

NORTHERN COALFIELDS LIMITED

Note for 185th meeting of Board of Directors of Northern Coalfields Limited

Item no. 185/C-13

Subject: Providing Laptops to all executives of NCL

1.0 INTRODUCTION

To make the venture successful in the fast changing economy, it is essential for the organization to have a computerized working environment, which makes the organization efficient and also assists in better utilization of Information Technology. This helps in easier transfer of data and access to updated/latest technology. It is therefore, need of hour for the organizations to encourage computer based working and develop computer savvy Human Resources especially in view of implementation and usage of ERP, e-Banking, e-Procurement, e-Commerce, etc.

Modern business organizations acquires necessary and vital modern technological tool to conduct their operation optimally, effectively and efficiently. Use of Laptop, important office equipment enables in eliminating the physical barriers in communications and ensures fast retrieval and transfer of data etc. Moreover, the computer savvy Human Resources is an asset to the organization.

Keeping the above in view, a Scheme with operational modalities for Providing Laptop to all Executives of Northern Coalfields Limited has been prepared. FDs of NCL in its 453rd meeting held on 27.2.2014 have agreed in principle to provide laptop to all Executives of NCL.

The salient features of the scheme are as under:

2.0 ELIGIBILITY

All regular executives including Board level, Deputationists, who has completed at least three months service in CIL / NCL and posted in NCL will be eligible under the scheme. Management Trainees after confirmation / regularization in CIL / NCL will be eligible to avail the facility. The Welfare Officer (Trainee) and other Executives in E-2 Grade promoted from Non-Executive to Executive Grade will be eligible to avail the facility after closure of the probation period.

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3.0 AMOUNT:

Maximum amount (including Sales Tax / Insurance) for procurement of Laptop and associated peripherals shall be limited to Rs. 40,000.00 (Rupees Forty thousand only). In case the cost of Laptop is more than Rs.40, 000.00, the Company will pay Rs. 40,000.00 only.

4.0 PROCUREMENT

- 4.1 Executives of NCL shall procure the Laptop of a reputed company / brand, such as Sony, Compaq, Wipro, Apple, Dell, Toshiba, HP, HCL, Acer, Lenovo, IBM etc.
- 4.2 The concerned executive willing to procure the Laptop under this scheme shall submit an APPLICATION FORM (Annexure I) along with Pro-forma Invoice, an UNDERTAKING (Annexure II) and e-Mandate Form duly filled in by the concerned Vendor / Supplier and will submit the same to the Personnel Department of their respective Projects / Units (APM) / Executive Establishment at NCL HQ.
- 4.3 Personnel Department (APM's Office at Projects / Units / Executive Establishment at NCL HQ) will forward the required documents submitted by the concerned executives to the System Department (of respective Area / HQ) for verification of Make / Brand and noting. After getting the same verified by the System Department, the Personnel Department (APM's Office at Projects / Units / Executive Establishment at NCL HQ), will record all the details and issue necessary sanction order. Personnel Department (APM's Office at Projects / Units / Executive Establishment at NCL HQ) will send all the required documents along with the Sanction Order to the Finance Department of the concerned AFM of Projects /Units / NCL HQ.
- 4.4 On receiving the above, Finance Department will pass the Pay-Order booking the amount under advance to the concerned executive and release the payment by e-Payment / RTGS in favour of the Vendor / Supplier who issued the Pro-forma Invoice.
- 4.5 The concerned executive, within one month of the above payment, will be required to produce the Laptop along with final bill to Personnel Department (APM's Office at Projects / Units / Executive Establishment at NCL HQ) for verification and recording the details of the Laptop.
- 4.6 Personnel Department (APM's Office at Projects / Units / Executive Establishment at NCL HQ) after necessary recording forward the same to AFM's



Office at Projects / Units / NCL HQ for necessary accounting of 'LAPTOP' and adjustment of advance.

- 4.7 If an executive fails to produce the Laptop for verification within the period of one month of payment, the concerned Director may allow extension of another one month time. In case the Laptop is not produced even within the extended period of one month, the full amount paid by the company will be recovered from the concerned executive along with 12% per annum interest from the date of advance payment by the Company in a single installment.
- 4.8 The Bills / Invoice of the Laptop to be procured under this scheme shall be raised in the name of NCL.
- 4.9 Executives will be required to procure only the Branded Laptops (as above) with configuration for hardware and software required to discharge his / her official assignments.
- 4.10 Procurement of assembled Laptops and pirated software shall be strictly prohibited.
- 4.11 Executive will be required to submit an "UNDERTAKING" in the prescribed format along with the APPLICATION FORM.

5.0 LIFE SPAN

The life of the Laptop shall be Three Years (3 Years) from the date of purchase. An Executive can avail this facility again after the expiry of three years and after payment of all the dues of previous laptop for procurement of a new Laptop subject to existence of this scheme.

6.0 RATE OF DEPRECIATION

The rate of depreciation of "Laptop" shall be @ 31.67% per annum as per letter no. CIL/C-3(A)/31073/782 dated 26/2/2014 of GM (Finance), CIL. While determining depreciated value actual cost of the Laptop limited to Rs.40, 000.00 (Rupees Forty Thousand only) shall only be considered.

7.0 BUY BACK

- 7.1 On expiry of lifespan, i.e. after 3 years from the date of purchase, laptop shall compulsorily be bought by the concerned executive. The residual value, i.e. 5% of the cost of Laptop (limited to Rs.2, 000.00) will be recovered from the salary of concerned executive in one installment. Personnel Department (APM's Office at



Coalfields Areas / Executive Establishment at NCL HQ) will give intimation to Finance Department (AFM's Office at Coalfields Areas / Finance Establishment at NCL HQ) regarding expiry of lifespan after verifying the records for said recovery and necessary accounting. After expiry of lifespan and payment / recovery of residual value, the laptop will be property of concerned executive. At the time of buying the laptop, taxes and duties applicable, if any, shall be paid by the executive.

- 7.2 In case of superannuation / separation from NCL / transfer to other subsidiary of CIL / CIL HQ, the Executive concerned (Including Deputationists) should compulsorily BUY the Laptop paying the residual value calculated on monthly basis. It has to be deposited by the concerned Executive or else the amount will be recovered from dues payable to the concerned Executive. Personnel Department (APM's Office at Projects / Units / Executive Establishment at NCL HQ) will give necessary intimation to Finance Department (AFM's Office at Projects / Units / NCL HQ) after verifying the records for such deposit / recovery and necessary accounting.
- 7.3 In the event of buying of Laptop by the concerned executive, difference between the book value and the amount actually recovered as per the aforesaid method, if any, shall be written-off by the Finance Department (AFM's Office at Projects / Units / NCL HQ) without any further approval.
- 7.4 Executives who have already been provided Laptop by the Company shall not be eligible under this scheme till expiry of Three Years from the date of purchase of the Laptop by the company. However, after expiry of the life span of that Laptop purchased by the company, such Executive will have the option to buy the Laptop by paying 5% of the cost and then apply for new Laptop under this scheme.

8.0 GENERAL

- 8.1 Laptop procured under this scheme shall be meant for official work and will be the property of the Company till expiry of its Life span.
- 8.2 NCL reserves the right to verify the Laptop in the office premises as and when deemed fit.
- 8.3 Internet Data card / Dongle shall be provided to executives on need basis and as and when required against the approval of concerned Director.
- 8.4 Upkeep and Maintenance of the Laptop procured under this scheme shall be the responsibility of the concerned Executive.



- 8.5 Executive shall also be responsible for safe custody of the Laptop and in case of theft / damage etc., written down value on pro-rata basis shall be recovered from the salary of the concerned Executive.
- 8.6 In case of buying of laptop by concerned executive and / or superannuation / separation from NCL / transfer to other subsidiaries of CIL / CIL HQ, the concerned Executive should compulsorily submit all the official data / records / information of the concerned department and NCL / CIL as stored in his / her Laptop in a soft copy format to their respective Head of the Department / Succeeding H.O.D. of the department for obtaining no dues / clearance, for carry out business as usual and will not cause any hindrance / mislead others in discharging their official duties / work.
- 8.7 Executive shall be responsible for maintaining confidentiality of official data / records stored in their Laptop.
- 8.8 Executive will have to keep his / her Laptop free from Viruses by installing proper Anti-Virus software and keep the same updated during the life span of the Laptop and ensure that they do not affect the working of other computers of NCL.
- 8.9 Submission of any false information / false bills etc. under this scheme will be viewed seriously and action, if any, may be initiated under the CDA Rules, 1978 of CIL and amendment thereof.
- 8.10 D(P), NCL will be the competent authority for interpretation and / or modification / amendment / relaxation in this scheme. CMD, NCL will be the approving authority.
- 8.11 NCL reserves the right to modify, cancel, add or amend any of the provisions of this scheme.
- 8.12 On approval, the scheme shall be circulated to all executives of NCL.

Approval of Board of Directors is solicited for providing laptop to all Executives of NCL at a total estimated cost of RS. 7, 20, 00,000.00 (Rupees seven crore twenty lakh) only.

CMD, NCL in consultation with D(F), NCL has agreed for the scheme. The scheme is now put up for the approval of Board of Directors of Northern Coalfields Limited.

Company Secretary

