



BHARAT DYNAMICS LIMITED
VIGILANCE DEPARTMENT
COPROPRATE OFFICE : : HYDERABAD

Ref: BDL/04/SI/VAW-2021

DT:30.09.2021

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 10 systemic improvement suggestions have been given to the management by vigilance department during **Jan-2021 to Sept-2021**, 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-34/2021/1 dated 03.03.2021	SoP for dealing with Strategic / Confidential Procurement Cases – Selection of vendor/supplier plays a pivotal role in checking the 'risk' of suppliers becoming the potential competitor to BDL in future. It was suggested that provisions should be made available in Manual which enable identification of the strategic or technical sensitive / confidential procurements and an SoP should be in place defining the criteria or process for strategic or technical sensitive / confidential procurements, in-line with Government guidelines. The suggestion has been accepted by the management and necessary amendments along with the SOP will be issued.
2	BDL/04/VIG/107/SI-35/2021/2 dated 31.05.2021	Report On Engagement Of Casuals / Contract Manpower At BDL- A study was undertaken by the vigilance wing on "engagement of Casuals / Contract Manpower" across units of the Company. It was observed that there is no proper mechanism to monitor the attendance of contract manpower at work place and also there is no standardized tender document. Terms and conditions in each service order are different with other. Vigilance wing suggested to implement a suitable biometric attendance system for all contract manpower. It was suggested to standardize the tender documents and route all files through CLM Cell. The suggestion is under management consideration.
3	BDL/04/VIG/107/SI-36/2021/3 dated 04.06.2021	Proper handling of disciplinary cases relating to administrative misconduct, not involving vigilance angle- A review was carried out on the pending disciplinary cases relating to administrative mis-conduct, not involving any vigilance angle in respect of below Board level executives. Improvements were suggested with regard to completion of departmental inquiries in a time-bound manner as per the extant instructions. Management has accepted the suggestions and actions expediting the closure of long pending disciplinary cases have been initiated.
4	BDL/04/VIG/107/SI-37/2021/4 dated 17.06.2021	Systemic Improvement on procurement of 05 types of Aluminium raw materials – As part of scrutiny of the procurement of high value items, certain discrepancies were noticed by Vigilance Wing in the procurement of 05 types of Aluminium raw materials. In response to BDL's enquiry, only four (4) out of nine Vendors submitted their bids / quotations. 03 bids were rejected on commercial grounds due to non-compliance of delivery schedule as per tender document. However, on the recommendations of Finance Dept., the L1 vendor of one item was asked to comply with the delivery period (03 months as per enquiry) and it complied.

		No efforts were made by the Division to contact the other two parties with regard to other 3 items. Had efforts been made to contact other vendors and made them comply to the delivery schedule, e-reverse auction could have been conducted. Therefore, it was suggested that indenter need to be more vigilant in such cases and to sensitize IMM and finance wing to bestow undivided attention during the whole process of procurement. This suggestion has been accepted by the Management and actions have been initiated to sensitize IMM and Finance executives regarding e-reverse auction.
5	BDL/04/VIG/107/SI-38/2021/5 dated 18.06.2021	Time-frame for Approval of DPC/Selection Committee Recommendation, furnishing of certificates by Committee members and related matters – As part of review of the systems and procedures of the Company, provisions relating to preparation of merit list (2.16) of Recruitment Rules-2012 of BDL are studied. It was observed that there is no provision in 'what time frame' the recommendations of Selection Committee/DPC are to be submitted for the approval or otherwise of the appointing authority. Also, there was no time-limit prescribed for the appointing authority to accord its approval or otherwise. Further, it was observed that as per the provision at 2.16.2 of existing Recruitment Rules, the panel is valid for 'one year' and it may be extended up to a further period of 6 months. There is no mention in Recruitment Rules about how this period is calculated. In this connection, adequate detailed provisions are given in the Office Memorandum No.22011/5/86-Estt (D), issued by DOPT on 10 th April, 1989. It was suggested to incorporate suitable provisions in BDL R&P Rules in-line with DoPT guidelines. The suggestion is under management consideration.
6	BDL/04/VIG/107/SI-39/2021/6 dated 29.06.2021	Systemic Improvement on cutting of sandalwood trees at BDL-KBU by un-identified persons – It came to the notice of Vigilance Dept. that around 15 sandal wood trees at various locations in KBU had been cut down during the 3 rd week of Jun 2021 and the woods have been stolen by unidentified persons. As this was a major security breach, it was suspected that some internal persons who have knowledge of the area might be involved in this incident. It was suggested to conduct a security audit across units of the company and address the areas of concern effectively. It was also recommended that proper attendance system should be in place to monitor the movement of contract persons/ labourers. Further, it was suggested that the incident need to be thoroughly investigated and the persons responsible have to be identified (both internal & external), for which regular follow up with police needs to be done. The suggestions are under management consideration.
7	BDL/04/VIG/107/SI-40/2021/7 dated 13.07.2021	Inclusion of 'Electronics-Lab' Bhanur Unit under Sensitive Area list & Rotation of Executives working therein- A review of systems and procedures relating to rotation of executives working in sensitive areas was undertaken. It was observed that 'Electronics-Lab' department can be included in the Sensitive Area list as the department clears the Goods Receipts (GRs) of Electrical & Electronic components, Electronic sub-assemblies received from vendors and performs similar function to Inward Goods Quality Control (IGQC) deptt. which is a sensitive department. Therefore, it was suggested to include 'Electronics-Lab' in the sensitive department list and accordingly, manpower working in this department will figure in the list for compulsory rotation because of such posting. The suggestion is under management consideration.
8	BDL/04/VIG/107/SI-41/2021/8 dated 18.08.2021	Medical facilities for Re-employed Ex-Servicemen- Provisions relating to medical facilities to employees were studied with a specific focus on provisions regulating facilities for re-employed Ex-servicemen (pensioners) in the Company. Upon reading of Central Organisation, ECHS, Delhi Cantt. letter dated 10.08.2015, it was understood that that Ex-Servicemen are required to choose any one Govt. funded scheme on re-employment. Further, it also clarifies that the beneficiary and their dependents have to avail any one type of scheme and not combination. BDL PC No. 13/2001 dated

		13.06.2001 on Medical facilities for employees does not have any specific provision regulating the medical benefits for ex-servicemen and their dependents by BDL, if the beneficiary has opted to avail ECHS facility while in service. Therefore, it was suggested that necessary amendments may be made to the BDL Medical Rules keeping in view ECHS guideline which will regulate the ex-servicemen joining the company and already availing medical facility from ECHS. The suggestion is under management consideration.
9	BDL/04/VIG/107/SI-42/2021/9 dated 25.08.2021	Provision of Deemed Resignation for absence from duty exceeding 5 years in BDL Leave Rules – It was observed in one case the executive have been absent from duty for more than 20 years and charge sheet issued against her is pending for long as she is not attending enquiry. It was observed that, Central Services (Leaves) Rules 1972 amendment to Rule-12 dated 29.03.2012 has a provision of 'deemed resignation' for employees absenting from duty for a continuous period exceeding five years. In view of this, it was suggested that necessary provisions could be made in BDL Leave Rules by incorporating a provision 'deemed resignation' in-line with Rule-12 of CCS (Leave Rules) 1972 which will address exceptional case of long absenteeism. The suggestion is under management consideration.
10	BDL/04/VIG/107/SI-43/2021/10 dated 27.09.2021	Award of Contract without calling tender and Emergency Procurement Procedure- Provisions of BDL IMM Manual regulating methods of procurement without tendering such as Petty Purchase, Committee Purchase were studied and a comparison was made with provisions available in other DPSUs. It was observed the financial limit prescribed for such petty purchase is inconsistent with DoP and limit for committee purchase is higher in comparison to other DPSUs. In view of this, it was suggested that conditions for petty purchase and committee purchase need to be clearly defined and lower financial limit should be prescribed as is available in other DPSUs and in Rule-155 of GFR-2017. It was also suggested to incorporate provision relating to 'Emergency/Urgent Procurement' and framing a detailed SoP in this regard. The suggestion is under management consideration.
