Government of India
Ministry of Railways
Railway Board

No.2006/V-1/CVC/1/9

New Delhi, dated August 18, 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: Transparency in Works/Purchase/Consultancy contracts
awarded on nomination basis.

In continuation of its OM No. 06-03-02–CTE-34 dated 20.10.2003
addressed to CVOs of Ministries/Departments/PSUs etc. on the above subject
(copy enclosed), the Central Vigilance Commission has observed that in a number
of cases, Works/Purchase/Consultancy contracts are awarded on nomination basis
and has felt the need to bring greater transparency and accountability in award of
such contracts. While open tendering is the most preferred mode of tendering,
even in the case of limited tendering, CVC has been insisting upon transparency in
the preparation of panel.

2. In the circumstances, if sometimes award of contract on nomination basis
by the PSUs become inevitable, following points should be strictly observed:-

   (i) All works awarded on nomination basis should be brought to the
       notice of the Board of the respective PSUs for scrutiny and vetting
       post facto;
   (ii) The reports relating to such awards should be submitted to the Board
        every quarter; and
   (iii) The audit committee may be required to check at least 10% of such
         cases.

3. Above may be noted for strict compliance. Also the action taken on CVC’s
   OM dated 20.10.2003 may be intimated for information of AM(Vigilance).

DA : As above.

(Sanjay Goel)
Director Vigilance (M)
Railway Board

PTO
New Delhi, dated August 18, 2006.

No.2006/V-1/CVC/1/9

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. 005/CRD/19 dated 09.05.2006 – for information.

(Sanjay Goel)
Director Vigilance (M)
Railway Board

Copy along with enclosure to:–


2. All Officers and the Branches of Vigilance Directorate.