

Defective tug supplied under DGS and D order named Balashali, to A and N Administration

3053. SHRI MANORANJAN BHAKTA :
Will the Minister of SUPPLY be pleased to state :

(a) whether it is a fact that a tug supplied under DGS and D order named Balashali to Andaman and Nicobar Administration is defective with damaged engine ; and

(b) if so, the action taken to impose penalty on the manufacturer, full details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND IN THE DEPARTMENT OF SUPPLY (SHRI NIHAR RANJAN LASKAR) : (a) The tug named Balashali was supplied by M/s. Garden Reach Ship Builders and Engineers Ltd., Calcutta to A and N Administration in Jan. 1984. Subsequent to the delivery which was made after due inspection by Mercantile Marine Department, Calcutta, the Harbour Master (Marine), A and N Administration reported that the Engine is defective. The suppliers have agreed to replace the defective engine with a new one by 31.8.84.

(b) The question of imposing any penalty on the supplier will be examined on merit, after completion of job and in accordance with the rules.

Negotiations with West German Firm to Produce and Design Advanced Light Helicopters

3054. SHRI LAKSHMAN MALLICK :
SHRI ARJUN SETHI :

Will the Minister of DEFENCE be pleased to state :

(a) whether a deal to indigenously design and produce a very modern advanced light helicopters (ALH) for the Indian Air Force and Navy is being negotiated with the West German firm ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI K.P. SINGH DEO) : (a) and (b). An agreement for the design and development of an Advanced Light Helicopters has been concluded with M/s MBB of the Federal Republic of Germany on the 21st July, 1984. The 7-year Agreement envisages that the first prototype will fly in about 4 years time. The Indian made helicopters will be delivered to the Services in the early 1990s.

Streamlining the work of D.G.S. and D.

3055. SHRI MOOL CHAND DAGA :
Will the Minister of SUPPLY be pleased to state :

(a) whether his attention has been drawn to the news item captioned "D.G.S. and D. work being streamlined" appeared in 'Economic Times' dated 3 April, 1984 ;

(b) if so, the details of the new policy implemented and the result thereof ;

(c) whether distributors have been fixed up in all the different wings of manufacturers or suppliers to ensure equal benefits ; and

(d) the number of complaints received in the Department regarding corruption and favouritism and the number out of them which were genuine for taking action ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND IN THE DEPARTMENT OF SUPPLY (SHRI NIHAR RANJAN LASKAR) :

(a) Yes, Sir.

(b) Position is indicated in the statement attached.

(c) Since purchases are made on the basis of tender, direct from suppliers, question of fixing distributors does not arise.

(d) Complaints received by the Department do not generally contain specific allegation of corruption against the officials but they generally allege irregularities in the award of contracts and thereafter. Irrespective of the nature of the

allegation, if the facts or irregularities alleged are verifiable the complaints are examined by the vigilance wing of the Department. If the examination/investigation discloses lack of integrity or that an officer has acted from an improper purpose

or motive, favouritism, falsification of documents, and any other type of malpractices or misconduct having a vigilance angle, the cases are processed for action against the officers concerned either departmentally or through CBI.

During the period 1-4-83 to 31-3-84 Number of complaints }
involving possible vigilance angle received by the Department. } 200

Number of cases referred to the CBI for further investigation. 9

Number of cases which resulted in Departmental proceedings }
against officers following investigations by the Department. } 29

Statement

The following measures have been taken in the recent past to streamline the working of the DGS and D :—

1. With a view to expedite purchase decision tender Committee system was introduced some time back in four Directorates in the DGS and D on an experimental basis. As this system of taking purchase decision was found advantageous, it has been decided recently to introduce the Committee system of purchase in respect of all tenders above Rs. 75 lakhs in value.
2. To eliminate delays arising out of vague and irresponsible bidding necessitating cross correspondence, it has been decided that unresponsive/evasive bids will be ignored straight away. Guidelines have also been issued as to what factors will constitute unresponsive/evasive bids.
3. A system of inviting bids in two parts—one technical bid and the other price bid—for sophisticated equipments introduced earlier in one Directorate on an experimental basis has now been extended to other Directorates also.
4. It has been decided that registration status of a firm with reference to a tender is to be decided with reference

to the status obtaining on the date of opening of the particular tender.

5. Another decision of importance is that rate contracts should be awarded only to registered and tried firms. In case of registered but untried firms a system of trial rate contracts with suitable monetary limit and to be operated by limited number of direct demanding officers has been introduced.
6. An important policy decision has been taken not to give any preference as such to firm price offers. Tenders with price variation clause as also those giving firm price are to be considered on merits.
7. Delegation of Powers. For better efficiency and curtailing delays in procurement, the purchasing powers of Director General (Supplies and Disposals) and Additional Director General have been enhanced from Rs. One crore to Rs. 1.5 crores and for other officers also powers have been enhanced auditably.
8. Late/Delayed Tenders. A decision not to consider at all any late/delayed/post tenders in DGS and D has been taken to bring about a certain amount of discipline amongst the tenders to ensure fairness in dealing with tenders and for quicker disposal of Cases. For letter-head

- quotations/telegraphic quotations etc. from registered as well as unregistered firms a time limit of 7 working days instead of 3 days has been allowed for getting their confirmation in proper tender papers.
9. An agreement has been entered into with the National Informatic Centre (NIC), Electronic Commission, Government of India for the processing of DGS and D data with the help of their Computer and other peripheral facilities.
 10. Arbitration clause in DGS and D's contracts has been suitably amended so as to make it obligatory for the arbitrator to give speaking awards in all cases where claim of either party exceeds Rs. One lakh.
 11. With a view to ensuring quality control in paints, it has been decided that firms supplying paint items will provide bond room facility in their manufacturing premises or in close vicinity thereof for safe custody of stores offered for inspection. The bonded stores will remain in the custody of Inspector while awaiting test results.
 12. With a view to ensuring expeditious coverage, it has been decided to conduct monthly review of all indents received in DGS and D. In case of indents above Rs. 7 lakhs in value, this review will be made on the basis of Computer printouts. It has also been decided that special review meetings should be taken quarterly in respect of contracts where supplies have been delayed beyond one year from the original Delivery Period.
 13. In view of the complaints from firms, especially those belonging to Small Scale Sector and located in interior parts of the country, it has been decided to extend the time limit for submission of tenders in case of advertised demands from 6 weeks to 8 weeks.
 14. DGS and D's contract conditions provide for rejection of stores received by the consignee if they are not in accordance with the Contract. The rejection is normally to be intimated within 45 days of receipts of stores. For practical reasons this period has been extended to 60 days in respect of some items with a view to safeguard the interests of the Government.
 15. DGS and D's standard conditions, provide for 95 per cent payment on proof of inspection and despatch and balance 5 per cent on receipt of stores by consignee. To safeguard Government interests it has been decided that items with very limited shelf life (e.g. some paints) will be inspected and accepted at the consignee's end and payment in full will be made only after accepting of stores by consignee.
 16. With a view to tighten up the procedure and reduce scope for any fraudulent claims, it has been decided that bills for payment should also be accompanied by a photostate copy or an attested copy of the relevant railway receipt, as proof of despatch and quoting of Railway Receipt Number and date alone is not adequate.
 17. Payments against supplies made against DGS and D contracts are made by Chief Controller of Accounts, Department of Supply. Chief Controller of Accounts has recently brought out a pamphlet indicating the defects/short comings etc. normally noticed in the bills submitted by the suppliers for payments and which results in return of such bills. This pamphlet has been circulated to all concerned so as to avoid such defects/short comings.

Injury Due to Stray Bullets from Army Shooting Range Inderpuri, New Delhi

3056. SHRI RAM VILAS PASWAN : Will the Minister of DEFENCE be pleased to state :