

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:4205

ANSWERED ON:03.08.2009

STATE TRADING CORPORATION

Jaiswal Shri Gorakh Prasad ;Vasava Shri Mansukhbhai D.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether some irregularities in State Trading Corporation has been noticed during the last three years; and
- (b) if so, the details of each of such incidents and the action taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JYOTIRADITYA M. SCINDIA)

a) Yes Madam.

b) The following three cases of irregularities were noticed in the State Trading Corporation of India during the last three years:

- (i) Irregularities in purchase and disposal of scrap from Neyveli Lignite Corproation (NLC) involving two Board Level Officers of the State Trading Corporation(STC) during 2006.Disciplinary proceedings were initiated and major penalty of forfeiture of 100% of gratuity on both the officers was imposed.
- (ii) Irregularities in the purchase of pulses by STC on Government Account during 2006-07.The case was referred to Central Bureau of Investigation (CBI) on 18.06.2007 and CBI informed that the case has been registered, vide RC1(A)/2007-ACU-VI/CBI, New Delhi on 11.12.2007.
- (iii) Issue relating to recovery of outstanding amount from an associate against food grain exports.The issue relates to non-receipt of payment from a business associate viz. Priyanka Overseas Limited (POL) against exports of foodgrains made through them during 2001-2005.The case has been registered by the CBI.