

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:3035  
ANSWERED ON:12.08.2010  
RAID BY CBI IN ANCILLARY COMPANIES OF SAIL  
Pandey Shri Ravindra Kumar

**Will the Minister of STEEL be pleased to state:**

- (a) whether the Central Bureau of Investigation (CBI) has recently conducted raids in several ancillary companies particularly in Bokaro Steel Plant and booked several employees/officers under different charges;
- (b) if so, the details thereof;
- (c) the action taken by the CBI against the accused officers and seized property/articles;
- (d) the steps taken by the Government to make vigilance department of SAIL and its ancillary companies effective and make the departmental activities transparent; and
- (e) the details of activities of vigilance department of SAIL and its ancillary companies during the last three years and current year?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP)

(a) to (c): Yes, Madam. The Central Bureau of Investigation (CBI) conducted raids at Bokaro Steel Plant (BSL) of the Steel Authority of India Limited (SAIL) in July 2010 and thereafter registered a case against some officials of BSL in the matter relating to alleged irregularities in selection of junior officers. The CBI is investigating the case.

(d) Government of India appoints and posts the Chief Vigilance Officer (CVO) who heads the vigilance department of SAIL on tenure basis. SAIL has the facility of lodging complaints through their website. Further, Vigilance Department of SAIL including all its Plants/Units are ISO Certified and regular surveillance audit is also being done by external certification bodies. SAIL has implemented an Integrity Pact for all procurements/contracts above threshold value of Rs.100 crores w.e.f. 16.8.2007. The threshold value was later revised to cover all procurements/contracts above threshold value of Rs.50 crores w.e.f. 29/1/2009 so as to cover maximum number of procurements/contracts under the Integrity Pact. SAIL has extensively leveraged technology for maximizing procurement through electronic media to ensure greater transparency. Large numbers of procurements are being done through electronic procurement system and reverse auctions. Similarly, for sale of secondary products, SAIL is extensively using on-line forward auction platforms to ensure transparency in competition.

(e) The major activities undertaken by the vigilance department of various plants/units of SAIL during the last three years and current year are placed at Annexure.

Annexure

1. Vigilance Awareness

# Regular workshops were held at the various plants and units covering Purchase/Contract procedures, common irregularities, CVC guidelines, RTI Act, Conduct & Discipline Rules etc.

# Around 487 workshops involving 11273 participants held between the years 2007-2010.

# Vigilance department is publishing a six monthly in house journal named 'Prerna'. Real case studies published in the journal help in educating the employees.

# Intranet web page "Suidha" has been launched during Vigilance Awareness Week -2008 for enhancing vigilance awareness amongst SAIL employees.

2. Periodic surprise checks conducted by Vigilance

# Around 12279 periodic checks were conducted at various plants/units between the years 2007-2010.

3. System Improvements / Intensive Examinations

# System improvement projects arising out of gaps noticed during investigations, surprise checks, etc. are taken up. In addition, one major project for each plant and unit is selected at the beginning of every year for study and system improvement.

# 12 cases, one from each Plant / Unit of SAIL, pertaining to high value procurement/contract, are taken up for Intensive Examination on yearly basis. The examination, which is conducted as per the check list provided by CVC, assists in identifying lacunae, if any, in the system.

#### 4. Policies & Procedures

# The Purchase & Contract procedure has been modified by the Vigilance Department based on feedback obtained from different stake holders and the new Purchase & Contract Procedure – 2009 was issued on 22.4.09.

# Procedure for centralized procurement of medicines for SAIL hospitals was finalized and has been implemented after approval of Chairman, SAIL in December 2007.

# Vigilance acted as catalyst in adoption and implementation of Integrity Pact in SAIL with effect from 16.8.2007 for all purchase and contracts above Rs. 100 Crores. Subsequently, the threshold limit has been reduced from Rs. 100 crores to Rs.50 crores with effect from 27.01.2009.

# On the initiative of SAIL Vigilance, a Committee was constituted for reviewing the Standard Bidding Document (SBD) for making it concise and bringing it in line with the present requirement and guidelines. Revised Standard Bidding Document (SBD) has been implemented after approval of Chairman on 21/05/2009.