



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

# VIGILANCE VANI

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Vigilance angle  
is present in  
the individual's  
acts of:

Demanding and/or accepting gratification for an official act or influencing others

Obtaining valuables without consideration/with inadequate consideration from someone in officials dealing directly/ indirectly

Receiving himself or for others valuables or pecuniary benefits by corrupt or illegal means or by abusing power

Possessing assets disproportionate to income

Misappropriating, cheating forgery etc

Carrying out other irregularities which cast doubt on ones integrity

## Be VIGIlant.....

Certainly, the term “VIGILANCE” connotes watchfulness over men, matters, processes and property. In the context of an organization, Vigilance means monitoring the organizational as well as individual behavior. Vigilance is a mechanism to keep a watchful eye on personnel behavior, integrity and honesty of an individual and taking the prompt action to promote fair practices and ensure integrity and honesty in the official transactions and personal behaviors.

Every corrupt mechanism needs the following two elements to indulge in corrupt practice :

- An opportunity.
- An assurance or perception of safety.

There are major two type of Vigilance – Preventive and Punitive.

- Preventive Vigilance** looks to prevent corrupt acts to reduce the incentive and opportunities for personal gain by using corrupt practices.
- Punitive Vigilance** is based on action against wrong doers.

Therefore, to bring about a higher order of **morality and rationality** during your public service or official duties always keep in everybody mind “**Prevention is better than cure**” work cautiously and watchfully without any greed or personnel interest.

## COMMON IRREGULARITIES/LAPSES OBSERVED IN AWARD OF ELECTRICAL, MECHANICAL AND OTHER ALLIED CONTRACTS AND GUIDELINES FOR IMPROVEMENT THEREOF -PART-5

### **6. PRE-QUALIFICATION CRITERIA (PQ)**

6.1 The pre-qualification criterion is a yardstick to allow or disallow the firms to participate in the bids. A vaguely defined PQ criteria results in stalling the process of finalising the contract or award of the contract in a non-transparent manner. It has been noticed that organisations, at times pick-up the PQ criteria from some similar work executed in the past, without appropriately amending the different parameters according to the requirements of the present work. One such case of defective PQ criteria which resulted in restriction of competition and apparent favouritism to a particular firm, pertained to design, manufacture and installation of a cooling tower in one of the thermal power units of a PSU. The PQ criteria kept in the bid documents envisaged a condition of minimum capacity (in M<sup>3</sup>/Hr) of cooling tower to have been executed in past by the prospective bidders. The minimum capacity was taken from the PQ conditions of a similar work but of higher capacity, executed in the past. On examining the case, it was found that this particular threshold value resulted in qualifying only one bidder while a reputed PSU company that was L-1 got disqualified by a very narrow margin. Thus, the work was awarded to L-2 firm with a huge difference of amount between L-1 and L-2. Had the threshold value kept in the PQ criteria been amended in proportion to the reduction in capacity of cooling towers, probably L-1 firm would have qualified. Therefore, keeping a threshold value in manner, which disqualifies the reputed and big firms out of the very few bidding firms not only results in restriction of competition but smacks of non-transparency and favouritism.

6.2 At times the cases are re-tendered without adequate justification. While retendering, the PQ criteria is revised with a view to facilitate the entry of a particular firm. In one such case for the supply and installation of an AC plant in a PSU's corporate office building, the tenders were originally called with the condition that prospective bidders with an experience of installing 1000 tonne capacity only were eligible. The case was re-tendered without convincing justification and the experience criterion was reduced from 1000 tonne capacity to 600 tonne capacity. The firm awarded the work finally, had not qualified in the first round of tendering.

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6.3 Another important criterion for pre-qualification of bidders is the period for which the work experience is to be considered. The cut off dates regarding work experience are not clearly indicated. In one such case, regarding the hiring of DG sets by a PSU, on an annual basis, the PQ criteria required the prospective bidders to have three years experience in supplying DG sets to any Government/PSU company on a hire basis. Thus, the firms that had conducted such a business for 3 years, even 20 years back were qualified. On account of this vague condition, some firms that were currently not even in this business also participated in the tender.

6.4 The most important aspect of the PQ criteria is of course the nature of work for which the experience is required. Invariably the phrase 'similar work' is used in the tender notice and bid documents. This 'similar work' is interpreted differently by different agencies. In one case surprisingly, the supply and installation of AC ducting and the work of installing a false ceiling in the corporate office building of a PSU were combined in one tender. Such works are normally not executed together as ducting is normally executed as a part of the AC works while false ceiling forms part of civil construction or interior design works. Therefore, strictly speaking no firms can possibly qualify for such works with experience of 'similar work'. On examination, all the firms who participated in the bid were AC contractors and none of them had any experience of false ceiling work which constituted a large portion of the total work.

While framing the pre-qualification conditions, the end purpose of doing so should be kept in view. The purpose of any selection procedure is to attract the participation of reputed and capable firms with proven track-records. The PQ conditions should be exhaustive, yet specific. For bigger and new projects, as far as possible a preliminary survey may be conducted to collect relevant data from the market about the firms of repute in the field. The factors that may be kept in view while framing the PQ criteria are namely,

- (a) the nature of the work;
- (b) the scope of work involved in the project;
- (c) likelihood of availability/experience of firms for such works;
- (d) volume/amount of the work;
- (e) financial status.

In addition to above, the cut off dates for the period of work experience, the volume in terms of minimum capacity of equipments as well as in terms of monetary amount should be clearly indicated in the pre-qualification criteria so as to avoid any ambiguity at the time of evaluating the bids.

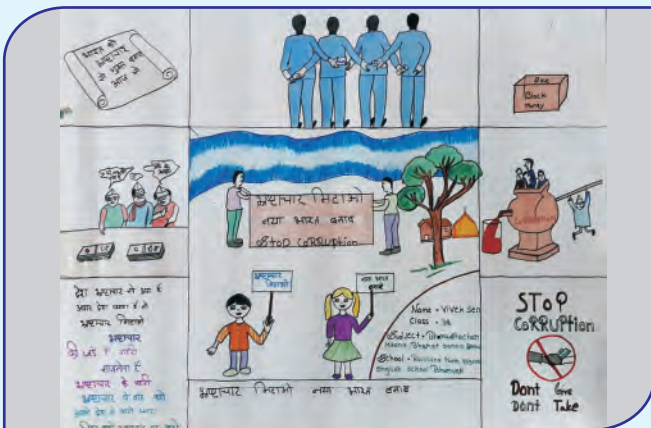
- As Per CTE's Organization



Vigilance Awareness Seminar at Balaghat Mine



Inspection Photo at Ukwa Mine



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