



**MOIL LIMITED**  
(A Government of India Enterprise)

# VIGILANCE VANI

MONTHLY NEWS LETTER OF VIGILANCE MOIL

Issue : April 2018

Volume : 2



## CVO's Desk:

Shri Sharat Chandra Tiwari, ITS

Mahatma Gandhi said "If I want a watch, I can snatch it by fighting or buy it by paying or plead it for gift. Watch becomes stolen property, my own property or a donation, according to means employed". Means are always important to have 'justified ends'. The corruption is result of using improper means for an end and is most severe obstacle confronting the development process. It may be anything like bribery, extortion, fraud, embezzlement, nepotism, cronyism, and misappropriation of public assets, misuse of position and many other variance of "un-ethical conduct". We cannot remove corruption like a single cancerous cell of body but corrupt practices can be deterred in organization with exemplary consequences. India scores 40 points, ranks 81 amongst 180 nations as per Corruption Perception Index 2017. New Zealand tops with 89 points. It is us only who have to be Vigilant to ensure that our objectivity is not compromised for short term gain. Let us strive to scale up the organization in transparency which shall work as catalyst for furthering its development and achieving all targets.

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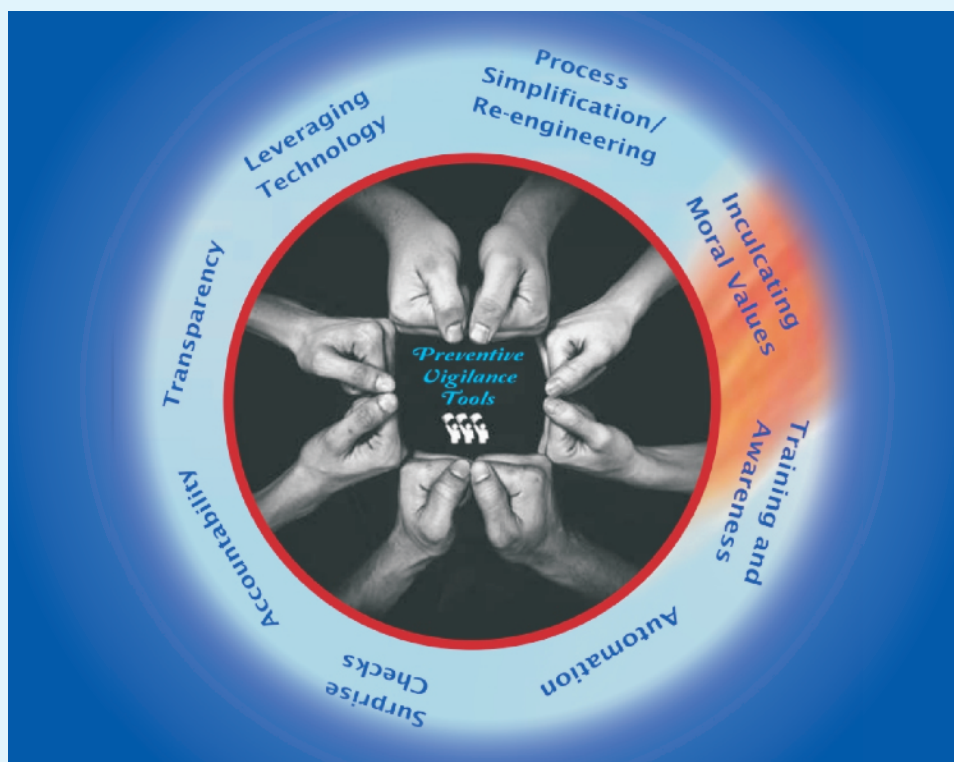
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Inauguration of "Vigilance-Vani"- MOIL Vigilance Monthly News Letter, by CMD MOIL Nagpur, March-2018



Structured Meeting with Management- 27.03.2018



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केन्द्रीय सतर्कता आयोग  
CENTRAL VIGILANCE COMMISSION

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सं./No. 98/ORD/001

दिनांक / Dated. 08.04.2018

Circular No.01/04/18

**Subject:** Applicability of Commission's guidelines on post tender negotiations with regard to projects funded by World Bank and other international funding agencies like IMF, ADB, etc.

**Ref:** Commission's Circular No. 8(1)(h)/98(1) dated 18.11.1998, 3(V)/99/9 dated 01.10.1999 and 98/ORD/001 dated 28.10.2011

References have been received seeking clarifications on the applicability of Commission's guidelines to projects funded by the World Bank and other international funding agencies like IMF, ADB, etc.

2. The Commission vide its Circular No. 3(V)/99/9 dated 01.10.1999 has prescribed the following:

*The Commission's instruction dated 18.11.1998 (on post tender negotiations) would not be applicable to the World Bank Projects and other international funding agencies, such as IMF, ADB, etc. However, the instructions of Central Vigilance Commission would be binding on purchases / sales made by the department within the country. The Central Vigilance Commission's instructions dated 18.11.1998 would however, apply if purchase/sales are within the budget provisions and normal operations of the department/organisation even though the purchases / sales are made from sources outside the country.*

3. Subsequently, a clarification issued vide Circular No. 98/ORD/001 dated 28.10.2011 provided the following:

*"It is clarified that the Commission's guidelines would not be applicable in projects funded by the World Bank, ADB, etc., if found to be in conflict with the applicable procurement rules of the funding agencies."*

4. The matter has been examined in the light of Commission's circulars No. 8(1)(h)/98(1) dated 18.11.1998, 3(V)/99/9 dated 01.10.1999 and 98/ORD/001 dated 28.10.2011. Apparently, funds from International Agencies like World Bank, IMF, ADB or other multilateral agencies are available by way of grants-in-aids or as loans. In the former category of funding, there is no liability on the Govt of India to repay such funded amounts. In the latter category of funds received by way of loans, with or without interest, ultimately the Government of India as the receiving agency has to repay the loans so received. Thus, there is a need to distinguish between these two categories of funding options. If any of the International Agencies while granting aid prescribes certain terms and conditions which are contrary to the existing guidelines of the Government (GFR) or of the Commission relating to the process of procurement/tendering to be adopted, determination of the qualifications, negotiations, other terms and conditions, etc., where the funding is by way of grants-in-aid with no obligation to repay such amounts, the agency receiving the fund may accept such conditions as the International Agency may lay down. However, where such funding is by way of a loan with or without interest and there is a liability on the Government and/or the recipient agency to repay the money in due course, it is essential that prudent norms on making the procurements at best possible rates in a transparent, competitive environment providing opportunity to all eligible and willing bidders, the guidelines/instructions of the Central Vigilance Commission in regard to qualification, criteria, terms and conditions of procurement, negotiations, etc. will have to be followed keeping in view the best interest of transparency, accountability and efficiency.

5. It is clarified that any project funding originating from the Consolidated Fund of India, wholly or partially, must be subject to the Government of India's and Commission's guidelines for expenditure of public money and the same condition may be stipulated while negotiating terms with external funding agencies. Furthermore, any project funding involving future outflows of public money may also be subject to the same guidelines.

(J Vinod Kumar)  
Director

To

- The Secretaries of all Ministries / Departments of Govt
- All Chief Executives of CPSUs / Public Sector Banks / Public Sector Insurance Companies / Autonomous Bodies, etc.
- All Chief Vigilance Officers

## CASE STUDY

After inspection of mine and study of the relevant documents related to Mining contract work, it is advised that:

- Work awarded as per estimation has to be followed up to ensure that deviation (if any) is within envisaged limits.
- The process adopted for seeking time extension should not be random. Time extension must be given in exceptional cases and approved with full justification.
- Execution of work must ensure all safety coverage to workers and work place. If it is outsourced work, then no work should be allowed beyond stipulated completion period unless all formalities wrt contract management are completed.
- Rigorous follow-up of progress as per schedule must be done to avoid slippage of targets and penal actions must be taken as per contract conditions.

## Routine Inspection of Vigilance Department for the Month of April - 2018

S. No.	Date	Day	Place	By	Major Area for Inspection / Topic
1.	09/04/2018	Monday	Kandri	Sh. P.R. Sawai Sh. M. Patil	Tub Pushing
2.	10/04/2018	Tuesday	Balaghat	Sh. B.S. Karpe	CSR
3.	11/04/2018	Wednesday	Chikla	Sh. U.M. Charpe	U/G development
4.	17/04/2018	Tuesday	Tirodi	Sh. U.M. Charpe	O/C development
5.	24/04/2018	Tuesday	Dongri Buzurg	Sh. V.K. Shrivastava Sh. G.R. Kumar	CTE
6.	26/04/2018	Thursday	Ukwa	Sh. B.S. Karpe	Civil
7.	27/04/2018	Friday	Gumgaon	Sh. N.M. Shesh	Mechanical

## General Financial Rules 2017

### Rule 144:- Fundamental principles of public buying (for all procurements including procurement of works)

Every authority delegated with the financial powers of procuring goods in public interest shall have the responsibility and accountability to bring efficiency, economy, and transparency in matters relating to public procurement and for fair and equitable treatment of suppliers and promotion of competition in public procurement.

The procedure to be followed in making public procurement must conform to the following yardsticks:-

- (i) The description of the subject matter of procurement to the extent practicable should –
  - a. be objective, functional, generic and measurable and specify technical, qualitative and Performance characteristic
  - b. not indicate a requirement for a particular trade mark, trade name or brand.
- (ii) The specifications in terms of quality, type etc., as also quantity of goods to be procured, should be clearly spelt out keeping in view the specific needs of the procuring organizations. The specifications so worked out should meet the basic needs of the organization without including superfluous and non-essential features, which may result in unwarranted expenditure.
- (iii) Where applicable, the technical specifications shall, to the extent practicable, be based on the national technical regulations or recognized national standards or building codes, wherever such standards exist, and in their absence, be based on the relevant international standards. In case of Government of India funded projects abroad, the technical specifications may be framed based on requirements and standards of the host beneficiary Government, where such standards exist Provided that a procuring entity may, for reasons to be recorded in writing, adopt any other technical specification.
- (iv) Care should also be taken to avoid purchasing quantities in excess of requirement to avoid inventory carrying costs.
- (v) Offers should be invited following a fair, transparent and reasonable procedure.
- (vi) The procuring authority should be satisfied that the selected offer adequately meets the requirement in all respects.
- (vii) The procuring authority should satisfy itself that the price of the selected offer is reasonable and consistent with the quality required.
- (viii) At each stage of procurement the concerned procuring authority must place on record, in precise terms, the considerations which weighed with it while taking the procurement decision.
- (ix) A complete schedule of procurement cycle from date of issuing the tender to date of issuing the contract should be published when the tender is issued.
- (x) All Ministries/Departments shall prepare Annual Procurement Plan before the commencement of the year and the same should also be placed on their website.

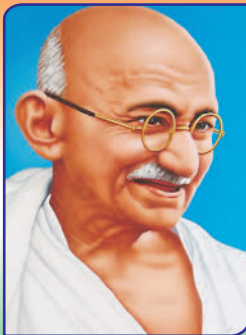




Training of OSP for CVC on Vigilance Administration at Institute of Secretariat Training & Management, New Delhi

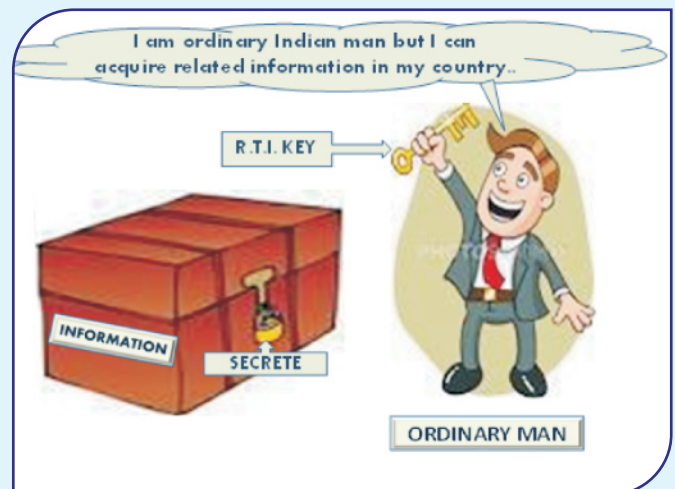


Inspection of Chikla Mine by Shri. Sharat Chandra Tiwari, CVO



- ❖ The human voice can never the distance that is covered by the still small voice of conscience.
- ❖ Corruption and hypocrisy ought not to be inevitable products of democracy, as they undoubtedly are today.
- ❖ The history of the world is full of men who rose to leadership, by sheer force of self - confidence.

- Mahatma Gandhi



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