

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:6545
ANSWERED ON:05.05.2010
CAG AUDIT
Mahant Dr. Charan Das

Will the Minister of COAL be pleased to state:

- (a) Whether CAG Audit Team has raised objections on a case related to retaining public funds (National Calamity Fund)
- (d) in the company fund by CIL, Kolkata Management and SECL Management;
- (b) If so, the details related to objections raised in this regard;and
- (c) the action taken by the Government in this regard?

Answer

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF COAL AND MINISTER OF THE STATE IN THE MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION (SHRI SRI PRAKASH JAISWAL)

(a): Under inspection report on the accounts and records of M/s Coal India Limited (CIL) for the year 2008-09, the CAG had made observations on the delayed remittance of funds to the Prime Minister's National Relief Fund (PMNRF) and the National Defence Fund (NDF). However, no such observations were raised in respect of SECL.

(b): The objections raised broadly are related to:

(1) Delay in remittance of funds amounting to Rs. 17,28,640/- in case of Orissa Relief Fund and Rs. 18,58,393/- in case of Kargil Fund.

(2) Rs.3,20,75,941/- was remitted to the Chief Minister's Relief Fund (West Bengal and Bihar) and other Relief Funds in a delayed manner and miscellaneous expenditure of Rs.66,869.50 was incurred out of the Orissa Relief Fund. The authority to divert and incur expenditure out of that fund was questioned.

(3) Reasons for not opening separate account for the purpose, and

(4) Allowing Tax rebate to the employees before the transmission of the funds.

(c): Chairman, CIL had constituted a committee to enquire into the delay in remittance of money collected for PMNRF / NDF. The committee has submitted its report and has accepted that in some cases there has been delay of more than 7 years in forwarding the funds collected by the subsidiaries by way of contributions made by the employees towards Kargil War, Orissa cyclone, Gujarat earthquake, Tsunami and J&K earthquake to CIL, Kolkata for depositing the same in the PMNRF/NDF. Some funds received from subsidiaries had also been lying with CIL, Kolkata for more than 7 years. On receipt of complaints on the subject, CIL and subsidiaries have deposited the balance amount in the PMNRF / NDF in Oct./Nov., 2007.

The committee has stated that no set procedure or system was put in place for recovery and remittance of various relief funds and it may not be feasible to fix responsibility on anybody for such lapse as it is a systems failure, which was accepted. The CIL has now laid down a system for recovery and disbursement of such funds to avoid recurrence of such incidents.