

VIGILANCE ACTIVITIES AND ACHIEVEMENTS

15.1. VIGILANCE SET UP

The Ministry of Coal exercises superintendence and control over the vigilance administration of 10 Public Sector Undertakings and one Autonomous Body under its jurisdiction as well as over the Ministerial staff. The vigilance set up of the Ministry is headed by a Joint Secretary-cum-Chief Vigilance Officer on part-time basis. He is assisted by a Director, an Under Secretary and a Section Officer. The Vigilance Wings of Coal India Limited / its subsidiaries, Neyveli Lignite Corporation are headed by full time Chief Vigilance Officers. There are about 300 executives /non-executives in the vigilance organization of Coal India Limited / its subsidiaries, Neyveli Lignite Corporation and Coal Mines Provident Fund Organization.

Being the watch-dog of Coal and Lignite Public Sector Undertakings and the Coal Mines Provident Fund Organization, the Ministry pays special attention to streamlining the procedures and practices prevailing in these organizations, while

monitoring the functioning of the Vigilance Departments.

15.2 COAL INDIA LIMITED (CIL)

Coal India Ltd (CIL) is the holding company of 8 subsidiary companies. Anti-corruption activities in CIL and its subsidiary companies have been institutionalized by setting up of Vigilance Departments in the subsidiary companies which is headed by a Chief Vigilance Officer (CVO), appointed by the Govt. of India in consultation with Central Vigilance Commission (CVC) on tenure basis, drawn from various government services.

Chief Vigilance Officer, CIL apart from monitoring vigilance activities of departments and offices under direct control of CIL and North Eastern Coalfields (NEC) also enquires / monitors such cases referred by the CVC/MOC to CIL Vigilance. He also investigates specific complaints against officials of subsidiary Coal companies specifically referred by Chairman, CIL or on the basis of complaints of source information, received directly at CIL Vigilance. Co-ordination with the

subsidiary Coal companies is effected since CIL Vigilance Division has to liaise with institutions like CVC, MOC, CBI as also in view of the fact that CMD, CIL is the Appointing/ Disciplinary/ Appellate Authority in case of executive cadre employees. An interface therefore, is maintained with the Vigilance Division of the different subsidiary companies and their CMDs. CVO, CIL has been called upon to act as a coordinating officer in respect of Vigilance set up of CIL as a whole, in Vigilance cadre matters, inter subsidiary Vigilance matters, matters referred to CVOs of subsidiary companies by CIL Vigilance.

One of the major tasks is to report the vigilance status of different officials when required by CIL management or MOC or CVC or PESB. In so far as cases of promotion/retirement are concerned, the vigilance status of the concerned officials who are/were posted in CIL / NEC/ IICM/ Regional sales Offices are sent to Personnel Division of CIL. Similarly, in cases of selection /appointment to Board level posts, the vigilance status in respect of the concerned officers are sent to different authorities i.e. MOC /CVC/ PESB after obtaining the same from

the different subsidiary companies and as per records of CIL(HQ) vigilance division. A total of 3 prosecution sanctions were granted against officials during this period. Detailed activities, subsidiary- wise, are given as under:

15.2.1 Northern Coalfields Limited

39 senior level executives of NCL and BCCL were trained at Administrative Staff College of India, Hyderabad on General Management Programme. Later this was adopted by Coal India for training its middle level management executives.

Tender for GPS based vehicle tracking system for Coal transportation along with RFID system, boom barrier, camera for snapshot and integration with existing weighbridge system on turnkey basis to prevent Coal pilferation has been awarded. Work order was issued on 16th January 2014.

E-procurement has been launched in October 2013 and all projects have started tendering through e-procurement from June 2014. All 1726 executives have filed Annual Property Returns (APRs) online. 82 surprise inspections were undertaken. Operator Independent Truck

Dispatch System (OITDS) implementation process and Integrated Business Solution (IBS), an Enterprise Resource Planning (ERP) package used in NCL, was reactivated by Vigilance department. Now IBS is working actively with 05 modules, viz Material Management module, Maintenance Module, Production Module, Sales Module and Management Information System.

COALNET, an ERP package, is being implemented in two phases in NCL.

15.2.2 Bharat Coking Coal Limited (BCCL)

Vigilance Department of BCCL during the financial year 2013-14 has taken measures in all the three aspects of Vigilance i.e. Punitive Vigilance, Surveillance and Detection and Preventive vigilance.

As a part of **Preventive Vigilance**, 18 Circulars / Guidelines were issued by the Company as per advice of the Vigilance Department. A compendium of circulars and guidelines of CVC, CIL & BCCL was published during the Vigilance awareness week '2013.

Online budget monitoring system has been made operational during this period. During the year 2013-14, 33

surprise / test checks were conducted resulting in registration of 5 regular cases for further investigation. Vigilance Department also undertook 6 CTE type Intensive Examination during the period.

As regards **Punitive Vigilance**, during the financial year 2013-14, Vigilance Department has registered 19 regular cases of investigation. Out of these 19 cases investigations, while 2 cases are under investigation, 5 cases are closed after due action against 21 officials. In the balance 12 cases investigation has been completed and action has been initiated against 42 officials and black listing of 18 firms.

Apart from the above, CBI has registered 5 numbers of cases, related to demand & acceptance of illegal gratification (1), disproportionate assets (1) and Sanction for Prosecution against 2 officials.

15.2.3 Mahanadi Coalfields Limited, Sambalpur, Odisha

In Mahanadi Coalfields Limited, Sambalpur, Odisha, vigilance has been an essential and integral component of Management functions.

Recognising the fact that the contractual bill payments, refund of EMD's to the unsuccessful bidders, Coal transportation, Coal stock measurement, departmental and outsourced overburden removal have been the vulnerable area prone to corruption, several e-initiatives in the form of *stabilization of Coalnet, auto refund of EMD's, installation of in-motion road weigh bridges with RFID (Radio Frequency Identification of Coal Carrying tippers), use of SURPAC software in Coal stock measurement strengthening of On-line (system driven) Tuck Despatch system (OITDS)* for overburden removal have already been put in place and are further being toned up in order to increase its efficiency and effectiveness. These IT enabled services have been instrumental in enhancing greater transparency in the core business operations of the Company besides minimizing the scope of corruption/complaint in the core business operations.

Though preventive vigilance measures have been given paramount importance, the punitive vigilance measures have also been resorted to wherever major lapses in the field of Coal stock measurement,

Coal transportation, irregularities in financial transactions, lack of integrity etc. have been unearthed by the Vigilance Department. On the punitive side, departmental proceedings have also been initiated against 29 officials and 23 disciplinary proceedings have been finalized in the year 2013-14.

15.2.4 Eastern Coalfields Limited (ECL)

Considering its critical role in ensuring a transparent, fair and efficient functioning of the

organization, the vigilance activities have been truly integrated with the management functions in ECL. 65 surprise inspections have been conducted and intensive examination of large number of cases was undertaken laying emphasis on system improvement measures. Preventive vigilance, however, has continued to be the focus resulting in significant savings for the company through control of leakages and pilferages in the system. 4 awareness-cum- motivation programmes, conducted by Vigilance department for various stakeholders like executives/ non-executives of ECL, customers, suppliers/vendors, union leaders etc. have yielded rich

dividends for the company. Initiatives taken for leveraging technology through introduction of e-procurement, e-payment, discount bidding, CCTV, toll-free helpline for lodging complaints etc. have added immense value to the performance of the organisation.

A comprehensive system improvement measures were introduced for streamlining the Dak/ despatch system, procurement and application of safety items like Dust Bond / Ionizer and Fire Retardant Sealant, maintenance of Coal card was undertaken to prevent pilferage of domestic Coal, handling of explosives and maintaining explosive magazines.

Instances of irregularities, found to be committed willfully with malafide intention, have been dealt with firmly and exemplary punitive measures were taken as prescribed under the relevant Conduct Rules. 9 Persons were awarded various penalties including the award of 'Dismissal' in 3 cases.

E-Tendering has become fully operational with a total of 410 tenders floated for an amount of approxi-

mately ₹ 1287 Crore. The average cycle period of completion of tender process has been reduced significantly from 104.86 days to just 52.54 days in the current year. Introduction of discount bidding has helped in considerable cost-cutting in almost all bids. E-payment has been made mandatory. A toll-free helpline has been launched

15.2.5 Western Coalfields Limited (WCL)

Vigilance awareness week was celebrated and various programmes were organised including elocution / lecture competition, workshop and lectures on e-tendering and e-procurement. Out of 237 complaints, 217 were disposed of. Departmental enquiries were initiated in 10 RDA cases. In addition, CBI has registered 7 regular cases. Major penalty was imposed on 7 employees in 13 cases and also 23 employees in 12 cases. 23 surprise inspections were conducted. E-tendering and e-procurement has been fully implemented, GPS tracking system on 140 vehicles in Nagpur area have been installed. A total number of 102 CCTVs have been installed in the road weighbridges projects.

15.2.6 South Eastern Coalfields Limited (SECL)

Out of 167 complaints 144 were disposed of and 18 departmental enquiries have been completed. out of 34 departmental enquiries 18 were completed. CBI has registered 4 regular cases. Imposed Major penalty was imposed on 15 employees in 12 cases and Minor penalty on 16 employees in 12 cases. 12 awareness workshops were organised as part of Vigilance Awareness cum Personality Development Programme. 4 of vigilance workshop were organised.

By reducing threshold limits from ₹10 lakhs to 2 lakhs most of the purchase tenders have been brought under open competitive bidding category. Annual property returns of all executives of SECL were scrutinized, as special drive. A study was carried out by the Vigilance Department and identified 6548 quarters which are under unauthorized occupation and its vacation by due process is underway. Various technology initiatives like e-procurement, e-payment, online grievances handling system, APRs filing, and Production/Dispatch Reporting system have been initiated. 29 surprise inspections have been conducted during this period.

15.2.7 CENTRAL COALFIELDS LIMITED (CCL)

Two workshops on property return provisions, rules and formats were organised in January, 2013. Lecture on 'Inquiry Matters', "Vigilance Awareness for Management Trainees" were organised. Since the theme of this year's Vigilance Awareness Week was "**Promoting Good Governance – Positive Contribution of Vigilance**", CCL vigilance has organised workshops on 'Common Irregularities in Civil and Purchase Contracts' and a talk on 'Promoting Good Governance – Positive Contribution of Vigilance'. Further, workshops on 'Conduct Discipline and Appeal Rules of CIL and Vigilance Awareness' were organised.

Under the preventive vigilance, CCL vigilance has recommended measures for systemic improvement. About 18 suggestions have been made during this period which include rotational transfer of executives/non-executives from sensitive post to non-sensitive post; inter-connecting of regional stores and central stores through WAN; payment and refund of EMD through e-payment, etc. A total number of 13 regular investigations for verification

of different irregularities were taken up and 29 surprise checks have been conducted. Annual Property Return in respect of 71 executives has been scrutinized. A total number of 29 persons in 15 cases were imposed major penalty and 3 persons in 3 cases were imposed penalty.

IT initiatives have been taken up in a big way for implementation of COALNET modules/WAN installations, integrated GPS/GPRS based vehicle tracking and RIFD weigh system along with CCTV for the entire CCL command area is being implemented. Online filling of property returns by the executives of CCL was introduced w.e.f 2012.

CCL has adopted reverse auction through e-tendering mode in respect of all transportation contracts. Reverse bidding has been completed in 202 cases. About 470 cases of procurement have been done through e-procurement mode.

15.3 NEYVELI LIGNITE CORPORATION (NLC)

Vigilance webpage in NLC contains various information including online complaint lodging facilities, complaint tracking system which are linked to CVO's email. Complaint

tracking system has been implemented in NLC intranet for better monitoring and speedy disposal of complaints. Bill watch system for vender payment has been introduced by Finance Department and being updated daily.

SURPAC automation has been implemented in mines to avoid manual measuring of output of OB and Lignite. Tenders are published through Central Public Procurement Portal. Surveillance cameras have been installed in various strategic locations at a Neyveli and Barsingsar project.

15.4 COAL MINES PROVIDENT FUND ORGANISATION (CMPFO)

Vigilance awareness week was celebrated in CMPFO Headquarters at Dhanbad and its 24 Regional Offices from 28th October to 2nd November, 2013. "Agreed List" of suspected officers and list of "Officers of Doubtful Integrity" for the year 2013 are prepared and APRs were scrutinized during the year 2013-14. 3 departmental enquiries were taken up and 8 number of enquiries completed during the period. Major penalty was imposed in 3 cases.

15.5 APPOINTMENT OF INDEPENDENT EXTERNAL MONITORS (IEMs)

Coal India Limited and its subsidiaries and Neyveli Lignite Corporation (NLC) have signed integrity pact with Trans-parency International. 19 Independent External Monitors (IEMs) have been appointed in CIL, its subsidiaries and NLC in consultation with Central Vigilance Commission. Interaction of IEMs with Secretary, Ministry of Coal followed by orientation meeting of IEMs was held in Kolkata on 20.01.2014.

15.6 MONITORING AND REVIEW OF VIGILANCE ACTIVITIES

Periodical meetings were held with the Chief Vigilance Officers of Coal India/ its subsidiaries and Neyveli

Lignite Corporation (NLC) and CMPFO from time to time to review the progress of Vigilance issues and also to expedite the implementation of IT initiatives / GPRS fitted truck tracking system linked with electronic weighbridges, RFID and CoalNet.

An Interactive session with the CVOs and CMD CIL and CMD NLC was chaired by the Secretary, Ministry of Coal on 31st January, 2013 followed by an interactive session of C V O s with JS&CVO of Ministry of Coal on 28/6/2013. Another interactive session was held by Secretary with CVOs on January 20.01.2014. Review of pending vigilance cases, implementation of IT initiatives and measures for systemic improvement are regularly reviewed in the review meetings.