Professional Managers (UK) in July 1993.

He started his career in the Civil Service in 1981 before taking employment as Administrative Officer with the Embassy of the Republic of Korea from 1988 to 1991. Thereafter, he joined the Trust Fund for Disabled Persons as Secretary/Treasurer until July 1993. He subsequently took up employment with the then Mauritius Marine Authority in August 1993 as Secretary before being promoted to the post of Administration Manager in 1999.

Thereafter in December 2010, he was appointed as Director, Administrative and Legal Services, which has now been restyled as Director, Legal & Administrative Services.

He is a member of the Mauritius Institute of Directors and was appointed as the Secretary of the Ports Association of the Indian Ocean Islands since January 2016.

7. Mr. Chetnarain Poneeth

Board Member

Mr. C. Poneeth was appointed on the Board of STC as an Independent Member on 22 June 2015. He is also a member of both the Finance and Investment Committee and the Corporate Governance Committee, sub-committees of the Board.

8. Mr. Feizal Jeetoo

Board Member

Mr. F. Jeetoo was appointed on the Board of STC as Independent Member on 22 June 2015.

He is also a member of both the Staff and Remuneration Committee and the Audit and Risk Committee, sub-committees of the Board.

He is currently working as Customs House Broker and has his own office and he is also a member of the Customs Brokers Association.

Management Profile

Mr Rajendra Tagore Servansingh **General Manager (as from June 2021)**

Mr Rajendra Tagore Servansingh was appointed General Manager of the State Trading Corporation on 1st June 2021.

Mr Servansingh was elected Member of Parliament in Mauritius from 1976 to 1982. He gave up active politics and was engaged in business and consultancy/advisory services. He has a long experience in the Public and Private sectors in Mauritius and was also involved in Casino Industry, Real Estate, Investment Promotion between India and Mauritius and Eastern and Southern African countries.

Below are some of the key positions he held in Mauritius:

- Deputy Secretary General at the Mauritius Chamber of Commerce and Industry
- Regional Director of the Board of Investment of Mauritius based in Mumbai, India
- Chairman of Airports Terminal Operations Ltd (ATOL)
- Acting Chairman of the Competition Commission of Mauritius
- Chairman of the Board of Mind Africa Group
- Chairman of Mauritius Africa Fund

Mr. Servansingh has also been Director on several Boards of private and other governmental organisations over the past years.

Mr. Jonathandraro Ramasamy **General Manager (from December 2019 to February 2021)**

Mr. Jonathan Ramasamy was appointed General Manager of the State Trading Corporation in December 2019. He has a career spanning over nearly two decades in the petroleum sector, having worked for renowned petroleum companies. Well versed in the trading of petroleum products thanks to his exposure in the international oil market, his services as a consultant were regularly sought by the STC since 2013. Mr. Ramasamy was hence well versed with certain operations of the Corporation when he joined as General Manager.

As a Trading Manager, he has trained several persons to gain competencies to operate in the areas of trading, shipping, communication and negotiation. As a consultant, he has successfully assisted clients in the procurement of petroleum products.

Mr. Ramasamy is a holder of a Bachelor Degree with First Class Honours in Mathematics from the University of Mauritius and a Master's Degree in Military Operational Research from Cranfield University, UK.

Mr. Ramasamy left the corporation on 19 February 2021.

Mr. Rajanah Dhaliyah
General Manager (from July 2015 to October 2019)

Mr. R. Dhaliyah started his career as a Lubricant Sales Engineer with Shell in 1990. Since then, he has occupied several posts namely Retail Manager, Business Process Re-engineering and Competence and Learning Manager within the Shell Group and finally Business to Business Manager for Vivo Energy Ltd. During a career spanning over twenty-five years in the energy sector, he has spearheaded numerous projects in Mauritius and the African region.

Mr. Dhaliah is a Registered Professional Mechanical Engineer with the Mauritius Council of Registered Professional Engineer and he also has an MBA from the University of Mauritius. Since joining the STC in July 2015, Mr. Dhaliah has embarked himself on a transition journey for the Corporation where the work of all employees is highly valued. His aim is to put his years of experience in the private sector at the service of his country.

Mr. Dhaliah has resigned as General Manager of the Corporation on 11 October 2019.

Mr. K. Ramdenee, FCCA, MBA
Risk and Treasury Manager

Mr. K. Ramdenee joined STC in January 1987 as Assistant Supplies Officer. He was appointed as Accounting Technician in March 2006 and as Assistant Financial Manager in April 2009 until being nominated as Assistant Risk and Treasury Manager in March 2018.

He was assigned the duties of Risk and Treasury Manager with effect from 12 March 2020 and was promoted to the post of Risk and Treasury Manager on 8 July 2021.

Mr. H. Hoolash, FCCA, MBA
Risk and Treasury Manager (up to October 2019)

Mr. H. Hoolash joined STC in October 1992 as Accountant and was promoted to Senior Accountant in August 2001. He was appointed as Risk and Projects Manager in January 2004. The post has been restyled as Risk and Treasury Manager in 2008.

Mr. H. Hoolash retired from the service on 16 October 2019.

Mr. P. Soobarah, FCCA, MBA
Financial Manager

Mr. P. Soobarah joined the Department of Supplies in February 1980 as Assistant Supplies Officer. He was appointed as Accounts Clerk in October 1985 and promoted Accounts Officer in November 1987 at the STC. He was then appointed as Accounting Technician in November 2004 and as Accountant/Senior Accountant as from February 2006. The post of Accountant/Senior Accountant was restyled as Assistant Financial Manager, following publication of the PRB Report 2008.

He was assigned the duties of Financial Manager with effect from 1 October 2020 until his appointment as Financial Manager on the permanent and pensionable establishment on 3 August 2021.

Mr. R. R. Bapamah, FCCA, MBA
Financial Manager (up to September 2020)

Mr. R.R. Bapamah joined the Department of Supplies in January 1979 as Assistant Supplies Officer. He was appointed as Accounts Clerk in July 1985 and promoted Accounts Officer in March 1987. He occupied the position of Accountant/Senior Accountant as from April 2001. He was appointed as Financial Manager in December 2007.

Mr. R. R. Bapamah retired from the service in September 2020.

Mr. Chandradeo Dabeea, FCCA, MBA
Commercial Manager (from 20 August 2020)

He first joined the STC on 3 January 2003 and served the Corporation as Senior Internal Auditor until 1 September 2004 when he left to join the Development Works Corporation as Financial Manager. Mr. C. Dabeea joined again STC

on 27 April 2006 as Commercial Manager on a contract basis for three (3) years. He was thereafter appointed on the permanent and pensionable establishment of STC as Commercial Manager effective 8 April 2009. On 16 June 2009, Mr. C. Dabeea resigned from his post to take up employment as Finance Manager at the Airports of Mauritius Co. Ltd.

Mr. C. Dabeea joined the STC on 20 August 2020 as Commercial Manager on contractual basis.

**Mrs. K.D. Jugoo, BSc (Hons) Accounting and Finance, FCCA, MBA
Audit Manager**

Mrs. K.D. Jugoo joined STC as Senior Internal Auditor in June 2007. Before joining STC, she was Examiner of Accounts at the National Audit Office. From 2006-2007, she worked as Accountant at the Mauritius Society of Authors. The post of Senior Internal Auditor was restyled as Audit Manager, in the PRB Report 2008.

**Mr. Antesh Krishnah ERRIAH, BSc (Hons) HR Administration, ACCA Affiliate, MBA (General)
Human Resource Manager (from July 2020)**

Mr. Antesh K. Erriah joined the STC on 1 July 2020 as Human Resource Manager. He last worked as HR Manager in a construction company and has, in the past, occupied several posts in the Human Resource Division in different companies and has also worked at the Ministry of Labour and Industrial Relations as Labour Inspector.

**Mrs. Enkamah Appalasami, BSc (Hons) Information Technology
Ag. IT Manager**

Mrs. E. Appalasami holds a Bsc (Hons) degree in Information Technology from the Guildhall University. She joined STC in March 1990 as Clerical/Higher Clerical Officer and was then appointed as Accounts Clerk in December 1997. She was appointed as Systems Analyst in April 2005 and she is now acting as Information & Technology Manager (ITM) since October 2015.

**Ms. Sharda Bissessur, Postgraduate Diploma in Marketing from The Chartered Institute of Marketing, MBA General
Assistant Commercial Manager**

Miss S. Bissessur joined the STC on 29 March 2004 as Commercial Analyst on contract. She was appointed Commercial Analyst on the permanent and pensionable establishment of STC on 29 March 2006.

Miss S. Bissessur was, thereafter, appointed as Assistant Commercial Manager with effect from 26 June 2019. She was assigned the duties of Officer-in-Charge of Commercial Division from 17 May 2018 until 19 August 2020.

**Mr. Pratap Dave Udhin, Diploma in Transport
Business Development Officer, Ex- Officer-in -Charge of Administration Division (Contract ended)**

Mr. P. D. Udhin holds a Diploma and an Advanced Diploma in Transport (Chartered Institute of Logistics & Transport, UK). He is an elected member of the Chartered Institute of Logistics and Transport. He has a vast experience in Technical Planning and Transport Management. He was previously Traffic Manager at the NTC and Transport Manager at Bonny Air Travel & Tours Ltd.

He joined STC on contractual basis as Business Development Officer on 11 February 2011 to give strategic support to Management. He was also cumulating the responsibilities and duties of Officer-In-Charge of the Administration Division which comprises of sub-divisions/units such as Procurement, Facilities/Maintenance and Transport among others.

The contract of Mr. P. D. Udhin ended on 10 February 2020.

Mr. Krishnamoorti Ragaven
Office Superintendent, Officer-in-Charge of Administration Division

Mr. K. Ragaven joined the STC on 3 January 1986 as Temporary Assistant Supplies Officer and was then appointed as Clerical/Higher Clerical Officer on 18 September 1986. He was respectively promoted to the post of Executive Officer on 14 August 1996 and Higher Executive Officer on 7 June 2005.

He was promoted Office Superintendent on 1 October 2012 and since 11 February 2020, he has been assigned the duties of Officer-in-charge of the Administration Division until his retirement on 26 August 2021.

Mr. A. Poollay Vythelingum (up to January 2021)
Administrative Assistant, acting as Secretary of the Board

Mr. A. Poollay Vythelingum holds a Diploma in Public Administration and Management from the University of Mauritius. He joined STC in March 1990 as Clerical /Higher Clerical Officer and has been subsequently appointed as Executive Officer, promoted as Higher Executive Officer and appointed as Administrative Assistant in a career spanning over 20 years. He was the Acting Secretary of the Board of STC up to October 2020.

Mr. Shuryakumar Demkah, Dip (HRM), BSc (Hons) HR Management
Officer-in-Charge Human Resource Division (Resigned on March 2020)

Mr. S. Demkah served the Corporation for over 28 years and he retired from the service on 1 July 2018, holding the post of Human Resource Management Officer. He was previously assigned duties of Officer-In-Charge of the Human Resource Division from January 2016 to July 2017 and Officer-In-Charge of the Rodrigues Division from September 2017 to February 2018 respectively.

Mr. S. Demkah was afterwards offered appointment as Officer-In-Charge of the Human Resource Division on a one-year contract and joined the STC on 7 September 2018. His contract was later renewed for another year with effect from 7 September 2019. He resigned from the Corporation on 1 March 2020.

Mr. Riyaz Ahmad Idris Varsally
Ag. Chief Supplies and Sales Officer

Mr. R. A. I. Varsally first joined the Department of Supplies on 27 March 1979 as Assistant Supplies Officer. He was appointed Supplies Officer on 1 December 1995 and promoted as Senior Supplies and Sales Officer on 1 May 2014. He is currently assigned the duties of Chief Supplies and Sales Officer as from December 2018.

Organisational Chart

The Organigram of the Corporation is as follows:



The General Manager is responsible for the execution of the policy of the Board and for the control and management of the day-to-day business of the corporation.

The remunerations and conditions of service of Senior Executives of the Corporation are as per PRB.

Directors' Responsibilities

It is the Directors' responsibility to prepare financial statements that fairly present the state of affairs of the Corporation as at the end of each financial year and the Statement of Financial Performance and Statement of Cash Flow for that period.

Adequate accounting records and an effective system of internal controls and risk management have been maintained. Moreover, an adequate security system has been put in place to ensure protection of data and information of the Corporation.

The STC Act requires an estimate of the revenue and expenditure of the Corporation for the forthcoming financial year to be submitted to the Minister of Commerce and Consumer Protection at least three months before the beginning of the financial year for his approval.

The Corporation is required to prepare and submit to the Auditor, the National Audit Office, an annual statement of financial performance and a statement of financial position made up to the end of the financial year showing the assets and liabilities of the Corporation not later than four months after the end of every financial year according to the Statutory Bodies (Accounts and Audit) Act.

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

The Corporation has to submit a copy of its audited financial statements to the Financial Reporting Council, in accordance with the Financial Report Act 2004.

In preparing the Financial statements, it has been ensured that:

- suitable accounting policies are selected and applied on a consistent basis using reasonable and prudent judgement.
- appropriate accounting standards and International Public Sector and Accounting Standards (IPSAS) have been adhered to in conformity with the changes in presentation.

The Financial Statements have been prepared on a going concern basis and there is no reason to believe that the STC will not continue as a going concern in the year ahead.

The Board has the overall responsibility for the Systems of Internal Control and Risk Management as well as the governance practices. In order to discharge these duties, the Board has set up an Audit and Risk Management Committee.

The main activities covered by the Audit and Risk Management Committee are as follows:

- Review and approve the Internal Audit Plan prepared by the Internal Audit Division;
- Consider the risk areas and the risk mitigating measures proposed by Management;
- Review the Risks Register which is subsequently reviewed and approved by Board;

- Examine issues raised by the Internal and External Auditors. STC’s Audit Manager attended all the meetings of the Audit and Risk Management Committee.;
- Review the Financial Statements prior to recommending same for Board approval; and
- Follow up and implementation of recommendations of External Auditor in order to improve the process and ensure proper accountability is regularly adhered to.

The Corporation comprises of an Internal Audit Division which is headed by an Audit Manager assisted by an Internal Auditor and other staffs. In order to ensure the independence and objectivity of the Internal Audit function, the Audit Manager reports to the Audit and Risk Management Committee, a sub-committee of the Board which is chaired by a Non-Executive Director. The Internal Audit Division carries out their duties in compliance with the Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. The Audit Manager has ready and unrestricted access to the Chairperson of the Board and the Audit and Risk Management Committee. The Officers of the Internal Audit Division and the External Auditors are authorized full, free and unrestricted access to all records, physical properties and personnel, pertinent to carrying out their duties. During the financial year, the Internal Audit Division inter alia covered Procurements, Sales, Assets & Stock Management, Staff & Other costs, IT system, Internal Control system, Cash Management and Risk Review.

As part of normal procedure, STC’s Risks Register is updated on an annual basis. Management reviews the existing Risks Register together with the respective risk profile and control measures. New risks are identified and the existing risks are revised, where necessary. The appropriate counter measures are then proposed for the respective risks.

The principle risks with high probability of occurrence and high impact on the Corporation, as recorded in the Risk Register are shown below together with their control measures.

Nature of Risk	Control Measures
Risks of Stock out on strategic products (Rice, Flour, LPG, Petroleum Products)	Reorder level and reorder quantity already established for strategic products.
Risks of strategic products not available because of failure of Supplier to perform	Performance Guarantee required as a commitment for ensuring supply To carry out emergency procurement
Risks of strategic providers of service fail to perform	Proper performance of services provided to be closely monitored
Loss of key competencies	Appropriate proposals have been made to the PRB to attract, motivate and retain officers occupying critical positions in the STC STC’s structure already provides for the post of an Assistant Manager in each key Division who replaces the substantive Manager as and when required Training & Development

The Risk Register covers strategic, financial, operational and compliance risks of the Corporation. STC’s Audit and Risk Management Committee reviews the Risk Register which is subsequently reviewed and approved by Board.

The Audit and Risk Management Committee reports important matters to the Board. Over the years, STC has developed sound systems of the Internal Control and Risk Management.

Nothing has come to the Board's attention, to indicate any material breakdown in the functioning of the internal controls and systems during the period under review, which could have a material impact on the business.

Meetings of the Audit and Risk Management Committee and attendance of its members have been disclosed in the section of Corporate Governance.

During the financial year ended 30 June 2020, there was no case of conflict of interest in respect of matters discussed at Board level and STC has not faced any Environmental, Health and safety nor Social issue which could have a material impact on the Corporation.

STC's key Stakeholders, that is, the Parent Ministry and the Government, have also been consulted regarding key matters relating to the Corporation. Communications are kept with major stakeholders of the Corporation, namely Oil Companies, Bakers Association, Banks, Suppliers of goods and services, legal persons and representatives of employees (Unions) among others through meetings, emails, telephone conferences and letters.

The Directors confirm that STC has adhered to the requirements of the Code of Corporate Governance and other applicable Regulatory requirements. It is also confirmed that the Financial Statements comply with the Statutory Bodies (Accounts and Audit) Act as amended.

"APPROVED BY THE BOARD OF DIRECTORS AND SIGNED ON ITS BEHALF"



Dr R. Bheenick
Chairman



I. Bonomally
Board Member

Statement of Compliance (Section 75 (3) of the Financial Reporting Act)

Name of PIE: State Trading Corporation

Reporting Period: 1 July 2019 to 30 June 2020

We, the Directors of the State Trading Corporation (STC), confirm that to the best of our knowledge, the STC has complied with all of its obligations and requirements under the Code of Corporate Governance.

Compliance with the National Code of Corporate Governance for Mauritius (2016)

We also confirm that STC has applied the eight principles of National Code of Corporate Governance:

- Governance Structure (*refer to page 17*)
- The Structure of the Board and its Committees (*refer to page 19-25*)
- Director Appointment Procedures (*refer to page 17*)
- Director Duties, Remuneration and Performance (*refer to pages 25,22,36*)
- Risk Governance and Internal Control (*refer to page 37,39*)
- Reporting with integrity (*refer to page 17*)
- Audit (*refer to pages 36,37*)
- Relations with Shareholders (*refer to page 17*)

Signed by:



Dr R. Bheenick
Chairman



I. Bonomally
Board Member

3-year Strategic Plan

Construction of modern warehouse for storage of food commodities and other products.

STC has embarked on the procedures for the acquisition of a modern warehouse for Rice and Flour with enhanced facilities for the benefit of its stakeholders.

In the budget for Financial Year 2020-2021, the Board of STC has approved an amount of MUR 200 million for a modern warehouse for Rice and Flour with enhanced facilities in Rodrigues.

Mauritius as a Petroleum Hub

STC is fully engaged to contribute towards Government's vision to position the country as a Petroleum hub which is an ambitious project as it will create accelerated economic growth due to anticipated foreign investment and creation of employment. By status of its mandate, STC would be the lead agency for sourcing of products from the region and beyond, for both local consumption and re-export, as well as spot trading. Furthermore, in order to cater for such a volume of products, upgrading of necessary facilities would be required, such as setting up of petroleum products terminals and other related infrastructure.

- Joint Working Group (JWG)

STC has been entrusted the responsibility to coordinate the Oil terminal and Petroleum port/jetty project at Albion with the other foreign partners of the JWG. A Consultant, Engineers India Limited (EIL) has been recruited to undertake a detailed feasibility study which includes, inter alia, specialised investigations and surveys that needed to be carried out at the site by specialist sub-consultants. EIL has submitted to the JWG a detailed feasibility report (DFR) which was delayed partly due to the lockdown because of the COVID-19 pandemic. The JWG has reviewed the DFR and prepared its recommendation on same. The recommendation has to be signed by the other partners for upward submission to the Ministry of Commerce and Consumer Protection.

The purpose of the project is to trade petroleum products with mainly Southern and Eastern African countries. The development would bring in massive foreign investment and build the capacity of the country as a petroleum hub in the region.

Moreover, the terminal product inventory could be used as internal strategic back-up for supplies during unforeseen situations like natural calamities, war, complete isolation of the country from rest of the world due to cyclone, sea disturbances or any other unforeseen circumstances for periods barring the movement of ships.

- Bunkering

The International Maritime Organisation (IMO) global cap to 0.50% Sulphur in marine fuels (IMO 2020) at the global scale has come into effect from 1st January 2020 which was anticipated to be a disruptive event in the shipping industry worldwide.

STC has recruited a Consultant for Development of the Bunkering Sector in Mauritius whose terms of reference (TOR) included to recommend a legal framework for on-shore and off-shore bunkering activities to address, inter alia, the concerns for quality, safety & environment and transparency, to design a Code of Practice and check-list protocol for Mauritius Bunkering Port and to carry out an assessment of the market and make recommendations on the products to be made available for supply in Mauritius bunkering port an associated infrastructure and logistics. The STC has held an Engagement Session with the stakeholders of the bunkering industry together with the consultant's team that was followed by one-to-one consultations with the players of the industry. The consultant has submitted his recommendations.

The STC has revised the specifications of bunker fuels in its procurement exercise in view of complying with the IMO's requirements.

- Liquefied Natural Gas (LNG)

In light of the global trend of moving towards LNG for power generation coupled with regional discoveries, it is the intention to develop Mauritius as an LNG hub. The role of the STC would include to organise gas supply and investment in LNG infrastructure. STC has recruited a Consultant for development of Mauritius as a LNG Hub.

The Consultant has completed the first part of the work which has been submitted to the LNG Steering Committee. The second part of the consultancy is delayed due to the COVID-19 pandemic.

STC has signed a Memorandum of Understanding (MoU) for Co-operation in LNG and a Confidentiality Agreement (CA) with Empresa Nacional de Hidrocarbonetos, Empresa Publica (ENH) which is the national oil company of Mozambique responsible for the prospection, exploration, production and commercialization of petroleum products, including LNG and Gas to Liquids (GTL) within Mozambique or abroad. The terms of MoU and CA cover, inter alia, to share experience in the LNG business, to exchange information on LNG trading, to explore possibilities for Joint Venture in the LNG sector and to collaborate on implementation of a Regional Strategy of Indian Ocean Island Countries for LNG sourcing.

In the above context, STC needs to create a special cell to look after LNG project and for that purpose we require additional resources with required skill set to project manage the introduction of LNG in Mauritius.



Report of the Director of Audit To the Board of The State Trading Corporation

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of the State Trading Corporation, which comprise the statement of financial position as at 30 June 2020 and the statement of financial performance, statement of changes in net assets/equity, statement of cash flow and statement of comparison of budget and actual amounts for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the State Trading Corporation as at 30 June 2020, and of its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report. I am independent of the State Trading Corporation in accordance with the INTOSAI Code of Ethics, together with the ethical requirements that are relevant to my audit of the financial statements in Mauritius, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

I draw attention to the following notes to the financial statements:

Note 19 which states that the State Trading Corporation was mandated by the Government to effect payment of Rs 1,040.5 million for the emergency procurement of medical supplies, protective equipment and medicines in connection with COVID-19. The amount was refunded by Government in June 2020.

Note 22 concerning the judgement of Judicial Committee of the Privy Council whereby the State Trading Corporation was ordered to pay damages together with interest and costs totalling Rs 5.6 billion to a private company. The Government contributed Rs 4.6 billion and Rs 1 billion was met by the State Trading Corporation. Legal and professional fees were not provided for as the amount payable had yet to be finalised.

My opinion is not modified in respect of the above matters.

Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have determined the matter described below to be key audit matter to be communicated in my report.

As disclosed at Note 21, the State Trading Corporation spent some Rs 25 billion in connection with the procurement of goods for resale, such as, rice, flour, petroleum products and Liquefied Petroleum Gas. This was considered as key audit matter for the following reasons:

- the sum disbursed was significant; and
- due to the risk that the procurement process may not comply with the Public Procurement Act.

To address the key audit matter, the audit procedures included, amongst others:

- A list of procurement for the year under review was requested and a sample thereof was selected for examination.
- Verified that the procurement process was in line with the Public Procurement Act.
- Checked that procurement decisions and actions were fully documented/recorded.
- Reviewed the approval obtained for the procurement.
- Verified that the procurement method was justified.
- Scrutinised payment schedules to determine, amongst others that the conditions of contract were being properly adhered to, prior to effecting payments.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report of the State Trading Corporation, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Corporate Governance Report

My responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From my assessment of the disclosures made on corporate governance in the annual report, the State Trading Corporation has, pursuant to section 75 of the Financial Reporting Act, complied with the requirements of the Code.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the State Trading Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible of overseeing the State Trading Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State Trading Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the State Trading Corporation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the State Trading Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Management's Responsibilities for Compliance

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible to ensure that the State Trading Corporation's operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provisions of laws and regulations that determine the reported amounts and disclosures in an entity's financial statements.

Auditor's Responsibilities

In addition to the responsibility to express an opinion on the financial statements described above, I am also responsible to report to the Board whether:

- (a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the audit;
- (b) the Statutory Bodies (Accounts and Audit) Act and any directions of the Minister, in so far as they relate to the accounts, have been complied with;
- (c) in my opinion, and, as far as could be ascertained from my examination of the financial statements submitted to me, any expenditure incurred is of an extravagant or wasteful nature, judged by normal commercial practice and prudence;
- (d) in my opinion, the State Trading Corporation has been applying its resources and carrying out its operations fairly and economically; and
- (e) the provisions of Part V of the Public Procurement Act regarding the bidding process have been complied with.

I performed procedures, including the assessment of the risks of material non-compliance, to obtain audit evidence to discharge the above responsibilities.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Statutory Bodies (Accounts and Audit) Act

I have obtained all information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

As far as it could be ascertained from my examination of the relevant records, the State Trading Corporation has complied with the Statutory Bodies (Accounts and Audit) Act and directions of the responsible Minister in so far as they relate to the accounts.

Based on my examination of the records of State Trading Corporation, nothing has come to my attention that causes me to believe that:

- (a) expenditure incurred was of an extravagant or wasteful nature, judged by normal commercial practice and prudence; and
- (b) the Corporation has not applied its resources and carried out its operations fairly and economically.

Other Matter

The financial statements for the financial year ended 30 June 2020 were received at my Office on 6 October 2020. Following audit, management was informed on 17 August 2021 of amendments to be made to the financial statements. The amended financial statements were received on 1 October 2021.

Public Procurement Act

In my opinion, the provisions of Part V of the Act have been complied with as far as it could be ascertained from my examination of the relevant records.



C. Romooah
Director of Audit

National Audit Office
Level 14,
Air Mauritius Centre
PORT LOUIS

19 October 2021

FINANCIAL STATEMENTS



STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Notes	30 June 2020	Restated 30 June 2019
		MUR	MUR
ASSETS			
Current Assets			
Cash and Cash Equivalent	5	2,705,580,201	3,573,866,496
Receivables	6	7,447,376,494	2,855,662,223
Inventories	7	429,040,598	493,702,654
Total Current Assets		10,581,997,293	6,923,231,373
Non Current Assets			
Investments	8	20,725,741	16,187,583
Investment in Associate	8,28	64,191,068	48,291,645
Infrastructure, Plant and Equipment	9	43,179,310	54,181,420
Leasehold Land	10	17,000,000	28,107,720
Building	10	216,219,243	221,037,030
Intangible Assets	11	3,763,041	6,354,179
Total Non Current Assets		365,078,403	374,159,577
Total Assets		10,947,075,696	7,297,390,950
LIABILITIES			
Current Liabilities			
Payables	12	7,068,106,149	1,765,401,239
Employee Benefits	13	6,566,908	6,050,430
Total Current Liabilities		7,074,673,057	1,771,451,669
Non Current Liabilities			
Pension Liability	14	75,673,863	50,890,205
Employee Benefits	13	58,229,215	57,325,136
Total Non Current Liabilities		133,903,078	108,215,341
Total Liabilities		7,208,576,135	1,879,667,010
Net Assets		3,738,499,561	5,417,723,940
NET ASSETS/EQUITY			
Contributed Capital	15	400,000	400,000
Accumulated Surplus		2,899,765,899	4,062,089,673
Reserve Funds	16,28	838,333,662	1,355,234,267
Total Net Assets/Equity		3,738,499,561	5,417,723,940

Notes 1 to 29 form an integral part of these Financial Statements. The Financial Statements were approved by the Board on 30 September 2021.



Dr R. Bheenick
Chairman



I. Bonomaully
Board Member

STATEMENT OF FINANCIAL PERFORMANCE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	Notes	30 June 2020	30 June 2019
		MUR	MUR
Revenue			
Revenue from Exchange Transactions	17	23,923,885,330	30,620,758,849
Revenue from Non Exchange Transactions:			
Gain/Loss on Foreign Exchange	18	308,344,969	559,707,885
Contribution for Subsidy on LPG, Rice and Flour	18	920,863,468	912,091,493
Sundries Income-Medical Equipment	19	1,040,519,413	-
Other Revenue	20	4,680,511,783	88,714,084
Total Revenue		30,874,124,963	32,181,272,311
Expenses			
Cost of Sales	21	(24,942,217,934)	(31,296,292,386)
Compensation for Breach of Contract	22	(5,552,813,110)	-
Wages, salaries and employee benefits		(141,786,211)	(142,173,975)
Supplies and Consumables used		(17,545,593)	(21,410,310)
Utilities		(5,269,540)	(5,548,767)
Rent		(12,524,388)	(14,095,815)
Repairs and Maintenance		(11,578,793)	(8,160,051)
Other Expenses		(36,661,958)	(49,021,404)
Depreciation	9,10,11	(18,949,737)	(20,380,899)
Finance Costs	23	(11,423,560)	(34,746,421)
Sundries Expenses-Medical Equipment	19	(1,040,519,413)	-
Total Expenses		(31,791,290,237)	(31,591,830,028)
Operating Surplus/(Loss)		(917,165,274)	589,442,283
Share of profit in Associate		-	2,919,233
Share of Loss of Shares in Investment		-	(1,264)
Transfer from Subsidy Fund		-	491,236,375
Surplus/(Deficit) for the Year		(917,165,274)	1,083,596,627

Statement of Change in Net Asset/Equity for the Financial Year ended 30 June 2020

	Reserve Funds						Total Equity
	Contributed Capital	Accumulated Surplus	Subsidy Reserve Fund	Infrastructure Development Reserve Fund	Strategic Stock Reserve Fund	Price Stabilisation Account (PSA)	
	MUR	MUR	MUR	MUR	MUR	MUR	
Balance as at 1 July 2018	400,000	2,603,974,329	-	-	-	-	2,604,374,329
Reclassification of Reserve Funds (Refer to Note 28)		179,407,189	626,855,560	345,508,919	497,643,028	200,009,521	1,849,424,217
Prior year adjustment- Share of Loss of Associate (Refer to Note 28)		209,139					209,139
Restated Balance as at 1 July 2018	400,000	2,783,590,657	626,855,560	345,508,919	497,643,028	200,009,521	4,454,007,686
Subsidy utilised during the year			(491,236,375)				(491,236,375)
Amount collected during the year				221,746,226			221,746,226
Transfer from Infrastructure Development Fund for investment in MOST		21,241,428		(21,241,428)			-
Transfer from Strategic Stock Reserve Fund for financing of stock of Mogas and Gas Oil in MOST		358,749,796			(358,749,796)		-
Movement in PSA						334,698,612	334,698,612
Surplus for the 12-month ended 30 June 2019		1,083,596,627					1,083,596,627
Dividend Paid		(150,000,000)					(150,000,000)
Remeasurement of Pension as per SICOM Statement		6,709,076					6,709,076

Statement of Change in Net Asset/Equity for the Financial Year ended 30 June 2020

	Reserve Funds						Total Equity
	Contributed Capital	Accumulated Surplus	Subsidy Reserve Fund	Infrastructure Development Reserve Fund	Strategic Stock Reserve Fund	Price Stabilisation Account (PSA)	
	MUR	MUR	MUR	MUR	MUR	MUR	
Restated balance as at 30 June 2019	400,000	4,103,887,584	135,619,185	546,013,717	138,893,232	534,708,133	5,459,521,852
Prior Year Adjustment- Share of Profit in MOST (Refer to Note 28)		(2,919,233)					(2,919,233)
Prior Year Adjustment- Storage Charges (Refer to Note 28)		(38,878,679)					(38,878,679)
Restated balance as at 30 June 2019	400,000	4,062,089,672	135,619,185	546,013,717	138,893,232	534,708,133	5,417,723,940
Subsidy utilized during the year		135,619,185	(135,619,185)				-
Amount collected during the year				285,979,911			285,979,911
Transfer from Infrastructure Development Fund for investment in MOST		15,899,423		(15,899,423)			-
Financing of stock of Mogas and Gas Oil in MOST		138,893,232			(138,893,232)		-
Movement in PSA						(512,468,676)	(512,468,676)
Deficit for the 12-month ended 30 June 2020		(917,165,274)					(917,165,274)
Dividend Paid (Note 2)		(500,000,000)					(500,000,000)
Remeasurement of Pension as per Statement from SICOM Ltd.		(35,570,339)					(35,570,339)
Balance as at 30 June 2020	400,000	2,899,765,899	-	816,094,205	-	22,239,457	3,738,499,561

Cash flow Statement For the Financial Year ended 30 June 2020

	30 June 2020	Restated 30 June 2019
	MUR	MUR
Cash flows from Operating Activities		
Surplus/(Deficit) for the Year	(917,165,274)	1,083,596,627
Adjustments for:		
Subsidy reserve Fund		(491,236,375)
Price Stabilisation Account	(512,468,676)	334,698,612
Share of (profit)/Loss in Associate	-	(2,919,233)
Retirement Benefit Obligations	(10,786,681)	(2,794,730)
Share of Loss In Investment	-	1,264
Investment income recognised in Statement of Financial Performance	(202,056)	(165,387)
(Gain)/ Loss on sale or disposal of property, plant and equipment	(33,493)	54,269
Gain on Investment	(4,538,157)	(15,108,951)
Depreciation of non-current assets	18,949,738	20,380,899
Effects of Exchange Rate changes on the balance of Cash / Lines of Credit held in foreign currencies	(111,584,044)	(343,150,686)
Interest Receivable	(74,214,256)	(73,285,353)
Interest Payable	11,423,560	34,746,421
	(1,600,619,339)	544,817,377
Movements in Working Capital		
(Increase)/Decrease in trade and other receivables	(4,585,316,658)	333,193,840
(Increase)/Decrease in inventories	64,662,057	732,288,881
Increase/(Decrease) in trade and other payables	5,302,704,911	(615,974,092)
Increase/(Decrease) in Employee Benefits	1,420,555	(255,242)
Net Cash generated from operating activities	(817,148,474)	994,070,764
Cash flow from investing activities		
Interest received	78,924,361	68,766,091
Dividend Paid to Government	(500,000,000)	(150,000,000)
Acquisition of Non Current Assets	(590,694)	(5,692,159)
Financing of Investment in MOST	(15,899,423)	(21,241,428)
Investment revenue recognised in Statement of Financial Performance	202,056	165,387
Proceeds from disposal of Non Current Assets	85,483	2,955
Net cash (used in)/generated by investing activities	(437,278,217)	(107,999,154)
Cash flow from financing activities		
Amount Collected under Infrastructure Development Fund	285,979,911	221,746,226
Proceeds from borrowings	7,739,541,840	13,749,614,545
Repayment of borrowings	(7,658,933,045)	(14,208,527,533)
Interest paid	(11,423,560)	(36,129,004)
Net cash generated from financing activities	355,165,146	(273,295,766)
Net (decrease)/increase in cash and cash equivalents	(899,261,545)	612,775,844
Cash and cash equivalents at the beginning of the year	3,573,866,496	2,964,637,520
Effects of Exchange Rate changes on the balance of cash held in foreign currencies	30,975,250	(3,546,868)
Total Cash and cash equivalents at the end of the year	2,705,580,201	3,573,866,496

Statement of Comparison of Budget and Actual Amounts for the Financial Year ended 30 June 2020

PARTICULARS	Original Budget	Revised Budget	Actual	Difference (Note iii)	Remark
	1 July 2019-30 June 2020 (Note i)	1 July 2019-30 June 2020 (Note ii)	1 July 2019 - 30 June 2020	MUR 000	
	MUR 000	MUR 000	MUR 000	MUR 000	
Revenue from Exchange Transaction	38,655,033	27,060,126	23,923,885	(3,136,241)	*see below
Cost of Sales	(39,043,151)	(27,897,896)	(24,942,218)	2,955,678	*see below
Gross profit / (loss)	(388,118)	(837,770)	(1,018,333)	(180,563)	
Contribution to Subsidy on LPG, Rice and Flour	1,107,884	999,515	920,863	(78,652)	Based on quantity sold.
Compensation for Breach of Contract	-	-	(5,552,813)	(5,552,813)	
Sundries Income-Medical Equipment	-	-	1,040,519	1,040,519	
Other Revenue	55,303	62,752	4,680,512	4,617,760	
Revenue from Non Exchange Transaction	-	74,939	308,345	233,406	
Wages, Salaries and Employee Benefits	(190,861)	(141,576)	(141,786)	(210)	
Supplies and Consumables	(33,443)	(17,987)	(17,545)	442	
Utilities	(4,622)	(5,926)	(5,269)	657	
Rent & Lease	(13,603)	(12,587)	(12,524)	63	
Repairs and Maintenance	(13,353)	(11,620)	(11,579)	41	
Other Adm. Expenses	(127,450)	(92,639)	(36,662)	55,977	
Depreciation	(24,913)	(28,447)	(18,950)	9,497	
Interest Payable	(35,000)	(15,000)	(11,424)	3,576	over provided
Financed from Subsidy Reserve Account	-	135,619	-	(135,619)	
Purchase made icw COVID-19	-	(1,025,000)	(1,040,519)	(15,519)	
Transfer from Project Development Fund	21,241	-	-	-	Transferred to Accumulated Surplus
Net Surplus/(Deficit) for the Year	353,065	(915,727)	(917,165)	(1,438)	

PARTICULARS	Original Budget	Revised Budget	Actual	Difference (Note iii)	Remark
	1 July 2019-30 June 2020 (Note i)	1 July 2019-30 June 2020 (Note ii)	1 July 2019 - 30 June 2020		
	MUR 000	MUR 000	MUR 000	MUR 000	
Office Equipment & Furniture	6,000	500	-	500	
Plant and Machinery	1,000	4,000	83	3,917	
Information Technology	12,100	732	507	225	
Motor Vehicles	4,700	7,900	-	7,900	
Building	89,775	89,775	-	89,775	
Warehouse in Mauritius	800,000	800,000	-	800,000	Projects not yet materialised
Warehouse in Rodrigues	200,000	200,000	-	200,000	
TOTAL	1,113,575	1,102,907	590	1,102,317	

Note:

- (i) Represents the original budget of the Corporation for the Financial year ended 30 June 2020 approved in March 2019.
- (ii) Represents the revised budget of the Corporation for the Financial Year ended 30 June 2020 approved in May 2020.
- (iii) Represents the difference between revised budget for the Financial Year ended 30 June 2020 and actual revenue and expenses on a comparable basis.
- (iv) The Financial Statements as well as the Budget are prepared on an accrual basis.

* The actual turnover and cost of sales figures differ from the budgeted figures mainly due to the movement of world prices of Petroleum Products and LPG which are the main components of STC's business as well as exchange rate fluctuations as all the products purchased by the Corporation are paid in US Dollar.

Notes to Financial Statements for the Financial Year ended 30 June 2020

In accordance with STC Act 1982, the Corporation submits to the Minister, an estimate of its revenue and expenditure for a Financial Year, three months before the beginning of that Financial Year.

Budgetary and Classification Basis

The estimates are based on certain assumptions such as available contract prices, estimated volume, exchange rates and world prices of Petroleum Products. The budgets are prepared on an accrual basis. In the approved budget, items are classified on the same basis as is adopted in the Financial Statements by economic nature.

Changes from Original to Final Budget

The original Budget for the Financial Year ended June 2020 approved by the Board of STC in March 2019 as per statutory requirement, was based on information available at that time. Thereafter, in May 2020, the document was revised based on actual data available and updated figures and events such as exchange rate fluctuation, quantity, new contract purchase prices for Rice, Flour, LPG, Petroleum Products and also revision in selling prices.

1. GENERAL INFORMATION

The State Trading Corporation (STC) is a parastatal body wholly owned by the Government of Mauritius and reporting to the Ministry of Commerce and Consumer Protection. Established and regulated by the STC Act of 1982, its principal place of business is 55, Business Zone, Ebene Cybercity 72201, Ebene, Reduit, Mauritius. STC is engaged in the importation of essential commodities such as Petroleum Products, Liquefied Petroleum Gas, Rice and Flour and any such commodity as the Government may decide.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) Statement of Compliance

These Financial Statements have been prepared on an accrual and going-concern basis as Government has always implicitly supported STC. The accounting policies have been applied consistently throughout the period. The Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS). The measurement base applied is historical cost adjusted for revaluations of assets.

The Financial Statements comply with the Statutory Bodies (Accounts and Audit) Act and with the Financial Reporting Act. STC also complied with Minister's directives in accordance with section 14 of STC Act. The preparation of the Financial Statements in conformity with IPSAS requires management to make estimate and assumptions that affect the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

(ii) Basis of preparation

The Financial Statements have been prepared in accordance with and comply with IPSAS. STC first adopted the IFRS to prepare its Financial Statements for year ended June 2007. Thereafter, following amendment in the Statutory Bodies (Accounts and Audit) Act in 2010, IPSAS was adopted for years 2011, 2012 and 2013.

The Statutory Bodies (Accounts and Audit) Act was further amended in 2013 and required STC to report under IFRS. Further amendments have been brought to the Statutory Bodies (Accounts and Audit) Act and Financial Reporting Act in the Finance (Miscellaneous provision) Act in 2017 and requires STC to prepare its Financial Statements under IPSAS.

Notes to Financial Statements for the Financial Year ended 30 June 2020

The Corporation's Financial Statements for the Financial Year ended 30 June 2020 adopting the accrual basis IPSAS include:

- (a) One Statement of Financial position as at 30 June 2020;
- (b) One Statement of Financial Performance for the year ended 30 June 2020;
- (c) One Statement of changes in net assets/equity for the year ended 30 June 2020;
- (d) One Cash Flow Statement for the year ended 30 June 2020;
- (e) A comparison of budget and actual amounts; and
- (f) Notes comprising a summary of significant accounting policies and other explanatory notes.

IPSAS NOT YET EFFECTIVE

The following IPSAS have been issued but not yet effective:

IPSAS	Title	Date Issued	Effective Date
IPSAS 41	Financial Instruments	Aug 2018	1 Jan 2022
IPSAS 42	Social Benefits	Jan 2019	1 Jan 2022

Impact of not adopting the above IPSAS is still being assessed.

(iii) Basis of Accounting

The Financial Statements have been prepared on the historical cost basis, except for the revaluation of financial instruments. The principal accounting policies adopted are set out below.

These Financial Statements are presented in Mauritian Rupees because that is the currency of the primary economic environment in which the Corporation operates and all the figures have been rounded to the nearest rupee.

(iv) Accounting Period

The Financial Statements for the current financial year have been prepared for the twelve months ended 30 June 2020.

(v) Cash and Cash Equivalent

Cash and Cash equivalent include cash in hand, deposits held at call with banks, and other short-term highly liquid investments that are readily convertible to cash and subject to insignificant risk of changes in value.

(vi) Retirement and other Benefits

The Corporation as well as its employees contribute to two separate pension schemes managed by SICOM Ltd for:

- (i) Defined Benefit Pension Plan for permanent employees up to 31 December 2012.
- (ii) Defined Contribution Pension Plan for new entrants as from 1 January 2013.

Contributions to defined contribution plans are recognized as an expense when employees have rendered service entitling them to the contributions.

Notes to Financial Statements for the Financial Year ended 30 June 2020

Defined Benefit Pension Plan

Contributions in respect of employees who were on Permanent and Pensionable Establishment at 31 December 2012, were paid in a Defined Benefit Pension Plan managed by SICOM Ltd.

IPSAS 39 specifies that all gains and losses should be recognized immediately. All actuarial gains and losses that arise when a company changes its estimate of the Defined Benefit Obligations (DBO) or plan assets should be recognized. Any cost arising from plan amendment needs also to be recognized immediately. There will be no more unrecognized past service cost. Re-measurements are now recognised in the net assets/equity in the period in which they occur and that a net defined benefit liability is recognised in case there is a surplus of assets over the liabilities.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The retirement benefit obligation recognized in the Statement of Financial Position represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to unrecognized actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

The contribution in the Defined Benefit Pension Plan managed by SICOM Ltd for the period July 2019 to June 2020 was MUR 16.2 million out of which MUR 12.3 million has been contributed by the Corporation and the remaining MUR 3.9 million by its employees.

Defined Contribution Pension Scheme

The 2013 PRB report has recommended the implementation of a contributory Defined Contribution (DC) Pension Scheme for new entrants as from 1 January 2013. The pension plan is managed by SICOM Ltd. Under a DC Scheme, usually the pension benefit at retirement is not known in advance as it will depend on the level of contributions made which in turn depend on the salaries of each employee during his employment, the level of investment returns earned on these contributions and the cost of converting the sum built up into a pension at time of retirement.

Once a full time and permanent employee joins the DC Scheme set up for the Public Sector, an account in his respect will be opened. The account will be credited each month with cash contributions both from the employer and the employee. These cash contributions net of expenses will be invested in order to build up a sum which will buy the employee a pension on retirement.

The contribution in the Defined Contribution (DC) Pension Scheme managed by SICOM Ltd for the period July 2019 to June 2020 was MUR 2.0 million out of which MUR 1.3 million was contributed by the Corporation and the remaining MUR 0.7 million by its employees.

Employee leave entitlement

Employee entitlements to bank sick leave and vacation leaves as defined in the PRB Report (the regulatory body for remuneration of STC employees) are recognized as and when they accrue to employees. An accrual is made for the estimated liability for bank sick leave and vacation leaves.

Notes to Financial Statements for the Financial Year ended 30 June 2020

(vii) Investment

For the purpose of measurement, these investments have been categorised as financial assets at fair value through Statement of Financial Performance.

Investment in Associate

An associate is an entity over which the entity has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the Statement of Financial Position at cost as adjusted for post-acquisition changes in the Corporation's share of the net assets of the associate, less any impairment in the value of individual investment.

(viii) Revenue Recognition

Revenue from Exchange Transactions

Revenue is measured at the fair value of the consideration received or receivable. Sales of goods are recognised when goods are delivered and titles have been transferred to the buyer. Interest income is accrued on a time basis.

In accordance with Value Added Tax Act, all products sold by the Corporation for the Financial Year ended 30 June 2020 are Taxable supplies. As such revenue is accounted net of Value Added Tax (VAT). Revenue from sales of goods is recognised when all the following conditions are satisfied:

- The organisation has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the entity.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Revenue from Non Exchange Transaction

Revenue from Non exchange transactions are those where the Corporation receives an inflow of resources but provides no or nominal direct consideration in return. It includes mainly Gain and Loss on foreign transactions.

Notes to Financial Statements for the Financial Year ended 30 June 2020

(ix) Leases

Rentals payable amounting to MUR 12.5 million are charged to income on an accrual basis.

The future minimum lease payments under non-cancellable operating leases in the aggregate and for each of the following periods are as follows:

- (i) One year: - MUR 12,529,479
 - (ii) Later than one year and not later than five years: - MUR 2,306,721
 - (iii) Later than five years: - MUR 8,602,038
- (a) Total rents recognized in the Statement of Financial Performance during the Financial Year ended 30 June 2020- MUR 12,524,388.
- (b) A general description of the lessee's leasing arrangements is shown below.

As at reporting date, the Corporation had three lease agreements for its administrative block and storage of goods as follows: -

- One lease agreement for warehouse at Shed A.
- One lease agreement for warehouse at Roche Bois.
- One lease of land for its Administrative block at Ebene.
- One lease of land for its Office and Staff Residence Complex at Camp du Roi in Rodrigues.

(x) Foreign Currencies

The Organisation is exposed to certain foreign currency exchange, credit, interest rate and liquidity risks. Transactions in currencies other than Mauritian Rupees are recorded at the rates of exchange prevailing on the dates of the transactions.

At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Gains and losses arising on retranslation are recognised in Statement of Financial Performance in the period in which they arise.

The Corporation procures all goods for resale in Foreign Currency. During the Financial Year ended 30 June 2020 about USD 550 M was paid for purchase of commodities for resale. Any fluctuation in the exchange rate by MUR 1 will impact the cost of sales by MUR 550 M.

(xi) Infrastructure, Plant and Equipment

Building (held for administrative purpose) and Plant and Equipment are stated in the Statement of Financial Position at cost less accumulated depreciation.

The minimum value of an individual item to be treated as a Non-Current Asset has been set at MUR 40,000 with effect from Financial Year 2014.

Notes to Financial Statements for the Financial Year ended 30 June 2020

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, on a pro rata basis in the year of acquisition and disposal using the straight-line method, on the following bases:

	Rate (%)
Motor Vehicles	10- 20
Computer System	20
Office Equipment and Furniture	10
Plant and Machinery	10
Building	2

The gain or loss arising on the disposal of an asset is determined as the difference between the sales proceeds and the net book value of the asset and is recognised in Statement of Financial Performance.

(xii) Intangible assets

Computer software and ERP

Computer software are capitalised on the basis of costs incurred to acquire and bring to use the specific software and are amortised over their estimated useful lives of 5 years. Costs associated with developing or maintaining computer software are recognised as an expense as incurred.

(xiii) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories has been assigned by using the first-in first-out basis (FIFO).

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

STC is a shareholder of the Mer Rouge Oil Storage Terminal Co. Ltd (MOST), a petroleum tank farm which has a storage capacity of 15,000 MT of Mogas and 10,000 MT of Gas Oil. The terminal, constructed at the cost of MUR 595 million was commissioned in April 2018. During the period July 2019 to June 2020, STC has invested an amount of MUR 15.9 million in the company.

Following the construction of storage tanks at the Mer Rouge Oil Storage Terminal Co. Ltd (MOST), STC keeps stock of petroleum products held at the end of the Financial Year 2019-2020 in those tanks and same has been accounted in the financial Statements.

With the implementation of this storage project, the country's buffer stock level (time interval between the arrival of two tankers) has improved from 2 to 33 days for Mogas and from 10 to 27 days for Gas Oil.

(xiv) Financial Instruments

Financial Assets and Liabilities are recognised in the Statement of Financial Position when the Corporation has become a party to the contractual provisions of the instrument.

Notes to Financial Statements for the Financial Year ended 30 June 2020

Fair Value Measurement

The entity held investments in Landscape (Mauritius) Ltd and Africa Export-Import Bank (Afrexim Bank), categorised as financial assets at Fair value through statement of Financial Performance.

The Corporation enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including foreign exchange forward contracts. Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognized in the Statement of Financial Performance immediately.

STC's accounting policies in respect of the main financial instruments are as follows:

Held-to-maturity Investments

Investments with fixed payments at maturity dates, that the STC has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to maturity investments are recorded at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

Trade Receivables

Trade receivables do not carry any interest and are stated at their nominal value. The carrying amount of trade receivables is adjusted to reflect any impairment loss at reporting date and is reduced when a trade receivable is uncollectible.

Loans

Loans comprise advances made to employees for the acquisition of motor cars and bear interest at the rate of 4%. The repayment of the loans is effected within a period of 5 or 7 years.

Trade and Other Payables

Trade and other payables are stated at their nominal value and are not interest bearing.

Leased Assets

STC does not have any leased asset.

(xv) Impairment

At each reporting date, the Corporation reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

Recoverable amount is the higher of the fair value less costs to sell, and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized as an expense immediately. Following an impairment survey carried out, no impairment charge has been recognized during the current financial period.

Notes to Financial Statements for the Financial Year ended 30 June 2020

(xvi) Provisions

Provisions are recognised when the Corporation has a present obligation as a result of a past event, and it is probable that the Corporation will be required to settle that obligation.

Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the reporting date.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date taking into account the risks and uncertainties surrounding the obligation.

(xvii) Pricing

Prices of commodities sold by the Corporation are fixed by Government in accordance with the Consumer Protection Regulations and by STC. In order to adhere to Government policy of selling products of basic necessity namely Rice, Flour and LPG for domestic consumption at affordable prices, the Corporation meets any shortfall on these products.

(xviii) Segment Reporting

A segment is a distinguishable activity or group of activities of an entity for which it is appropriate to separately report financial information for the purpose of:-

- (a) evaluating the entity's past performance in achieving its objectives; and
- (b) making decisions about the future allocation of resources. For this purpose, the Corporation reports as separate segments each distinguishable activity or group of
- (c) activities for which financial information should be reported. Thus, the operating result of each product in which STC deals is reported at Note 21.

(xix) Tax

The Corporation is exempted from payment of tax under section 22 of the State Trading Corporation Act 1982.

(xx) The Cash Flow Statement is prepared using the indirect method.

Notes to Financial Statements for the Financial Year ended 30 June 2020

3. RISK MANAGEMENT POLICIES

A description of the various risks to which the Corporation is exposed is shown below as well as the approach taken by management to control and mitigate those risks.

(i) Credit risk

Credit risk relates to the possibility of default by customers in settling their obligations to the Corporation. The Corporation transacts only with customers having a good track record and as there are well-established payment schedules, the possibility of material loss arising is considered to be mitigated. Our customers have never default payment to us and therefore the risk is very minimal.

(ii) Liquidity risk

This refers to the possibility of default by the Corporation to meet its obligations because of unavailability of funds to meet operational requirements. In order to ensure adequacy of its funding, cash flow forecasts are prepared regularly and actions taken appropriately. Moreover, the Corporation has access to various types of funding facilities such as bank overdraft and Lines of Credit. The Corporation does not use derivative financial instruments to hedge risk exposure.

(iii) Interest rate risk

The Corporation has short-term loans at average floating interest rates. As such, its income and cash flows are exposed to interest rate risks. These risks are to some extent mitigated as the Corporation maintains a cash surplus that is invested in short-term deposits.

(iv) Currency Risk

The Corporation operates internationally and is exposed to Foreign Exchange Risk. Foreign Exchange Risk arises from commercial transactions whereby commodities are purchased and sold at different dates whereas all purchases are in US Dollars.

Only part of the sales is in foreign currency. Currency risk is therefore, related to that portion of sales which are in Mauritian Rupees.

Currency exposure arising from commercial transactions is primarily managed through:

- (i) Maintaining of sufficient funds in foreign currency bank accounts, crediting proceeds in foreign currency and purchasing of foreign currency in advance.
- (ii) Entering to some Forward Foreign Exchange Contracts.

Notes to Financial Statements for the Financial Year ended 30 June 2020

4. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In the process of applying the Corporation's accounting policies, which are described in Note 2 above, Management has made the following judgments that have most significant effect on the amounts recognized in the financial statements, apart from those involving estimations, which are described below:

(i) Determination of functional currency of the Corporation

The determination of the functional currency of each entity is critical since recording of transactions and exchange differences arising therefrom are dependent on the functional currency selected. Management has considered all relevant factors and has determined that the functional currency of the Corporation is Mauritius Rupee.

(ii) Determination of Price Stabilisation Account

The Consumer Protection (Prices and Supplies Control) Act has been amended in January 2011 to provide for a Petroleum Pricing Committee (PPC). With this pricing mechanism, prices are changed only when rendered absolutely necessary as a result of significant changes in price trends on the world market.

One of the key objectives of the new mechanism is to mitigate the effects of world price fluctuations on retail prices at retail outlets. STC operates a Price Stabilization Account for the above products in order to shield the market from price fluctuations.

The gains or losses have been recognized on the basis that the realisation of income or loss is virtually certain and are either credited or debited in the Price Stabilization Account.

(iii) Post-Employment Benefits

The determination of employee's post-employment benefit costs and related provisions, as detailed in Note 14 to the Financial Statements, required the use of actuarial calculations or other assumptions that include significant estimates in respect of, inter alia, the discount rate, the expected return on the plan assets, future salary increases and future pension increases. These significant estimates are assessed annually by the directors with the actuaries where applicable. Differences between actual and estimated are recorded as actuarial gains or losses.

5. CASH AND CASH EQUIVALENT

	30 June 2020	30 June 2019
	MUR	MUR
Cash in Hand	37,228	33,736
Bank Balances	1,905,542,973	1,205,295,135
Short Term Deposits	-	675,336,924
Investment in Treasury Bills	800,000,000	1,693,200,701
Gross Total	2,705,580,201	3,573,866,496

Notes to Financial Statements for the Financial Year ended 30 June 2020

6. TRADE AND OTHER RECEIVABLES

Trade Receivables at reporting date comprise of amount receivable from the sale of goods.

Other receivables of MUR 4.7 billion includes amount of MUR 4.6 billion receivable from Government (June 2021) for payment to Betamax Ltd. (see Note 22).

	30 June 2020	30 June 2019
	MUR	MUR
Trade Receivables	2,768,634,063	2,821,375,615
Other Receivables	4,678,742,431	34,286,608
TOTAL	7,447,376,494	2,855,662,223

7. INVENTORIES

COMMODITIES	30 June 2020	30 June 2019
	MUR	MUR
Mogas	163,277,317	242,840,149
Gas Oil	28,629,520	150,439,351
Rice	55,203,421	58,512,172
Flour	43,420,891	41,379,252
Sugar	813,998	531,730
LPG	129,093,451	-
Others	8,602,000	-
TOTAL	429,040,598	493,702,654

COMMODITIES	30 June 2020		30 June 2019	
	COST	Net Realisable	COST	Net Realisable
	MUR	Value MUR	MUR	Value MUR
Mogas	163,277,317	166,345,308	247,909,705	242,840,149
Gas Oil	29,211,382	28,692,520	153,666,034	150,439,351
Long Grain Rice	88,970,763	43,397,222	88,077,960	56,783,319
Basmati Rice	11,806,198	12,872,240	1,728,853	2,069,960
Flour	91,083,904	43,420,891	76,508,873	41,379,252
Sugar (White)	523,759	552,335	237,072	249,830
Sugar (Raw)	290,239	305,325	294,658	309,750
LPG	217,191,973	129,093,451	-	-
TOTAL	602,355,535	424,679,292	568,423,155	494,071,611

Notes to Financial Statements for the Financial Year ended 30 June 2020

The cost of inventories recognised as an expense includes MUR 181,853,937 in respect of adjustments of inventory of Petroleum products, Rice, Flour and LPG to Net Realisable Value (NRV) during the reporting period. In line with Government policy, the retail prices of Long Grain White Rice, Flour and LPG are fixed below cost.

The breakdown of the adjustments of Inventory to NRV is shown below:

COMMODITIES	MUR
Gas Oil	518,862
Long Grain Rice	45,573,540
Flour	47,663,013
LPG	88,098,522
TOTAL	181,853,937

Stock of Mogas and Gas Oil in MOST

At reporting date STC held a stock of 6,950 MT of Mogas and 8,269 MT of Gas Oil in the terminal valued at MUR 191.9 million.

Stock in Transit

The Corporation had no stock in transit of White and Black Oils at 30 June 2020.

8. INVESTMENT

Name of Company	Country of incorporation	% Ownership	Consideration	30 June 2020 MUR	30 June 2019 MUR
Landscape (Mauritius) Ltd	Mauritius	less than 1	Cash	515,080	352,972
Africa Export –Import Bank (Afreximbank)	Egypt	less than 1	Cash	20,210,661	15,834,611
At Reporting date				20,725,741	16,187,583

8A. INVESTMENT IN ASSOCIATED COMPANY

Details of the Corporation's associate is as follows:

Name of Company	Country of incorporation	% Ownership	Consideration	30 June 2020 MUR	30 June 2019 MUR
Mer Rouge Oil Storage Terminal Co Ltd (MOST)	Mauritius	23.5	Cash	64,191,068	48,291,645
At Reporting date				64,191,068	48,291,645

Notes to Financial Statements for the Financial Year ended 30 June 2020

For the purpose of applying the equity method of accounting, the audited financial statements of MOST for the year ended 31 December 2019, which was received in July 2021 has been used. Summarised financial information of MOST for the year 2019 is set out below:

	Restated 31 December 2019 MUR	Restated 31 December 2018 MUR
Total Assets	743,559,119	647,034,863
Total Liabilities	(476,647,404)	(464,851,139)
Net Assets/Equity	266,911,715	182,183,724
Total revenue	72,111,058	22,890,434
Total expenses	(72,111,058)	(22,890,434)
Net Profit/(Loss)	-	-
STC's share of Net profit /(Loss) in Associate	-	-

	30 June 2020 MUR
Investment MOST at 1 July 2019	48,291,645
Investment during the reporting period	15,899,423
Total investment as at 30 June 2020	64,191,068
STC's share of net profit for the period	NIL
Investment in Associate at 30 June 2020	64,191,068

8B. OTHER INVESTMENT

Name of Company	Country of incorporation	% Ownership	Consideration	30 June 2020 MUR	30 June 2019 MUR
Landscape (Mauritius) Ltd	Mauritius	less than 1	Cash	515,080	352,972
Africa Export -Import Bank (Afreximbank)	Egypt	less than 1	Cash	20,210,661	15,834,611
At Reporting date				20,725,741	16,187,583

Investment	% of Shares	30 June 2020	30 June 2019
		MUR	MUR
Unquoted			
(a) Landscape (Mauritius) Ltd	less than 1	515,080	352,972
(b) Africa Export-Import Bank (Afreximbank)	less than 1	20,210,661	15,834,611
(c) MOST Co. Ltd	23.5	64,191,068	48,291,645
Total		84,916,809	64,479,228

Notes to Financial Statements for the Financial Year ended 30 June 2020

Mer Rouge Oil Storage Terminal Co. Ltd (MOST)

STC is a shareholder of the Mer Rouge Oil Storage Terminal Co. Ltd (MOST), a petroleum tank farm. Since the year 2017 to 30 June 2020, STC has invested an amount of MUR 64.2 million in the company which has a storage capacity of 15,000 MT of Mogas and 10,000 MT of Gas Oil. The terminal, constructed at the cost of MUR 595 million was commissioned in April 2018.

With the implementation of this storage project, the country's buffer stock level (time interval between the arrival of two tankers) has improved from 2 to 33 days for Mogas and from 10 to 27 days for Gas Oil.

9. INFRASTRUCTURE, PLANT AND EQUIPMENT

	Motor Vehicles	Office Equipment & Furniture	Plant & Machinery	Computer Equipment	Total Infrastructure, Plants and Equipment
	MUR	MUR	MUR	MUR	MUR
COST					
At 1 July 2019	12,834,526	41,434,735	34,565,303	24,233,862	113,068,426
Additions	-	-	83,478	507,216	590,694
Disposal	-	-	(936,204)	(123,700)	(1,059,904)
At 30 June 2020	12,834,526	41,434,735	33,712,577	24,617,378	112,599,216
DEPRECIATION					
At 1 July 2019	10,689,822	13,227,918	21,606,074	13,363,192	58,887,006
Charge for the year	721,512	4,046,373	2,168,461	4,604,467	11,540,813
Disposal	-	-	(920,601)	(87,313)	(1,007,914)
At 30 June 2020	11,411,334	17,274,291	22,853,934	17,880,346	69,419,905
CARRYING AMOUNT					
At 1 July 2019	2,144,704	28,206,817	12,959,229	10,870,670	54,181,420
At 30 June 2020	1,423,192	24,160,444	10,858,643	6,737,032	43,179,311

A gain on Disposal of Plant and Machinery amounting to MUR 44,396.60 and a loss on disposal of Computer Equipment amounting to MUR 10,904 were included in the Statement of Financial Performance for the Financial Year ended 30 June 2020.

Notes to Financial Statements for the Financial Year ended 30 June 2020

10. LAND AND BUILDING

	Building	Leasehold Land
	MUR	MUR
COST		
At 1 July 2019	240,889,321	28,107,720
Additions	-	-
Adjustment(Note 1)		(11,107,720)
At 30 June 2020	240,889,321	17,000,000
DEPRECIATION		
At 1 July 2019	19,852,291	-
Charge for the year	4,817,786	-
At 30 June 2020	24,670,077	-
CARRYING AMOUNT		
At 1 July 2019	221,037,030	28,107,720
At 30 June 2020	216,219,244	17,000,000

Note 1: The adjustment pertains to an amount initially capitalized which is now treated as Receivables.

11. INTANGIBLE ASSETS

	30 June 2020 MUR
COST	
At 1 July 2019	26,318,793
Additions	-
Disposals	-
Derecognised	-
At 30 June 2020	26,318,793
AMORTISATION	
At 1 July 2019	19,964,614
Charge for the year	2,591,138
Derecognised	-
At 30 June 2020	22,555,752
NET BOOK VALUE	
At 30 June 2020	3,763,041

Notes to Financial Statements for the Financial Year ended 30 June 2020

12. PAYABLES

Payables principally comprise amounts outstanding for trade purchases and ongoing costs.

Management considers that the carrying amount of trade payables approximates to their fair value as follows:

	30 June 2020	30 June 2019
	MUR	MUR
CURRENT LIABILITIES		
Government of Mauritius	335,662,275	259,751,378
Mauritius Revenue Authority	292,061,476	464,825,453
Trade Payables	857,303,190	1,021,229,743
Other Payables (Note)	5,583,079,208	19,594,665
TOTAL	7,068,106,149	1,765,401,239

Note: Other Payables of MUR 5.6 billion includes compensation for breach of contract payable to Betamax Ltd (paid in June 2021) and a provision of MUR 56.5 million for storage charges.

13. Employee Benefits

Employee Benefits consist of Bank Sick Leave, Passage Benefits and Vacation Leave due to employees of the Corporation as shown below:

	30 June 2020	30 June 2019
	MUR	MUR
Less than 1 year		
Passage Benefits	1,405,616	2,027,226
Bank Sick Leave	2,708,316	2,138,767
Vacation Leave	2,452,976	1,884,437
Total	6,566,908	6,050,430
More than 1 year		
Passage Benefits	6,328,228	4,505,413
Bank Sick Leave	24,746,185	25,834,562
Vacation Leave	27,154,802	26,985,161
Total	58,229,215	57,325,136
Grand Total	64,796,123	63,375,566

Notes to Financial Statements for the Financial Year ended 30 June 2020

(i) Employee Benefit Obligations

Employee entitlements to bank sick leave, vacation leaves and Passage Benefits as defined in the PRB Report (the regulatory body for determining remuneration of STC employees) are recognised when they accrue to employees.

Employees are allowed to accumulate sick leaves not taken at the end of each calendar year up to a maximum of 110 days, in a sick leave bank. The balance of bank sick leaves is valued at the end of the financial year and is recognized as long term payables. Beyond this ceiling of 110 days, officers are refunded part of the annual entitlement of sick leaves not taken at the end of every calendar year and is expensed to the Statement of Financial Performance.

Vacation leave is paid break from duty of longer duration for recreational, cultural or religious purposes. The balance of vacation leaves is valued at the end of the financial year and is recognized as long term payables.

A provision is made for the estimated liability for passage benefits. The passage benefits for each staff are valued at year end and are included as long term payables. The annual increase in passage benefits representing amount earned for each eligible officer during the financial year, is expensed to the Statement of Financial Performance. An accrual amount of MUR 64.8 million is made for the estimated liability for bank sick leave, passage benefits and vacation leaves.

(ii) Post-Employment Benefits

The amount of MUR 212.9 million in respect of wages, salaries and employee benefits includes MUR 12.3 million contributed by STC in the Defined Benefit Pension Plan and MUR 1.3 million for the year ended 30 June 2020 in the Defined Contribution Pension Scheme managed by SICOM Ltd. As such the cumulative balance contributed to the Defined Contribution Pension Scheme by STC stands at MUR 5.8 million at 30 June 2020.

Notes to Financial Statements for the Financial Year ended 30 June 2020

14. Pension Liability

Actuarial Report on the Defined Benefit Pension plan for STC employees

FIGURES FOR IPSAS 39 ADOPTION FOR: State Trading Corporation for year ending 30 June 2020

	Year ending 30 June 2020	Year ending 30 June 2019
--	-----------------------------	-----------------------------

Amounts recognised in balance sheet at end of year

	MUR	MUR
Defined benefit obligation	554,361,205	506,323,649
Fair value of plan assets	(478,687,342)	(455,433,444)
Liability recognised in balance sheet at end of period	75,673,863	50,890,205

Amounts recognised in Income Statement: Servicecost:

Current service cost	10,536,960	9,744,710
Past service cost	-	-
(Employee contributions)	(3,878,215)	(4,035,158)
Fund Expenses	259,007	354,406
Net Interest expense/ (revenue)	1,997,044	3,960,880
P&L Charge	8,914,796	10,024,838
Remeasurement:		
Liability (gain)/loss	55,436,328	(11,719,240)
Assets (gain)/loss	(19,865,989)	5,010,164
Net Assets/Equity (NAE)	35,570,339	(6,709,076)
Total	44,485,135	3,315,762

Movements in liability recognised in balance sheet:

	MUR	MUR
At start of year	50,890,205	60,394,011
Amount recognised in P&L (Past Service Funding)	8,914,796	10,024,838
(Contributions paid by employer)	(7,400,000)	-
Amount recognised in NAE	(12,301,477)	(12,819,568)
At end of year	35,570,339	(6,709,076)
	75,673,863	50,890,205

The plan is a defined benefit arrangement for the employees and it is a funded plan. The assets of the funded plan are held independently and administered by the State Insurance Company of Mauritius Ltd.

Notes to Financial Statements for the Financial Year ended 30 June 2020

FIGURES FOR IPSAS 39 ADOPTION FOR: State Trading Corporation for year ending 30 June 2020

	Year ending 30 June 2020 MUR	Year ending 30 June 2019 MUR
Reconciliation of the present value of defined benefit obligation		
Present value of obligation at start of period	506,323,649	510,957,030
Current service cost	10,536,960	9,744,710
Interest cost	17,721,328	29,635,508
(Benefits paid)	(35,657,060)	(32,294,359)
Liability (gain)/loss	55,436,328	(11,719,240)
Present value of obligation at end of period	554,361,205	506,323,649
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	455,433,444	450,563,019
Expected return on plan assets	15,724,284	25,674,628
Employer contributions	12,301,477	12,819,568
Employee Contributions	3,878,215	4,035,158
Past Service Funding	7,400,000	-
Fund Expenses	-	-
(Benefits paid + other outgo)	(35,916,067)	(32,648,765)
Asset gain/ (loss)	19,865,989	(5,010,164)
Fair value of plan assets at end of period	478,687,342	455,433,444
Distribution of plan assets at end of period		
Percentage of assets at end of year	June 2020	June 2019
Fixed Interest securities and cash	61.7%	58.7%
Loans	3.0%	3.4%
Local equities	10.1%	13.1%
Overseas bonds and equities	24.6%	24.2%
Property	0.6%	0.6%
Total	100%	100%

Notes to Financial Statements for the Financial Year ended 30 June 2020

Additional disclosure on assets issued or used by the reporting entity	June 2020	June 2019
<i>Percentage of assets at end of year</i>	%	%
Assets held in the entity's own financial instruments	0	0
Property occupied by the entity	0	0
Other assets used by the entity	0	0

Components of the amount recognised in NAE

Year	June 2020	June 2019
Currency	MUR	MUR
Asset experience gain/ (loss) during the period	19,865,989	(5,010,164)
Liability experience gain/ (loss) during the period	(55,436,328)	11,719,240
	(35,570,339)	6,709,076

Year

Expected employer contributions **2020/2021**
12,220,404

(Estimate to be reviewed by State Trading Corporation)

Weighted average duration of the defined benefit obligation 11 years

(Calculated as a % change in PV of liabilities for a 1% change in discount rate)

The plan is exposed to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk. The risk relating to death in service benefits is re-insured.

The cost of providing the benefits is determined using the Projected Unit Method. The principal assumptions used for the purpose of the actuarial valuation were as follows:

	Year ending	Year ending
	30 June 2020	30 June 2019
Discount rate	3.50%	5.80%
Future salary increases	2.40%	4.00%
Future pension increases	1.40%	3.00%
Mortality before retirement	A 6770 Ultimate Tables	
Mortality in retirement	PA (90) Tables	
Retirement age	As per Second Schedule in the Statutory Bodies Pension Funds Act	

The discount rate is determined by reference to market yields on bonds.

Notes to Financial Statements for the Financial Year ended 30 June 2020

Significant actuarial assumptions for determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based reasonably on possible changes of the assumptions occurring at the end of the reporting period.

- If the discount rate would be 100 basis points (one percent) higher (lower), the defined benefit obligation would decrease by MUR 55.5 M (increase by MUR 66.7 M) if all other assumptions were held unchanged.
- If the expected salary growth would increase (decrease) by 100 basis points, the defined benefit obligation would increase by MUR 18.7 M (decrease by MUR 16.7 M) if all assumptions were held unchanged.
- If life expectancy would increase (decrease) by one year, the defined benefit obligation would increase by MUR 18.4 M (decrease by MUR 18.7 M) if all assumptions were held unchanged.

In reality one might expect interrelationships between the assumptions, especially between discount rate and expected salary increases, given that both depends to a certain extent on expected inflation rates. The analysis above abstracts from these interdependences between the assumptions.

15. CONTRIBUTED CAPITAL

According to Section 15 of the STC Act, the Share Capital of the Corporation shall be 10,000,000 rupees made up of 1,000,000 shares of 10 rupees each to be allocated as follows:

- (a) 100,000 shares shall be fully subscribed by Government;
- (b) The remaining shares shall be subscribed, at such time and in such manner the Minister may determine.

In 1983, when STC was set up, Government contributed an amount of MUR 400,000 which was treated as Share Capital and the item has been renamed as Contributed Capital in line with IPSAS.

	30 June 2020	30 June 2019
	MUR	MUR
Capital Contributed by Government	400,000	400,000

16. Reserve Funds

	MUR
Infrastructure Development Reserve Fund	816,094,205
Price Stabilisation Account	22,239,457
Total	838,333,662

Reserve Funds consist of the following:

- **Subsidy Reserve Fund for Rice, Flour and LPG**

The selling prices of Rice, Flour and LPG are fixed by Government. Deficits on these products are met from contribution for subsidy in the price structures of Mogas and Gas Oil. An amount of MUR 3.00 per litre for Mogas and MUR 1.20 per litre for Gas Oil is collected in respect of subsidy on Rice, Flour and LPG.

Notes to Financial Statements for the Financial Year ended 30 June 2020

During the period July 2019 to June 2020, an amount of MUR 920,863,467.60 has been collected under this item. Total subsidy on Rice, Flour and LPG for the period amounted to MUR 1,815,075,543.65 and the difference of MUR 894,212,076.05 has been used from the Subsidy Reserve Fund and STC's surplus.

It is to be noted that the Subsidy Reserve Fund has been fully utilised as at 30 June 2020.

- **Strategic Stock Reserve Fund**

The balance of MUR 138,893,232.24 as at 30 June 2019 has been utilised during this financial year for the purchase of Mogas and Gas Oil to be kept at MOST.

- **Infrastructure Development Reserve Fund**

This fund includes an amount of MUR 652.4 million for Storage Tank Development and MUR 163.7 million in respect of Bunker Fuel Development as detailed below:

(i) Storage Tank Development Fund

During the Financial Year 30 June 2020, an amount of MUR 285,979,911 has been collected from price structures of Mogas and Gas Oil and credited to this account. Out of this fund, an amount of MUR 15,899,423 had been invested in Mer Rouge Oil Storage Terminal Co. Ltd (MOST). The balance in this fund stands at MUR 652,345,386 at 30 June 2020.

(ii) Bunker Fuel Development Fund

A Bunker Fuel Fund has been created to promote marine bunker fuel oil business in Mauritius and the balance is MUR 163.7 million as at 30 June 2020.

- **Price Stabilisation Account**

As at 30 June 2019, the balance of the Price Stabilisation Account (PSA) stood at MUR 534,708,133. During the Financial Year 30 June 2020, the Corporation incurred loss of tankers amounting to MUR 512,468,676. The balance in the PSA stands at MUR 22,239,457 at 30 June 2020.

17. REVENUE FROM EXCHANGE TRANSACTIONS

An analysis of the Corporation's revenue is as follows:

	30 June 2020		30 June 2019	
	Metric Tons	MUR	Metric Tons	MUR
Petroleum Products	905,397	21,960,347,622	1,051,281	28,512,180,663
Rice	23,152	248,669,593	20,622	221,413,208
Flour	93,341	817,490,214	100,242	878,006,824
LPG	74,613	892,763,991	77,537	1,004,801,139
Sugar	110	3,292,910	146	4,357,015
Others		1,321,000	-	-
TOTAL	1,096,613	23,923,885,330	1,249,828	30,620,758,849

Notes to Financial Statements for the Financial Year ended 30 June 2020

Note:

- (i) Revenue is net of VAT and net of amount collected on behalf of third parties as follows:-
- (a) Road Development Authority/ Bus Company Recovery Account – MUR 770.6 million.
 - (b) Subsidy for transportation and storage of Petroleum Products and LPG to Rodrigues –MUR 193.8 million
- (ii) The selling prices of Rice, Flour and LPG are fixed by Government. Shortfalls on these products are met from:
- (a) amount collected under the item 'Contribution to Subsidy on LPG, Rice and Flour' in the price structure of Mogas and Gas Oil; and
 - (b) surpluses on sales of other products.

18. Revenue from Non- Exchange Transactions

Revenue from non-exchange transactions is made up of net foreign exchange gains and losses and Contribution for Subsidy on LPG, Rice and Flour as follows:

Description	Gain	Loss	Net Gain/Loss	Contribution for Subsidy on LPG, Rice and Flour	Total
	MUR	MUR	MUR	MUR	MUR
Accounts payable	100,478,179	(40,937,334)	59,540,845	-	59,540,845
Accounts receivable	136,294,722	-	136,294,722	-	136,294,722
Repayment of foreign currency borrowings	80,608,794	-	80,608,794	-	80,608,794
Subtotal realised gain/(loss)	317,381,696	(40,937,334)	276,444,362	-	276,444,362
				-	
Bank accounts & Deposits -unrealised gain/(Loss)	30,975,250	-	30,975,250	-	30,975,250
Gain/(Loss) on Forward, Spot & Swap Contracts	925,358	-	925,358	-	925,358
Net Foreign exchange gains and losses	349,282,304	(40,937,334)	308,344,969	-	308,344,969
Contribution for Subsidy on LPG, Rice and Flour	-	-	-	920,863,468	920,863,468
TOTAL	349,282,304	(40,937,334)	308,344,969	920,863,468	1,229,208,437

Notes to Financial Statements for the Financial Year ended 30 June 2020

19. EXPENSES IN CONNECTION WITH COVID-19

Following sanitary confinement, Government, through the Ministry of Commerce and Consumer Protection mandated STC to effect payment in connection with procurement of Medical Supplies, Protective Equipment and Medicines by the Ministry of Health and Wellness through Emergency Procurement in line with Directive 44 of the Procurement Policy Office dated 19 March 2020. In this context, an amount of MUR 1,040.5 million has been spent and the total amount was refunded by the end of the Financial Year.

20. Other Revenue

	30 June 2020	30 June 2019
	MUR	MUR
Investment Income (Dividend Received)	202,056	15,274,338
Interest on bank balances and bank deposits, etc.	74,214,257	72,852,649
Gain on investment	4,538,158	-
Other Income (See Note below)	4,601,557,313	587,097
TOTAL	4,680,511,784	88,714,084

Note: Other income includes MUR 4.6 billion receivable from Government (June 2021) for payment to Betamax Ltd.

21. OPERATING SEGMENTS

The Corporation has identified as separate segments each distinguishable activity or group of activities by product for which financial information is reported, for purposes of:

- evaluating the past performance of the entity in achieving its objectives, and
- making decisions about the allocation of resources by the entity.

The deficit of MUR 917.2 million for the Financial Year ended 30 June 2020 is made up as shown below:

	RICE	FLOUR	PETROLEUM PRODUCTS	SUGAR	LPG	BASMATI RICE	OTHERS	TOTAL
	MUR Million							
Revenue from Exchange Transactions	239.7	817.5	21,960.3	3.3	892.8	8.9	1.3	23,923.8
Revenue from Non Exchange Transactions	-	11.0	312.8	-	(15.5)	-	-	308.3
Contribution for Subsidy	-	-	-	-	-	-	920.9	920.9
Other Revenue	-	-	74.4	-	-	-	5,646.6	5,721.0
COST OF SALES	(396.1)	(1,589.2)	(21,316.1)	(3.1)	(1,628.7)	(7.7)	(1.2)	(24,942.1)
OTHER Expenses	(29.8)	(115.8)	(144.4)	(0.1)	(1.0)	(0.2)	(6,557.8)	(6,849.1)
Surplus/ (Deficit) for the year	(186.2)	(876.5)	887.0	0.1	(752.4)	1.0	9.8	(917.2)

Notes to Financial Statements for the Financial Year ended 30 June 2020

The subsidy requirement for the Financial Year ended 30 June 2020 has been financed as follows:

	RICE MUR m	FLOUR MUR m	LPG MUR m	TOTAL MUR m
Subsidy	(186.2)	(876.5)	(752.4)	(1,815.1)
Subsidy Financed by Surplus				758.6
Transfer from Subsidy Fund				135.6
Amount collected during FY 2019-20				920.9

22. EVENT AFTER REPORTING DATE- BETAMAX CONTRACT

- (i) On 14 June 2021, the Judicial Committee of the Privy Council delivered judgment to set aside the order of the Supreme Court of Mauritius and allow the application of Betamax Ltd to enforce the award of the Singapore International Arbitration Centre dated 5 June 2017, ordering the Corporation to pay Betamax Ltd damages in the sum of US\$115.3 million together with interest and Costs. Thus STC was ordered to pay Betamax Ltd a total amount of US\$134 million (MUR 5.6 billion) on or before the 22 June 2021. The payment was effected on 22 June 2021.

The Government of Mauritius contributed an amount of MUR4.6 billion and the Corporation met the difference from its bank balances to fulfil its obligation in time.

The facts of the case are as follows:

- On 27 November 2009, STC entered into a fifteen-year agreement with Betamax Ltd for the transportation of Petroleum Products from Mangalore to Mauritius.
- Since February 2015, STC no longer avails itself of the services of the company.
- Further to this decision, Betamax Ltd has submitted a claim of USD 176.3 million plus interest, legal fees and costs to STC and the matter was submitted for Arbitration.
- On 5 June 2017, the Singapore International Arbitration Centre (SIAC) issued an award in favour of Betamax Ltd ordering STC to pay damages of USD 115.3 million plus costs and interest up to date of full payment.
- Thereafter, STC has made an application to the Supreme Court of Mauritius to set aside the award and the hearings in this matter was held in March 2018.
- On 31 May 2019, the Supreme Court of Mauritius delivered judgement in favour of STC and set aside the award of Singapore International Arbitration Centre (SIAC) and also set aside the provisional order for the recognition of enforcement of the award which was granted on 7 September 2017, thus avoiding for STC to incur costs to the tune of MUR 4.5 billion.
- In September 2019, Betamax Ltd appealed to the Judicial Committee of the Privy Council against the judgment of the Supreme Court of Mauritius.
- That appeal was heard in January 2021 and on 14 June 2021 the Judicial Committee of the Privy Council delivered judgment in favour of Betamax Ltd.
- Additional charges in connection with legal and professional fees have not been provided in Financial year ended 30 June 2020 as the amount payable is still being finalised.

Notes to Financial Statements for the Financial Year ended 30 June 2020

23. FINANCE COSTS

	30 June 2020	30 June 2019
	MUR	MUR
Interest on Lines of Credit	11,423,560	34,746,421

The Corporation had a credit facility of USD 50 million from AfrAsia Bank Limited for working capital needs. During the Financial Year ended 30 June 2020, an amount of USD 206.7 million was borrowed and has been fully paid. The balance due at reporting date was nil.

24. RELATED PARTY TRANSACTIONS

The State Trading Corporation is wholly owned by the Government of Mauritius. During the Financial Year ended 30 June 2020, the Corporation sold Petroleum Products (Fuel Oil) to the Central Electricity Board (CEB) which is equally owned by the Government of Mauritius.

Sales of goods to CEB:

30 June 2020	30 June 2019
MUR	MUR
3,246,040,289	4,049,137,201

(a) Sales of goods to CEB were made at market related prices.

(b) Outstanding balance as at 30 June 2020 was MUR 53,465,437 (Jun 2019: NIL)

24.1 Compensation of key management personnel

The remuneration of Chairman, Board Members and other members of key management during the Financial Year ended 30 June 2020 were as follows:

	June 2020 MUR	June 2019 MUR
Short-term benefits	8,439,807	10,784,497
Post-employment benefits	9,367,998	14,688,933
Fees to Board Members	1,403,765	1,540,990

The remunerations of Board Members are determined by the parent Ministry and those of key management are determined by the Pay Research Bureau and Government.

At 30 June 2020, out of 3 key management personnel, one was on contract, two on substantive capacity.

25. DIVIDEND PAID TO GOVERNMENT

During the Financial Year ended 30 June 2020, an amount of MUR 500 million was paid as dividend to Government of Mauritius.

Notes to Financial Statements for the Financial Year ended 30 June 2020

26. CONTINGENCIES

At the reporting date, there were four (4) cases (including two (2) for staff matters) pending at court awaiting hearing.

27. Financial Performance

The deficit of MUR 917.2 million in the Statement of Financial Performance for the Financial Year Ended 30 June 2020 is attributed mainly to the following factors:

- Fall in demand of Jet A1 following closure of border due to the COVID-19 pandemic, resulting in lower revenue for the Corporation.
- The provision for payment of MUR 5.6 billion to Betamax Ltd.
- Financing of Subsidy on LPG, Flour and Rice from surplus of the Corporation by MUR 758.6 million.

28. Prior Year Adjustments

The following prior year adjustments were brought to the Financial Statements to amend the opening balance as at 1 July 2018:

28.1 The amount of MUR 179,407,189 initially treated as reserves now is recognized as accumulated surplus in the Statement of Changes in Equity (SOCE).

28.2 The following items were initially treated as current Liabilities and now treated as reserves in Statement of Financial Position.

Item	Amount(MUR)
Subsidy Reserve Fund	626,855,560
Infrastructure Development Reserve Fund	345,508,919
Strategic Stock Reserve Fund	497,643,028
Price Stabilisation Account (PSA)	200,009,521

28.3 The following adjustment effected following receipt of Audited Financial Statements of MOST in July 2021:

Item	Amount(MUR)	Remarks
STC's share of Loss (Investment In Associate)	209,139	Adjusted on 1 July 2018
STC's share of Profit (Investment In Associate)	(2,919,233)	Adjusted on 30 June 2019

28.4 Provision has been made for payment of Storage Fee on Petroleum Products.

Item	Amount (MUR)	Remarks
Payables	38,878,679	Adjusted on 30 June 2019

Notes to Financial Statements for the Financial Year ended 30 June 2020

29. COMMITMENTS

The contract for supply of Clean Petroleum Products was awarded to Vitol Bahrain E.C for the period August 2019 to January 2020 and has been subsequently extended until October 2020.

The contract for supply of Dirty petroleum products was awarded to PetroChina International (Singapore) Pte Ltd for the period August 2019 to January 2020. Following an international tendering exercise, PetroChina International (Singapore) Pte Ltd was awarded the tender for the period February 2020 to January 2021.

The contract for the supply of Wheat Flour has been awarded to Les Moulin de la Concorde for period January 2020 to June 2020.

Trade & Other Statistics

The STC was set up by an Act of Parliament of October 1982 (amended in 1988), to be the trading arm of the Government of Mauritius. It operates under the aegis of the Ministry of Commerce and Consumer Protection.

STC has been entrusted with the responsibility of importing certain essential commodities including almost all Petroleum Products and Liquefied Petroleum Gas (LPG) traded in Mauritius. STC also supplies the domestic market with all its requirements in Wheat Flour and Long Grain White Rice (LGWR).

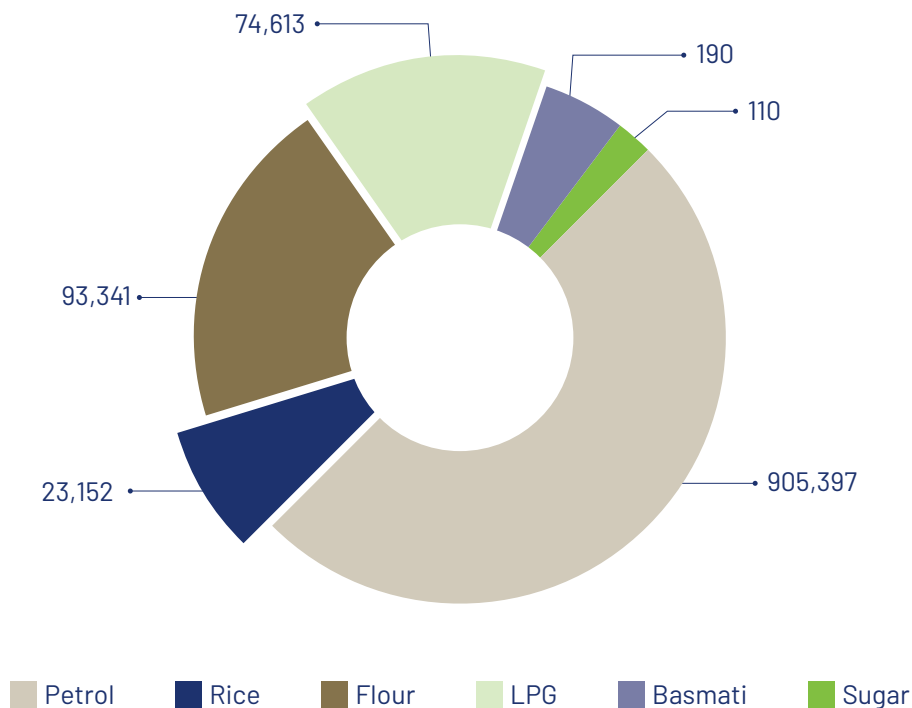
Sales volume and Turnover

The Turnover of STC which was about MUR 600 million in 1983-1984 when it was created and has reached MUR 23.9 billion in 2020. During its first years of operation, STC took over the activities of the Department of Supplies and dealt only in importation of rice and flour. In 1985, STC started importing Petroleum Products and subsequently cement and in 1983 took over the country's importation of LPG.

In July 2011 following the liberalization of the imports of Cement, STC stopped its importation. However, as the trading arm of Government, the Corporation may be called to intervene to stabilise the market if the need arises.

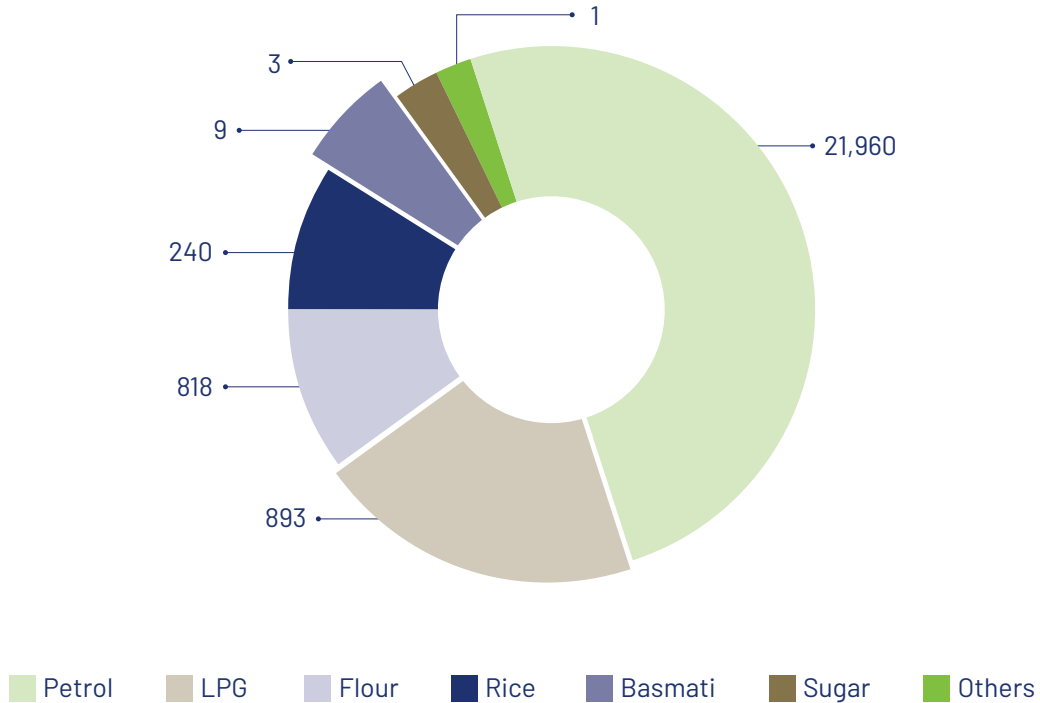
The sales volume of 1,096,803 MT for the Financial year ended 30 June 2020 consists mainly of Petroleum Products as shown below:

Turnover - July 2019 to June 2020 (MTons)



The Corporation's Turnover for the period reached MUR 23,924 million.

Turnover - July 2019 to June 2020 (MUR Million)



Petroleum Products

STC is responsible for the importation of almost all the country's requirements of Petroleum Products. These include the demands for the running of public transport, industrial and commercial activities, motor vehicles for personal and commercial use, the needs of the Central Electricity Board in fuel oils for its power plants, the needs for aircraft refueling at the SSR International Airport and the needs of bunker fuels for international shipping.

Upon arrival of the tanker at the New Oil Jetty of Port Louis Harbour, those products are pumped out and delivered through pipelines into fuel tanks owned and operated individually or jointly in the Port Area by local oil companies. They also operate a Jet Fuel tank near SSR Airport.

The local oil companies are represented by:

1. Vivo Energy (Mauritius) Ltd
2. Total Mauritius Ltd
3. Engen (Mauritius) Ltd
4. IndianOil (Mauritius) Ltd

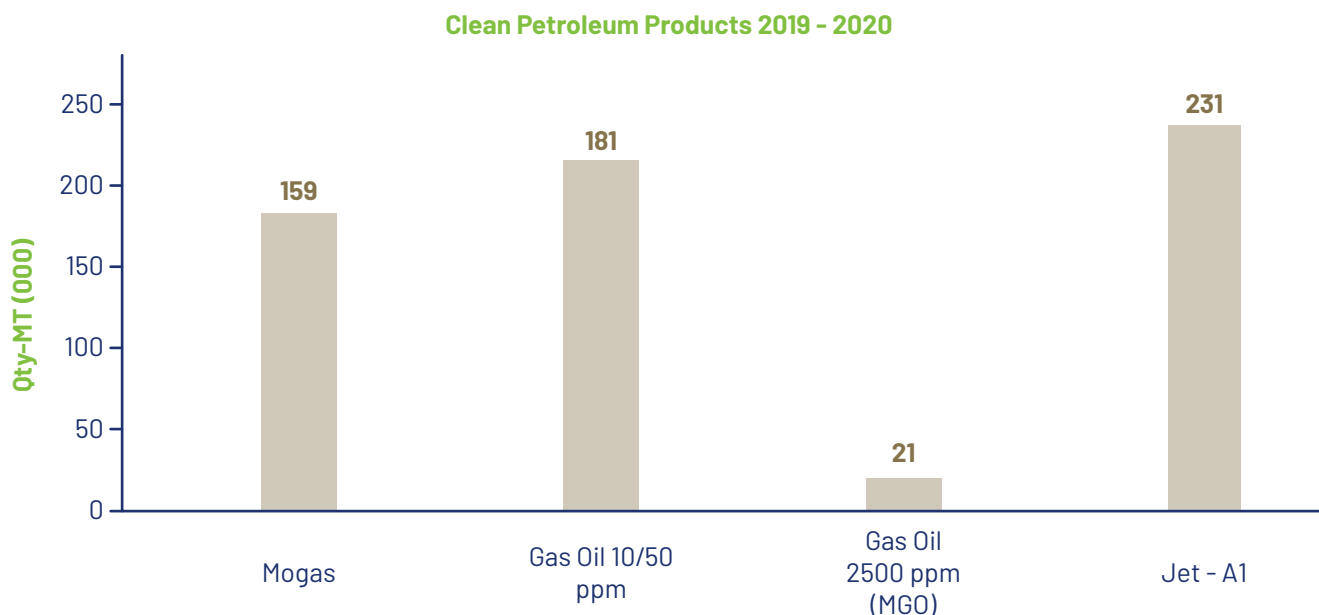
The Oil Companies market, distribute and retail the products through their respective networks of retail outlets across the country. Some also operate barges to carry out their bunker supply operations at sea. During the year 2014, the bunkering trade was partly liberalised allowing the Oil Companies to import part of their bunkering requirement on their own. This decision was taken in view of making Mauritius a petroleum hub in the region.

For the Financial Year ended 30 June 2020, STC imported some 901,000 MT of 7 grades of Petroleum Products, namely:

White Oils: Super Unleaded Gasoline (Mogas), Automotive Diesel (50/10 ppm sulphur), Marine Diesel (2500 ppm sulphur) and Jet A-1 and

Fuel Oils: HSFO 180 CST CC, HSFO 180 CST SR and HSFO 380 CST SR.

Clean Petroleum Products



Mogas

The import of 159,000 MT of Mogas for the Financial Year ended 30 June 2020 is sold entirely on the local market and the retail price is determined by the Petroleum Pricing Committee (PPC).

Gas Oil

The total importation of Gas Oil for the Financial Year ended 30 June 2020 is 202,000 MT. STC imports three grades of Gas Oil, namely 2500 ppm, which is sold as Marine Diesel for bunkering of vessels, Gas Oil 50 ppm with 0.005% sulphur content and Gas Oil 10 ppm with 0.001% Sulphur content, which are sold for road transport. The price of Gas Oil sold for road transport is determined by the Petroleum Pricing Committee (PPC). Any deficit or surplus on Mogas and Gas Oil on the local market is accounted in the Price Stabilisation Account (PSA).

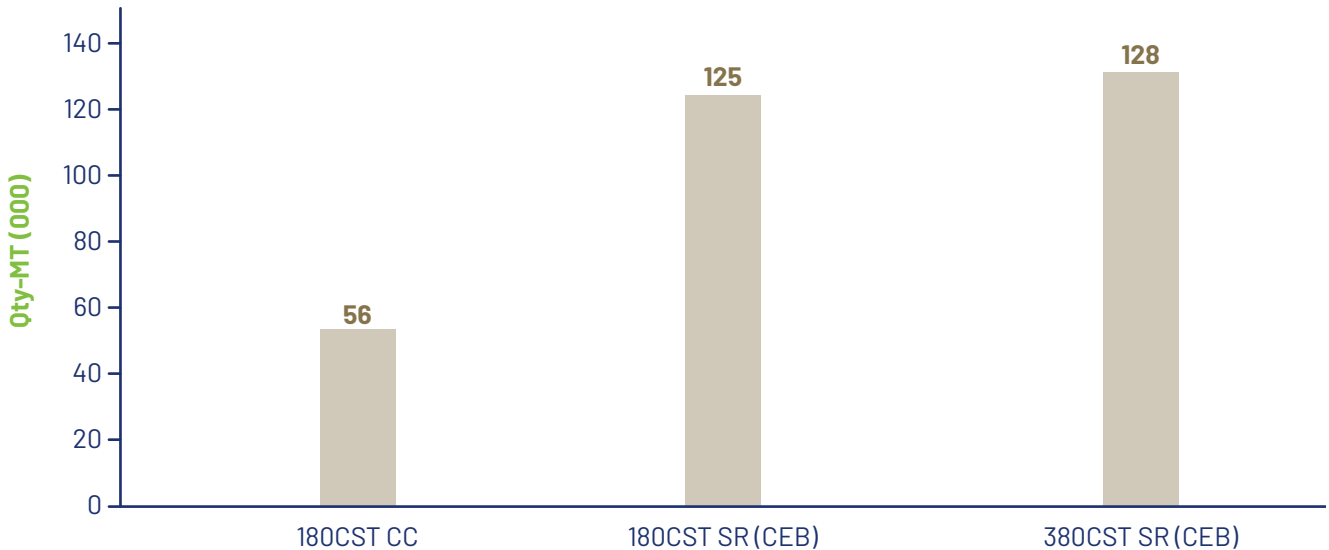
The selling price of Gas Oil 2500 ppm for bunkering purpose is fixed by STC for each consignment on a cost plus basis.

Jet A-1

The import of 231,000 MT of Jet A-1 for the Financial Year ended 30 June 2020, is mostly sold as aviation fuel and the price is fixed by STC for each consignment on a cost plus basis. A small volume is also sold on the local market as Kerosene.

Dirty Petroleum Products

Dirty Petroleum Products 2019 - 2020



STC imported 56,000 MT of Fuel Oil 180 CST Catalytic Cracked (CC) for sale to oil companies and 253,000 MT of Fuel Oil 180 CST SR and 380 CST SR for direct sales to CEB.

About 55% of Catalytic Cracked Fuel Oil 180 CST CC is sold on the local market for industrial purposes and the remaining 45% is sold for bunkering of vessels. The selling price of Fuel Oil for both inland and international trade is fixed by STC for each consignment on a cost plus basis.

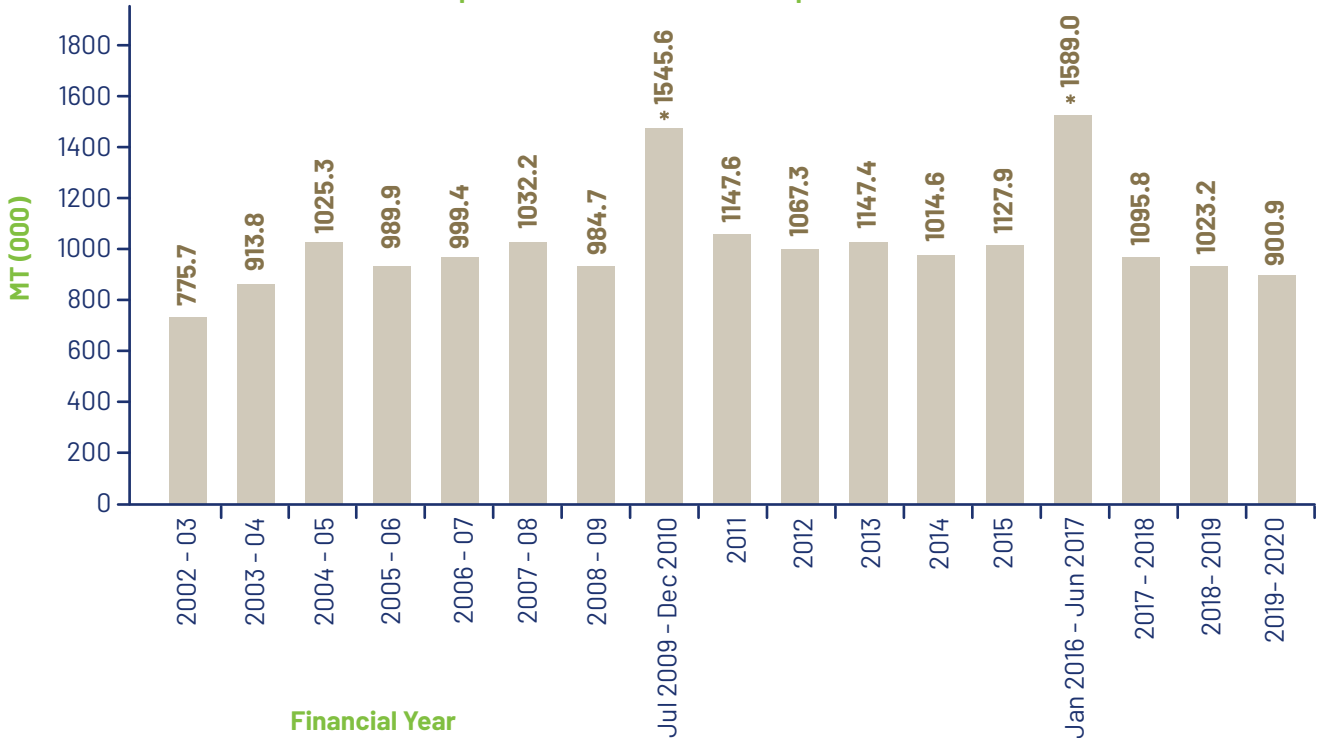
Mauritius is strategically positioned in the middle of the Indian Ocean with increasing Atlantic traffic plying at one end towards Africa, Madagascar and the West, while on the other hand, there is also a steep rise in traffic moving towards India, China, Japan, Malaysia and Thailand – essentially Asia and the Far East – and in both cases, round the Cape of Good Hope.

Today's new vessels with high speeds and perishable cargo cannot afford, and indeed do not need to wait and stand in queue to refuel at the Suez Canal bottleneck. Moreover, they cannot afford to bypass a refueling hub altogether as this would imply stocking higher quantities of fuel at the expense of more valuable cargo in their hold. Mauritius is a viable port of call for refueling vessels, resting their crew, allowing them to go onshore and to stock up on fresh water and fresh food. This, in turn, would also have a multiplier effect on consumption in the island economy.

STC plays a critical role in this development, as we are the importer and supplier of Petroleum Products in Mauritius. At the same time, we strongly support the Government's initiative to liberalise the Bunkering market – expert players that are engaged in the supply of oil to ships are best placed to tap into the opportunities arising from the development of Port Louis as a major refueling hub for maritime traffic.

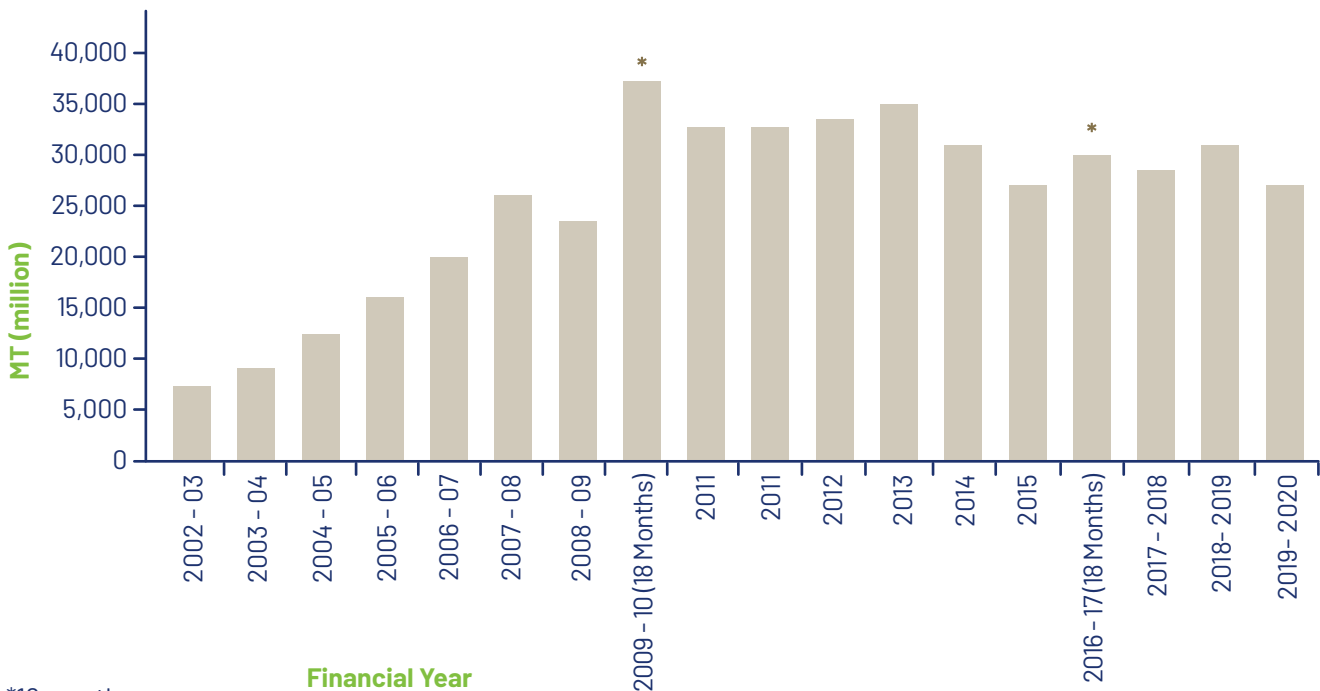
The graphs below show quantity imported and Turnover per product for period 2002 to 2020:

Imports 2019 - 2020 Petroleum products



*18 months

Turnover 2002 - 2020 Petroleum products (Mur million)



*18 months

Long Grain White Rice (LGWR)

STC imports basic long-grain white rice of about 20,000 MT per annum to meet popular demand representing about 20% of the market which is otherwise liberalized and occupied mainly by various luxury or premium varieties.

Rice is procured on the world market after periodic Requests for Quotations (RFQ) attracting a large number of offers. Since prices of Rice on the world market are volatile, it was to the disadvantage of STC to lock on prices for long term contract. In order to benefit from the fluctuation of prices on the world market, STC started purchasing rice, as from January 2010, in small lots through Request for Quotation (RFQ).

This process allows STC to benefit from full market play and obtain better quality at lower prices than it previously obtained by annual tenders.

Furthermore, being a socially responsible organisation, STC aims at ensuring that STC' Long Grain White Rice (LGWR) is widely available throughout the Republic of Mauritius at regulated prices. Constant improvements have been made in the quality of LGWR imported by STC during the last two decades, whereby the percentage broken which was 25% in the year 2000, has been brought down to less than 5%.

Rice is sold to wholesalers for retail at a heavily subsidized price that has remained unchanged since July 2006 as provided in the Consumer Protection (Price and Supplies Control) Act. However, as consumers were not benefitting from the improved quality at subsidised prices, STC embarked on a project ensuring that LGWR is widely available throughout the Republic of Mauritius at regulated prices. To this end, Private packers / distributors with proven experience in the field with strong distribution network, have been hired for this project. The implementation of this project has resulted in:

- Increased visibility of the STC' LGWR on the market at regulated retail prices;
- More proximity to consumers;
- Better quality control; and
- More trust of consumers on STC' s products and service.

The sale of Long Grain White Rice was 23,152 MT (including 4,425 MT for Rodrigues) for the Financial Year ended 30 June 2020. As the selling price of Long Grain White Rice imported by STC is fixed by Government at a lower price than the cost price, STC has incurred a shortfall of MUR 186.2 million for this period. The retail price of Long Grain White Rice was fixed in July 2006 at MUR 5.40 per half kg.

Imports/Purchases 2002 - 2020 Rice



*18 months

Turnover 2002 - 2020 Rice (Mur million)



*18 months

Importation of Basmati Rice

In January 2014, the Corporation started importing Basmati Rice. The objective of the Corporation is not to make profit, or to take over the market from traders, but to protect the consumers by avoiding an increase in retail price and at the same time, assuring quality Basmati Rice to meet acceptable standard. For the Financial Year ended 30 June 2020, STC has sold around 190 MT of Basmati Rice.

Flour

Wheat Flour is purchased annually through International Tenders. STC is required to launch tenders for only 50% of the country's demand as per Government's instructions. The other 50% are allocated to LMLC on the condition that the latter matches the lowest price obtained from the annual tender exercise.

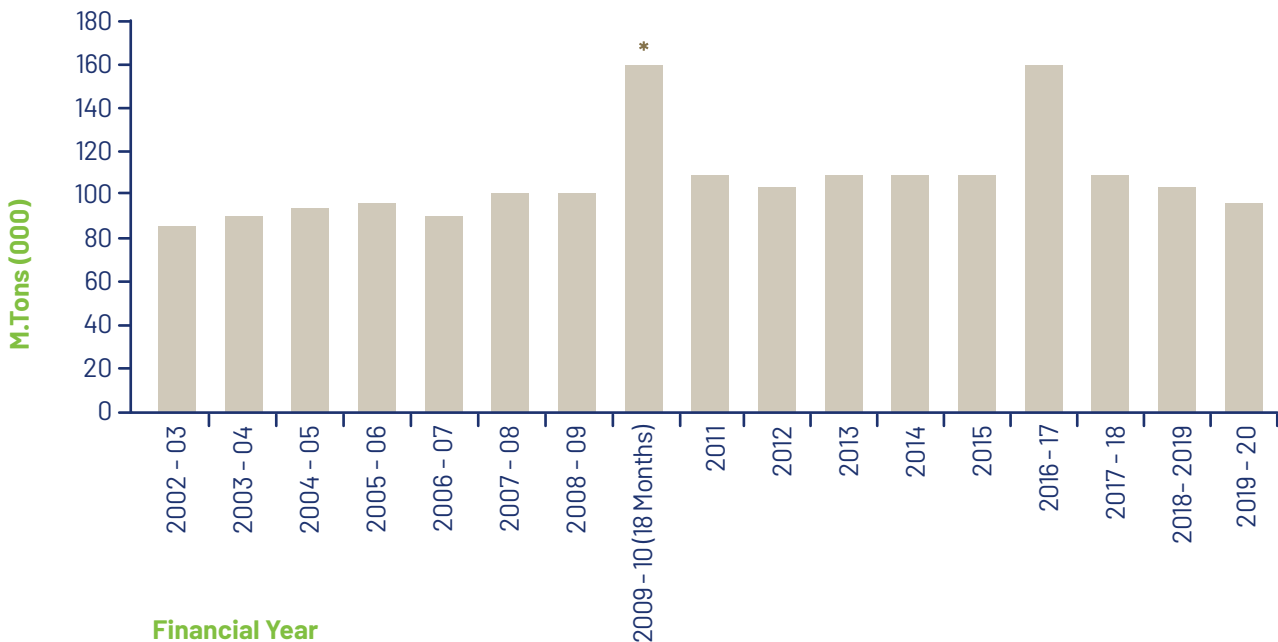
STC supplies the market with around 100,000 MT of Wheat Flour yearly. Wheat Flour remains the main staple food other than rice.

Efforts are currently underway to sensitize the market to the benefits of shifting eating habits from refined white Flour to the more nutritious Brown Bread Flour which is now also offered at similarly subsidized prices despite the initially low demand volumes.

In order to ensure good quality of Flour is delivered to consumers, STC regularly tests the Flour at Mauritius Standard Bureau (MSB). Baking tests are also carried out in bakeries wherever required.

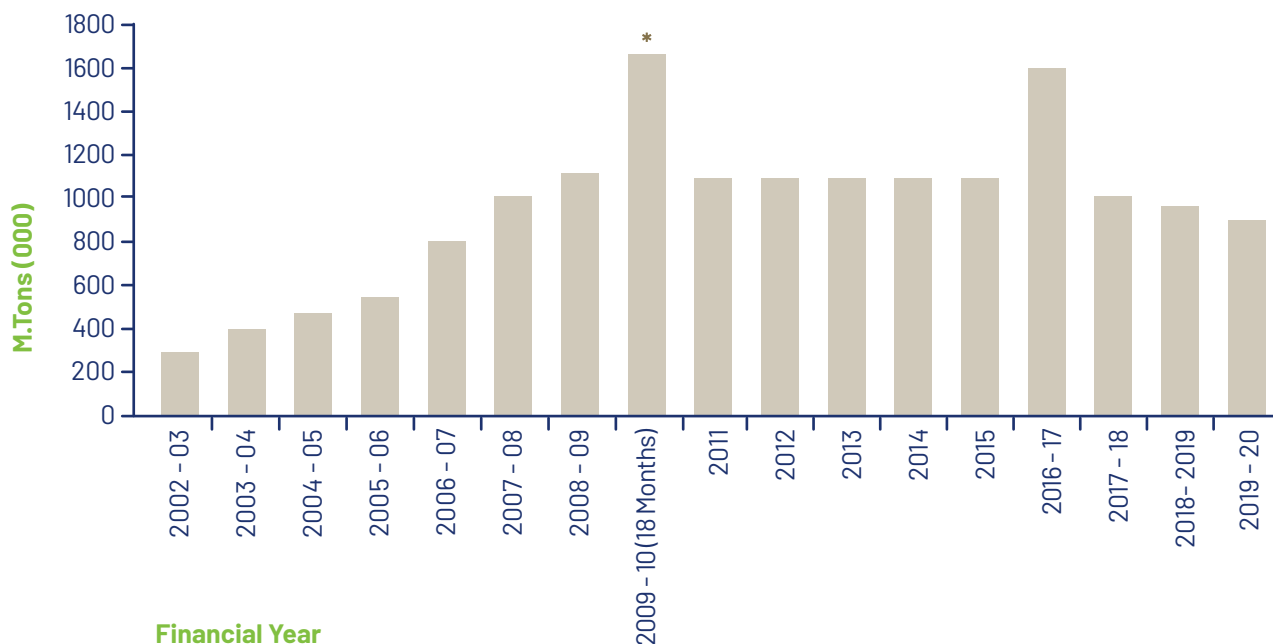
The sale of Flour amounted to 93,341 MT (including 2,135 MT for Rodrigues) for the Financial Year ended 30 June 2020. The contract for the procurement of Flour for the year was allocated to LMLC. The retail price of Flour is also controlled by Government and has been fixed at MUR 5.85 per half kg since 22 December 2008 and was revised to MUR 4.85 per half kg on 9 June 2017, following Government budgetary measure. During this period, STC has incurred a shortfall of MUR 876.5 million on Flour.

Imports/Purchases 2002 - 2020 Flour



*18 months

Turnover 2002 - 2020 Flour (MUR million)



*18 months

Though Wheat Flour and Rice comprise only 3.5% of our annual turnover, these commodities are critical from an economic perspective as we provide for nearly 100% of the Wheat Flour and as much as 20% of the Rice being traded in Mauritius.

STC thus executes Government policy aimed at keeping the market fully supplied in those two basic staple foods namely Rice & Flour within reach of the whole population at low prices.

Liquefied Petroleum Gas (LPG)

In 2002, the Government decided that there should be public intervention in the LPG market. The Corporation was instructed by the Government to take over the country's total requirements of 47,000 MT from the existing importers as from 2003.

Currently, STC procures and supplies about 78,000 MT of LPG to meet the domestic and industrial demand of Mauritius.

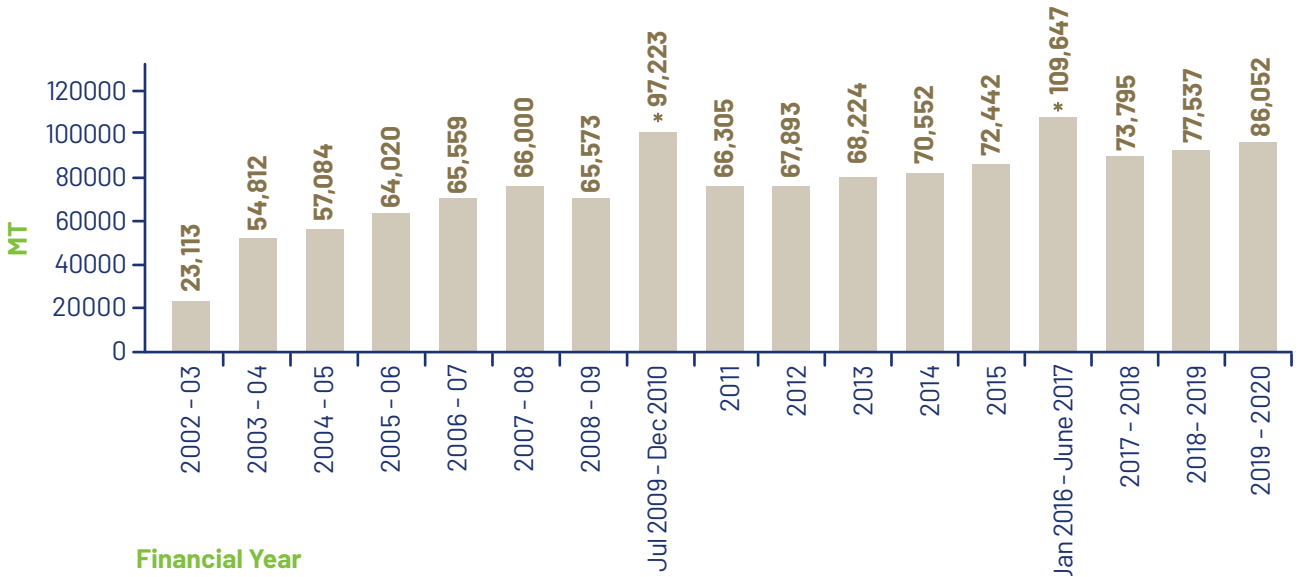
LPG represents the main source of cooking and water-heating for 98% households and the retail price is heavily subsidised for 5, 6 and 12-kg bottles destined for domestic use.

As from February 2006, a dual pricing policy is being implemented for LPG. About 75% of the annual import is sold in cylinders. The retail price of cylinders of 5 kg, 6 kg and 12 kg destined for domestic market is fixed by Government. The sale of LPG for the Financial year ended 30 June 2020 amounts to 74,613 MT on which a shortfall of MUR 752.4 million has been incurred.

The price of LPG sold for auto gas and in cylinders above 12 kg for non-domestic purpose is reviewed on a monthly basis by STC on a cost plus margin basis.

All storage tanks for LPG are owned and managed by private companies. Storage capacities are also limited with regard to demand of the country. However, STC closely monitors stocks to avoid any stock out situation.

Imports 2002 - 2020 LPG



Turnover 2002 - 2020 LPG



*18 months

Our Stakeholders

1. Vitol Bahrain E.C – Clean Petroleum Products

Vitol Bahrain E.C is a private company operating within the Utilities sector focusing on Independent Power Producers and Energy Traders. It forms part of the Vitol group which has an existence of over 50 years in the Energy and Commodities market.

2. PetroChina International (Singapore) Pte Ltd – Dirty Petroleum Products

PetroChina International is specialised in oil and gas exploration and production, petroleum refining, marketing, distribution and trading of crude oil and petroleum products equipped with 5 business units ,12 shared service centers, and more than 50 branches in more than 20 countries and regions around the world, its business has reached more than 80 countries and regions.

3. Les Moulins de La Concorde Ltée – Wheat Flour

Launched in 1989, Les Moulins de la Concorde Ltée is the only local miller and has 16 silos representing a total wheat-stocking capacity of 40,000 MT, overlooking the harbour. It has been supplying flour to STC since its creation.

4. Petredec Limited- LPG

Petredec Limited was formed as an LPG trading company in 1980 to develop a shipping and trading operation.

5. Four major Local Oil Companies that STC deals with:

- Vivo Energy Mauritius Ltd
- Total (Mauritius) Ltd
- Engen Petroleum (Mauritius) Ltd
- IndianOil (Mauritius) Ltd

6. Wholesalers Association

7. Bakers Association

Banking Services

<p>Barclays Bank Mauritius Ltd Barclays House 68-68A, Cybercity Ebene</p>	<p>SBI (Mauritius) Ltd 7th Floor SBI Tower Mindspace 45, Ebene Cybercity Ebene</p>
<p>SBM Bank (Mauritius) Ltd State Bank Tower 1 Queen Elizabeth Avenue Port Louis</p>	<p>Bank of Mauritius Sir William Newton Street Port Louis</p>
<p>AfrAsia Bank Ltd 5th Floor NeXTeracom Tower III Ebene</p>	<p>Mauritius Commercial Bank Ltd Head Office, MCB Centre 9-15, Sir William Newton Street Port Louis</p>
<p>MauBank Ltd Bramer House Ebene Cybercity Ebene</p>	<p>BCP Bank (Mauritius) Level 9, Maeva Tower Cnr Silicon Avenue & Bank Street Cybercity Ebène 72201</p>
<p>Standard Bank (Mauritius) Ltd Level 9, Tower A, 1 Cybercity Ebene</p>	<p>Bank of Baroda Bank of Baroda Building Sir William Newton Street Port Louis</p>
<p>Standard Chartered Bank (Mauritius) Ltd Units 6A and 6B, 6th Floor Raffles Tower, Lot 19, Cybercity, Ebene Mauritius</p>	



55, Business Zone, Ebène Cibercity 72201
Ebène, Réduit, Republic of Mauritius

TEI : + 230 401 0800 | Fax: +230 409 1861

www.stcmu.com