No.2006/V-1/CVC/4/1

New Delhi, dated August 10, 2006

(I) General Managers (Vigilance)
CR, ER, ECR, ECoR, NR, NCR, NER, NFR, NWR, SR, SCR, SER, SECR, SWR, WR, and WCR.

(II) Chief Vigilance Officers
CLW, DLMW, DLW, ICF, RCF, RWF, CORE, METRO, RDSO, IRCON, RITES, IRFC, CONCOR, KRCL, IRCTC, RAILTEL, MRVC and RVNL

Sub: Examination of Public Procurement (Works/Purchases/Services) Contracts by CVOs.

Attention is invited to Board’s letter No.2002/V-1/CVC/4/2 dated 13.10.2003 laying down emphasis on intensive examination of works by the CVOs with the assistance of technical staff under their jurisdiction, in line with the CTE’s inspection.

2. CVC has been emphasizing the need for close scrutiny of the Public Procurement (Works/Purchases/Services) Contracts by the CVO concerned to ensure that the laid down systems and procedures are followed, that there is total transparency in the award of contracts and that there is no misuse of power in decision making.

3 A number of booklets have been issued by the Chief Technical Examiner Organisation of CVC, bringing out the common irregularities/lapses noticed in different contracts. A Manual for intensive Examination of Works/Purchase Contracts and guidelines on tendering has also been issued. These are available on the CVC’s website at www.cvc.nic.in.

4 The need for CTE type of examination by the CVO has also been emphasized by the CVC in the various zonal meetings. The CVOs are required to reflect such CTE type examinations in their monthly reports. CVC has reiterated the importance of such examinations by the CVOs, as an effective preventive vigilance measure.

5 For this purpose, the CVOs are required to be well conversant with their organisation’s works/purchase manual. Wherever works/purchase manuals are non-existent they should be got prepared, particularly, in those organizations, which have substantial procurement activities. The CVOs should also ensure that the manuals are updated from time to time. They should check and ensure that the field staff is well conversant with the extant provisions of the manuals, and the

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guidelines issued by the CVC/CVOs from time to time. CVOs should have a full and active participation during the CTE inspections to know about the problem areas in the organisation’s procurement process.

6 CVOs must also familiarize themselves with the earlier CTE examination reports and ensure that the lapses previously noticed are not repeated. If lessons are not learnt from the past, there would be need to take a serious view of the repetition of lapses and initiate disciplinary proceedings against the officials found responsible for repetition of the lapses.

7 On the basis of the lapses noticed by the CTE’s organization over the years, a checklist has been prepared which could be used by the CVO while examining procurements contracts. The checklist is enclosed as Annexure-I. If, CVO feels that certain procurement contracts require an intensive examination by the CTEO, details of the same may be sent to Railway Board’s Vigilance Directorate with adequate justification.

8 This may please be noted for strict compliance.

(Sanjay Goel)  
Director Vigilance (M)  
Railway Board  

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Copy to:– The Central Vigilance Commission, (Attention: Shri V. Kannan, Director) Block A, Satarkata Bhawan, GPO Complex, INA, New Delhi – 110 023 w.r.t. their letter No. 006/VGL/29 dated 01.05.2006 – for information.

(Sanjay Goel)  
Director Vigilance (M)  
Railway Board  

Copy to - All Officers and the Branches of Vigilance Directorate – for information and necessary action.