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a modern tool for efficient and
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दृष्टिपूतं न्यसेत्यादं वस्त्रपूतं पिबेज्जलम् ।
शास्त्रपूतं वदेद्धक्यं मनःपूतं समाचरेत् ॥

- Look before you take a step,
- Filter the Water through cloth before
you sip,
- Conform to scriptures while speaking up,
- For conscience's sake, obey its whip!

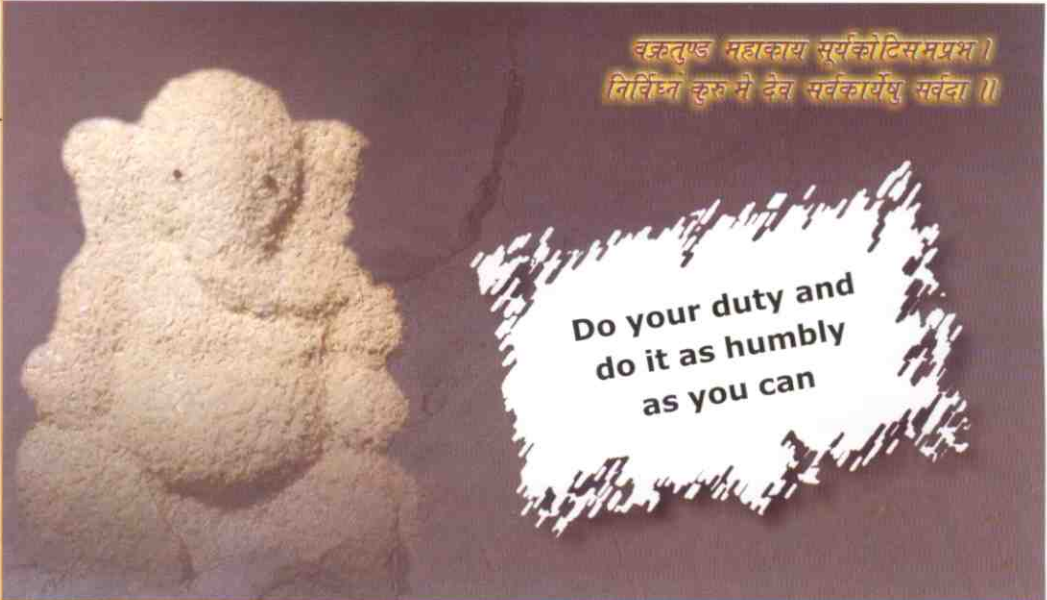
-Kautilya's Neeti Shastra

From CVO's Desk

A packaging of knowledge, experience and practice becomes wisdom. Trinkets of random thoughts and nuggets of information are strung together in this issue of Spandana. A harmonious marriage of ethical values with practical priorities is what is essential to an organisation that is forging ahead in a dynamic world. Ethics and vigilance will be totally counterproductive unless it is internalized and coalesces with the total culture of the PSU. To view it in isolation is missing the forest for the tree. Our endeavour will continue to be dissemination of knowledge and experience in improving systems so that prevention always prevails over occurrence. Let us apply our collective wisdom to the work environment and bring a melding of ethical practices with excellence in all other spheres to forge our organization ahead. All other things being equal, integrity and honesty always wins at the end of the day.

J. Srinivasan

(S Srinivasan, IAS)



वक्रतुण्ड महाकाय सूर्यकोटिसमप्रभ ।
निर्विघ्नं कुरु मे देव सर्वकार्येषु सर्वदा ॥

Do your duty and
do it as humbly
as you can

Vision of Father of Nation and his Warning about Corruption



Four days before his assassination, Mahatma Gandhi warned the country during his prayer meeting. "The subject of corruption referred to by the correspondent is not new. Only it has become much worse than before. Restraint from without has practically gone. Corruption will go when the large number of persons, given to the unworthy practice, realize that the Nation does not exist for them but that they do for the Nation. It requires a high code of morals, extreme vigilance on the part of those who are free from the corrupt practice and who have influence over corrupt servants. Indifference in such matters is criminal. If our evening prayers are genuine, they must play no mean part in removing from our midst the demon of Corruption".

Delhi Diary, 1948



POSSESSION OF DISPROPORTIONATE ASSETS

-A Glimpse of 2 cases in RINL, VSP

- ❖ 'X', an executive of RINL has been found guilty of misconduct in possession of assets grossly disproportionate to his known sources of income showing that he has been amassing his wealth using illegal and unlawful means misusing his official position. Therefore, the CBI Court has sentenced 'X' to undergo Rigorous Imprisonment for a period of 03 years and to pay a fine of Rs. 50,000-00, in default of payment of fine, to undergo further Rigorous Imprisonment for three months under different sections of Prevention of Corruption Act 1988. The Court also directed that Rs.93,00,000/- in the forms of cash, Fixed Deposits etc., found in possession of 'X' shall stand confiscated to the State.
- ❖ 'Y', an executive of RINL has been found guilty of misconduct in possession of disproportionate assets, a sum of Rs. 76 lakhs which he could not satisfactorily account, has been convicted under different sections of Prevention of Corruption Act 1988; and was
 - i. Sentenced to undergo imprisonment for a period of two years and imposed a fine of Rs.50,000/- and in default of payment of fine, to undergo imprisonment for a period of 3 months;
 - ii. Sentenced to undergo Rigorous imprisonment for a period of one year and imposed fine of Rs.50,000/- and in default of payment of fine, to undergo imprisonment for a period of 3 months;
 - iii. Sentenced to undergo Rigorous Imprisonment for a period of one year and imposed fine of Rs.50,000/- and in default of payment of fine to undergo imprisonment for a period of 3 months. Thus, the total amount of fine is Rs.1,50,000/-. All the sentences to run concurrently. The Court also directed that an amount of Rs.76,00,000/- being the disproportionate assets in the possession of 'Y' is confiscated to Government.



PAYMENT OF HRA TO A NON-ENTITLED EMPLOYEE

-An Investigation

- ❖ A source complaint has been received in Vigilance Department, RINL regarding "Payment of HRA to a non-entitled employee".
- ❖ **Vigilance Investigation – Modus Operandi:**
- ❖ X and Y working in VSP, at Headquarters. X and Y got married and they have submitted a Joint Declaration to Personnel Department that X will claim all facilities (LTC/LLTC, Medical etc.,) for self and family members during 1988. X was allotted a quarter in Steel Township in the year 1992 which was in his occupation till end of the year 1994. However, consequent upon surrendering his quarter to Estate Section, his wife (Y) was allotted a Company Quarter during Nov. 1994 (as per quarter allotment rules) in Steel Township, which is under her occupation. After surrendering his quarter, X was paid HRA in his pay (from Nov. 1994 to Dec. 2006) without any application from him, as per the Quarter Allotment Rules existing at that time.
- ❖ **Background to the above investigation:**
- ❖ The above investigation has been made in line with our earlier inquiry which took place a few years back, wherein 14 similar cases were identified and the matter has been put up to the Board. Board has approved the same w.e.f. 10.5.2003 which stipulates that HRA is not admissible when either of the employees (wife or husband) is allotted Company's Accommodation working at the same place/station.
- ❖ Subsequently, HRA Rules of the Company are modified w.e.f. 10/05/2003 as per which;

"the employees **shall not be entitled to HRA**, if his wife/her husband has been allotted accommodation at the same station by the Company, whether he/she resides in that accommodation or he/she resides separately in accommodation rented by him/her."
- ❖ As per the above rule, X is not eligible for House Rent Allowance from 10/05/2003 onwards.
- ❖ In the subject case, even though X was drawing HRA from Nov. 1994 to May 2003, the date of effecting recovery has been taken as 10/05/2003 only (as stipulated in the HRA amendment circular). Vigilance has taken up with Information Technology Department and obtained the data pertaining to HRA payment to X since 10/05/2003 till Dec. 2006. As per the data obtained from IT Department, it was arrived that X was paid an amount of Rs.60,000-00 (approx.) towards House Rent Allowance, which is not admissible.
- ❖ **Findings, Action taken :**
- ❖ An ADVISORY letter has been issued to the employee in line with the suppression of information towards undue receipt of HRA. The Head of the Department (of 'X') has advised Finance Department-Pay Section **to effect recovery** of excess House Rent Allowance paid to the employee.
- ❖ **Preventive Action & Vigilance suggestions:**
- ❖ Suggested Personnel Department to maintain up-to-date DATABASE of all employees and their spouses working in the organization, to avoid recurrence of such irregularities.
- ❖ To advice all employees to inform the Personnel Department if their spouses are working in the Company.
- ❖ Personnel Department to advice Finance Department regarding payment of HRA, LTC/LLTC etc., in all cases of employees whose spouses are also working in the Company.

