

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:4120

ANSWERED ON:19.12.2011

IRREGULARITIES IN PROCUREMENT OF COAL AND LIMESTONE

Abdulrahman Shri ;Namdhari Shri Inder Singh

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

- (a) whether there has been any instance of irregularity in the tender floated by the Raw Material Division of Steel Authority of India Limited for raising, sizing, transporting and wagon loading of limestone of Bhawanthpur limestone mines in Jharkhand;
- (b) if so, the details thereof and the action taken in the matter;
- (c) whether cases of irregularities in the purchase of coking coal by the public sector steel companies have been reported during the last three years;
- (d) if so, the details thereof alongwith the action taken by the Government in the matter;
- (e) whether the Government has constituted any Committee to look into these irregularities;
- (f) if so, the details thereof alongwith the terms of reference set for the said Committee; and
- (g) the time-frame by which the Committee is likely to submit its report?

**Answer**

THE MINISTER OF STEEL(SHRI BENI PRASAD VERMA)

(a)&(b): Raw Material Division under the Steel Authority of India Limited (SAIL) floated two tenders dated 25.11.10 and 26.11.10 for composite mining work at Bhawanathpur Limestone mines and at Tulsidamar dolomite mines respectively. SAIL has reported that certain complaints were received alleging submission of fake documentation by bidders in the tenders. These issues were investigated and the tender in respect of Tulsidamar dolomite mines was cancelled on finding the allegations to be substantiated. Since the ineligible bidder was common party to both tenders, Bhawanathpur Mines tender was subsequently awarded to the only eligible party left following due procedure.

(c) No, Madam.

(d) Does not arise.

(e)to(g): A Committee has recently been constituted in the Ministry with terms of reference for looking into need for rationalizing the procurement procedure for coking coal, acquisition of coking coal mines abroad and optimizing the use of coking coal by the Steel PSUs etc. and is due to submit its report by January, 2012.