

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:1802  
ANSWERED ON:04.12.2006  
PURCHASE OF FLATS BY SAIL  
Patel Shri Kishanbhai Vestabhai

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

- (a) whether Steel Authority of India Limited (SAIL) has purchased flats in Asiad Village in New Delhi;
- (b) if so, whether SAIL has in the recent past renovated these flats;
- (c) if so, the details of expenditure actually incurred as compared to estimated expenditure assessed by the contractor before completion of job;
- (d) whether there has been a misuse of Government money while executing renovation work by SAIL;
- (e) if so, whether the Government has conducted any investigation to find out the officials responsible for such misuse of funds;
- (f) if so, the details thereof and the outcome of such investigations; and
- (g) the action taken against the persons found responsible therefor?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS)

(a) Yes, Sir. The Steel Authority of India Limited (SAIL) had purchased 7 (seven) flats in Asiad Village, New Delhi in 1984 and 2 (two) flats in 1986 at a total cost of Rs.1,27, 79,300/-.

(b)&(c): Yes, Sir. These flats were constructed 26 years back. After 20 years, the condition of these flats became dilapidated due to seepage, leakages, caving in floors etc. Because of financial ill-health of the company, the required major repairs/ renovation could not be taken up earlier. In the recent past i.e. 2004-06 four flats namely Flat No.A341, B248, B249 & C15 have been renovated. The Company incurred expenditure in making the flats habitable for its senior functionaries. After assessing the condition of the flats, the work of renovation was awarded to L1 tenderer after following due procedures.

No estimate was assessed by the contractor. Based on the preliminary inspection, a Block Estimate of around Rs.12 lakhs for each flat was prepared departmentally for getting the administrative approval. During execution of the renovation work, several deviations and extra items cropped up on account of the conditions of flats revealed during process of renovation. The expenditure involved in renovation of these 4 flats was Rs.72.52 lakhs.

- (d) There has been no evidence of misuse of Company's money.
- (e) Since there is no evidence revealed of misuse of Company's funds, no inquiry was required.
- (f) Not applicable.
- (g) Not applicable.