

LOK SABHA
STARRED QUESTION NO.*103
FOR ANSWER ON 10/02/2020

FINANCIAL TRANSACTIONS IN SAIL

*103. SHRI SUSHIL KUMAR SINGH:

Will the Minister of STEEL be pleased to state:

- (a) whether there was a mechanism in place to ensure the accountability of the Finance Department of Steel Authority of India Limited (SAIL) regarding the transferring/diverting the reserves, surplus, cash and bank funds from one bank to another before the detailed Department of Public Enterprises (DPE) guidelines dated 8.5.2017 on investment of Surplus Funds by Central Public Sector Enterprises (CPSEs) came into force;
- (b) if so, the details of such guidelines between the years 2011 and 2017;
- (c) the details of the transfer of such funds from one bank to another by SAIL separately from the year 2011, instance-wise;
- (d) the details of the instances in which the funds were transferred from a Public Sector Bank to Private Sector Bank by SAIL, instance-wise; and
- (e) whether there has been any audit objection raised or internal enquiry conducted against any officials for diverting the funds to different banks for *quid pro quo* and if so, the details thereof?

ANSWER

THE MINISTER OF STEEL

(SHRI DHARMENDRA PRADHAN)

(a)to(e): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (E) OF THE LOK SABHA STARRED QUESTION NO. *103 FOR ANSWER ON 10/02/2020 ASKED BY SHRI SUSHIL KUMAR SINGH, MEMBER OF PARLIAMENT REGARDING “FINANCIAL TRANSACTIONS IN SAIL”

(a)&(b): Yes, Sir. Steel Authority of India Limited (SAIL) has informed that all along it has been adhering to all such guidelines/amendments/clarifications on “Investment of Surplus Funds by Central Public Sector Enterprises (CPSEs)” issued by DPE from time to time. The first such Guideline was notified vide O.M. No.DPE/14(19)/90-Fin dated 03.01.1992 and subsequently, DPE issued amendments / clarifications from time to time with the prevailing directions prescribed vide DPE OM No.18 (1)/2012-Fin dated 8th May, 2017. Further, as per the policy/methodology approved by SAIL Board, the investment of surplus fund was done at the highest rate of interest offered by the participating banks. The outstanding position of deposits was also informed to SAIL Board on a regular basis.

(c)&(d): SAIL had dealings with the Scheduled Commercial Banks listed in the 2nd Schedule of Reserve Bank of India Act for conducting financial transactions. SAIL had received all its funds and made all the payments through State Bank of India (SBI). Therefore, wherever the funds were transferred for investment, the same were transferred from SBI. Instance-wise details for FY 2011-12 to 2014-15 of such transfers are placed at **Annexure IA to ID**.

The last investment was made by SAIL in March, 2015 which matured in March, 2016. Thereafter, no investment was made as surplus funds were not available with SAIL for investment.

(e) SAIL has further informed that there have been no adverse comments raised by audit (CAG/Statutory Auditors), therefore, no internal inquiry conducted against any officials for diverting the funds to different banks for *quid pro quo*.

Annexure-IA

Surplus Cash Deposits placed with Banks during 2011-12

Sl. No.	Name of the Bank	Date of Deposit	Amount Rs. crore
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PUBLIC SECTOR BANKS

1	IDBI Bank	27.05.2011	900
2	State Bank of India	16.11.2011	1400
3	Bank of Baroda	04.01.2012	900
4	Canara Bank	06.01.2012	2000
5	State Bank of Hyderabad	28.01.2012	600
6	Vijaya Bank	23.01.2012	250
7	Vijaya Bank	31.01.2012	400
8	Vijaya Bank	02.02.2012	100
9	IDBI Bank	14.02.2012	250
10	Corporation Bank	11.02.2012	250
11	Allahabad Bank	21.02.2012	100
12	Allahabad Bank	20.03.2012	300
13	Union Bank of India	23.02.2012	50
14	Vijaya Bank	24.02.2012	125
15	Vijaya Bank	29.02.2012	200
16	Vijaya Bank	05.03.2012	100
17	Canara Bank	12.03.2012	900
18	IDBI Bank	21.03.2012	400
19	Canara Bank	22.03.2012	2000
20	Central Bank of India	26.03.2012	200
21	State Bank of Travancore	27.03.2012	1000
22	Corporation Bank	28.03.2012	300
TOTAL WITH PUB. SEC. BANK'S			12725

PRIVATE SECTOR BANKS

1	Yes Bank	24.11.2011	100
2	Indusind Bank	22.03.2012	100
3	Jammu & Kashmir Bank	29.03.2012	100
TOTAL WITH PVT. SEC. BANK'S			300

% with Public Sector Banks	98%
% with Private Sector Banks	2%

Annexure-IB**Surplus Cash Deposits placed with Banks during 2012-13**

Sl. No.	Name of the Bank	Date of Deposit	Amount Rs. crore
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PUBLIC SECTOR BANKS

1	State Bank of India	09.04.2012	105
2	State Bank of India	10.04.2012	35
3	State Bank of India	11.04.2012	90
4	State Bank of India	16.04.2012	50
5	State Bank of India	20.04.2012	20
6	State Bank of India	26.05.2012	60
7	State Bank of India	28.05.2012	60
8	State Bank of India	29.05.2012	155
9	State Bank of India	30.08.2012	200
10	State Bank of India	23.01.2013	100
11	State Bank of India	24.01.2013	100
12	State Bank of India	28.01.2013	100
13	State Bank of India	30.01.2013	100
14	State Bank of India	31.01.2013	400
15	Canara Bank	22.03.2013	500
16	Canara Bank	22.03.2013	1400
17	Canara Bank	23.03.2013	500
18	Bank of Baroda	28.03.2013	1000
TOTAL WITH PUB. SEC. BANK'S			4975

% with Public Sector Banks	100%
% with Private Sector Banks	0%

Annexure-IC**Surplus cash Deposits placed with Banks during 2013-14**

Sl. No.	Name of the Bank	Date of Deposit	Amount Rs. crore
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PUBLIC SECTOR BANKS

1	State Bank of India	31.08.2013	500
2	UCO Bank	06.09.2013	1050
3	Vijaya Bank	12.09.2013	500
4	Punjab and Sind Bank	12.09.2013	1000
5	Vijaya Bank	13.09.2013	500
6	Vijaya Bank	16.09.2013	550
7	IDBI Bank	21.03.2014	500
8	IDBI Bank	21.03.2014	500
9	IDBI Bank	21.03.2014	500
10	Punjab and Sind Bank	21.03.2014	500
11	Punjab and Sind Bank	25.03.2014	500
TOTAL WITH PUB. SEC. BANK'S			6600

% with Public Sector Banks	100%
% with Private Sector Banks	0%

Annexure-ID**Surplus Cash Deposits placed with Banks during 2014-15**

Sl. No.	Name of the Bank	Date of Deposit	Amount Rs. crore
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PUBLIC SECTOR BANKS

1	IDBI Bank	18.03.2015	500
2	IDBI Bank	19.03.2015	500
3	IDBI Bank	20.03.2015	500
4	IDBI Bank	21.03.2015	500
TOTAL WITH PUB. SEC. BANK'S			2000

% with Public Sector Banks	100%
% with Private Sector Banks	0%