



WESTERN COALFIELDS LIMITED
OFFICE OF THE DIRECTOR (FINANCE)
COAL ESTATE, CIVIL LINES,
NAGPUR - 440 001



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Ref No. WCL:DF:SECY: 141

Date : 12.12.2005

All CGMs/GMs,
WCL Areas/CWS Tadali

CGM(MM)/CGM(Excav)/CGM(E&M)/GM(Civil)/GM(CMC)
GM(F)EA&C, GM(F)C&B

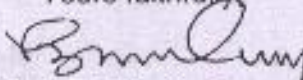
Dear Sir,

During the Vigilance Awareness Week from 7th to 11th November, 2005, interactive sessions with suppliers, contractors, transporters etc. were held and the following points emerged during these sessions :-

1. The EMD in the case of unsuccessful tenderers should be returned within a stipulated time which is not being done at present.
2. The performance report from the Areas in respect of supplies are delayed because of which Bank Guarantees are required to be revalidated time and again.
3. The final bills in the case of Civil Works are considerably delayed. At times the delay is almost 3 to 4 years.
4. The payment of bills are delayed and it was requested by the participants that a time bound schedule should be fixed and adhered to.
5. Regarding payment of bills in respect of ESM companies it was stated that the bills are paid promptly. However, payment on account of escalation of diesel prices are delayed considerably.
6. It was also brought out that the bills are delayed due to lack of budgetary provisions meaning that the work is awarded even before the budget certifications. Similarly, the work of hiring of equipments started on the basis of LOI. Subsequently the bills are delayed due to delay in sanction of funds.

You are requested to personally look into the matter and advise all concerned to take appropriate action as per the laid down procedure of the company to avoid undue delay.

Yours faithfully,


(Shyamal Bhattacharya)
Director (Finance)