



Systemic Improvements initiated by Vigilance department, MIDHANI

System studies were carried out in the areas of HR, Procurement, Scrap sale, Labour contracts etc. Points requiring systemic correction as noted during system studies and investigations were brought to the notice of the Management for suitable intervention.

A total of 26 Systemic Improvements and good practices are suggested by the Vigilance department and considered by the Management during the period October 2019 till 17-Aug-2021.

Systemic Improvements		
S. No.	File Number & Date	Systemic Improvement carried out
1	MIDHANI/VIG/SI-01/10/2019 dated 04.10.2019	On review of the company procedure for Probation confirmation on Initial appointments & Departmental Promotions with DoPT, advised Management to modify the system inline with DoPT.
2, 3 & 4	SI-02, 19.10.2019 & SI- 5, 04.12.2019 & SI -11, 22.02.2020	On review of the company CDA rules with DPE guidelines, the differences noticed are informed to the Management for issuing suitable amendments.
5	MIDHANI/VIG/SI-03/11/2019 dated 06.11.2019	Management advised to include a Penalty clause as a part of proactive and preventive approach in all civil work tenders as well as in work orders.
6	MIDHANI/VIG/SI-04/11/2019 dated 09.11.2019	On examination of the company Outpatient Medical bills for last 3 years, observations made along with the suggestions forwarded to Management for suitable implementation.
7	MIDHANI/VIG/SI-06/12/2019 dated 07.12.2019	HoD (Civil) advised to incorporate a separate clause in company Township Annual Maintenance Contract works, w.r.to entry of materials by the contractor in a specific register for accountability.
8	MIDHANI/VIG/SI-07/12/2019 dated 28.12.2019	To address the issue of delay in getting the responses to Post Qualification experience verification letters, suggested Management to ascertain e-mail addresses and send the verification letters through mails, since the responses are swift through mails.
9	Confidential report dated 13.01.2020	Based on Investigation carried out on purchase of Housekeeping items, advised to purchase these items from retail stores only in future, where Electronic printed bills are generated to have a fool-proof system.
10	MIDHANI/VIG/SI-08/01/2020 dated	On source verification of " genuineness of the Solvency certificates " it was found that the



	25.01.2020	certificates are fake in some cases. To eliminate these malpractices, advised to obtain the Solvency certificate “in original” and to check the genuineness of the certificate of L1 party with source before placement of Purchase Order.
11	MIDHANI/VIG/SI-09/02/2020 dated 05.02.2020	On review of Vigilance clearance procedure, suggested to introduce the system of taking the prior vigilance clearance for the below purposes: i. While recommending the names of employees for “Conferment/ grant of Individual and Group awards for their outstanding contribution”. ii. While nominating the employees for any “National and International awards.”
12	MIDHANI/VIG/SI-10/02/2020 dated 17.02.2020	On study of petrol consumption data for the company vehicles, HoD (Admin.) suggested to explore the possibility of entering into a direct contract with IOCL pumps operated and maintained by the State Jails dept, to have the accurate measurement and to avoid the adulteration of fuel.
13	MIDHANI/VIG/SI-10A/05/2020 dated 27.05.2020	Inline with the CVC advice on incorporation of In-service training module on “Preventive Vigilance awareness” as part of sensitization program in all CPSEs, study material with title: “ BE VIGILANT ” prepared by the Vigilance dept has been uploaded on the company’s Intranet portal for the benefit of all the employees.
14	MIDHANI/VIG/SI-06A/05/2020 dated 27.05.2020	Advised Management to review the existing Pre-Qualification / Eligibility criteria for Procurement inline with the CVC O.M. no. 12-02-1-CTE-6 dtd 17.12.2012 & Manual for Procurement of Goods – 2017.
15	MIDHANI/VIG/SI-12/06/2020 dated 04.06.2020	To finalize the list of Transfers as per the company Job Rotation policy i.e., by 31 st March of the respective year and if any subsequent transfers are made, the same to be routed through Vigilance, since the Agreed List and ODI list are under CVO custody.
16	MIDHANI/VIG/SI-13/06/2020 dated 10.06.2020	An advise note given to Management to review the existing Pre-Qualification / Eligibility criteria w.r.to Annual Turnover for Civil and Electrical works inline with the CVC O.M. no’s. 12-02-1-CTE-6 dated 17.12.2002 & 07.05.2002.
17	MIDHANI/VIG/SI-14/08/2020 dated 11.08.2020	On analysis of procurement data for the last five years , advised Management to continue the efforts to follow the DPE guidelines for procurement of Goods and Services from GeM portal.
18	MIDHANI/VIG/SI-15/08/2020 dated 31.08.2020	INTEGRITY SURVEY: To assess the extent of Integrity orientation, a questionnaire prepared by Vigilance covering Workplace Ethics, Personal

		Integrity & Organizational Integrity circulated to all employees. Survey results shared with Management and advised to work upon to channelize the ethical attributes at work place towards the Organizational Integrity.
19	MDN/VIG/APR/2020 dated 18.12.2020	Annual Property Returns: To include an additional column i.e., “ Whether intimated to Management and reference number and date ” to the existing format inline with CDA rules.
20	MDN/VIG/FTC/2021 dated 09.01.2021	On verification of All-India Open recruitment notification, observations made in respect of “ Upper age limit as per company policy & ensuring the Reservation representation as per Reservation brochure issued by DPE ” forwarded to Management.
21	MIDHANI/VIG/SI-16/02/2021 dated 02.02.2021	Based on CTE type examination conducted for Equipment foundation Civil works for installation of 8T VIM furnace, suggested Management to form an Internal Technical Audit Committee as a Standing committee to carry out inspections/ checks on quality, specifications, technical aspects, payment procedures and also to recommend the remedial actions etc. Also, suggested to amend the existing Works Manual incorporating the Technical Audit committee and its role.
22	MIDHANI/VIG/SI-17/02/2021 dated 16.02.2021	On study of existing procedure in MIDHANI for Departmental Promotions in cases of Non-Executives / Workmen forwarded suggestions to remove Interview component and the weight-age therein for the promotion of the non-executives. Suitable further amendments to the CDP may be made accordingly on priority.
23	MIDHANI/VIG/SI-18/03/2021 dated 10.03.2021	On scrutiny of a Procurement file, gaps noticed in calculation of Landed Cost (in cases of import offers) in the Reverse auction procedure are informed to Management and suggested to resolve these gaps with the help the help of National Informatics Centre (NIC) and till such time advised to HOLD the said procedure.
24	MIDHANI/VIG/SI-19/05/2021 dated 31.05.2021	On scrutiny of a Procurement file, suggestion had been forwarded to Management not to put any discriminatory clauses in the tender document w.r.t. choosing of few line items for Contract finalization after choosing L1 on overall cost basis, to ensure efficient and transparent procurement.
25	MIDHANI/VIG/SI-20/06/2021 dated 16.06.2021	On study of existing procedure in MIDHANI for Award of Contract through “ Emergency Purchase procedure and Delegation of Power (DOP) ” Appendix suggested Management to formulate a specific SOP

		for processing the procurement cases for “Placement of order without calling any tender”. It was also suggested to include a separate specific DOP for “Emergency Procurement” in clause no. 6.0 of Appendix – II(B) of present Delegation of Power (DOP) document, with details.
26	MIDHANI/VIG/SI-21/07/2021 dated 23.07.2021	Further to the Visit of CVO/MIDHANI to Rohtak plant , it was suggested “to work out a suitable HR plan for positioning in order to carry out marketing, production, support functions etc.”, “to have provision of appropriate AMC for trouble-free operations of all new state-of-art equipments”, “to have a perspective business plan over a period of ten years” and “to identify complementary roles for all the new modern equipments that can be played by this new plant to supplement any activity related to main plant at Hyderabad for ensuring optimal utilisation of HR and equipments of Rohtak plant”.
27	MIDHANI/VIG/SI-22/08/2021 dated 12.08.2021	it was suggested to review & formulate necessary format/provisions to include the certain points in various MIDHANI Policy & Procedures documents with respect to Manual of Office Procedure & notings of Ministry of Personnel, Public Grievances and Pensions and to follow them without any deviations.
28	MIDHANI/VIG/SI-23/08/2021 dated 17.08.2021	It was suggested for all scenarios, during raising of MPR/CPAR, indent raising official should clearly bring out the related clause of extant MIDHANI Purchase Policy & Procedures and Delegation of Power Appendix in the proposal. Two specific rows with required columns need be added in the present format of administrative approval for indent prepared by Indenter. These could be (a) Type of tender i.e. GTE/OTE/LTE/ST, etc and under which clause of Purchase Policy it is covered; (b) the designation of the competent authority and financial limit vested with that authority along with relevant DOP clause for administrative approval of the MPR/CPAR. All justifications for deviations from the laid down procedures for both these clauses should be put up for decision of competent authority in the same administrative proposal.
29	MIDHANI/VIG/SI-24/08/2021 dated 16.09.2021	To streamline MIDHANI Purchase Procedure for “Placement of order without calling any tender” & “Emergency Purchase”, with other PSUs under Ministry of Defence, following are suggested. (a) (i) To review the financial limit of DOP for

		<p>award of contract without calling tenders, which is Rs. 50 Lakh at present. In other words, Clause no. 6.5 of Appendix – II(B) of DOP having description “Award of Contract without calling for tender” need to be replaced with ‘Emergency Procurement’ <u>with much lower Financial provision with prescription of annual ceiling.</u></p> <p>(ii) The said provision of Clause no. 6.5 of Appendix – II(B) of DOP, as pointed out earlier is quite vague and against the extant government guidelines. The provision of Nomination already exists in a restrictive way, as per policy of government. This particular clause. [clause 6.5 of Appendix – II(B) of DOP] need to be limited <u>only for Emergency Procurements for production items</u> to ensure that production is not hampered. <u>This need to be used in extraordinary contingencies and adequate safeguards to be placed and the financial limit to be drastically reduced as advised at para 4(a)(i).</u></p> <p>(b) Separate SOP of such emergent procurements may also be worked out and introduced in-line with the procedures adopted in other Defence PSUs. The same SOP shall be included in the extant MIDHANI Purchase Policy & Procedures, by amending appropriately.</p> <p>(c) It need to be ensured that, the provision as noted at 4(a) & 4(b) above, need to be <u>not used</u> for works or services or procurement of any items, <u>not connected</u> with production or running of plant and machinery.</p> <p>(d) Suitable Purchasing formats need to be devised/refined in above cases.</p> <p>(e) As noted in the clause 6.5 of Appendix – II(B) of DOP, such emergent procurements made as suggested above need to be mandatorily brought to the notice of Board, without delay.</p>
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