



BHARAT DYNAMICS LIMITED
VIGILANCE DEPARTMENT
COPORATE OFFICE : : HYDERABAD

SYSTEMIC IMPROVEMENT INITIATIVES BY VIGILANCE DEPARTMENT

As a part of preventive vigilance, regular checks, surprise checks and scrutiny of procurement and civil files were undertaken. Areas requiring systemic improvements were identified and corrective measures were suggested to the management.

A total of 33 systemic improvement suggestions have been given to the management by vigilance department during Sept-2019 to Dec-2020, and many of the systemic improvements suggestions have been accepted and implemented by the management.

SL NO.	FILE / REF NO.	SYSTEMIC IMPROVEMENT CARRIED OUT
1	BDL/04/VIG/107/SI-1/2019 dated 18.09.2019	Amendment to CDA Rules in line with the DPE Consolidated Model CDA Rules of CPSEs-2017 - Conduct Discipline and Appeal (CDA) Rules of BDL was last amended in 1975 and the existing BDL-CDA Rules, 1975 were not in-line with DPE consolidated Model CDA Rules. Based on a systemic improvement suggestion by vigilance wing, CDA Rules of BDL were amended in line with DPE guidelines and implemented with effect from 17.06.2020.
2	BDL/04/VIG/107/SI-2/2019 dated 19.09.2019	Preparation of NIT -During inspection of documents of procurement of an item through e-bidding, it was observed that the bid form mentioned the requirement in an ambiguous manner which led to some bidders quoting for '1 quantity' whereas some other bidders quoting for '1 Lot'. Vigilance wing suggested to evolve a system of preparation, scrutinizing and approving of NIT with responsibility matrix inbuilt which was attended to by the concerned.
3	BDL/04/VIG/107/SI-3/2019 dated 20.09.2019	Procurement by 'e-reverse auction' method - e-bidding was the most common method of e-procurement being used in BDL. However, in view of shortcomings of e-bidding system viz. no start price, possibility of cartel formation, bidder quoting a very high price than that of price quoted in the price bid of NIT, vigilance wing suggested 'e-reverse auction' method and the same was implemented. As of Dec-2020, out of 24 e-reverse auctions held and in 22 e-reverse auctions the company has saved a total amount of Rs.11,96,73,067/- which is about 46% over the estimated value of total Rs.26,00,11,268/-
4	BDL/04/VIG/107/SI-4/2019 dated 26.09.2019	Departmental Promotion Committee Process - It was recommended that "marks secured by the candidate in prescribed parameters will be kept in a sealed cover. The Interview Committee will conduct interview only and award marks. Later both these marks will be added and merit list will be prepared". This suggestion has not been accepted by the Management. Further, It was also recommended for an SoP to evaluate the 10 marks wherever applicable for ' <i>Innovative ideas/achievements/ paper publications</i> '. The suggestion has been implemented.
5	BDL/04/VIG/107/SI-5/2019 dated 26.09.2019	Incorporation of Penalty Clause in Tender Documents - It was observed in one Civil Project that the tender documents & Work Order does not explicitly mention about the 'Standard penalty clause'. Accordingly, it was suggested to incorporate the penalty clause in NIT and it is implemented.

6	BDL/04/VIG/107/ SI-6/2019 dated 04.10.2019	Digitisation of Land/Buildings Records and Land Management System - The land records are maintained in paper files and scattered across various units. Vigilance wing suggested to formulate a comprehensive land management policy. The suggestion has been accepted by management and a comprehensive land management policy prepared by management is under approval.
7	BDL/04/VIG/107/ SI-7/2019 dated 04.10.2019	System of disposal of un-utilized welfare items available at stores - There was 'no' mechanism available for utilisation / disposal of non-moving / undistributed items (gifts, shirts, shoes, etc.) available in the stores department. Based on vigilance wing suggestion, a comprehensive SoP for distribution/disposal of surplus welfare/ gift items containing details regarding condemnation, storage and has been prepared and implemented.
8	BDL/04/VIG/107/ SI-8/2019 dated 11.10.2019	Refinement suggested in Probation & Confirmation on First Appointment - Threshold value of rating for Confirmation of an Executive / Non-Executive was not defined in the extant rules and 'no' provision for 'moderating the ratings' given by the 'Reporting Officer by the Departmental Head and/or Divisional Head. It was suggested to incorporate the 'threshold value' with a 10-point numerical rating scale and to make provision for Reviewing Officer to moderate the score and the same have been implemented.
9	BDL/04/VIG/107/ SI-9/2019 dated 23.10.2019	Roster Maintenance & Reservation Policy in BDL - It was recommended that the post-based rosters are to be followed strictly and all rosters need to be recast as per the model proforma issued by DoPT. BDL needs to define Recruitment/Vacancy Assessment Year. The rosters are to be prepared based on the cadre strength which can be expanded or contracted. Further, percent of mode for DR and DP need to be fixed for each cadre/grade. The suggestions are accepted by management and is under process of implementation.
10	BDL/04/VIG/107/ SI-10/2019 dated 06.11.2019	Amendment to Penalties in BDL-CDA Rules - Minor/Major Penalties specified in BDL (CDA) Rules were at variance with the extant rules prescribed in DPE and CCS(CCA) Rules. A systemic improvement suggestion was given to amend the penalties in-line with DPE OM No. 15(07)/99-DPE-GM-VOL-III-FTS-2344, dated 11 th December, 2017. Suggestions were incorporated and BDL-CDA Rules were amended and implemented with effect from 17.06.2020.
11	BDL/04/VIG/107/ SI-11/2019 dated 03.12.2019	Performance evaluation during Management Training Absorption Process - To improve the process of performance evaluation of MTs on completion of Training Period during their absorption, it was suggested by vigilance to have a component of Written Test on service matters including CDA Rules apart from other criteria as prescribed. The suggestion has been implemented by incorporating related provisions in Recruitment Rule.
12	BDL/04/VIG/107/ SI-12/2019 dated 03.12.2019	Improper floating of NITs for "AMC for Environmental & Hygiene Control For Zone-A/B/C At BDL, Kanchanbagh - On scrutiny of the Scope of Work of three (3) NITs floated for the AMC, it was observed that scope of work is similar for 3 zones and sketchy in its scope. It was suggested that the NIT criteria need to be properly spelt out. The suggestion has been implemented and accordingly, NITs are being framed.
13	BDL/04/VIG/107/ SI-13/2019 dated 23.12.2019	Systemic Improvement on alleged receipt of monetary benefits and sanctioning of leaves to Sportsmen – It was recommended by vigilance wing that the Policy / Procedure of granting Special Leave to Sports Persons need to be revisited. Sportsperson to disclose any honorarium /remuneration received from any sports bodies to the Management. Management has incorporated vigilance suggestion regarding disclosure and issued a circular in this regard. Other suggestions are under consideration.

14	BDL/04/VIG/107/SI-14/2019 dated 23.12.2019	System of job rotation of executives working in sensitive and other areas - It was observed that executives working in a particular area were not being rotated however, a new section was being added to his area of work and a new designation was being given which makes it look like a separate section/department. Based on vigilance wing suggestion, a comprehensive guideline for regulating job rotation or transfer of executives from sensitive or other areas has been formulated and implemented by the management.
15	BDL/04/VIG/107/SI-15/2020 dated 17.01.2020	Preparation of Realistic Estimation/ BOQ in Civil works - It was observed that the Civil estimation had been changed number of times. Final value of the contract after execution of the work was 34% less than the estimated value. Vigilance department suggested that a practical approach need to be adopted by the concerned while arriving at BOQ and while preparing Estimates properly and the same has been accepted by the Management.
16	BDL/04/VIG/107/SI-16/2020-2 dated 30.01.2020	Issue of Admission Memo and Certification of Attendance during Hospitalization - It was observed that a few employees instead of applying 'Leave' for the period of hospitalization has been granted 'OD' (on duty). Vigilance wing recommended for cancellation of 'OD' certification and to recover the production incentive paid. It has also been recommended to develop an integrated system to track the hospitalization of employees and the Attendance Certifying Authority should be kept in the loop to know the status of hospitalization of the employee. This is under management consideration.
17	BDL/04/VIG/107/SI-17/2020-3 dated 03.02.2020	Improvement on Supplies & Vehicle Pass - It was observed that while receiving the provisions for canteen, a few of the items mentioned in the Delivery Challan have not been received at the canteen. Registration Number of the vehicle was not mentioned in the delivery challan. Vigilance wing recommended to develop and implement an online system across units for capturing details like purchase order no., receipt of no. of items against PO, vehicle no., driver, in-time, out-time etc. This is under management consideration.
18	BDL/04/VIG/107/SI-18/2020-4 dated 11.02.2020	Issue of Returnable Material Gate Passes at BDL-VU - RMGPs were being issued at Vizag Unit of BDL manually by the concerned officers for movement of material from the company premises to vendors. The RMGPs which were issued in the year 2014 onwards were still pending. A suggestion was given to management for introducing online system of issue of RMGP at Vizag Unit which will help in bring in a more transparent system with the ease of tracking and monitoring. The online RMGP system has been implemented at Vizag.
19	BDL/04/VIG/107/SI-19/2020-5 dated 17.02.2020	Improvement suggestion on observations by ODF during Inter-Organisation Audit - Based on observation by ODF during the Audit, a systemic improvement suggestion was given recommending to complete pending sensitive area transfers by March-2020. Further, it was suggested to carry out a monthly review of pending transfers to ensure that all officials identified for rotation are duly rotated and there is no carry forward on any pretext. Transfers have been effected by the Management.
20	BDL/04/VIG/107/SI-20/2020-6 dated 06.03.2020	Regulation of granting HRA - It was observed that employees by virtue of their joining in the Company, become eligible for drawing HRA, without submission of any Claim or Certificate as required. This position enables everyone who is eligible and also not eligible to draw HRA, which is not proper. House Rent Allowance, is essentially an "allowance" which need to be claimed. A systemic improvement suggestion was given in this regard and the same has been implemented.

21	BDL/04/VIG/107/ SI-21/2020-7 dated 12.03.2020	Vendor Registration of Civil Contractors - It was observed that there is no centralized repository of all civil contractors / service providers. The absence of such a system may provide a scope for same contractors to float firms with different names and thereby the same bidder may participate in tender with different company names. It was recommended by vigilance department that a centralized repository of all civil contractors / service providers need to be created on priority basis. The suggestion is accepted by management and is under process of implementation.
22	BDL/04/VIG/107/ SI-22/2020-8 dated 28.05.2020	Proposal for incorporating 'Vigilance Module' as part of In-house Training Program - To create awareness amongst employees on various issues related to vigilance, it was suggested to incorporate a vigilance module in in-house training programs.
23	BDL/04/VIG/107/ SI-23/2020-9 dated 05.06.2020	System of preparation of approved vendor list - It was observed that Approved vendor list is not maintained by IMM for some of the high value items. However, IMM-Manual of the company requires maintenance of approved vendor list item-wise. Vigilance department recommended for developing a system of preparation of approved vendor list for each item and for review of the items ordered on single approved vendors and develop more vendors in order to have competitive bidding. Approved vendor list have been prepared for Konkurs, Invar and Launcher, for other products its under progress.
24	BDL/04/VIG/107/ SI-24/2020-10 dated 11.06.2020	Assessing integrity orientation in BDL as part of systemic improvement - An integrity survey was conducted for executives in the company with an objective to gauge the integrity orientation of employees. A total of 73% of executives across units of the company responded to questionnaires on integrity.
25	BDL/04/VIG/107/ SI-25/2020-11 dated 02.07.2020	Improvement in estate management at BDL-BU - It was observed that there is no standard operating procedure for allotment of commercial establishment/residential quarters in Bhanur Township. It was recommended to prepare and adopt a SoP for allotment of residential/commercial establishment in township. The suggestion is accepted by management and is under process of implementation.
26	BDL/04/VIG/107/ SI-26/2020-12 dated 14.07.2020	Preventive Vigilance Module' for sensitizing the employee - A vigilance module named "BE VIGILANT" was hosted in intranet which covers topics on concept of vigilance, vigilance angle, role of CVC, complaints & investigation, departmental proceedings, public procurement & unethical bidding etc. 2 days training program on 'preventive vigilance' for 215 mid-career executives was conducted in 3 batches during 23.12.2020 to 06.01.2021.
27	BDL/04/VIG/107/ SI-27/2020-13 dated 14.07.2020	Analysis of procurement made during last five year and suggestion thereof - Upon analysis of data pertaining to purchase orders placed during the last 5 years, it was observed that the component of 'single tender' including its variants is 87% which is very high and in all likelihood, this compromises the tenets of public procurement. It was recommended to increase the vendor base. It was also recommended to review the IMM guidelines in-line with Ministry of Finance guidelines on 'STE without PAC'. The suggestion is accepted by management and is under process of implementation.
28	BDL/04/VIG/107/ SI-28/2020-14 dated 21.07.2020	Interpretation of findings of integrity survey and system Improvement suggestion thereof - The findings of Integrity Survey were communicated to management indicating improvement in systems in the areas of Upward and downward communication, alignment of commercial decision making and goals of the organization and creating a workplace of harmony, mutual trust and sharing common values.

29	BDL/04/VIG/107/ SI-29/2020-15 dated 03.08.2020	Status of verification of Antecedents, Educational Certificate, Experience Certificate and Caste Certificate etc. - It was suggested to send the verification letters to the 'issuing authority' with a copy to the District Collector. It was also suggested to make verification of Caste & PwBD certificate mandatory as is in the central govt. The suggestion for improvement in system has been implemented and process of verification of pending certificates are under progress.
30	BDL/04/VIG/107/ SI-30/2020-16 dated 07.08.2020	Improvement on Hiring of Vehicles - It was observed that there is no uniformity in the tender conditions being floated by different units for hiring of vehicles, vehicle RC submitted by contractors are fake in few occasions and the vehicles supplied are not as per tender conditions. Vigilance department suggested for regular verification of RCs and recommended for an SOP with standardized requirements and Terms & Conditions for hiring of vehicles across the units. Based on vigilance systemic improvement, an amount of Rs.6.37,209/- has been recovered from different Transport contractors for violation of terms and conditions of service work orders.
31	BDL/04/VIG/107/ SI-31/2020-17 dated 13.08.2020	Preparation of estimate- On analysis of procurements made by e-reverse auction after its implementation, it was observed that the company has saved a substantial amount i.e. 41% savings over estimated value. Therefore, it was recommended by vigilance wing that realistic engineering estimate considering latest costs of material, labour, overheads and any other relevant costs etc. need to be prepared. The suggestion is under consideration of the Management.
32	BDL/04/VIG/107/ SI-32/2020-18 dated 18.08.2020	Attendance Bonus/CL Encashment- It was observed that during the year-2019 more than 53% of non-executives have availed the CL encashment and out of this, more than 16% have encashed their full 12 CL and have been granted 'Full OD' on a number of occasions. CL Encashment is not there in Central Govt. organizations and search shows no evidence of the presence of such a scheme in other PSUs. CAG in case of other PSUs has also objected the encashment of CLs. Therefore, vigilance wing suggested to discontinue the scheme of attendance bonus/encashment of CL in the Company. The suggestion is under consideration of the Management.
33	BDL/04/VIG/107/ SI-33/2020-19 dated 16.10.2020	Amendment to Attestation Form for Character & Antecedent Verification of Employees- It was suggested to incorporate latest format of Attestation Form for the verification of character and antecedents as prescribed by DoPT vide OM No. 18011/2(s)/2016-ESst.(B)(I) dated 29 th June, 2016. Also suggested to frame an SOP for the Verification of Character and Antecedents of Ex-servicemen and Ex-Central Government employees joining the organisation in-line with guidelines and instructions issued by DPE and DoPT. The suggestion is under consideration of the Management.
