

# STATE TRADING CORPORATION ACT 1982

**Act 24/1982**

Proclaimed by [\[Proclamation No. 9 of 1982\]](#) w. e. f 6<sup>th</sup> December 1982

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To provide for the establishment and management of the State Trading Corporation

### **1. Short title**

This Act may be cited as the State Trading Corporation Act 1982.

**Amended by** [\[Act No. 48 of 1991\]](#)

### **2. Interpretation**

In this Act -

“Board” means the Board established under section 5;

“Chairman” means the Chairman of the Board;

“Corporation” means the State Trading Corporation established under section 3;

“General Manager” means the person appointed as such under section 10;

“goods” means any article which is the subject of trade or business;

“member” means a member of the Board and includes the Chairman;

“Minister” means the Minister to whom responsibility for the subject of commerce and industry is assigned;

“officer” means any employee of the Corporation and includes the General Manager.

### **3. Establishment of the Corporation**

(1) There is established for the purposes of this Act the State Trading Corporation.

(2) The Corporation shall be a body corporate.

### **4. Objects of the Corporation**

The objects of the Corporation shall be -

- (a) to negotiate the purchase of goods;
- (b) to engage in the manufacture or processing of goods and to ensure their marketing;
- (c) to import goods with a view to their marketing, distribution or supply by wholesale or retail;
- (d) to export goods;
- (da) engage in the storage of petroleum products and promotion and development of bunkering and petroleum-related activities; and
- (e) to engage in such other activities as may be authorised by the Minister.

**Amended by [\[Act No. 18 of 2016\]](#)**

### **5. The Board**

- (1) The Corporation shall be administered by a Board
- (2) The Board shall consist of –
  - (a) a Chairman appointed by the Minister with the approval of the Prime Minister;
  - (b) a representative of the Ministry of Finance;
  - (c) a representative of the Ministry of Trade and Shipping;
  - (d) a representative of the Ministry of Agriculture, Fisheries and Natural Resources;
  - (e) a representative of the Ministry of Economic Planning and Development;
  - (f) a representative of the Ministry of Energy, Water Resources and Postal Services;
  - (g) the Director-General of the Mauritius Marine Authority or his representative;
  - (h) a representative of consumer interests appointed by the Minister;
  - (i) not more than 2 other members appointed by the Minister.
- (3) Every appointed member shall -
  - (a) be a person who, in the Minister's opinion, has experience and proven ability in the field of commerce, finance or administration or has some special knowledge or experience that renders him a fit and proper person to be a member;
  - (b) hold and vacate office on such terms and conditions as the Minister thinks fit.
- (4)
  - (a) A member of the Assembly or of a local authority shall not be qualified to be an appointed member.
  - (b) Every appointed member shall vacate his office if he becomes a member of the Assembly or of a local authority.
- (5) Every member shall be paid by the Corporation such remuneration or allowance as the Board may, with the approval of the Minister, determine.

**Amended by [\[Act No. 29 of 1988\]](#)**

**6. Meetings of the Board**

- (1) Subject to subsections (2) and (3), the Board shall regulate its meetings and proceedings in such manner as it thinks fit.
- (2) The Board shall meet at the request of the Chairman or of not less than 3 members and at such time and place as may be determined by the Chairman.
- (3) Five members shall constitute a quorum.

**7. Disclosure of interest by members**

A member shall, in relation to any matter before the Board in which he has a direct or indirect interest, disclose at or before the meeting convened to discuss that matter the nature of his interest, and shall not take part in any deliberation or decision of the Board relating to that matter.

**8. Attendance of General Manager**

The General Manager shall attend every meeting of the Board and may take part in its deliberations but he shall not be entitled to vote on any matter before the Board.

**9. Delegation of powers**

Subject to such instructions and rules of a general nature as it may give or make, the Board may delegate to the Chairman or to the General Manager such of its powers under this Act as may be necessary to assist in the effective management of the Corporation, other than the power -

- (a) to borrow money;
- (b) to raise loans; or
- (c) to enter into any transaction in respect of capital expenditure which exceeds 100,000 rupees.

**10. General Manager**

- (1) There shall be a chief executive officer of the Corporation who shall –
  - (a) be known as the General Manager; and
  - (b) be appointed by the Minister with the approval of the Prime Minister.

- (2) The General Manager shall be 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.
- (3) in the exercise of his functions, the General Manager shall act in accordance with such directions as he may receive from the Board.
- (4) The General Manager may, with the approval of the Board, delegate his functions or any power delegated to him under section 9 to an officer.

**Amended by** [\[Act No. 29 of 1988\]](#)

#### **11. Appointment of officers**

- (1) Subject to subsection (3), the Corporation may employ such officers as may be reasonably necessary for the purposes of this Act, and under such terms and conditions as it may determine.
- (2) Every officer shall be under the administrative control of the General Manager.
- (3) No person shall be eligible for employment or, if already employed, continue in employment where he has a direct or indirect interest in any contract with the Corporation.
- (4) The employment and the terms and conditions of service of officers under subsection (1) above shall be subject to the Minister's approval.

**Amended by** [\[Act No. 29 of 1988\]](#)

#### **12. Conditions of service of officers**

- (1) The Board may make provision, in such form as it may determine, to govern the conditions of service of officers and in particular, to deal with -
  - (a) the appointment, dismissal, discipline, pay and leave of, and the security to be given by officers;
  - (b) appeals by officers against dismissal or other disciplinary measures; and
  - (c) the establishment and maintenance of provident and pension fund schemes and the contributions payable to and the benefits recoverable from those schemes.

#### **13. Protection of members and officers**

No liability, civil or criminal, shall attach to any member or officer or to the Corporation in respect of any loss arising from the exercise in good faith by a member or an officer or the Corporation of his or its functions under this Act.

#### **14. Powers of the Minister**

The Minister may, in relation to the exercise of its powers by the Corporation under this Act, give such directions of a general character to the Corporation, not inconsistent with this Act, as he considers to be necessary in the public interest, and the Corporation shall comply with these directions.

**Amended by** [\[Act No. 29 of 1988\]](#)

#### **15. Capital of the Corporation**

- (1) Subject to subsection (2), 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 allotted as follows -
  - (a) 100,000 shares shall be fully subscribed by the Government;
  - (b) the remaining shares shall be subscribed, at such time and in such manner as the Minister may determine.
- (2) The Board may, by resolution, increase the share capital of the Corporation subject to the approval of the Minister and any such resolution shall make provision for the subscription of the increase.

#### **16. Financial**

- (1) The Corporation shall in carrying out its objects operate on sound commercial principles.
- (2) The revenue of the Corporation in any financial year shall be applied in payment of or to provide for all expenses properly charged to the Corporation.
- (3) The Board may declare dividends on its paid-up share capital out of the balance of revenue after meeting all expenses.
- (4)
  - (a) The Corporation shall, at least 3 months before the beginning of every financial year, submit to the Minister an estimate of the revenue and expenditure of the Corporation for that financial year.
  - (b) Subject to subsection (5), the Minister shall, before the beginning of the financial year, signify in writing his approval of the estimate.

- (5) Where the Minister signifies his approval under subsection (4), he may –
  - (a) approve part only of the expenditure under any item;
  - (b) direct the Corporation to amend the estimate in respect of any item in such manner as he thinks fit.
- (6) Subsection (4) shall not apply to the first financial year of the Corporation.

**16A. Interest in agency or body of persons**

The Corporation may, for the purpose of its activities, acquire or hold any interest in any other agency or body of persons, whether corporate or unincorporate.

**Added by [\[Act No. 18 of 2016\]](#)**

**17. Borrowing powers**

The Corporation may, subject to the approval of the Minister, raise or borrow funds on such terms and conditions as the Board may determine.

**18. Reserve Fund**

- (1) Subject to subsection (2) and subject to such directions as the Minister may give, the Board may set aside out of the profits of the Corporation such sum as it thinks proper as a Reserve Fund for -
  - (a) the payment of contingencies;
  - (b) the stabilising or equalisation of prices;
  - (c) the amortization of loans; and
  - (d) such other purposes, as in the opinion of the Board, are in the best interests of the Corporation.
- (2) The Board may invest on such terms and conditions as it thinks fit any sum set aside under subsection (1) or employ such sum for the business of the Corporation.

**19. Execution of documents**

- (1) Subject to subsection (2), all documents shall be deemed to be executed by or on behalf of the Corporation if signed by the Chairman or the General Manager.

- (2) Every cheque of the Corporation shall be signed by any 2 of the following persons –
  - (a) the Chairman;
  - (b) the General Manager;
  - (c) such other officer as may be appointed for the purpose by the Board.

## **20. Transfer of assets and liabilities**

- (1) The Government shall, on a day to be fixed by regulations made by the Minister, transfer to the Corporation such assets as may be specified in the regulations.
- (2) Any contract, entered into by or on behalf of the Government and specified by the Minister, shall have effect as if it has been entered into on the same terms and conditions by the Corporation and any right, obligation, liability or arrangement subsisting in favour of or against the Government shall continue to exist in favour of or against the Corporation.

## **21. Grant of State land**

The Government may, upon such terms and conditions as it thinks fit, grant to the Corporation any interest in or over State land.

**Amended by** [\[Act No. 48 of 1991\]](#)

## **22. Exemption**

Notwithstanding any other enactment, the Corporation shall be exempt, from payment of duty, rate, charge, fee, tax or licence.

## **23. Regulations**

- (1) The Board may with the approval of the Minister make such regulations as it thinks fit for the purposes of this Act.
- (2) Any regulations made under subsection (1) may provide-
  - (a) for the issue of licences;
  - (b) for the taking of fees and the levying of charges;
  - (c) that any person who contravenes them shall commit an offence and shall, on conviction, be liable to a fine not exceeding 5,000 rupees and to imprisonment for a term not exceeding one year.



**24. Spent**

**25. Transitional provisions**

Notwithstanding any other enactment, the National Trading Corporation Ltd shall be deemed to be wound up on a date prescribed by the Minister and all its assets and liabilities shall vest in the Corporation as from the prescribed date.

**26. Commencement**

Proclaimed by [\[Proclamation No. 9 of 1982\]](#) w. e. f 6<sup>th</sup> December 1982