From CVO's Desk

Dear Colleagues,

On the eve of Vigilance Awareness Week, I take this opportunity to interact with all Midhanians and share some of my thoughts on the need and role of effective Vigilance administration. Vigilance is an extended arm of Management through which it supervises effective implementation of policies and programmes in the desired way. Also Country’s apex vigilance body, Central Vigilance Commission, would implement its guidelines and directives through local Vigilance units. Thus, Vigilance plays as a medium between the Management and Apex Body (CVC).

It is a common knowledge that corruption has been all pervasive and penetrated all segments of our society. Common man is seething with anger and yearning for a change by ushering in a fair and just society. The need of the hour is to contain its further spread and then eliminate by appropriate remedial steps. But this cannot be achieved by sheer empty slogans. All have an equal and important role to play in fighting this gigantic monster. Besides several other means available, one of the tools is to have transparency and probity in day-to-day transactions. Of course, responsibility and accountability for wrong doing will always remain as a deterrent.

Often, people view Vigilance function as an unnecessary interference in their working and hindering smooth way of working. But an honest introspection would reveal the other way. We all are working for a common purpose and that is the well being and prosperity of our Company. When rules and regulations are in place and followed meticulously, the chances of taking undue advantage by unscrupulous elements are minimized. The standing and reputation of the Company in the eyes of public and stakeholders is held aloft when probity and transparency are observed in all our activities. Precisely, Vigilance strives towards achieving this goal but never aims to hinder work and create fear.

We all Midhanians too have an important role to play in the fight against corruption. Each one of us have to be alert and watchful in our daily working and if they notice any wrong-doing, the same may be brought to the notice of the appropriate authority / agency. In a way, every one of us should act like a Vigilance Officer in his own sphere of work. Inter-alia, our well being is dependent on the growth and development of our company. Hence, it is the duty of each and every one of us to inculcate a sense of honesty and integrity and discharge their job with utmost truthfulness. When we protect the interests of company, in a way, it is safeguarding our own interests. To meet this challenge, we all must rise to the occasion and stand firmly against the menace, lest the very existence of the Company will be at risk.

In line with said objective in view, CVC has chosen the theme of “MY VISION – CORRUPTION FREE INDIA” for this year’s Vigilance Awareness Week. This lofty and ambitious objective is achieved only with active involvement and participation of each and every citizen of this country. The country’s apex body has also been striving its best through various means to arrest and root out the menace of corruption systematically. But its success depends on the whole-hearted cooperation and participation of public at large. Already a few measures initiated by the CVC in this direction, such as e-procurement, Integrity Pact, Rotation of officials in sensitive places periodically, appointment of IEMs to oversee procurements, Inter-organization Audit, etc have started yielding desired results to some extent. And many more such steps are in the offing. Let us all welcome these initiatives of the CVC and enter the world of transparency and honesty.

I hope and wish that all would realize the gravity and rise to the occasion to build a corruption-free society and live in happiness.

Mujib Pasha Shaik, ITS
Chief Vigilance Officer

Raise your voice - you have the power to stop corruption.
CORRUPTION FREE INDIA – A MIRAGE OR AN ATTAINABLE AMBITION?

Shri N. VITTAL
Former Central Vigilance Commissioner,
CVC, New Delhi

Having been long associated with the issue of public governance and the issue of corruption which is the use of public office for private gain, and which had emerged as one of the ever present threats to Good Governance, I would like to focus attention on some basic issues which may be helpful in arriving at pragmatic and objective conclusions about the prospects of whether corruption free India, as of 2017 is likely to be an attainable ambition or going to be a mirage which it has been so far.

When we talk about corruption free India, we are only looking at one half of the problem, that is about removing the ever-present weakness of the disease in the system of Governance. The other half which doesn’t get as much emphasis in the media because negative dimensions always grab more attention and provide opportunity for everyone to express their sense of frustration or their own experience. On the other hand, positive developments or positive ideas and contributions sound like dull pious platitudes. No wonder the time-tested axiom of journalism – bad news makes good copy. It is disasters which grab attention. In these days of audio visual media, the failure of safety or any system leading to a disaster resulting in death of people or life and destruction of property grab all the attention. On the other hand, positive developments unless they are very dramatic do not make much noise and automatically, do not grab the type of attention needed.

The first point I would like to emphasised upon is that when we talk about corruption free India, we should also remember that corruption free India is a desirable goal that by itself will not lead to good governance. It may provide at best the necessary pre-condition for good governance to flourish. But unless positive measures are taken and the right people are posted to occupy the right positions of authority, good governance will always become a mirage and not an attainable ambition. Viewed in this context as of 2017, the Government headed by Shri Narendra Modi as the Prime Minister, seems to have initiated a whole spectrum of policy, which has created the requisite environment and the ecology for realizing the ambition of corruption free India and based on this good governance which has been contained in the slogan, ‘Sabka Saath, Sabka Vikas’.

The series of measures taken in the last nearly three years since this Government came to power, need to be recalled to emphasize the fundamental changes in the administrative systems that have been brought about which give us the confidence, that a corruption free India may become a realizable ambition sooner.

The most dramatic and decisive has been the manner and implementation of the decision of demonetisation of high value currency of Rs.500 and Rs.1000 announced by the Prime Minister on the 8th November, 2016 at 8 p.m. This came totally out of the blue and took the nation by surprise. But the most important has been the manner of implementation of the demonetisation, which had proved the whole battalion of economists who predicted dire consequences and negative results, as the BJP President or Shri Manohar Parikar former Defence Minister of India and current Chief Minister of Goa said, ‘In the next 10 years, we may have more than 50 PhD thesis on how India succeeded in demonetisation’, as wrong, where by and large the experience of the world where it had been tried was negative. The demonetisation has been attempted in the past as a drastic measure to curb the volume of currency in circulation leading to a situation of hyperinflation as happened in Weimar republic in the 1920s after the First World War and many South American countries where dictatorship had led to hyperinflation. The recent demonetisation succeeded because the key person who took the decision, namely Shri Narendra Modi was very clear in his objective and the absolute secrecy needed for implementation was observed. The implementation of the scheme itself thought out in a pragmatic and at the same time ethical approach perfected by the concept of Sanatana Dharma, more particularly articulated and practiced by Chanakya from Kautilya’s Arthashastra, remains a classic in political science.
The second major factor which gives us the confidence of the corruption free India is the dramatic change in the taxation system brought out by the introduction of the GST. It is the most difficult and perhaps most significant tax reform that has ever been tried in India over the last century and for the time being makes India as a one nation and one system of tax. It removes a lot of bottlenecks so that the full strength of India as country of 1.30 billion was realized. There was a time, when India's huge population was declared as a curse, but it has turned to be a blessing thanks to the dramatic change in the world economic scene and globalization, where the country with huge population with significant part of the population being young is considered to have the basic fundamentals for emerging as a global economic power. India today is therefore, competing with the other large countries like China and in this, even though the political systems are different, dramatic changes brought about by the Government practicing a right of centre policy which is deeply rooted in the culture and ethos of India which added an element which has been missing and which overcomes the limitations in terms of decision making and implementation, thanks to an open democratic system with multi ethnic dimensions.

Apart from these two factors, a third important factor is the presence of institutions which are headed by visionary leaders and which themselves have built up traditions which help them to act as 'watch dogs' or 'guardians' of the system to ensure good governance. Perhaps the most significant is the judiciary, one of the three pillars visualized in our Constitution. The legislatures representing the people make the law, the executive both political and permanent bureaucracy implement the law and it is finally the judiciary which interprets the law. In fact, the Indian judiciary has over the years established itself not only for its independence and also for its articulation of principles which in a way ensured that the political ideology of the day do not cause long term dangers to the concept of democracy or practice of democracy which is 'Government of the people, by the people and for the people'. Some aberrations in the post-independence India was the Emergency of 1975-77 and in turn had led to an amendment which ensured that such an aberration does not take place again. The frequent invocation of the President's rule under Article 356 of the Constitution has also been severely curtailed thanks to the judgement of the Supreme Court like the Bommai judgement which has given meaning to the concept of federalism in a more substantial front. The articulation of the concepts like the 'basic structure of the Constitution', thanks to the campaign and vision and effective articulation of legal luminaries like Nani Palkhiwala have further strengthened the system of governance. The friction between the legislature and the judiciary is also getting smoothly resolved especially with the Supreme Court's recent decision about the greater transparency in the collegium system and the articulation of principle of the strength of any party in Government being tested on the floor of the House, have added new dimension which go a long way in curbing political corruption by way of horse trading and huge corruption in transactions of black money. These decisions of the Supreme Court and its decisions in the recent past give a further hope that corruption free India leading to good governance will be a reachable ambition and they are no longer a mirage.

Next to the judiciary is the role of the Election Commission of India which has become a widely-admired election agency in the entire world. In fact, the introduction of the modern technology like the Electronic Voting Machine has further strengthened the ability of the Election Commission to ensure that muscle power and money power do not continue to vitiate the elections and thereby strike at the root source of a wide range of corruption in our system. Agencies like the Central Vigilance Commission have also been in recent years emerged as stronger body ensuring that the violations of the norms are severely dealt as per laws without bias. Out of the many institutions, our Constitution has visualized the office of the Comptroller and Auditor General of India, which over the years has not only maintained its independence but in recent times played a very significant role in bringing to the public notice, cases of scams like a series of which we have witnessed in the first two decades of this century.

To conclude, we can confidently say that corruption free India will no longer be a mirage but has become an attainable ambition/reality and this corruption free India will create an environment for good governance, which again is summarized in the slogan, 'Sabka Saath, Sabka Vikas'.

You must be the change you wish to see in the world.
CVC visit to MIDHANI on 06.10.2017

A workshop-cum-Interactive session was organized on 06.10.2017 at Midhani on improving Vigilance administration. Shri K.V. Chowdary, Central Vigilance Commissioner (CVC) chaired the workshop and addressed on Preventive Vigilance and Integrity issues during the session. CMDs, Directors, CVO and senior officers from MIDHANI and BDL interacted with the CVC and cleared their doubts about vigilance issues while taking decisions. After the session, CVC visited the plant and witnessed the manufacturing facilities.
Government e-Marketplace (GeM) - New Initiative to cut Corruption in India

K. Mukesh
Manager (Vigilance)

Public procurement forms a very important part of Government activity and reforms in Public Procurement is one of the top priorities of the Government.

One of the key aspects to curb corruption is to minimize the human transactional interface. Accordingly, Public Procurement is being transformed by leveraging technology such as online market places and e-tendering.

About GeM

- Government e-Marketplace (GeM) is a very bold step of the Government with the aim to transform the way in which procurement of goods and services is done by the Government Ministries / Departments, PSUs, autonomous bodies etc.
- GeM is the Government’s mandatory e-Marketplace to source goods and services and is a move aimed at bringing in more transparency and streamlining the Government procurement.
- GeM applies to all Departments and Ministries and is to facilitate online procurement of common use goods & services required by various Government Departments / Organizations / PSUs.
- GeM aims to enhance transparency, efficiency and speed in Public Procurement. It provides the tools of e-bidding, reverse e-auction and demand aggregation to facilitate the Government users to achieve the best value for their money. With increased transparency and ease of buying, Government’s initiative clearly aims to curb corruption in procurement services in India.

The purchases through GeM by Government users have been authorized and made mandatory by Ministry of Finance by adding a new Rule No. 149 in the General Financial Rules, 2017.

As per Rule 149 of GFR-2017,

DGS&D or any other agency authorized by the Government will host an online Government e-Marketplace (GeM) for common use Goods and Services. DGS&D will ensure adequate publicity including periodic advertisement of the items to be procured through GeM for the prospective suppliers. The Procurement of Goods and Services by Ministries or Departments will be mandatory for Goods or Services available on GeM.

The credentials of suppliers on GeM shall be certified by DGS&D. The procuring authorities will certify the reasonability of rates. The GeM portal shall be utilized by the Government buyers for direct on-line purchases as under:-

(i) Up to Rs.50,000/- through any of the available suppliers on the GeM, meeting the requisite quality, specification and delivery period.

(ii) Above Rs.50,000/- and up to Rs.30,00,000/- through the GeM Seller having lowest price amongst the available sellers, of at least three different manufacturers, on GeM, meeting the requisite quality, specification and delivery period. The tools for online bidding and online reverse auction available on GeM can be used by the Buyer if decided by the competent authority.

(iii) Above Rs.30,00,000/- through the supplier having lowest price meeting the requisite quality, specification and delivery period after mandatorily obtaining bids, using online bidding or reverse auction tool provided on GeM.

(iv) The invitation for the online e-bidding / reverse auction will be available to all the existing Sellers or other Sellers registered on the portal and who have offered their goods/services under the particular product/service category, as per terms and conditions of GeM.

(v) The above mentioned monetary ceiling is applicable only for purchases made through GeM. For purchases, if any, outside GeM, relevant GFR Rules shall apply.
(vi) The Ministries/Departments shall work out their procurement requirements of Goods and Services on either “OPEX” model or “CAPEX” model as per their requirement/ suitability at the time of preparation of Budget Estimates (BE) and shall project their Annual Procurement Plan of goods and services on GeM portal within 30 days of Budget approval.

(vii) The Government Buyers may ascertain the reasonableness of prices before placement of order using the Business Analytics (BA) tools available on GeM including the Last Purchase Price on GeM, Department’s own Last Purchase Price etc.

(viii) A demand for goods shall not be divided into small quantities to make piecemeal purchases to avoid procurement through L-1 Buying / bidding / reverse auction on GeM or the necessity of obtaining the sanction of higher authorities required with reference to the estimated value of the total demand.

**Benefits with GeM**

The GeM essentially has advantages like minimised prices, maximised ease of buy and sale, transparency and efficiency. This system will necessarily help enhance processes by methods like ‘demand aggregation’, ‘real-time price discovery’ and ‘automated payments’.

A few reasons why the system will increase transparency

**From the buyer’s point of view**

1. Buyers can search, compare, select and then buy the goods after full verification.
2. A continuous vendor rating system will enable buyers to know about the goods before purchase.
3. With increased ease of buying, verifying goods will be an easier task.
4. A dashboard for buying and monitoring supplies and payments and its user-friendly nature will make purchase system more regularised.

**From the seller’s point of view**

1. Sellers will have direct access to all government departments.
2. One stop shop for marketing will ensure better monitoring.
3. Similarly, it is a one stop shop for bids, reverse auction on products and services.
4. Dynamic pricing based on market conditions will make sure that everyone knows about the market value of goods.
5. A dashboard for selling and monitoring of supplies and payments and its seller friendly nature will make the selling system more regularised.
6. All of these together ensure a consistent and uniform purchase procedure.

**Implementation of GeM**

Presently more than 40,000 products in about 150 categories and hiring of transport service are available on GeM POC portal and five states and a Union Territory (UT) have formally adopted the Centre’s Government e-Marketplace (GeM) initiative. They are Andhra Pradesh, Assam, Gujarat, Telangana, Arunachal Pradesh and Puducherry (UT).

**Conclusion**

GeM is a noble initiative and will curb corruption and bring transparency in system in immense way. With vigilant buyer and honest sellers only the GeM can be successful and progress the nation in the right direction.

Your little corruption can create a big interruption to development.
Vizag chapter of Vigilance Study Circle was adjudged as the Best Chapter for the year 2017. Central Vigilance Commissioner Shri K V Chowdary presented the Rolling Trophy (sponsored by MIDHANI) to VSC, Vizag chapter.

Dr D K Likhi, CMD, Midhani addressing the gathering during the occasion.

Shri K R Nandan, State Vigilance Commissioner presenting Excellence Award to Shri P. Malla Reddy, Vigilance Officer, Midhani.
VIGILANCE AWARENESS WEEK - 2016 CELEBRATIONS

- Shri B Chandra Kumar, Hon'ble Judge (retd.) High Court of Andhra Pradesh presented during the Inaugural function.
- Talk by Dr K S Ratnakar, Chairman, Global Medical Education & Research Foundation, Hyderabad on “Ethics and Moral values”.
- Winners of competitions held for Govt schools and colleges.

CALL FOR ARTICLES

All Officers and employees are requested to forward contributions for the future issued of “Jagruti”. Contributions can be in the form of articles related to Vigilance, System Improvements, anecdotes on ethics, pictures / cartoons related to vigilance, compilation of quotes / slogans on a topic or any other creative input. Suggestions on any aspect of the magazine are welcome. Contributions / Suggestions may please be forwarded to CVO office, MIDHANI.

EDITORIAL BOARD

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QUOTES

- Watch your thoughts; they become words.
- Watch your words; they become actions.
- Watch your actions; they become habits.
- Watch your habits; they become character.
- Watch your character; it becomes your destiny.

- Lao Tze