



■ Volume-1 ■ Issue-2 ■ January 2010

Vigilance

NEWS LETTER

From CVO's Desk

Self-discipline, simplicity, striving hard are the fundamental values over which the growth and prosperity of every organization and society are built. Rules, guidelines and procedures are dynamic to accommodate essential changes, but the fundamental values remain the same in realizing the growth and prosperity of the organization. Reemphasizing the values, the rules and the procedures are essential to keep us in the right path.

Vigilance Awareness Week celebrated in November, under the solemn guidelines of CVC is such an occasion to reemphasize the values and to re-dedicate ourselves in reaching the organization's goals. Preventive Vigilance is the thrust area, the

CVC has advised to take up during this Vigilance Awareness Week. As a highlight, a compendium of CVC's circulars, issued up to September 2009, was released during the Vigilance Awareness Week, enabling the decision-making in public spending in the right way. Certain observations with regard to Preventive Vigilance measures suggested by this branch have been highlighted in this issue.

Vigilance is everyone's concern.

With best wishes for a Prosperous New Year.



K.S. BALASUBRAMANIAN
CHIEF VIGILANCE OFFICER

Vigilance Awareness Week 2009

On 03.11.2009, the first day of the Vigilance Awareness Week, all employees took pledge in their respective units both in English and in the vernacular language. To create awareness about rules, regulations, procedures among the employees, competitions were held among all employees, unit-wise.

A public function with the NLC Chairman-cum-Managing Director as the chief guest, in the presence of the Directors of the company was held in the afternoon on 03.11.2009. The highlights of NLC Vigilance activities during the year 2008-09 were read out. The updated 'Compendium of CVC Circulars up to September 2009' and 'Annual Report' of the



CMD, Directors & CVO at the Vigilance Awareness Week function

guidelines vide Circular No.29/9/09, dated 17/09/2009 on the effective security provisions to be made in the e-tenders, e-procurements systems to prevent any misuse has been sent to the management for compliance.

IV) Integrity Pact:

As a part of preventive measure, NLC had entered into an agreement with "Transparency International" to

implement integrity pact in all tenders and purchases (with a threshold value of Rs. 1 Cr.) The CVC Circular No.28/08/09, dated 11/08/2009 on the periodicity of the review in respect of the internal assessment on the impact of integrity pact to be made on annual basis has been communicated to the management for compliance and reporting.

Activities of NLC Vigilance Department

1. Certain Vigilance Enquiries on Quality of work executed by a contractor:

A surprise check conducted in a major contract work, revealed that the contractor and their civil sub-contractor executed the work with poor quality and many works were executed without the approval of NLC.

Accordingly, it was suggested not to make payment for the poor work executed and to release payment only after rectification of the defects. It was advised that the poor performance of the sub-contractor must be taken into account while giving approval for the civil sub-contractor as sub-contractor in future.

2. Verifying the procedure being followed for releasing payment of bills:

A Surprise Check revealed that in one Accounts Centre, for passing the bills to the firms (i) 'Queue' system was not followed (ii) Inordinate delays were noticed (iii) It took more than 20 days just for clearing the e-payment transaction, after approving the bill by the same Accounts Centre.

The concerned officials of Accounts Centre were suggested to be sensitized to adhere strictly to the norms prescribed by CMD's circular with regard to release of payment without fail.

Departmental Enquiry: Disciplinary Proceedings in vernacular language:

Suggestion was made to provide disciplinary proceedings such as Enquiry Report, proposal of punishment, final orders etc., in bilingual language to the illiterate/semi literate i.e., in English and Tamil to the employees who are under the purview of Disciplinary Action.

Accordingly the copies of disciplinary proceedings translated in the vernacular language are being issued to the delinquent employees whenever they are in need and the enquiry proceedings are being held in vernacular language and all explanations / representations made by charged employees in vernacular language are duly considered.

Joint Inspection



Joint Inspection cum Discussion meeting at Central Technical Officers, Neyveli

During the Vigilance Awareness week, joint inspections were conducted at different units and also at Barsingsar Project of NLC by the Vigilance officers along with nominated executives from various units in the morning sessions.



Joint Inspection cum Discussion meeting at Barsingsar

In the evening sessions on each day from 04.11.2009 to 07.11.2009, group discussions were held in the respective units in the presence of Unit Head and the officers at various levels and the observations by the teams during joint inspections were discussed.

activities of the NLC Vigilance Branch during 2008-09 were released by CMD/NLC and CVO/NLC respectively.

A skit prepared by a Vigilance officer was staged at the beginning of the function and it was well received by the audience. *'Integrity and Efficiency are the two eyes of an employee'* was the central theme of the skit. Prizes for the winners were distributed by CMD, CVO and Functional Directors. The Directors, during felicitation address, emphasized the need for knowledge, transparency, e-governance, speedy decision in a transparent manner to prevent corruption. Also, appreciated the Vigilance Department for the case studies brought out in an elegant manner without hurting anybody. The Chief Vigilance Officer, in his presidential address, emphasized everyone to

follow simplicity, a principle of Mahatma Gandhi. He also insisted on Preventive Vigilance and the need for unity to fight corruption.

The CMD/NLC, in his address emphasized that the sense of vigilance should emanate from within (of every individual) and pointed out the necessity of individual's clean deeds to control corruption. He also emphasized the value of integrity and need for surveillance to control corruption.

At Barsingsar Project, Valedictory function was observed on 07.11.09. Executive Director/Power presided over the function and Dy. General Manager/Contracts & Purchase gave presentation on Vigilance Awareness.

“A brief on Preventive Vigilance in NLC”:

The Central Vigilance Commission is of the view that evolving and effectively implementing preventive techniques is the most important aspect of Vigilance Administration. Preventive measures are necessary to reduce corruption and corrupt practices. Accordingly, the following measures are being under taken by the NLC Vigilance Branch on preventive vigilance side.

I) To undertake System Improvement Study:

To study the existing procedure and practices prevailing in the organization with a view to identifying those procedures or practices which provide scope for corruption. Suitable suggestions are being offered to modify those procedures and devise suitable steps to reduce corruption and delay. Some of the suggestions offered are as follows:

- i. In a major tender for O&M contract, tenders were floated with PQR not approved by the competent authority. Re-tender was suggested. Re-tender was ordered by the competent authority.
- ii. Based on a system improvement study by Vigilance Branch, concerned Director had instructed all the unit heads for incorporation of the following in future tenders (civil):

To clearly indicate in the tender schedule, the preparatory works, if any, need to be done by NLC, the initial level of the ground to be handed over to the contractors for earth work excavation, to log the working hour details of the departmental machineries separately (machine wise) indicating the area of work on a shiftwise basis and to prepare the estimates considering the actual mine conditions and forecasting the change in conditions, during the proposed contract period to the extent possible.

- iii. Based on a Surprise Check it was suggested to the concerned Director to issue necessary guidelines to all the concerned officials to maintain permanent records (M-Books, Payment Registers, etc.) to ensure compliance to the Circular ref.CMD/115/2004, dated 06.12.2004, to maintain cumulative payment records in order to avoid duplication of payments for the same work and to maintain LD calculations and LD recovery records by the field officials.

II) Study on Manuals:

To ensure that the organizations have prepared manuals on important subjects such as purchase, contracts etc., and that these manuals are updated from time to time and conform to the guidelines issued by the Commission: One such modification incorporated in the Contract Manual is as follows:

Based on the investigation conducted by Vigilance with respect to tenders floated by one of the units, the following Amendment (No.4) to the Contract Manual is issued under Volume-I, Chapter-3 FLOATING TENDER of Contract Manual.

- (i) Entries for the receipt of tender bids submitted through Courier/Post may be made in the common register and to get acknowledgement from the Tender Section officials after handing over the bid documents.
- (ii) Entries to be made in the tender opening register regarding the mode of receipt of each tender bid received (through Courier/Post/Deposited in the Tender Box etc.)

III) Through leveraging of Technology:

NLC has adopted leveraging technology in the areas of payment, procurement and auction. The recent CVC

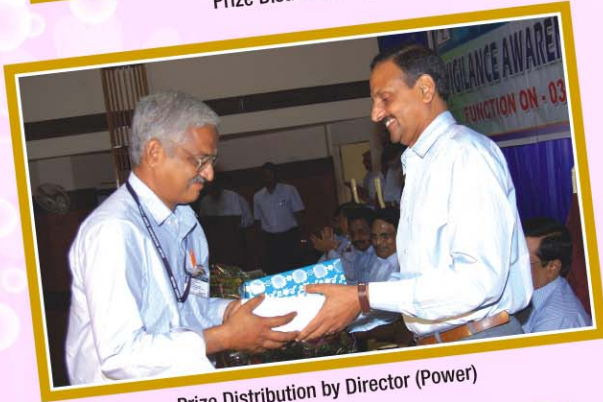
Photo Gallery - Vigilance Awareness Week 2009



Prize Distribution by CMD



Prize Distribution by CVO



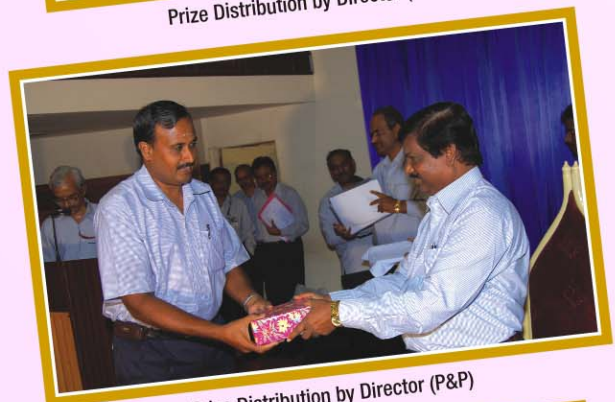
Prize Distribution by Director (Power)



Prize Distribution by Director (Personnel)



Prize Distribution by Director (Mines)



Prize Distribution by Director (P&P)



Prize Distribution by Director (Finance)



Skit - 'Integrity and Efficiency are the two eyes of an Employee'

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



Lignite Eyes

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