

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

UNSTARRED QUESTION NO:1355  
ANSWERED ON:18.07.2014  
PERFORMANCE OF STATE TRADING CORPORATION  
Antony Shri Anto

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

- (a) the performance of State Trading Corporation indicating the profits earned and losses incurred by it during each of the last three years;
- (b) whether some irregularities or fraudulent activities have been noticed reported in the corporation during the said period, causing financial losses therein;
- (c) if so, details thereof indicating the details of the inquiry ordered in this regard and the outcome thereof; and
- (d) the measures taken by the Government to recover the losses, to improve the performance of the corporation and prevent recurrence of such incidents?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE) (SMT. NIRMALA SITHARAMAN)

- (a) The performance of STC during each of the last three years is given below:

Rs. In crore	2011-12	2012-13	2013-14
Turnover	30444	18698	15374
Profit After Tax	16.5	18	-492

The loss of Rs. 492 crore reported by the Company for 2013-14 was due to provisions and write offs.

(b) & (c) Madam, certain instances of irregularities were noticed in transactions of earlier years in STC Ltd, which relates to import of pulses, bullion, raw copper, agro commodities, etc. On the basis of preliminary enquiries conducted, departmental proceedings for major penalty were initiated against delinquent officials of STC and some officials have been charge-sheeted. A few matters are also under investigation by the CBI.

(d) Various actions including legal/ arbitration proceedings are on against associates for recoveries. STC has been reviewing and revising its trade guidelines from time to time to prevent re-occurrence. A Risk Management Framework has been put in place by STC to objectively assess risks involved in each trade proposal.