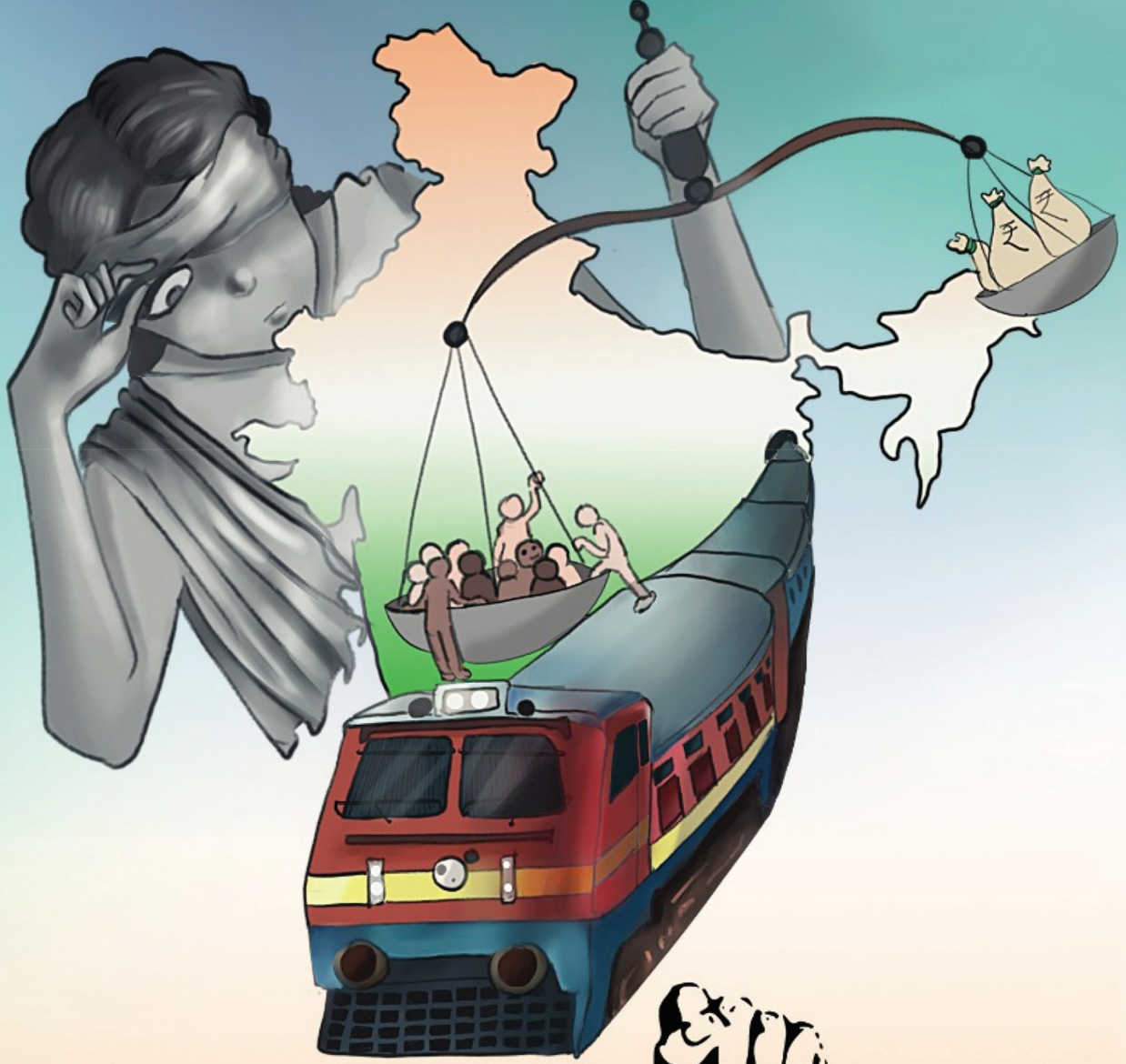


मर्यादा MARYADA



२०२१:2021

सतर्कता संगठन : **Vigilance Organisation**
दक्षिण पूर्व रेलवे : **South Eastern Railway**



“स्वतंत्र भारत @ 75 : सत्यनिष्ठा से आत्मनिर्भरता”
“Independent India @ 75 : Self Reliance with Integrity”

सत्यनिष्ठा प्रतिज्ञा

मेरा विश्वास है कि हमारे देश की आर्थिक, राजनीतिक तथा सामाजिक प्रगति में भ्रष्टाचार एक बड़ी बाधा है। मेरा विश्वास है कि भ्रष्टाचार का उन्मूलन करने के लिए सभी संबंधित पक्षों जैसे सरकार, नागरिकों तथा निजी क्षेत्र को एक साथ मिल कर कार्य करने की आवश्यकता है।

मेरा मानना है कि प्रत्येक नागरिक को सतर्क होना चाहिए तथा उसे सदैव ईमानदारी तथा सत्यनिष्ठा के उच्चतम मानकों के प्रति वचनबद्ध होना चाहिए तथा भ्रष्टाचार के विरुद्ध संघर्ष में साथ देना चाहिए।

अतः, मैं प्रतिज्ञा करता हूँ कि :-

- जीवन के सभी क्षेत्रों में ईमानदारी तथा कानून के नियमों का पालन करूँगा;
- ना तो रिश्वत लूँगा और ना ही रिश्वत दूँगा;
- सभी कार्य ईमानदारी तथा पारदर्शी रीति से करूँगा;
- जनहित में कार्य करूँगा;
- अपने निजी आचरण में ईमानदारी दिखाकर उदाहरण प्रस्तुत करूँगा;
- भ्रष्टाचार की किसी भी घटना की रिपोर्ट उचित एजेंसी को दूँगा।

Integrity Pledge

I believe that corruption has been one of the major system obstacle to economic, political and social progress of our country. I believe that all stakeholders such as Government, citizens and private sector need to work together to eradicate corruption.

I realise that every citizen should be vigilant and commit to highest standards of honesty and integrity at all times and support the fight against corruption.

I, therefore, pledge:

- To follow probity and rule of law in all works of life;
- To neither take nor offer bribe;
- To perform all tasks in an honest and transparent manner;
- To act in public interest;
- To lead by example exhibiting integrity in personal behaviour;
- To report any incident of corruption to the appropriate agency.



भारत सरकार
रेल मंत्रालय, (रेलवे बोर्ड)
रेल भवन, नई दिल्ली-110001
GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)
RAIL BHAVAN, NEW DELHI-110001

MESSAGE

Central Vigilance Commission is celebrating Vigilance Awareness Week from 26th October to 01st November, 2021 with the theme "Independent India @ 75: Self Reliance with Integrity: स्वतंत्र भारत @75: सत्यनिष्ठा से आत्मनिर्भरता" in a move towards commemorating 75 years of India's Independence. Accordingly, like every year Indian Railways will also carry out celebrations with the motive to weed out corruption and ensure integrity in public life.

Fight against corruption is not the sole responsibility of Vigilance organization but requires all out efforts from every Railway employee. Without complete commitment and devotion, it is not possible to fight corruption successfully. Therefore all the Railwaymen must make an united effort to root out corruption from the system. During the occasion, I would also like to mention that special emphasis to technology may be given to spread awareness about malice of corruption as well as to make our system more effective and efficient thus bringing more accountability and transparency.

Indian Railway is organizing the Vigilance Awareness Week in a motivated environment with a passion to sensitize the common man against the menace of corruption. Special efforts on following issues are being taken.

- i) Encouraging all for taking e-pledge by visiting the website.
- ii) Conduct of workshops/sensitization programs on policies/procedures.
- iii) Use of organizational website for dissemination of employees/customer-oriented information and to make available avenues for redressal of grievances, systemic improvements and good practices adopted.
- iv) Wide publicity to complaints under PIDPI (Public Interest Disclosure and Protection of Informers).
- v) Extensive use of social media platforms, bulk SMS/e-mails, WhatsApp etc. for spreading awareness.

I strongly believe that observance of Vigilance Awareness Week by following the measures suggested by CVC will assist all Railway employees to work in the right direction and to fight against corruption. With this, I extend heartiest congratulation to all those associated in this drive.

With heartfelt good-wishes


(Ramesh Kumar Jha)



महाप्रबंधक
General Manager
दक्षिण पूर्व रेलवे
South Eastern Railway

MESSAGE

It is a matter of great satisfaction that the Vigilance Department of South Eastern Railway is celebrating Vigilance Awareness Week from 26th October, 2021 to 1st November, 2021 under the auspices of the Central Vigilance Commission of India. This year – “INDEPENDENT INDIA @ 75: SELF RELIANCE WITH INTEGRITY” has been chosen by the Commission as the theme for Vigilance Awareness Week. Purpose of anti-corruption agencies cannot be accomplished without the active participation of all stake holders including common man. Hence, the commission lays greater emphasis on generating awareness among the common man to promote public participation as an effective means to fight corruption like wide publicity of procedures to be followed to lodge “PIDPI” complaints, organising grievance redressal camps for employees/customers/vendors etc, using organisations website/social media for spreading information etc.

I am happy to learn that the Vigilance Department of South Eastern Railway is also bringing out its yearly bulletin “Maryada” to mark the occasion of Vigilance Awareness week. I am confident that the case studies, suggested system improvements, thought provoking Poem, short Story & Article published in bulletin, will be very much useful to Railway employees in their day to day working and sensitize them about the menace of corruption.

I convey my appreciation to the entire team of Vigilance Department of S.E.Railway for bringing out this bulletin.


(ARCHANA JOSHI)
General Manager



वरिष्ठ उप महाप्रबंधक
Sr. Deputy GM
दक्षिण पूर्व रेलवे
South Eastern Railway

FOREWORD

It gives me immense pleasure to announce that the Vigilance Awareness Week shall be celebrated on South Eastern Railway commencing from 26th October, 2021 to 1st November, 2021 under the auspices of the Central Vigilance Commission of India. The theme for this year –“INDEPENDENT INDIA @ 75: SELF RELIANCE WITH INTEGRITY”. It is strongly felt that, as directed by Central Vigilance Commission, creating of greater awareness among the public and their participation in anti-corruption efforts would greatly help in eliminating the corruption from society.

Vigilance Department, South Eastern Railway publishes Vigilance Bulletin “Maryada” during Vigilance Awareness Week every year, in order to create awareness and promote probity among the Railwaymen.

This issue contains a number of important and interesting case studies related to irregularities detected, system improvements suggested to streamline inadequacies revealed during Vigilance investigations in different areas of Railway working etc. In addition, thought provoking article, poem & story have also been included to inculcate values amongst Railwaymen.

It is hoped that this issue will be read with interest and will be useful and motivating.

I would also urge upon all the readers to feel free to offer their valuable suggestions to the undersigned.

(VIJAY KUMAR PANJIAR)
Sr. Deputy General Manager

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ACTIVITIES DURING VIGILANCE AWARENESS WEEK 2020



Pledge administered by GM through virtual mode to all PHODs and other officials at HQ



DRM/Adra administering pledge

ACTIVITIES DURING VIGILANCE AWARENESS WEEK 2020



DRM/Ranchi administering pledge



Provision of E-Pledge at home page of SER's website.

**ACTIVITIES DURING VIGILANCE AWARENESS WEEK 2020
(QUIZ CONTEST/WALKATHON)**

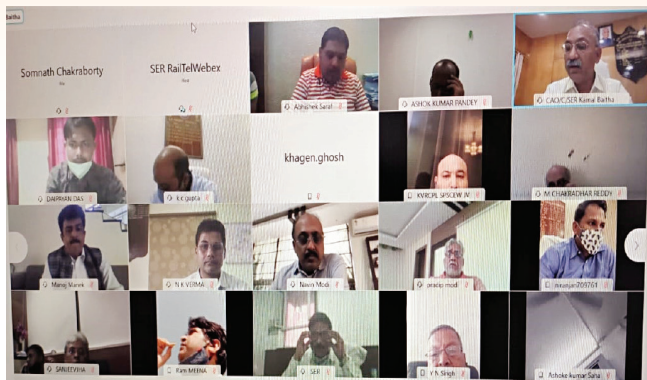


Winners of Online quiz contest for employees' wards



'Walk for Integrity' - was organized at different places during the week maintaining COVID 19 protocols

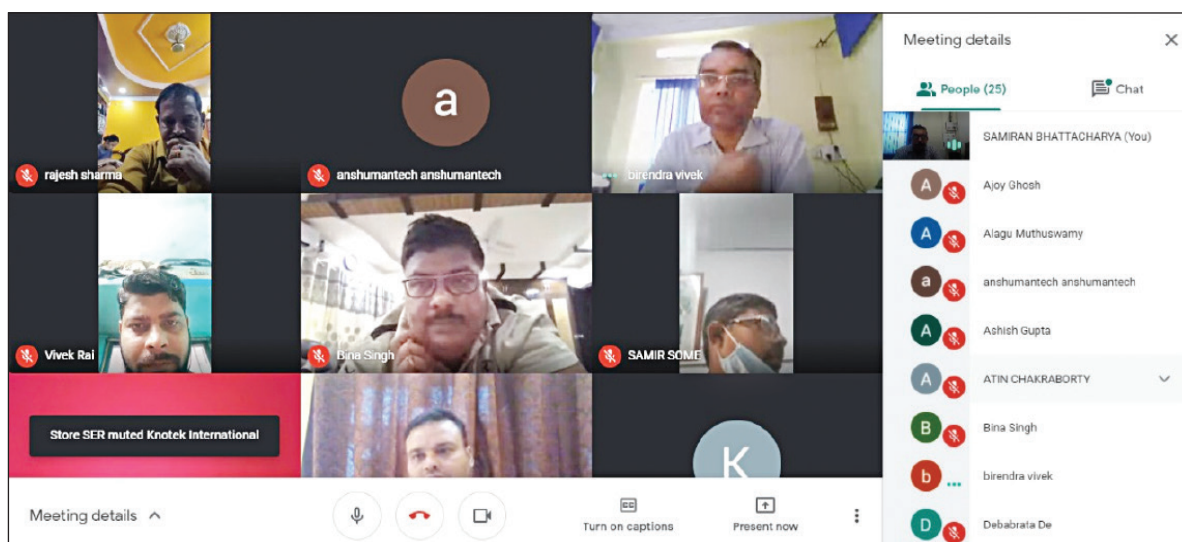
ACTIVITIES DURING VIGILANCE AWARENESS WEEK 2020 (VENDORS MEET/WEBINAR)



Virtual Vendors meet at CAO(Con)/GRC's office



Webinar organized virtually at ELTC/TATA



Vendors meet at PCMM/GRC's office through virtual mode



Vendors meet at KGP Division



Webinar at Zonal Railway Training Institute/
Sini

ACTIVITIES DURING VIGILANCE AWARENESS WEEK 2020 (SKIT PLAY AT DIVISIONS)

Skit performance of Divisional Cultural Associations



At Ranchi



At Chakradharpur



At Adra



At Kharagpur

ACTIVITIES DURING VIGILANCE AWARENESS WEEK 2020 (SPREADING AWARENESS THROUGH DIGITAL POSTERS/BANNERS)



Banners/Digital posters were displayed at all important public places

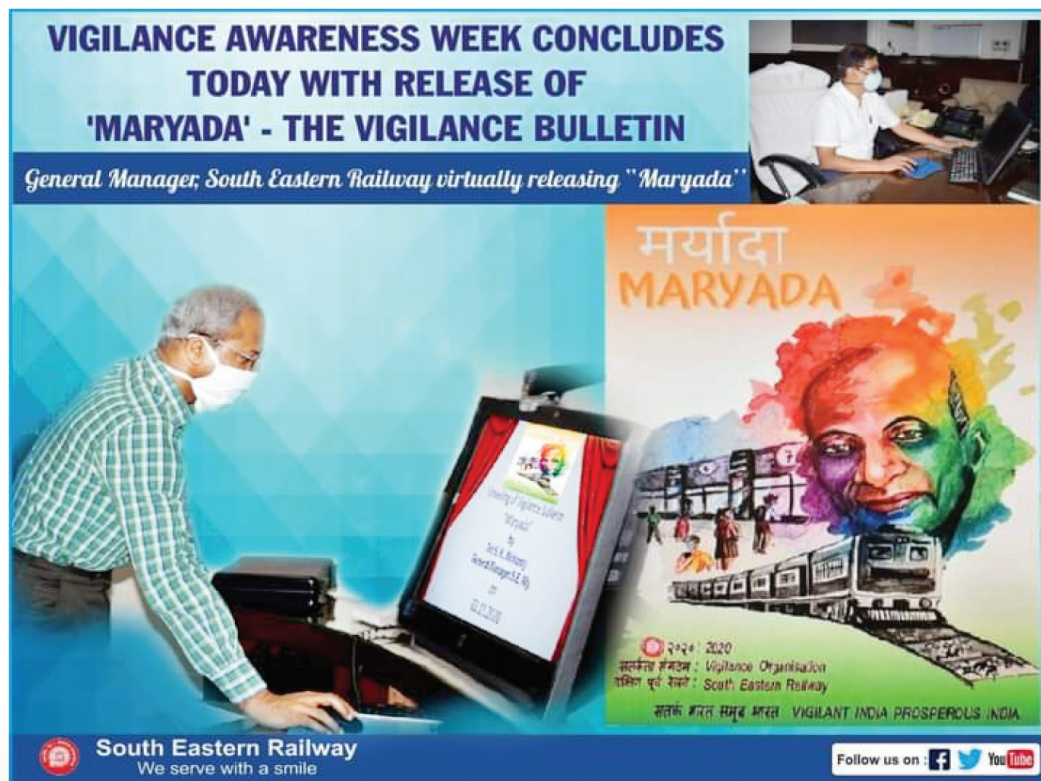


Virtual posters displayed at different locations

ACTIVITIES DURING VIGILANCE AWARENESS WEEK 2020 (SPREADING AWARENESS THROUGH DIGITAL POSTERS/BANNERS)



Display of Digital posters in Social media



Vigilance bulletin "Maryada" 2020 (digital) virtually released by GM/SER and uploaded on organizations website

पुनरावृत्ति

डॉ सुनील कुमार शर्मा
मुख्य रोलिंग स्टॉक अभियंता (फ्रेट)
दक्षिण पूर्व रेलवे, गार्डन रीच, कोलकाता

अक्सर ऐसा होता है
मन भरमाता है
थोड़ा ललचाता है ।
कभी कोई कीमत लगा गया
समय थोड़ा,ना कहने में
लगाया,इत्ते में ही,
व्यक्ति-अभिव्यक्ति
खरीद कर चला गया ।
समझा कहाँ किसने
ये बाज़ार लगाया ।
चलते चलते बातों बातों में,
माया जाल रचता है ।
अजब गज़ब छल-बल
भरमाता है,
अक्सर यह भी होता है
सच से ज्यादा झूठ चलता है
अमन-चैन के साथ
तुष्टि संतुष्टि पर भी
चपत लगती है ।
खबर तो कई बार
पुलों और इमारतों के भी
बनते बनते गिरने की आई ।
उन के अन्दर भी घुस कर भी
क्या सेंध लगाई ?
अक्सर यह भी होता है
उम्र फिसलने के बाद
घर जाने की बारी आई
तो हाय चुनरिया अपनी
कितनी मैली सी नज़र आई ।

समय इतिहास की तरह
कई बार दोहराता है ।

The Garden of Eden

Somedutta Chakraborty, Student of Class-XII

"You won't believe how lovely it was Meera, unless you witnessed it yourself. A luxurious wooden cabin nestled in the lap of Himalayas. It seemed like paradise to me. I can't thank dad enough when it comes to the Manali trip. He has conferred on me, the experience of a lifetime". Meera paused for Riya to conclude her monologue, while she let the description sink into her senses. Meera had been to Manali, a few years back. Her stories about the place however, revolved only around the naturalistic setting, the beautiful mountains, not nearly as posh as Riya's tour itinerary she fathomed.

Meera couldn't christen her state of mind- what exactly her feelings were with regard to Riya's extortionate ventures. Meera knew it wasn't jealousy; it wasn't an inferiority complex either. It was more of bafflement for her. Her father, a government official worked in the same office as Riya's father. They shared a similar post, their cubicles stationed next to each other and yet Riya always had better stories to tell, to flaunt in fact. This discrepancy stood out like a stand alone, discreet brick on the wall. Meera was old enough to tie, "fulfilment of dreams" to one's economic status. So she wondered why Riya's life was so wondrous. She craved for an answer, every time Riya came in to display brand new shoes, bags and dresses. Meera struggled to resolve this inner conflict.

As far as Meera's mother was concerned, she was more distressed than surprised or suspicious. She believed her husband wasn't clever enough to reap benefits from his job or improve his stature. She constantly compared the extravagance in their lives to the minimalistic simplicity in hers. Meera's father however was un-nerved by this. He couldn't care less, nor did he pay any heed to the taunts coming from his wife. In his heart, he knew that he was taking exactly what was due to him, not more not less. This simple logic helped him convalesce.

Meera felt that somehow, Riya's home was the Garden of Eden, tread by God himself. Everything was perfect in there. "Their life must be very fulfilling", she thought.

All of a sudden, in a very subtle manner the bliss of perfection in the garden was swept by a storm. A storm of police troops busted in Riya's home one day. Meera saw a seemingly unusual day change dramatically. She saw Riya's father hauled by the police, his hands cuffed in shame. Meera would never forget the look in Riya's eyes, an image of profound helplessness. Apparently some raid in their house had exposed tax fraud, bribery. That day, Meera saw a family, relationships being severed. Her idea of Eden became distorted.

She realised that god's garden is beautiful only if one finds inner peace and is free of guilty conscience. She realised that day, she had been living in that garden, all this while.

Be A Candle

Hemanta Kumar Mohanty

Dy.COM/Infra

Now a days it is easy to overcome with a feeling of darkness - a feeling of frustration and pessimism due to various issues and problems we encounter in our day to day life. Corruption is one of those. We discuss a lot of about it, analyse it's causes and suggest solutions , however do a little on our own towards improvement. We blame others for doing nothing about it. Criticise people for being corrupt. But when it comes to us for taking action against corruption or promoting transparency we often falter, apprehending that our action is too small a thing against the massive sphere of corruption, hence futile.

It is true that corruption is a major social problem in India. A social problem by its very definition concern a large number of people. Also, there are many social, economic and political complex issues involved with it. Inspite of various measures taken by successive governments, the malaise is still strong. However, we must realise that there is no overnight solution to it. Systematic, continuous and progressive actions are required to combat it. For this every person at every level has to contribute what ever possible at his or her own level both at official and personal level.

There is a famous Chinese proverb, which says - "It is better to light a candle than curse the darkness". It means, it is always better to do something about a problem than just complain about it. Further, a candle is a small answer to a large problem, but it is still a worthy step in the right direction, rather than just bemoaning the problem (of darkness).

It purports that it is better to do something, no matter how small the action is about a problem, rather than sitting idle and complaining about it. The candle in the proverb is a small answer to a large problem, it can be a laudable choice in the right way to contribute towards solving the problem (darkness).

Small individual contributions can lead to great achievement. We all know about the contributions of squirrels in making of the "Ram Setu" in the the Ramayan. No effort should be considered small. Small droplets of water make the giant oceans.

The proverb is not just limited to the beautiful juxtaposition of light and dark imageries but extends to entail its usages far and wide. We often blame our situations and lose hope for any scope of improvement. In our gloominess we seldom recognize the rays of hope and fail to channelize our strengths to make a meaningful difference. We limit our understanding of the problems and think of it as an abyss – impossible to be overpowered. We forget that a ray of light has the ability to pierce the most dense darkness.

Most of us think in directly and ignore the possibility of any meaningful action. A candle is capable of illumination, although to a limited extent. The limitation of the extent doesn't limit its usefulness. With small things comes the big change and the use of a candle to drive away the darkness manifests the same. It is far better to take small initiatives of change than to avoid steps and bemoan the problems.

Case Study – 1

Irregularities in incorporation of N.S. item:

A preventive check was conducted with regard to the irregular incorporation of NON SCHEDULE item in the contract agreement in a Division.

During the check, it was found that the concerned SSE had executed the work of anticorrosive paint on rails and recorded measurement in MB through relevant SOR item of the said contract agreement. He made payment by operating SOR item up to CC-V & on A/C measurement. Then, he discontinued the payment through SOR for the execution of said work. Instead, initiated a proposal for the incorporation/inclusion of N.S. item for payment of execution of the same work. There was no written instruction from higher Railway Authority in this regard.

Based on his proposal, the unwarranted N.S. item was included in the contract agreement for providing anti-corrosive paint for a quantity 24000m of rail for a total cost of Rs 8,04,000/-. As the N.S. item so incorporated in the contract was at a higher rate than SOR item, this resulted in financial loss to Railways amounting to Rs 2.99 lakhs which could have been prevented, had he continued payment of the work through SOR item in the subject contract agreement.

Major penalty action under DAR has been initiated against the concerned SSE.

Case Study – 2

Detection of huge undue excess payment to the contractor by using wrong/improper/erroneous USSOR item:

Acting upon a verified complaint, a vigilance check was conducted with regard to the alleged irregularities in the execution of a contractual work in a Division.

In the course of check, while scrutinizing the relevant MB, it was found that measurement had been recorded in MB for the work of *“supplying and laying kerb stone 30cm x 20cm (in section/including chamfering as per design if any) chisel dressed on top and sides including fixing in 1:6 cement sand mortar and pointing with 1:2 cement mortar(1 cement : 2 sand ordinary) including all excavation/refilling, ramming and other incidental works as required vide USSOR item no.237030 @ 763.65/mtr”*

As per the stipulation of aforesaid item, kerb stones should be chisel dressed (carved out of natural rock stones) and these should be of section 30cm x 20cm. But, during the joint check conducted at site of execution, it was observed that precast Plain Cement Concrete (PCC) blocks of section 25cmx10cm had been laid which were not confirming to the specifications of aforesaid USSOR item through which payment was made to the concerned agency.

While submitting their clarifications to SER Vigilance department, the concerned officials admitted that payment has been released to the contractor by using wrong USSOR item (i.e. USSOR item no.237030 @ 763.65/mtr) and stated that appropriate USSOR item for payment of said executed work should be item no.032031 @ 1910.75/cum.

The details of excess payment due to erroneous item vis a vis appropriate item are tabulated below-

		Erroneous item through which payment was made as found during joint check	Appropriate item through which payment was made subsequent to vigilance check
(i)	USSOR item no.	237030	032031
(ii)	Description	Supplying and laying Kerb stone 30cm x 20cm (In section/including chamfering as per design if any) chisel dressed on top and sides including fixing in 1:6 cement sand mortar and pointing with 1:2 cement mortar (1 cement : 2 Sand ordinary) including all excavation/refilling, ramming and other incidental works as required	Providing and fixing at or near ground level, precast M20 grade cement concrete as per approved design and setting in position with cement mortar 1:3(1 cement : 3 coarse sand) including the cost of required centering and shuttering complete but excluding the cost of cement in Kerbs, edging etc
(iii)	Rate	763.65	1910.75
(iv)	Unit	Mtr	cum
(v)	Qty	2245.32 mtr	$2245.32 \times 0.10 \times 0.25 = 56.13 \text{ cum}$
(vi)	Amount as per accepted rate	$2245.32 \times 763.65 \times 1.0993 \times 1.2754$ = Rs 24,03,996.76/-	$56.13 \times 1910.75 \times 1.0993 \times 1.2754$ = Rs 150370.12/-
(vii)	Add Cost of cement	nil	$56.13 \times 0.404 \times 5635 \times 0.962 \times 1.2885$ =Rs 158390.75/-
(viii)	Total Amount (vi) + (vii)	Rs 24,03,996.76/-	Rs 150370.12 + Rs 158390.75 =Rs 308760.87/-
(ix)	Undue Excess payment	$\text{Rs } 24,03,996.76 - \text{Rs } 3,08,760.87$ = Rs 20,95,235.89/- = Rs 20.95 lakh	

The erroneous operation of USSOR item for effecting payment resulted in substantial loss (Rs 20.95 lakhs) to the Railway exchequer. Consequent on vigilance check, as stated by concerned officials, the entire quantity paid through wrong item (i.e. 237030 @ 763.65/mtr) have been deducted and again recorded in final bill by operating appropriate USSOR item (i.e. 032031).

Major penalty action under DAR have been recommended against the concerned JE, SSE & ADEN and minor action has been recommended against concerned estimator for endorsing wrong method of measurement through his technical check. The case has been sent to Railway Board for 1st stage advice.

Case Study – 3

Fictitious record of measurement in MB towards the execution of a contract agreement:

A joint check was conducted in connection with the execution of work of Track and Level crossing maintenance.

In the course of said joint check, it was revealed that the concerned SSE/PW had recorded three CC-I & final bills against three approved work orders under the subject contract agreement without mentioning in MB the date of commencement, date of completion and the date of measurement of the work to be paid for. The validity of said contract had elapsed 8 months back and subsequent zonal contract was in force.

The details as follows-

Name of work	Date of commencement	Date of completion	Date of measurement	Approved Work Order amount
Through packing	Not recorded in MB	Not recorded in MB	Not recorded in MB	Rs 1,66,155
4th round joint packing	Not recorded in MB	Not recorded in MB	Not recorded in MB	Rs 1,82,503
Ballast dressing and boxing	Not recorded in MB	Not recorded in MB	Not recorded in MB	Rs 1,77,188
				Total Rs 5,25,846.00

In terms of para 1320 of Indian Railways code for Engineering department, it is mandatory to mention dates of commencement and completion of work and date of measurement. It is also stipulated that the person making the measurements should sign with date.

In violation of aforesaid codal provision with regard to the recording of measurement in MB, the concerned SSE had neither mentioned the date of commencement, date of completion and date of measurement nor were his signatures in the said measurements accompanied with any date.

The MB with above three fictitious measurements was seized on the date of vigilance check although the contract was expired 08 months back and the work under new zonal contract was going on.

Major penalty action under DAR has been initiated against the concerned SSE.

Case Study – 4

Unrealistic assessment of work in tender schedule/estimate:

A PC was conducted on the aspect of duplicity/unrealistic assessment of work in tender schedule/estimate. In this connection, one contract agreement was scrutinized with a view to ascertain the scope of work stipulated in contract schedule vis-a-vis actual work executed/paid for.

In the course of check, following irregularities were detected-

(i) The contract was awarded for TSR work and cess repair work at a specified location of a particular section. The value of contract was 1.39 crores. Immediately after the issue of LOA, part of work (approx 40 lakhs) was diverted to another section on the justification that **“considerable savings is anticipated”**.

(ii) Some amount (approx 4.44 lakhs) against this contract was splurged in construction of a store room which was not in the scope of work.

(iii) No cess repair work was executed although the same was in the scope of contract.

(iv) Apart from above, massive unauthorised/out of scope work was found executed and paid against the contract in question such as side drain, WBM road and fixing of Latrine door etc.

(v) That was not the end of malaise in this contract. Even after the expiry of validity of contract, the concerned SSE had executed and paid for some fresh work such as snowcem over the drain and raising of drain height by 50mm against the aforesaid expired contract which were supposed to be rectification work in compliance to concerned ADEN's inspection note. This resulted in pecuniary loss of Rs 1,48,017/- to the Railway exchequer.

Minor penalty DAR action has been approved by competent authority against the concerned SSE/PW for executing unauthorised work and accepting defective drain.

Major penalty DAR action has been approved by competent authority against the concerned In charge SSE for causing a loss of Rs 1,48,017/- as the said payments were not legitimate dues to the concerned contractor.

Case Study – 5

Irregularities In Employment Notification And Loss Of Railway Revenue

In order to fulfill the shortfall in cadre strength in different Departments, Railway administration appoints/recruits staff on contract basis like all other Government organization. Railway administration is to adhere to the rules and regulations in the process of recruitment/appointment either for appointment of regular staff or contractual staff whatever the case may be.

During the pandemic situation arising out of COVID-19, Railway administration was facing acute crisis of Doctors and Para-medical staff in Railway Hospitals. Railway Board had sanctioned special grant to appoint Para-medical staff for Railway hospitals in order to give treatment to the COVID patients.

Like all other Zonal Railway, South Eastern Railway had also appointed some Para-medical staff on contract basis for the Railway Hospitals.

The recruitment procedures like Notification for appointment, Selection, Offer of appointment etc. were initiated at Divisional level and headquarter level separately. During the Preventive Check conducted by Vigilance Branch some irregularities were detected in the process of appointment of Contractual Staff Nurse in one Division of South Eastern Railway.

IRREGULARITIES:-

During the investigation, the Pay Bills of the Contractual Staff Nurse of some Divisions had been checked wherein it was detected that the Nursing Allowance had been drawn in favour of the Contractual Staff Nurse in one Division of South Eastern Railway which are not admissible. After obtaining the administrative approval of the competent authority i.e. DRM for recruitment of Para-medical staff on contract basis in one Division, notification had been published through website. But no Prior approval of the competent authority was taken for publication of the notification due to urgency, though Post-facto approval of the competent authority had been taken. The Terms & Conditions mentioned in the said Notification were in violation of the guidelines stipulated by Railway Board. In the Terms and Conditions of the notification it was mentioned that remuneration of Contractual Para Medical Staff was same as regular Railway Para medical Staff.

In the Offer of Appointment of the selected candidates for the post of Contractual Staff Nurse, it was mentioned that the Pay and allowance are in Level-7 of 7th CPC. Plus usual allowances as admissible at par with regular staff.

Regular Staff Nurse is eligible to get Nursing Allowance but according to the Railway Board's letter No. 2017/ Trans/01/Policy/Pt.1 Dated 12.04.2018 Contractual Staff Nurse is not eligible to get Nursing Allowance. Hence great lapses were observed in the Terms & Conditions as mentioned in the Notification of appointment and also in the offer of appointment and accordingly, erroneous payment by Railway administration on account of Nursing allowance to the Contractual Nursing Staff, amounting to Rs.7, 25,767/-, was made out of which Rs.3,72,579/- has already been recovered after intervention of Vigilance Branch. However, Rs.3, 53,188/- could not be recovered as some of the Contractual Staff Nurse have already left the service.

The concerned Staff and Officer have confessed their mistakes and lapses on their part during clarificatory statement. For these types of negligence the concerned staff and officer had been taken up for administrative action as deemed fit.

Case Study – 6

Irregularities In Payment Of Allowances –

Preventive Check was conducted in the office of one Bill Compiling Officer of South Eastern Railway. The main aspect of the check was the drawal of allowances in favour of the staff of Medical Department. Bill compiling authority is to follow all the rules and regulations as laid down in Establishment Manual, Circulars issued by Railway Board from time to time and the Establishment Serials published by concerned Zonal Railways.

Railway Board had granted Hospital Patient Care Allowance and patient care Allowance

to Group C & D (non-Ministerial) Railway employees working in Railway Hospitals and Health Units/Clinics vide their letter No. E(P&A)II-98/HW-6 Dated 9.1.2008 and RBE No. 1/2008. Accordingly South Eastern Railway issued Estt.Srl. No. 26/2008.

In RBE No. 1/2008 and S.E Railway's Estt.Srl. No. 26/2008, the provision of granting the HPCA/PCA to the particular categories of staff of Medical Department was stipulated. The categories of Dieticians/Sr. Dieticians were not included in list of specific categories of staff of Medical Department who are entitled to HPCA/PCA.

IRREGULARITY

During the check it was detected that Hospital patient Care Allowance was being drawn in favour of a Sr. Dietician of this Railway erroneously since June 2008. Bill Compiling authority could not produce any authority as sought by Vigilance Branch. Personnel Branch had referred the case to Railway Board seeking clarification of the point of admissibility of drawing HPCA in favour of the Dietician/Sr. Dietician as pointed out by Vigilance Branch. Railway Board further clarified that the Dietician/Sr. Dietician did not fall amongst the list of categories eligible for payment of HPCA/PCA and hence Dietician/Sr. Dietician was not eligible for payment of HPCA as per extant instruction. Hence excess payment had been made to the concerned official.

Bill Compiling authority had admitted the lapses for which the overpayment of **Rs.3,58,500/-** had been made. The said amount was assessed and the process of recovery of the excess amount paid to concerned official, had already been started. Further investigations are underway to fix responsibility.

Case Study – 7

Service-related contract was awarded at an exorbitant high rate at 88.43% above the advertised value. This led to a loss of 1.1 Core (approx.) to the Railway exchequer

The Case highlights are as under:-

(i) Tender for Contract for outsourcing of manpower for loading, unloading and transportation of 'linen Packets' from Mechanized Laundry to respective Railway Stations for a period of two years was floated under "Two Packet" system.

(ii) The tender document reflects the four schedules namely A1, A2, A3 & A4 'handling of linen packets' [used for payment purposes] by the contractor and estimate was prepared for schedule A1 @ Rs 2.17, A2 @ Rs.1.98 per packet handling of linen A3 @ Rs 0.28 per packets for transportation to and from two specific Railway stations and A4 as GST. The total estimated/advertised value of the tender was Rs.1.17Cr (approx) Including GST. Tender condition stipulated that minimum qualifying marks for evaluation of technical bid shall be 60 Marks and whose score was 60 marks or above, the financial bid (Packet-II) of those Tenderers will be opened.

(iii) The said tender had to be floated four times and tenderer "X" was one of the bidder on all the occasions the floating the said tender. For first three Occasions, the tender was discharged at technical bid evaluation stage itself, On the ground, tenderers either not scoring the minimum qualifying marks, mandatory documents not uploaded to become technically eligible or withdrawal of Bid by tenderer.

(iv) On the fourth occasion, six tenderers participated, wherein offer of four tenderers were rejected for non-qualifying on technical ground by all the members. However, the rest two tenderers ("X" and "Y") there was a difference in opinion between convenor and the finance member of the TC in regards to award of marks under the "size of workforce" (to "X"). Finance member had given dissent on awarding the score under the "size of workforce" (to "X") based on the payment documents of the staff with Bank Seal, which he did not consider the same as a proof of submission to Employees' Provident Fund Organization (EPFO) thereby resulting, in the score of tenderer 'X' reduced below eligibility score of 60 Marks. Tender Accepting Authority (TAA) accepted the recommendation of TC with views of the finance member. Thereby, the tenderer "X" was disqualified during technical bid evaluation stage.

(v) As a result, only bidder "Y" was declared technically eligible and finance Bid "Packet-II" of "Y" was opened.

(vi) After opening of the financial bid, it was found that the offer value (Tenderer "Y") was above Rs.2 crs including GST. Accordingly, as per stipulation of MSOP correction slip no- A-1/SER/MSOP-18, three members Tender committee (TC) was formed for evaluation of finance bid of the tenderer.

(vii) Three Member TC evaluated the finance bid evaluation and found the offer of the single tenderer "Y" was 97.98% above the Advertised/departmental value and recommended for one round of negotiation with the technically eligible bidder "Y" in order to explore the possibility in reduction of rates.

(viii) The 1st round negotiation was held in presence of three member TC with the eligible bidder "Y" but the firm did not reduce the rate for schedule items i.e. handling of Linen packets (i.e. Schedule- A1 & A2). Whereas, made only a token reduction of rate for transportation schedule (i.e. Schedule- A3). Accordingly, all the three TC Members and representative of bidder "Y" signed the negotiated rate sheet on the date of negotiation but TC minute was not prepared on date.

(ix) TC minutes for 1st Round negotiation was prepared on a later date, and signed by only two TC members and 3rd member was not even informed for the reason that GST quoted by "Y" bidder 18.0027% in place of 18%, as such GST is set aside, and GST will be paid to the contractor on submission of Proof, when GST is set aside, the offer value becomes less than Rs.2 Crs as such 3rd member is not required, though the tender was floated including GST and GST being one of the Schedule (i.e. schedule-A4) in this tender. Two members TC recommended for another round of negotiation.

(x) During final stage of TC proceedings, the very same Tender Accepting Authority (TAA) projected the manpower requirement to accomplish the work by the Contractor which is deviation from the tender conditions.

(xi) In the 2nd round negotiation attempt! Negotiation was held in presence of Two member TC i.e. Convenor and Finance member, during negotiation with eligible bidder "Y". Here also "Y" did not reduce the rate of schedule items A1, & A2 but reduced the rate for transportation of Linen packets (i.e. Schedule- A3) at par with departmental value.

(xii) Tender Committee (TC) decided the contract held the offer of the firm (i.e. 'Y') reasonable by considering the projected 'number of manpower required to accomplish the

said contractual work' setting aside the 'tender schedule item' & "primary measurement unit" i.e. payment shall be made on the basis of number of linen packets being handled by the contractor. But, the total Departmental value of the estimate itself assumes on the basis of handling number of linen packets by the contractor. Tender Accepting Authority (TAA) accepted the recommendation of Tender Committee which was **88.43%** higher than the tender value.

(xiii) Accepted rates for the schedule item of the tender escalated to as high as Rs. 4.10 and Rs 3.92 per Packet of linen of respective Railway stations where as the departmental rate of the work was @ Rs 2.17 and @ Rs.1.98 per packet respectively.

(xiv) Tender committee had very ample opportunity to judge the reasonableness of such high rates. The same work of loading/unloading of Linen packets was in progress on quotation basis @ Rs 2.35 and @ Rs.2.20 per packet for said two specific Railway stations under the same unit, same could have been the reference point for price justification, but Tender deciding authority did not consider the said rate but justified the final negotiated bid of "Y" as reasonable .

(xv) As a result of tender committee's recommendation, Tender Accepting Authority(TAA) accepted the recommendation awarded the work to "Y" at **88.43%** higher than the advertised tender value which is exorbitantly high rate resulting in loss of Rs 1.1 Cr. (approx.) to the Railway exchequer. The Case is under detailed Investigation.

Case Study – 8

Exploitation of RAS (Rake Allotment System) by a group of Companies:

Source information revealed that a particular group of Companies, under the jurisdiction of this Railway, were placing multiple indents for transportation of Iron Ore Pellets from three sidings of KGP Divn by creating multiple Shell Companies under its control and uses those shell companies to place multiple indents. As a result there has been higher allocation of rakes to that particular group for transporting of Iron Ore Pellets from S.E.Railway to DPCB defeating the very purpose of the scheme and other small players are also suffering badly. This resulting allocation of higher percentage of rakes in favor of that particular group of Companies and decrease the share of allocation of rakes to other circles.

The investigation revealed that the Modus Operandi adopted by the group of Companies was to exploit the rules as stipulated in the RAS (Rake Allotment System) in Indian Railways. In RAS, the rakes are allotted Commodity wise, destination wise and both at loading and unloading point siding wise on pro-rata basis. Now, one particular company was not allowed to place more than **three (03)nos of pending Indents at a time for a particular destination**. As such, to get maximum allocation of rakes from the three Goods sidings of KGP Divn /S.E.Railway, the Group of Companies had formed 59 shell Companies under them. Each one of these shell Companies have placed **3 nos of indents** at those three sidings of KGP for transportation of Iron Ore Pellets as Consignor to one or two Consignees resulting in placement of high number of indents (300 approx) for transportation of Iron Ore Pellets which ultimately leading to maximum allocation of rakes (62%) to companies of the Group thereby blocking the rakes as well as depriving other Companies in allocation of rakes in other sidings.

Further, **IRCA Goods Tariff No 41 Part-I Vol-I Chapter-II**, stipulates that one company may cancel the indent, if the rake is not allotted within 10 days of registration with full refund of WRF. However, in the adopted method the said Group of Companies were not cancelling their indent after expiry of stipulated 10 days. The party cancelled their indent only when the rake was allotted in RAS and they received the information that the allotted rake is to be placed in the siding within 48 hrs i.e within the period of allotment and placement of rake. Then the companies cancelled their indent due to non-availability of the physical stock of the materials because they are not the manufacturers of the Iron Ore Pellets. As such, exploiting the extant rules they were getting full refund of WRFs (Wagon Registration Fee) but other Companies were deprived in allocation of rakes in other sidings.

The investigation revealed that all the stipulated Commercial and Operating formalities of Railways were duly followed by the Consignor, Consignee and the Railway staff in the transportation of the rakes containing Iron Ore Pellets from the three sidings of KGP divn of S.E.Railway, but to prevent the exploitation of the RAS by the alleged group of Companies depriving other parties, some system improvements were suggested by the Vigilance Branch/SER. After implementation of which there was a noticeable decrease in amount of placing of indents by the group of Companies.

However, the irregularities detected regarding the role of the shell Companies operating at the three sidings of KGP Division SER, does not come under the purview of the Railways, for which letters have already been sent to the concerned departments including Principal Chief Commissioner, CGST - Kolkata Zone requesting for necessary investigations at their respective ends.

System improvements Suggested:-

Once the allotment of rake is generated against a particular indent, and if the same indent is cancelled by the party then WRF(Wagon Registration Fee) is to be forfeited.

Like Iron Ore, an indent should get expired in 60 days if rakes are not allotted against that particular indent.

The Consignor should be asked to furnish the necessary documents of production of Iron Ore Pellets, if the same has been manufactured by him and also the details of the sourcing of the raw material i.e. Iron Ore for such production.

If the Iron Ore Pellets had been procured by trading then the details of the same should be provided by the Consignor.

It may also be induced that the Consignor must mention with documents that whether the Consignor is authorized by the Government for dealing business with such the Commodity.

Case Study – 9

Irregularity in selection and false night duty claim

Source information was received by vigilance branch alleging corrupt activities of Mr A, Goods Guard. It was alleged that he had obtained promotions to Jr. TNC post in 2010 illegally although he had not completed 2 years regular service in TP. Subsequently his promotion to Goods Guard in 2012 without completing 3 years regular service in GP

Rs 1900/- was also in violation of the Railway Board circular no 153/98. Further, he had drawn false Night duty allowances in a regular measure during his tenure as TP without performing any night duty.

FACTS AND OBSERVATION:

Sri 'A' was engaged in Railway as Substitute Helper-II in Electrical (G) department on 07.11.2007. His departmental transfer order from Electrical department to Operating department was issued on 26.03.2008. Accordingly, he was released from SSE (EI)/TL on 08.04.2008 and subsequently **joined in Operating department as TP on 17.04.2008.**

On 26.03.2010, a notification for selection for the post of Jr. TNC against DPQ was issued. Eligibility criteria to apply for the post was that a Railway staff who has rendered 02 (two) years regular service as on the date of notification in **concerned seniority unit** would be eligible to apply and the last date of submission of application was **20.04.2010** with an instruction that no application would be entertained after last date. As such, as per laid down criteria, a regular staff would have been eligible for applying for the selection test only if he was in the concerned seniority list as on 26.03.2008.

Sri 'A' was not in the concerned seniority list on that date i.e on 26.03.2008. His seniority as TP should have been considered from 17.04.2008, the date on which he joined as TP in Operating department. Sri 'A', as on 26.03.2010, had completed less than 2 years (1 year 11 months 9 days). However, he had knowingly applied for the post and surprisingly in a suspicious manner, the same was accepted on 20.05.2010 i.e. after one month of scheduled last date of acceptance of application, even though the list of eligible candidates had already been published. It was also revealed that to validate his application for the above selection a false memo, putting back date was prepared. Surprisingly, his service in Operating cadre was calculated from 26.03.2008 instead of 17.04.2008(his actual date of joining) to make him eligible for the promotion.

Promotion of Sri A, to the post of Goods Guard was also not proper, as the eligibility criteria mentioned in the concerned notification dated 23.09.2011 as "Employees who have completed a minimum of 3 years of regular service as on the date of notification", whereas, as per Para 124 of IREM the correct eligibility criteria is "Serving Railway employee with a minimum 3 years service working in grade Rs 1900/-, Rs 2000/- & Rs 2400/-". Sri "A" on completion of 2 years' service in Jr. TNC was posted as Goods Guard on 26.07.2013.

Had the eligibility criteria been fixed correctly Sri A would not have been eligible for the selection. Due to this wrong criterion, **he was selected as Goods Guard when he had only put 1 month 27 days of service in grade Rs 1900/- instead of stipulated 3 years service.**

False Night duty allowances: Scrutiny of available Muster roll of Sri A for the period 01.01.2009- 30.09.2010 revealed that he with the help of his then DTI had drawn false night duty allowances @36-40 hour every month between Feb'2009 and Oct'2010 without performing any night duty. Further, on days together he was shown out station duties at KGP, HWH and GRC at a stretch of 3-4 days repeatedly without any valid reason at the cost of Railway revenue only to allow him to stay at his residential place at Kolkata and to save his leave besides giving him undue monetary benefit.

CONCLUSION:-

Selection of Sri 'A' from TP to Jr. TNC was erroneous. Eligibility criteria was wrongly certified by his the then DTI, his application was submitted in Sr. DPO's Office after the notified last date in a susceptible manner and the same was included in the eligibility list even after publication of the eligible staff list through an addendum and also subsequent selection of Sri A in the post of Jr. TNC indicates that Sri A had indulged in malafide acts in collusion with the then DTI and the concerned dealer of the said selection file of the Sr. DPO's office.

Since he was not eligible for Jr. TNC, he was also not eligible to appear for Goods Guard selection. As such, his promotion to goods guard is also considered erroneous. Moreover, Sri A's promotion in goods guard was in violation of Para 124 of IREM.

Further, Sri 'A' had drawn false night duty allowances on regular measure without performing any night duty.

The concerned OS Cadre (OPTG)/Sr. DPO Office of the division, ex DTI and Sri 'A' were taken up under D&A action. The role of other concerned personnel officers and Officials is being investigated for departmental action.

Case Study – 10

X-ray Baggage Scanner

A surprise check was conducted by vigilance at Rourkela Station on 22.10.2019 and it was found that Baggage Scanner installed at main entrance gate of Rourkela Station (P.F.No.01), is in defective state since 15.09.19.

Purchase order for supply and commissioning of 8 (Eight) nos of X-Ray Baggage Scanner as per RDSO specification No. RDSO / SPN / 94 / 2010 Rev.1.0 or latest with tunnel size –minimum 1000mm X 1000mm was issued in favour of M/S *** at a total cost of **Rs. 2,38,25,000.00** (including CST@5%, Other charges 28625 & Fright Charges of 2000.00 per unit). The Payment term was (i) 80% payment against receipt challan along with RDSO Inspection certificate and balance 20% after successful installation and commissioning. All the Baggage Scanners are under **warranty for 03 years** from the date of installation. Performance Bank Guarantee (PBG) constituting 10% of ordered value will cover the warranty period.

The purchase order specifies the year wise charges for Comprehensive Annual Maintenance Contract (CAMC) @ Rs.11,45,000/-per unit (including Tax @14.5%) **for 05 years**. Total CAMC charges of 08 machines for five years is **Rs.91,60,000/-**. But as CAMC was optional, the contract has excluded the CAMC charges.

RDSO's specification vide RDSO/SPN/TC/94/2010 Rev.1.0 in Para No. 4.1.2 has mentioned that the **system shall be able to work continuously without interruption** and should be capable of storing images which can be retrieved from USB port using an external drive.

The said specification in its para 4.3.3 stipulates that *"The baggage Screening system shall have approval from Atomic Energy Regulatory Board*. The RDSO inspection certificate dated 26-10-2018 mentions model and serial No of X-Ray generator and detector but does

not mention following important parameters of RDSO specification.

- (i) approval from Atomic Energy Regulatory Board
- (ii) Zoom capability
- (iii) Image storage Capacity
- (iv) Threat Image projection software
- (v) EMI/EMC/Safety/Environment protection

RDSO has been informed about such deficiencies in inspection certificate. In addition RDSO has been requested to incorporate the above details in its specification and inspection certificate.

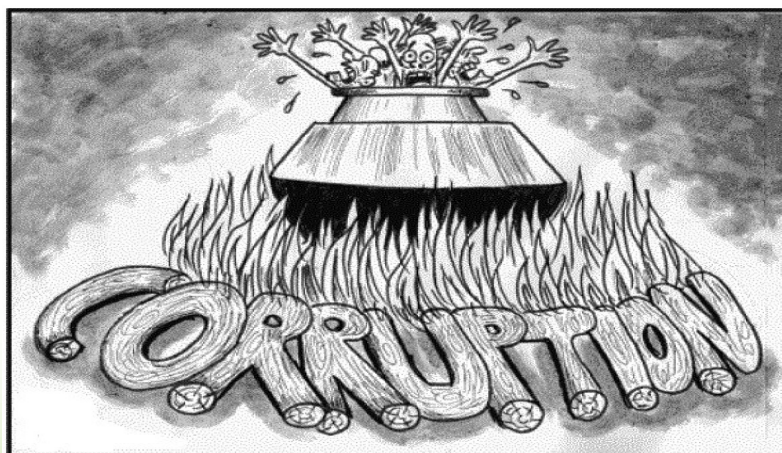
- (i) X-ray leakage, Boundary Leakage,
- (ii) Power consumption

The baggage scanners were delivered at the division during Nov-2018. The average time for breakdown rectification at ROU is 29 days which is abysmally long and unsatisfactory. Breakdown rectification of Baggage Scanner installed at Tatanagar, Purilia, Adra & Ranchi Station varies from 15 to 30 days.

Extra ordinary delay in breakdown rectification of Baggage Scanner is a matter of concern. The supplier of X-ray Baggage Scanner was not concerned about timely commissioning of machines and show complete laxity in troubleshooting of machines.

The terms and condition of purchase order does not articulate any kind of penalty for delayed trouble shooting in absence of which supplier is not worried about the difficulty of consignees. The warranty clause should be more stringent, preventive maintenance at regular interval along with supply of consumable/defective spares to be included. Time graded penalty terms for delayed trouble shooting may be incorporated

In line with vigilance recommendations, the general conditions for store contracts of SER (GCC) has been "modified to include provisions for M&P items defining amount of penalty on the defaulting firm based on period of delay in responding to such request for warrant repairs. Accordingly tenders for all M&P items and other important installations are henceforth being floated with incorporations of such penalty provisions".



System Improvements suggested/Implemented during 2020



South Eastern Railway
Vigilance Branch

Confidential
Vigilance branch
Garden Reach,
Kolkata-700 043

No.G.130/PC/2021/01/00040/V5/NIK/649

Dt.23-06-2021

**PCE,PCEE,PCME,PCSTE,PCMM & PFA, CAO(CON),
S.E.Railway, Garden Reach**

Sub: reation of 'Client ID' for online verification of documents related to RITES inspected materials.

Previously verification of RITES inspection certificate and test reports against a particular Purchase Order (PO) or Contract (LOA) was possible through direct link <https://ritesinsp.com>. Now, RITES has restricted the access to its data base. Only client with login id & password are permitted to access the information related to material inspection.

Therefore, concerned field officers and consignees may be advised to create Login id & password for verification of genuineness of documents related to RITES inspected materials through the web portal.

Encl: Nil.

Sd/-
(Sankarsan Nayak)
Sr.Dy.General Manager
S.E.Railway, Garden Reach



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Kolkata-700 043

No.G.130/C/2020/12/00531/V5/N/KGP/582

Dt.07-05-2021

**PCEE,PCME,PCCM,PCSTE,PCMD,PCE & CAO/CON,
S.E.Railway, Garden Reach**

Sub: Suggestion for inclusion of applicable appendixes of Standard Bid Document (issued by EnHM directorate) in tender document.

**Ref Case No: 1. G.130/C/2020/12/00531/V5/N/KGP
2. G.130/PC/2019/10/00194/V5/N/ADA**

During investigation of tender evaluation process of service contracts, it is observed that even after fulfillment of credential towards " completion of similar nature of work" and financial criteria (T-1 Financial Turnover) i.e. aggregate financial turnover not less than 1.5 times the advertised Bid value during the last three previous financial years and in the current financial year up to the date of opening of the tender", some bids have not been considered by the tender committee (TC) because of incomplete/inadequate information towards fulfillment of (i) eligibility criteria towards Liquidity (T-2) and (ii) declaration/affidavit regarding "eligible applicant as mentioned in the GCC for services 2018.

The error in submission of these requisites by the bidders followed by its misinterpretation/ discretion by tender committee can be eliminated if Appendix-5, 13 and 14 of Standard Bid Document issued by EnHM directorate letter No.2016/EnHM/06/09 dated 23-08-17 are made part of a tender document for service contracts.

Incorporation of applicable appendixes of Standard Bid Document will simplify the tender document preparation and bring more transparency and uniformity in tender evaluation.

The above proposition may be evaluated at your end for incorporation to the extent it resolves the flagged issue.

Encl:Nil

Sd/-
(Sankarsan Nayak)
Sr.Dy.General Manager
S.E.Railway, Garden Reach



South Eastern Railway
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Garden Reach,
Kolkata-700 043

No.G.130/C/2020/12/00531/V5/N/KGP/581

Dt.07-05-2021

**Principal Chief Mechanical Engineer,
S.E.Railway, Garden Reach**

Sub: Suggestion for amendment in GCC to restrict abnormally low bid in supply of materials for service contract.

Analysis of bids received against few tender notices for service contract shows that some bidders have quoted within reasonable range for the schedule devoted to service/ manpower charges whereas abnormally low rate (99.99% below) for the Schedule dedicated to supply of cleaning/sanitizing materials, tools etc. Under such circumstances, short supply of material has negligible impact on contractors bill but adversely affect the quality of work and purpose of the contract.

Supply of cleaning, sanitizing materials, tools and personal protective equipment by the contractor at abnormally low rate is not workable/sustainable without compromising on quality and quantity of materials purported to be supplied and/or curtailment cum concealment of minimum wages paid to the contract labours.

Such abnormally low and eccentric rate for supply of materials, tools and personal protective equipment may be judged differently by different tender evaluating authority which may result into non-uniformity in decision making.

It is suggested to incorporate suitable conditions in the bid documents to discourage such mischievous tactics of the bidders. However, this suggestion should also be weighted in the backdrop of Circular No.F.9/4/2020-PPD dated 12-11-2020 issued by Ministry of Finance, Govt.of India, Department of Expenditure.

Encl: Nil

Sd/-
(Sankarsan Nayak)
Sr.Dy.General Manager
S.E.Railway, Garden Reach

Copy to : Executive Director, Vigilance (S & T) Railway Board, New Delhi for information please.



South Eastern Railway
Vigilance Branch

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Garden Reach,
Kolkata-700 043

No.: G.130/C/2018/09/01720/

Date :18-03-2021

**PCE, PCEE, PCME, PCSTE, PCMD, PCSC & PFA
S.E.Railway, Garden Reach, Kolkata-43**

Sub: Suggestion for uniformity in basic structure of tender schedule

Ref: Railway board letter No: 2018/V3/SE/Elect./04-CVC Dated 18-04-19

One complaint was received in this office in which the complainant alleged that due to inclusion of GST, EPF & ESIC, the advertised tender value was increased and the party failed to qualify the technical eligibility criteria.

After investigation, case was referred to CVC. Railway board vide letter No: 2018/V3/SE/Elect./04-CVC dated 18-04-19 has advised to **“issue guide lines regarding Inclusion of GST and other taxes while preparing estimates”**.

In order to have a broader picture of non-uniformity practice followed in tender schedule, 14 (fourteen) tender notices of service contracts across all the departments and divisions have been analyzed and tabulated at **Exhibit-1**. In absence of patent instruction about inclusion or exclusion of GST, EPFO & ESIC contribution, non-uniform practice is being adopted across the departments and divisions. In one case contractor profit @10% was also added which has no valid reason.

Clarity and uniformity regarding GST, ESIC & EPF is very important as inclusion or exclusion of these taxes, duties, contributions etc alter the advertise tender value which plays pivotal role in deciding the value of requisite credentials to qualify the technical bid/technical & financial eligibility criteria. The advertised tender value also affects the amount of EMD, SD & PG.

In order to avoid any future complicity, uniformity in tender schedule of works & service contract wherever applicable becomes indispensable. As a system improvement measure a basic structure of tender schedule is proposed below. Items and sub-items may be added inside the schedule as per specific requirement.

	Schedule-A	Unit	Supporting Documents for bill
1	Minimum wages for Unskilled, Semiskilled, Skilled Manpower as sanctioned in detail estimate.	Per Day/ Month	Attendance register of contractor labours certified by consignee
	Schedule-B	Unit	Supporting Documents for bill
1	Cost of Materials, Erection/ commissioning charges, Personal safety equipment, Uniform, Shoe etc as sanctioned in detail estimate.	Per Month / Year	Verified Challans, Daily progress report/register
	Applicable GST on Schedule A+ B		Return challan may be submitted as proof
	Schedule-C	Unit	Supporting Documents for bill
2	Employer contribution towards EPFO for Number of labour as specified in Sch-A	Per Month	Submission of respective challans (Subjected to the eligibility & ceiling amount as specified in the schedule)
2	Employer contribution towards ESIC for Number of labour as specified in Sch-A	Per Month	

Contribution towards ESIC and EPFO exempted in service tax regime will be continued under GST. The EPFO and ESIC challans submitted by contractor also shows that no GST has been charged on EPFO & ESIC contributions. Hence it is not appropriate to charge GST on ESIC and EPFO contributions in the estimate / tender schedule.

Payment of bonus depends upon the performance/profit of the organization /agency. Hence payment towards bonus by principal employer is not mandatory. In case provision of bonus is made in the tender schedule then acknowledgement copy of the Annual return form-D to be uploaded in web portal of Ministry of Labour & Employment, Govt of India and to be submitted along with the bill.

The above suggestions are only indicative and not exhaustive. The tender inviting authority should critically analyze the above aspects and may consider the above suggestions (as applicable) while floating the tender.

The proposed suggestions may be circulated to the concerned executives in compliance to CVC's advice.

Encl: 3 Exhibits.

Sd/-
(Sankarsan Nayak)
Sr.Dy.General Manager
S.E.Railway, Garden Reach

Exhibit-1

Sr. No.	Observations
1	GST not included in the advertised tender value.
2	No clarity on inclusion or exclusion of GST in the advertised tender value.
3	Employer contribution towards ESIC & EPFO not added in the advertised tender value.
4	GST added on Employer contribution towards ESIC & EPFO.
5	Bonus added in the advertised tender value in addition to employer contribution towards EPFO & ESIC.
6	Contractors profit (10%) added in the advertised tender value.
7	Wages of labour and employer contribution towards ESIC & EPFO are not bifurcated.
8	Labour & material included in same schedule.
9	Clear instruction about rejection of bid if quoted below minimum wages.
10	Advertised value inclusive of GST but silent about EPF & ESIC.
11	EPF & ESIC excluded in Advertised tender value.
12	Number of manpower has not mentioned in tender schedule.





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Confidential
Vigilance branch
Garden Reach,
Kolkata-700 043

No.G.130/PC/2021/04/00928/V4/N/KGP/SAS/548

Date:28-04-2021

PCE,

S.E.Railway,

Garden Reach, Kolkata.

Sub: Proposal for system improvement for CE's stock rails in Port Trust Railway(PTR) siding.

It had come to the knowledge of this office in the last week of December'2020 that 50 nos of new 60 kg rails were seized by RPF Post/SHM. During enquiry, it was revealed that these rails were loaded into truck from Port Trust Railway (PTR in short) siding adjacent to SHM without any authority, and seized from Girdhar Godown, PS-Domjur, Distt.Howrah. In this connection, a case was registered under RP(UP) Act and 4 persons including 2 Railway employees were arrested by RPF. It has been found that PTR siding is being used for unloading of CE's Stock rails and subsequent loading in trucks as per Bls. The issue of maintenance of CE's Stock Rails by SSE/P.Way/East/SRC (the stock holder) therefore, had been investigated by this office. During investigation, a number of irregularities are noticed and if not set right, may lead to further loss/pilferage of CE's Stock Rails. The irregularities noticed during investigation and corresponding system improvements for setting right the same are placed side-by-side in the tabular form for better appreciation.

Sl.No.	Irregularity	System Improvement
1	PTR siding is not falling under the jurisdiction of South Eastern Railway	Though PTR siding located adjacent to Shalimar(SHM) yard, yet, it is not falling under the jurisdiction of South Eastern Railway. Erstwhile, PTR siding under the control of Eastern Railway was connected with Howrah Station/Eastern Railway, but, after construction of Fore Shore Road, this link was dismantled and at present, there exists no direct link between Howrah station and PTR siding. In order to protect the railway land, it is requested to approach Eastern Railway for taking over PTR siding by South Eastern Railway. Further, take over of the PTR siding will enable utilization of the siding by SER.

2	Stock Verification of CE's Stock Rails was never conducted	` During investigation, it has come to the knowledge that CE's stock rails were never verified during Departmental Verification by SSE/P.Way/East/SRC during handing over/taking over the charge. Moreover, these rails are not being offered by the SSE/P.Way/East/SRC to Stock Verifier for stock verification as per codal provisions. Thnrefore, the division should be directed to ensure that CE's Stock Rails are offered to stock verifier for stock verification as per codal provisions. Further, stock verification by stock verifier of CE's Stock Rails should be ordered forthwith.
3	Usage of self printed gate passes transport of rails	At present, SSE/P.Way/East/GRC is using self printed gate passes for issue and transport of rails. For authenticity and to prevent possibility of fraud. Machine numbered book of gate passes should be used for issue and transport of rails.
4	Up keep/stocking of CE's Stock Rails.	At present, CE's Stock Rails are being unloaded in SHM good shed siding and PTR siding. However, the same are scattered and lying in very haphazard manner and are not amenable for ready stock verification/counting/measurement. The division may be advised to get CE's Stock Verification/counting/measurement.

In view of the above, it is requested to issue necessary instructions in this regard with a copy to the undersigned.

Sd/-
(Virendra Kumar)
Chief Vigilance Officer(HQ)

Integrity is “when your internal values and external behaviors are in alignment”





South Eastern Railway
Vigilance Branch

Confidential
Vigilance branch
Garden Reach,
Kolkata-700 043

No.G.130/PC/2019/07/00557/V-6/N/HQ/902

Date:18-08-2021

PCSTE,
S.E.Railway,
Garden Reach, Kolkata.

Sub: System improvement related to works tender.

A Vigilance investigation was conducted into a works tender floated by S&T deptt. of HQ/GRC for supply, installation, acceptance, testing, commissioning training of Server Based IP PBX system for replacement of Main and Intercom Telephone Exchanges(PCM-TDM Based) in SER HQ unit. On scrutiny of the tender file several irregularities/inconsistencies were noticed which are detailed below:-

The tender was floated for a total value of Rs.1.96 crores and comprised of three schedules viz.Schedule-A,B & C as shown in the following table:-

Schedule	Description	Departmental value (DV)
A.	Supply of (A) IP telephony system, (B) Phones and power adapters, (C) Software, (D) LAN switches, (E) Optical fiber cabling component(F) UTP cabling component, (G) other additional items, (H) UPS systems	Rs.187 lakh
B.	Execution/Installation charges of (A) Active components (B) Passive components	Rs.9.72 Lakh`
C.	Comprehensive AMC & supervision charges of complete systems for 5 years after expiry of 1 year warranty period	DV was not mentioned. The bidders were advised to quote the value of 5 years AMC.

It is observed that the total departmental value of Schedule-A & Schedule –B of Rs.196 lakh was projected as value of the contract in the tender notice.

The tender had inter alia three governing special conditions which are mentioned below:-

(i) At item No.2.18 of “Special Condition of the Tender” it was stated “Bidder has to quote five years comprehensive AMC rate in Schedule-C along with breakup of AMC offer in Schedule-C. Without quoting AMC, tender will be summarily rejected”.

(ii) At Item No.2.19 of "Special condition of the Tender" it was stated –"Evaluation of tender will be based on quoted tender offer in 'Annexure E' and average value of 5 years comprehensive AMC rate. Suppose value of tender is 'Z'(=X+Y) and value of 5 years comprehensive AMC offer is 'M'(say) then evaluation of tender 'Q' will be lowest of all (Z+M)s".

(iii) At Item No.18.1 of "Special condition of the Tender" it was stated – "For the purpose of relative ranking of offers, all inclusive price for the scope of work as defined above and quantity of equipment/Material/Services as specified in the Rate Schedule shall be taken into account with Average value of AMC for 5 years".

Again at note (ii) of Schedule 'C' it was stated – "One year average of 5 years. AMC quoted rated will be taken for tender evaluation".

Against the tender value of Rs.1,96,81,890/- (Schedule A & B), three firms had offered their rates. The TC members recommended for L-1 bidder which quoted 3.27% below the DV (Sc –A + Sch-B) without AMC. The TC opined that the rate offered was reasonable and acceptable. Further, deliberation in the Minutes was done by stating that the said firm was the 1st lowest tenderer with an overall offered value of Rs.21246094.54 with average AMC charges and Rs.19038233.10 without AMC. The TC found the L-1 bidder as eligible, reasonable and technically suitable and recommended for acceptance of its offer at a value of Rs.19038233.00 (rounded) inclusive of all taxes and duties, without considering AMC charges.

Thereafter, the tender was accepted by Dy.CSTE/GRC (a JAG level officer) with the following modifications:-

(1) Cost of Tender is Rs.1,90,38,172.00 as calculated in tabulation sheet.

(2) AMC will be executed with the firm at a cost of Rs.2207861.00 per annum after expiry of warranty period as per Special condition of the tender.

(3) (In lakhs of Rupees)

	Sch A	Sch B	Sch C	Value of tender w/o AMC	Av.AMC for 1 year	AMC for 5 years	Value of tender with AV. AMC of 1 year	Value of tender with for 5 years AMC
DV	187 Lakh	Rs.9.72 lakh	Nil	-	-			-
L-1 Bidder (3.27% below DV)	181.59 lakh	Rs.8.78 lakh	-	Rs.190.38 lakh	Rs.22.07 lakh	Rs.110.39 lakh	Rs.212.46 lakh	Rs.300.77 lakh

Although the TC had recorded that it had considered the total value of the tender, in practice, it has not done so as it had not added up the sum total of all the three schedules. Instead, they had followed the instructions of note (ii) of Schedule 'C' & item No.18.1 of "Special condition of the Tender" and considered only the average value of the AMC(which

was for one year only) and hence the actual value of the tender as per the cumulative value of five years had not been worked out while arriving at the total value of the tender. As a result, it appeared that the tender was well within the powers of the TC to recommend and also the TAA to decide upon the tender.

In real terms, had the TC included the value of Schedule C (for 5 years) with the figures of Schedule –A and Schedule-B then the total tender value would have crossed Rs.300 lakhs and would have gone beyond the purview of the level of TC and acceptance of the then Dy.CSTE/GRC who acted as TAA as per SOP in force at that time.

It is therefore clear that the instructions at note (ii) of Schedule 'C' and the special condition contained in Item No.2.19 of "Special condition of the Tender" are in contradiction with each other. If the TC followed the condition laid down in clause No.2.19 of "Special condition of the Tender", then the power to recommend/accept the offered value would have gone to the next higher level i.e. TC members of JAG level & TAA of SAG level.

In this case, the TAA was a JAG officer, who modified the recommendations of TC by incorporating the cost of 5 years comprehensive AMC at an annual rate of Rs.2207861.00/- thereby increasing the total cost of the work to Rupees Three Crore.

Furthermore, it can be seen that the PG for AMC was deposited by the firm subsequently although it was not mentioned the LOA & CA of main tender. Only a separate contract agreement for AMC was supposed to be executed before expiry of warranty period. On scrutiny of files and documents seized from the then Dy.CSTE(TN)/GRC, no agreement papers for AMC for 5 years (comprehensive) were found.

In view of the aforesaid irregularities/inconsistencies the following are recommended for incorporation and implementation while floating/finalizing tenders.

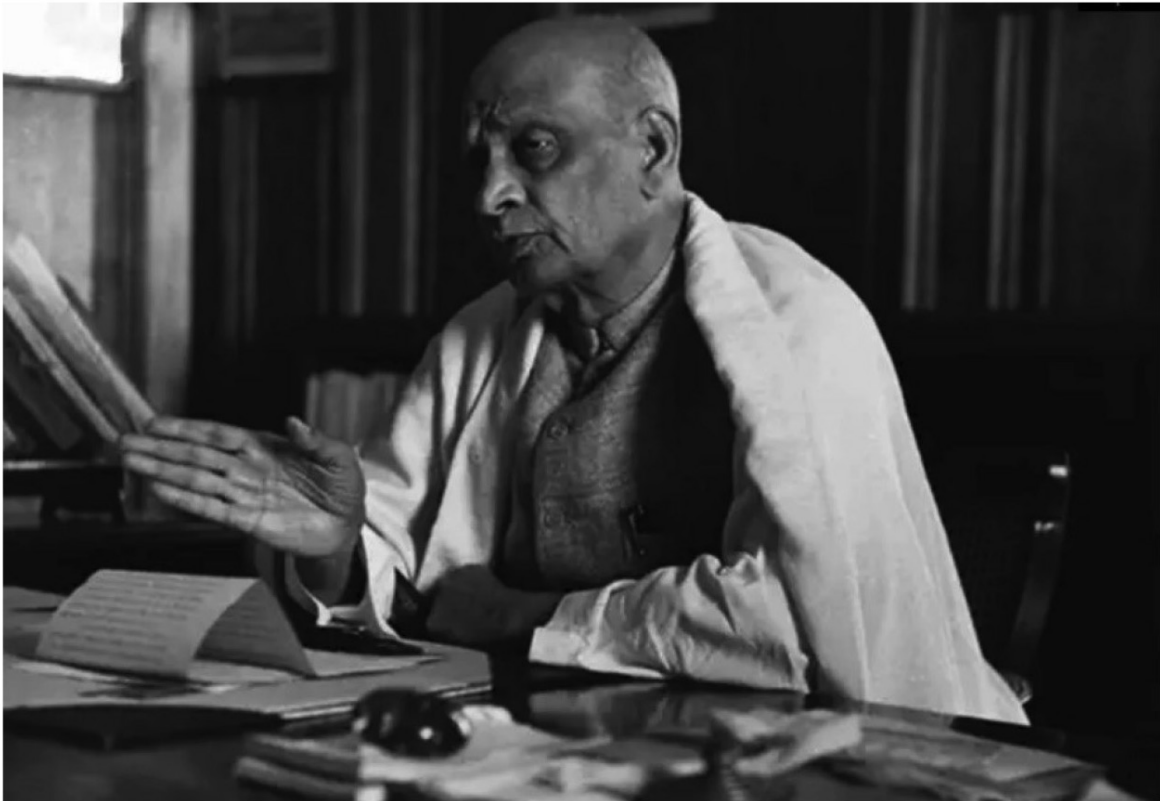
(a) If the main tender work for supply and execution is to be followed by AMC, then the proposed Departmental value of AMC should be calculated at the estimation stage and should be treated as a part of the main estimate.

(b) If a bid for AMC is sought in NIT , total bid value under consideration should be inclusive of AAMC for the whole period mentioned and accordingly members of TC and TAA should be nominated following SOP.

(c) It will be worthwhile to include AMC in the main contract agreement itself. Separate contract agreement may defeat the very purpose of AMC if the contractor resiles or defaults in executing the AMC contract at a later stage. The liability of the value of AMC should be the part of main LOA and contract agreement. The condition for depositing separate performance guarantee for AMC should be done away with in order to integrate contractors obligation with the original work.

Encl:Nil

Sd/-
(Sankarsan Nayak)
Sr.Dy.General Manager
S.E.Railway, Garden Reach



“विश्वास और शक्ति, दोनों किसी महान कामको करने के लिए आवश्यक हैं।”



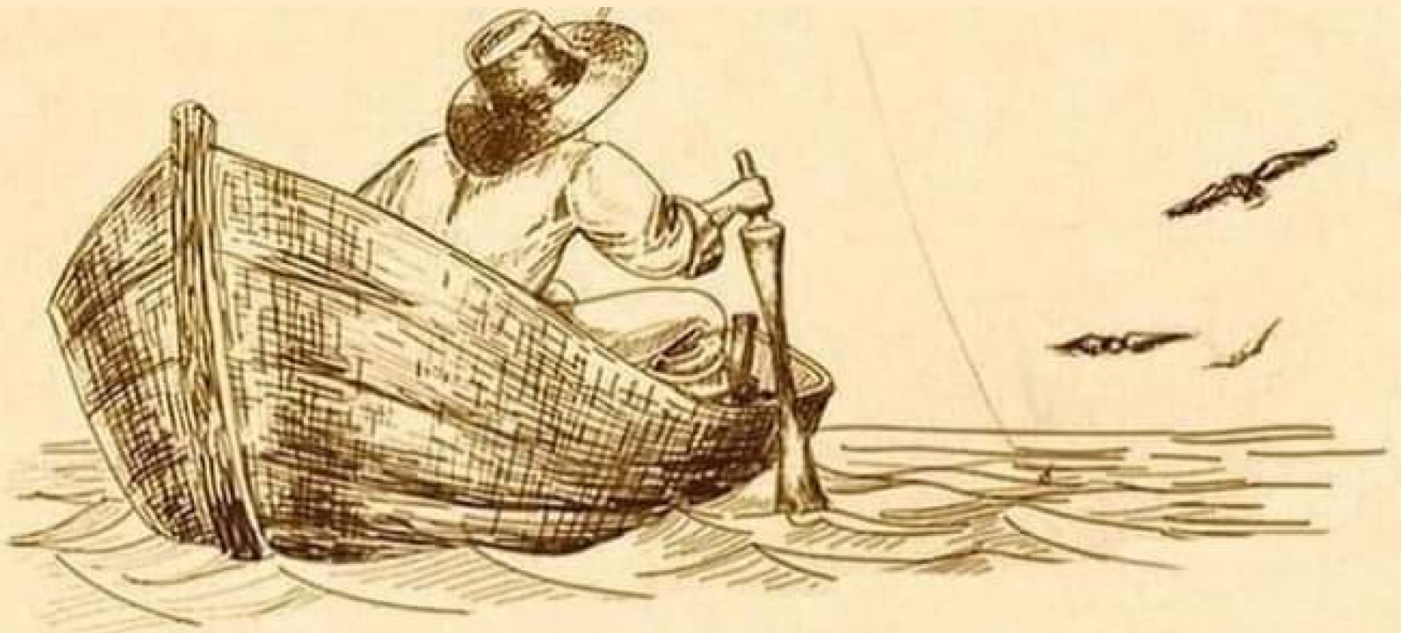
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DISCLAIMER

The booklet is only indicative and is by no means exhaustive. Nor are they intended to be a substitute for rules, procedures and existing instructions /guidelines. The conclusion and lessons drawn from the case studies and articles herein do not in any way supersede the rules and procedures contained in any of the Railway Codes, Manuals and other relevant policy circulars.

This booklet should not be produced in any Court of Law and wherever necessary reference should always be made to the original order on the respective subject.



The rich industrialist was horrified to find the fisherman lying beside his boat, smoking a pipe.

‘Why aren’t you out fishing?’ asked the industrialist.

‘Because I have caught enough fish for the day,’

‘Why don’t you catch some more?’

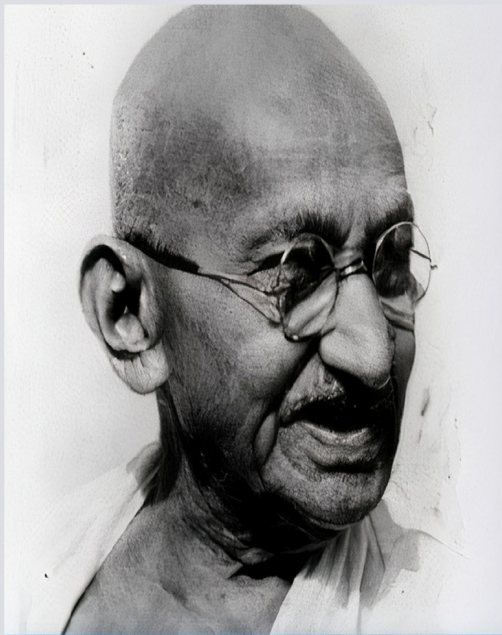
‘What would I do with them?’

‘You could earn more money. Then you could have a motor fitted to your boat to go into deeper waters and catch more fish. Then you would have enough money to buy nylon nets. These would bring you more fish and more money. Soon you would have enough money to own two boats . . . maybe even a fleet of boats. Then you would be a rich man like me.’

‘What would I do then?’

‘Then you could sit back and enjoy life.’

‘What do you think I’m doing right now?’



"If we do not keep
our backyards clean
our swaraj will
have a foul stench"

Mahatma Gandhi

KEEP RAILWAYS ALWAYS CLEAN

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