

कोल इण्डिया लिमिटेड

10, नेताजी सुभाष रोड, कोलकाता - 700 001, पं.बं.
फोन : 033 - 2248 8099, ग्राम : कोल इण्डिया
फैक्स : 033 - 2243 5316
इमेल : telecil@cal2.vsnl.net.in
वेबसाइट : www.coalindia.nic.in



COAL INDIA LIMITED

10, NETAJI SUBHAS ROAD, KOLKATA - 700 001, W.B.
PHONE : 033 - 2248 8099, GRAM : COAL INDIA
FAX : 033 - 2243 5316
E-MAIL : telecil@cal2.vsnl.net.in
WEBSITE : www.coalindia.nic.in

संदर्भ संख्या Ref. No. CIL/VIG/VD-53(CVC)/234

तिथि Date 20-06-12

CIRCULAR

In a case investigated by CIL Vigilance Division regarding alleged involvement of Senior Officers of a Subsidiary Company of CIL in decision making process in the matter of unilateral entry into collaboration by the said Subsidiary Company of CIL with a College Trust and Management Society for opening of an Engineering College, the following lapses were noticed :

01) The particular Trust was unilaterally invited by the Subsidiary Company of CIL to submit their offer and an estimate for opening of the Engineering College on the land and fund earmarked by the Subsidiary Company of CIL against their Corporate Social Responsibility. The Trust was apparently selected on nomination basis without inviting expression of interest in a non-transparent manner. Moreover, there were complaints on record against the general profile of the particular Trust alleging defiance of Income Tax Rules by the said Trust and misuse of donated land and assets besides specific allegations against the local head of the Trust, which were kept pending without any action by the Subsidiary Company.

02) Allocation of Rs.35 lakhs to the said Trust for opening of Engineering College was based on a self-styled estimate submitted by the local head of the said Trust on a special invitation by the Chief Executive and another Board Level Executive of the Subsidiary Company evading the initiative for calling expression of interest for opening of the Engineering College and other modalities.

Contd.....p/2.

वेकोरि./मु.स.अधि./सचि.क.
WCL/CVO/Sec./No. 832
दिनांक/Dated. 27/6/12

Dr. 27/6/12
G.M. (V) /
S.M. (M.M.)
Pl. update is
CIL
circular on
website
up. SL

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03) It was prudent that the architecture, design, estimate for construction and providing of infrastructure to open the Engineering College should have been worked out by skilled engineers of CMPDIL, which the said Subsidiary Company had not done and had approved handing over the entire finance to the said Trust which showed avoidance of due exercise of control and supervision to prevent misuse of public money earmarked for CSR fund.

In view of the lapses mentioned above, you are requested to take adequate precaution while dealing with such proposals in future to ensure selection of partners for collaboration in fair and transparent manner after following the established norms of selection/invitation through expression of interest(EOI)

This is being circulated for compliance and implementation while dealing with such proposals in future.

(S. Narsing Rao) 19/6/12
Chairman-cum-Managing Director

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(3) Shri I.P. Nagpal, Under Secretary(Vig.), MOC
- This refers to MOC's letter no. FNo.:52022/1/2012-Vig.
dated 09.05.2012.