



Lignite Eyes

■ Volume-1 ■ Issue-1 ■ July 2009

Inaugural
Issue

Vigilance
NEWS LETTER



CMD's Message

I welcome whole-heartedly the initiative taken by Vigilance Branch of Neyveli Lignite Corporation Limited in publishing the maiden Vigilance News Letter "Lignite Eyes" bi-annually with inscriptions of concepts, awareness and suggestions on Vigilance during the month of July 2009.

Vigilance is every individual's job and its significance in any organization is vital for its growth. The quality of being vigilant should be an inherent quality of each and every public servant.

Vigilance Department carries out its job in a professional and highly specialized way with strict application of rules and regulations, with surprise inspection in all areas of functioning thereby preventing abuse of power at all levels. It provokes in all a sense of watchfulness, caution, awareness and vigilance and to achieve the set targets in a smooth and cordial manner.

My sincere appreciation to a great extent are to the Vigilance Branch, the watchful eyes of our organization in bringing out the "Lignite Eyes" the Bi-annual News Letter thereby helping every individual to act as a responsible person paving way for corrupt free organization.

I wish the publication a grand success.

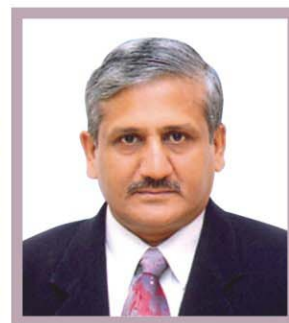
A.R. ANSARI
CHAIRMAN CUM MANAGING DIRECTOR

From CVO's Desk

Concept of integrity amongst public servants is that they should not abuse their official position. Hence, it is the responsibility of the Central Government to take appropriate anti-corruption measures. A strict watch and close supervision is required over the 'dishonest' employees. There is need for an impartial and unbiased organization having broad uniformity of approach in the matter of detection, punishment and purging of Government servants and dealing with problems of corruption in general. Accordingly, Vigilance departments in PSUs have emerged.

'Lignite Eyes' an half-yearly news letter is an attempt by the Vigilance Branch of NLC to briefly highlight the Department's efforts in helping the management to plug the loop-holes in the management of Contracts and Purchase and also bring in greater accountability and transparency in the handling of public funds and thereby improve the overall efficiency of the organization. The news letter, I hope, will definitely give the stake-holders a bird's eye view of the functioning of the Vigilance branch.

We welcome your suggestions to improve our working.



K.S. BALASUBRAMANIAN
CHIEF VIGILANCE OFFICER

"To make your children capable, honesty is the beginning of education" - John Ruskin

Hon'ble Coal Minister's meeting with CVOs of CIL, its subsidiaries and NLC

In a meeting held with CVOs of CIL, its subsidiaries and NLC on 15.06.2009 at New Delhi, the Hon'ble Union Minister of State (Independent Charge) for Coal, Statistics & Programme Implementation, Shri Sriprakash Jaiswal reviewed the functioning of the Vigilance setup in the above organizations.

Shri K.S. Balasubramanian, CVO/NLC made a presentation on the functioning of Vigilance Branch in NLC in the review meeting.



Streamlining the AMC Estimates

Based on a study conducted by Vigilance Branch with regard to the 'Estimates for Annual Maintenance Contracts of Mines Units', it was suggested to prepare the estimates only based on the *actual labour engaged* in the previous years and based on the *actual quantities executed*. Accordingly, estimates for AMCs were prepared in Mines Units, resulting in considerable savings to NLC. In the same line, suggestions were sent to other units to prepare estimates.

Leveraging Information Technology in N.L.C.

The Information Technology can be utilized to develop structures, systems and processes built in such a way so as to prevent leakages which adversely affect productivity and profitability. The same process can also indirectly help in curbing corruption. Further, this leveraging of technology can bring efficiency, economy as well as transparency. NLC has adopted leveraging of technology in the following areas.

- e-Payment
- e-Procurement
- e-Auction

E-PAYMENT

- This system helps in speedy disposal of money and significantly reducing transaction costs involved in making payments by way of cheques and sending through posts. The e-payment details of NLC for the period from January 2009 to June 2009 is as follows:

No. of payments	Value of e-payment
25078	Rs. 846.18 Cr.

- The e-payment has been extended to OLIMMS (Online Material Management System) accounts, employee payments and interbank payments through RTGS/NEFT mode. All payments by Provident Fund Office are made through fund transfer by bank on instructions.

E-PROCUREMENT

- Electronic procurement (e-procurement) is the electronic integration and management of all procurement activities consisting of process of purchase requests, floating enquiries, submission of bids by the vendors, clarifications, price negotiations, evaluations and placement of orders online using internet.

- IIT, Kharagpur has developed for NLC a fully secure and completely user friendly Electronic Procurement System in accordance with ITAct2000.
- This e-Procurement system developed in NLC permits vendors to search, view tenders from Neyveli Lignite Corporation SSL enabled secured website. They can also participate and submit quotations online directly from the website in a fair, secure and transparent manner maintaining complete confidentiality.
- The above application is utilized in the following process area.
 - i) Vendor enrolment
 - ii) Enquiry
 - iii) Capture quotations
 - iv) PQR and Bid Guarantee
 - v) Clarifications
 - vi) Purchase Order

During January'09 to June'09 2183 Purchase Orders were released for a total value of Rs.510.32 Crs.

E-AUCTION

- e-Auction System is being adopted in NLC for the disposal of iron scraps, non-ferrous, condemned plant and machineries items, conveyor belt scrap, condemned vehicles and miscellaneous scrap items etc., from the year 2004
- The e-Auction system in NLC encourages participation of bidders from all over the country. Strict confidentiality is being maintained and there is no scope for any negotiations even with H1 bidders.
- The e-Auction system eliminates the cartel formation among the bidders, increases efficiency due to transparency and encourages the competitive bidding and completely eliminates the law and order problems created by the local goondas.

Vigilance Awareness Week Celebrations 2009

In commemoration of the birthday of Shri Sardar Vallabhai Patel, Vigilance Awareness Week 2009 is going to be celebrated during November 2009 in NLC. As usual various competitions on Vigilance Awareness are going to be conducted.

All employees are requested to participate in enmass to create awareness on evils of corruption and importance of honesty in public life.

"Corruption - The enemy within us and around"

GreetingS

I am very happy to note that Vigilance department in NLC is publishing its first News letter during the last week of July 2009 at Neyveli.

The basic objective of the Vigilance department is to advise and facilitate in improving the systems and to remove the ambiguity in interpretation of rules & regulations. Needless to say, guidelines, procedures and directives issued by the Vigilance department from time-to-time focus on transparency.

I have no doubt that the News Bulletin will create awareness and provide guidance and suggestions to NLC employees.

I take this opportunity to wish the Vigilance team all success for the wonderful work.



J.N. PRASANNA KUMAR
Director (Finance)

I am extremely happy to know that the Vigilance Branch of NLC is making yet another effort to create awareness among the employees through its news letter "LIGNITE EYES" proposed to be published bi-annually.

The Vigilance Department of NLC, through its professional team is doing its best in the area of preventive vigilance especially in reviewing and streamlining the procedures which afford scope for corruption and initiating measures for prevention of corruption.

I hope the proposed publication would be a positive step in preventive vigilance and would be of immense help to the employees in performing their activities in a flawless manner and thus helping the organization to achieve its desired goals.

I once again congratulate the Chief Vigilance Officer and his team for the novel idea of reaching the employees through "Lignite Eyes".

V.SETHURAMAN
Director (Power and Planning & Projects)

I am glad to know the NLC Vigilance Branch's latest initiative for creating awareness through its Half-yearly News Letter.

"Eternal Vigilance is the Price of Liberty"

- Thomas Jefferson

A Public Sector Enterprise is duty bound to deliver its best to all its stake-holders. Therefore, what matters is performance fuelled by ethical compliance than mere improvements in volumes and figures.

I am sure this effort would sensitize all our employees and other stake-holders to commit themselves for creating a transparent work culture marked by integrity and honesty.

I heartily congratulate our Chief Vigilance Officer and his team for this initiative which would earn pride and dignity to the Vigilance Branch and NLC.

P. BABU RAO
Director (Personnel)

I am happy to note that the NLC Vigilance Department is publishing "Vigilance News Letter" to bring awareness about the various suggestions and concepts related to Vigilance.

Awareness on any activity is directly linked to the depth of understanding and to the ability in bringing the principles to practice. It also helps inculcating in thinking and action to contribute more to the society, particularly among people in public service.

Bringing articles on Vigilance awareness is an effective way to propagate it as a way of life and helpful in rededicating ourselves to this prime aspect of organizational culture. I am sure that this bi-annual bulletin will be useful as a guide in diligent discharge of our duty.

My best wishes for the grand success in bringing the Vigilance News letter.

B. SURENDER MOHAN
Director (Mines)

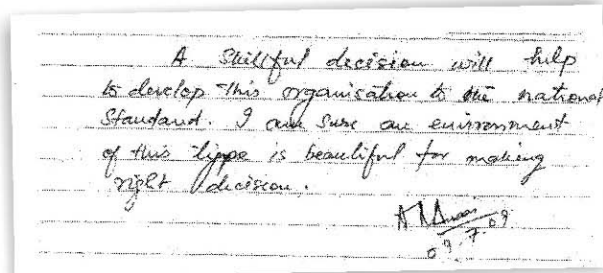


"Knowledge without integrity is dangerous and dreadful" - Samuel Johnson



Vigilance Cell at Chennai Office

Our Chairman cum Managing Director inaugurated the Vigilance Cell at Regional Office, Chennai on 09.07.2009. During the occasion CMD has recorded his views as below in the Guest book :



Vigilance Cell at Barsingsar Project

Shri V. Umapathy, ACM/Electrical is posted as full-time Vigilance Officer to look after the Vigilance activities at Barsingsar Project.

System improvement on P.F. Loan sanction

A system improvement study was carried out on the Provident Fund Loan sanction procedure and the following suggestions were made for implementation. The receipt module of PF Loan System is to be enabled in the respective unit for generating Unique Application Number and committed during the assigned period of time for that particular batch of loan instead of the existing practice of doing it in PF office after receipt of physical application. All the physical applications so received are consolidated after generating application number and sent to PF office as is being done. This would avoid data entry error of some other PF Number as only PF Number of that particular unit would be available in the Loan module and also further manual intervention.

Appropriate functional level authorization hierarchy for the receipt, sanction and Bank advice of Loan in the PF Loan system was suggested, instead of receipt, sanction and Bank advice authorization by single authority. Summary report tallying received, sanctioned & returned applications for proper control, consolidated PF Trust resolution for particular batch and also loan sanction letter to the individual were also suggested. Dissemination of information at all divisions for PF Loan sanction requirements was also suggested for the benefit of members.

Creation of workflow in the long run was also suggested, depending upon the feasibility.



Ask the following three questions in all your actions:

- (1) Is it legal? Will it be violating either civil or company rules and regulations?
- (2) Is it fair and honest? Is it fair to all concerned in the short term as well as in long term?
- (3) How will it make me feel about myself? Will it make me proud?

-Courtesy "The Power of Ethical Management" by Norman Vincent Peale and Kenneth Blanchard

NLC Vigilance Website

To send Information / Complaints with identity to this branch, one can log on to NLC Intranet and also email to cvo.nlc@nlcindia.com



Lignite Eyes

News Letter of NLC Vigilance Branch (For private circulation only)
Published by Neyveli Lignite Corporation Ltd.,
Mini Ratna - Govt. of India Enterprise
Neyveli 607 801, Tamil Nadu. Website : www.nlcindia.com

"The proof of honesty lies in its practice"