

State Trading Corporation

*1630. **Shri V. P. Nayar:** Will the Minister of Commerce and Industry be pleased to state:

(a) the total money advanced by the State Trading Corporation on the import of goods upto the 15th August, 1957; and

(b) the total value of exports of Indian goods handled by the Corporation till the 15th August, 1957?

The Minister of Commerce (**Shri Kanungo**): (a) It will not be in accordance with the normal business practice to disclose the information.

(b) Rs. 8,17,28,847/-

Shri V. P. Nayar: I am surprised that the total value of exports is given while the Minister says that it is not in the normal trade practice to disclose the figure of imports.

Shri Kanungo: You wanted to know the advance given by them.

Shri V. P. Nayar: May I know the margin that the State Trading Corporation is making in imports as well as exports?

Shri Kanungo: That can be found from the annual report which will be placed on the Table.

Shri V. P. Nayar: May I know whether Government have taken adequate steps to ensure that the producer gets the maximum when the commodity is handled by the State Trading Corporation for export and middlemen's profits are reduced to the irreducible minimum and, if so, what are the steps taken by the Government?

Shri Kanungo: These are the steps which Government desire the STC to take.

Shri C. D. Pande: May I know whether any interest is charged on such loans as are advanced to the STC, in order to have a real assessment of its business efficiency?

Shri Kanungo: Yes, Sir. Interest is charged.

Shri Heda: Is it not a fact that many times Indian firms enter into agreements with foreign firms for the export of some commodity and then the STC comes into the picture and instead of charging 3 per cent., which is their usual commission, they try to get the lion's share of the profit?

Shri Kanungo: It is not the normal business of the STC. If the exporters in our country and the importers in other countries desire the STC to render them such services, services are rendered at given prices.

Shri V. P. Nayar: May I know whether it is a fact that in cases of commodities which are exported by the STC, purchases for export are being made from established dealers, who are allowed to draw their usual and more than usual commission, denying the producer of his dues even though he is offered better prices by other countries?

Shri Kanungo: The STC purchases from the normal trade and it purchases it at competitive rates. For quota-holders certain concessions are given.

Shri Tanti: May I know whether it is a fact that a large amount of damage is done to the goods on account of the delay in shipments and, if it is so, what is the amount of loss incurred?

Shri Kanungo: I haven't got the information.

Shri Nagi Reddy: May I know whether the Government is aware that in the case of quite a number of agricultural products, for example, in the case of tobacco, the producer does not get the real value of the produce because the Government is purchasing only from the middlemen and, therefore, the profit is not accruing to the producer? If so, what steps have the Government taken in regard to that?

Shri Kanungo: As far as tobacco is concerned, STC has gone into the infinitesimal part of it and the purchases of the Corporation have been made through the Commodity Committee, which is a non-profit making organisation.