

20

RAILWAY CONVENTION COMMITTEE

(2014)

(SIXTEENTH LOK SABHA)

MINISTRY OF RAILWAYS

(RAILWAY BOARD)

VIGILANCE IN INDIAN RAILWAYS



सत्यमेव जयते

LOK SABHA SECRETARIAT

NEW DELHI

December, 2017 /Pausha, 1939 (Saka)

TWENTIETH REPORT
RAILWAY CONVENTION COMMITTEE
(2014)

(SIXTEENTH LOK SABHA)

MINISTRY OF RAILWAYS
(RAILWAY BOARD)

VIGILANCE IN INDIAN RAILWAYS

Presented to Lok Sabha on 29.12.2017

Laid in Rajya Sabha on 29.12.2017



LOK SABHA SECRETARIAT

NEW DELHI

December, 2017/ Pausha, 1939 (Saka)

CONTENTS

	PAGES
COMPOSITION OF THE RAILWAY CONVENTION COMMITTEE (2014)	(i)
INTRODUCTION	(ii)
PART-I	
(I) Introductory	1
(II) Preventive Vigilance	2-10
(III) Participative Vigilance	10-13
(IV) Punitive Vigilance	13-16
(V) Proactive Vigilance	16-17
(VI) Interaction with CVC	17-18
(VII) Cases under CBI Investigation	19-20
(VIII) Monitoring	20-22
(IX) Constraints	22-23
(X) Suggestions	23-24
PART-II OBSERVATIONS/RECOMMENDATIONS	25-34
APPENDICES	
I. Minutes of the Twenty Third sitting of the Railway Convention Committee (2014) held on 14 October, 2016.	35-36
II. Minutes of the Thirty Eight sitting of the Railway Convention Committee (2014) held on 29 August, 2017.	37-38
III. Minutes of the Forty Third sitting of the Railway Convention Committee (2014) held on 28 December, 2017.	39-40

**COMPOSITION OF RAILWAY CONVENTION COMMITTEE
(2014)**

Shri Bhartruhari Mahtab, MP - Chairperson

Members

Lok Sabha

2. Shri Abhishek Banerjee
3. Shri Sanganna Amarappa Karadi
4. Shri K. Ashok Kumar
5. Shri Kamalbhan Singh Marabi
6. **Vacant***
7. **Vacant****
8. Shri Janak Ram
9. Shri Rahul Ramesh Shewale
10. Shri Bharat Singh
11. Shri Liladharbhai Khodaji Vaghela
12. Shri K.C. Venugopal

Rajya Sabha

13. **Vacant*****
14. Shri T.K. Rangarajan
15. Shri Prem Chand Gupta
16. Shri Abdul Wahab
17. Smt. Vandana Chavan
18. Shri Ranvijay Singh Judev

Secretariat

- | | | |
|---------------------------|---|---------------------|
| 1. Smt. Kavita Prasad | - | Joint Secretary |
| 2. Shri M. K. Madhusudhan | - | Director |
| 3. Shri D. R. Mohanty | - | Additional Director |

*Vacancy occurred w.e.f. 5th July, 2016 vice Smt. Anupriya Patel was appointed MOS.

** Vacancy occurred w.e.f. 14th December, 2017 vice Sh. Nana Patole resigned from Lok Sabha.

*** Vacancy occurred w.e.f. 18th August, 2017 vice Sh. Derek 'O' Brien retired from Rajya Sabha.

INTRODUCTION

I, the Chairperson, Railway Convention Committee (2014), having been authorized by the Committee, present this Twentieth Report on 'Vigilance in Indian Railways'.

2. The Committee obtained background material and written information from the Ministry of Railways (Railway Board) in connection with the examination of the subject. The Committee also took oral evidence of the representatives of the Ministry of Railways (Railway Board) on 14th October, 2016 and 29th August, 2017. The Committee express their thanks to the representatives of the Ministry of Railways (Railway Board) for appearing before the Committee and also for furnishing requisite oral and written information on the subject, as desired by the Committee.

3. The Committee considered and adopted this Report at their sitting held on 28th December, 2017. The Minutes of the sitting of the Committee are appended to the Report.

4. For facility of reference and convenience, the Observations/ Recommendations of the Committee have been printed in bold letters in the Report.

New Delhi:
28 December, 2017
07 Pausha, 1939 (SAKA)

BHARTRUHARI MAHTAB
CHAIRPERSON
RAILWAY CONVENTION COMMITTEE

REPORT

PART - I

I. INTRODUCTORY

The Vigilance Directorate plays a very important role in the area of management in the Indian Railways. It investigates complaints, conducts sample checks in respect of managerial decisions with a view to determining their conformity to objectivity, transparency and concordance with extant rules and procedures. The Directorate is headed by the Advisor (Vigilance) as Chief Vigilance Officer (CVO) who is assisted by five Executive Directors and 10 Directors/Joint Directors of different streams. The Directorate functions directly under the Chairman, Railway Board.

2. Vigilance working in Indian Railways has four facets *viz.* (i) Preventive Vigilance, (ii) Participative Vigilance, (iii) Punitive Vigilance, and (iv) Pro-active Vigilance.

3. With a view to assessing the various facets of Vigilance functioning in Indian Railways, the Committee took up the subject for examination and report. In the process, the Committee obtained preliminary material and written replies from the Ministry besides taking their oral evidence on two occasions. The Committee also undertook on-the-spot Study Visits to various Zonal/Divisional Railways to obtain first-hand knowledge on the subject matter at the field level. Based on the written and oral depositions of the Ministry and the feedback obtained during the Study Visits, the Committee have broached upon the Vigilance working in Indian Railways as enumerated below.

II. PREVENTIVE VIGILANCE

4. The Committee were informed that the following functions have been undertaken by the Vigilance Directorate:

- (i) Undertakes investigations of authenticated complaints received from various sources.
- (ii) Carries out preventive checks on various activities.
- (iii) Ensures that the Central Vigilance Commission (CVC) is consulted at all relevant stages and refers cases to the Commission for advice for officers as required.
- (iv) Processes implementation of the advice of the Commission for all cases under their jurisdiction
- (v) Maintains liaison with CVC and CBI.
- (vi) Ensures that proper assistance is given to CBI for investigation of cases.
- (vii) Maintains surveillance on officials of doubtful integrity.
- (viii) Ensures proper processing of vigilance related disciplinary cases and conduct of disciplinary enquiries.

5. Asked to state the measures taken for Preventive Vigilance, the Ministry submitted as under:

“Several preventive steps have been taken to strengthen systems and increase transparency. These include –

- Universal introduction of material procurements through e-tenders.
- Implementation of e-auctions.
- Introduction of e-tendering for work contracts.
- Increased availability of information on website www.indianrailways.gov.in

- Modification of reservation/ticketing procedures and rules to curb activities of unauthorized persons/touts. These include limitations on pre-feeding details, introduction of double Captcha at peak times, requirement for passengers to carry identification, SMS ticketing, introduction of bar coding on tickets, introduction of a more stringent cancellation policy etc.
- Proliferation of CCTVs.”

6. When the Committee desired to hear the views of Advisor (Vigilance) on Preventive Vigilance, he deposed in evidence:

“As far as ‘preventive’ is concerned, in the course of our investigations, we learn a lot of things, viz., what mistakes are made and how to stop them. So, as preventive steps, we keep giving suggestions to the Department to implement. Over a period of time, a lot of actions have already been taken. For example, Sir has mentioned e-tendering. Now, all our material tendering is online. All our auctions are online. This year, in April itself, we introduced e-tendering in our work tenders also. Sir, we come across a lot of problems with the passenger reservation system where we find a lot of touts being able to access our IP servers and pre-fill details into the ticketing system, and buy tickets. So, learning from that experience, to our CRIS software arm, we have gone with a lot of suggestions. They have implemented a lot of things also so that it becomes more difficult for the touts or the people trying to access our system, to get into the system.

Sir, we have also gone in for a lot of information on our website so that ordinary customers and passengers can get information about things like selection, rules, procedures, rake handling,

when their turn, to get a rake, will come. All this is available on our site.

As a preventive tool also, we have introduced CCTVs. It first came as a Vigilance suggestion. So we introduced them in booking offices and reservation offices, and gradually they proliferated.”

7. Highlighting the preventive measures taken towards tendering and contracts, the then Chairman, Railway Board supplemented his colleague:

“We have introduced the system of e-procurement, e-tendering and all that which has reduced the number of complaints substantially on tendering and contracting. Similarly, auctions have all been switched over to e-auctions. Various registration forms are available on our website. Anybody can download them. Registration of vendors is also computerized. The rake indents are also through computerized system. The recruitment of RRBs etc., is also switched over to the computerized system.”

8. The Committee asked whether E-tendering itself was an adequate measure to weed out corrupt practices. In reply, the Ministry responded as under:

“E-tendering has proved to be a very effective measure to weed out corrupt practices involved in the tendering process. Now, there is no scope of any manipulation in the tendering process. The tendering process has become very transparent and the tabulation statement and ranking etc. is visible to the tenderers also. Tenderers have now full faith in the tendering

process, which has resulted into drastic reduction in complaints on this matter.”

9. Asked to state additional innovative/enabling measures taken/contemplated to supplement E-tendering, the Ministry submitted as follows:

“In continuation to the existing system of E-tendering, complete digitization of supply chain has been planned during the current financial year. All the stakeholders including inventors, vendors, inspection agencies, consignees, accounts department will be the part of this digital supply chain. Digitally signed receipt challan & receipt note will be issued for payment to the vendors & vendors will be able to submit on line bills for on line payments, without any manual intervention; once the material has been successfully supplied by them.”

10. The Ministry further stated as under:

“As far as E-auction system is concerned, it is now a well established and foolproof system. 32000 lots of scrap valuing Rs. 2718 crores were sold through this process in 2016-17 successfully. So far, no complaint has been received in Vigilance Directorate with regard to E-auction system.”

11. The Committee then specifically desired to know about the preparedness and expertise of the Vigilance Directorate to deal with cyber crime so as to avoid manipulation in the software. In reply, the Ministry submitted as under:

“There is no infrastructure in the Vigilance Organisation to deal with Cyber Crime. Cyber related crimes pertaining to Indian Railways have only been found in the computerized reservation area. Our own software dealing organization, Centre for Railway Information Systems (CRIS) has so far been handling issues relating to manipulation of software. Cases involving outsiders are handed over to CBI who have a specialized Cyber Crime Cell.”

12. As regards steps taken to prevent malpractices in reservation and ticketing, the then Chairman, Railway Board submitted in evidence:

“...it is now 100 percent computerized. We have installed CCTV monitoring which has also helped in containing corruption particularly touting etc., at reservation counters and vigilance have a big role in that...”

13. Supplementing his former colleague, the incumbent Chairman, Railway Board submitted in another evidence:

“We are using technology quite a lot for reducing corruption. In fact the Railway Reservation system is one of the finest examples anywhere in the world of computerising manual set up and reducing corruption which was there and rampant in that.”

14. In response to a specific query of the Committee regarding the specific penalty amount realised from the ticket less travellers during the years 2015-16 and 2016-17, the Ministry stated as follows:

“The zone-wise details of amount realized from passengers travelling without ticket/with improper ticket for financial years 2015-16 & 2016-17, are given below:

Zonal Railways	Amount of railway dues realised (in Rupees crores)	
	2015-16	2016-17
Central	117.91	125.13
Eastern	28.02	30.56
East Central	59.40	72.52
East Coast	21.19	22.11
Northern	111.62	116.52
North Central	77.99	84.09
North Eastern	55.71	60.80
Northeast Frontier	30.05	38.53
North Western	24.92	23.10
Southern	35.35	34.17
South Central	101.32	111.50
South Eastern	24.74	29.05
South East Central	15.93	17.55
South Western	22.64	30.46
Western	94.91	95.86
West Central	44.63	43.70
TOTAL	866.33	935.64

15. The Committee then asked whether those Zones where ticket less travelling had been indentified and preventive measures taken by them. In reply, the Ministry submitted as under:

“The zone wise details of number of passengers travelling without ticket/with improper ticket for financial years 2016-17, in decreasing order is given below:

Zonal Railways	Persons detected travelling without ticket & with improper tickets (in lakhs)
Northern	26.4
South Central	25.86
Central	24.24
Western	20.24
East Central	18.62
North Central	16.56
North Eastern	12.00
Eastern	9.56
West Central	8.97
Southern	8.19
South Western	6.2
South Eastern	6.11
Northeast Frontier	5.75
North Western	5.56
East Coast	5.11
South East Central	4.24

16. The Ministry further deposed as follows:

“Instructions are issued to Zonal Railways from time to time to intensify ticket checking on vulnerable sections. From the analysis of ticket checking performance of Zonal Railways, the defaulting railways where number of checks conducted are less or the ticket checking earnings are low are identified and instructions are issued to concerned Zonal Railways to make all out efforts to launch special drives and checks. Besides, action plan is advised by the

Ministry during rush/festival period to prevent ticketless travelling.”

17. The Committee were then informed that only the non-Gazetted posts having Direct Recruitment quota in Level-2 and above of the Pay Matrix of the 7th CPC were filled up through Railway Recruitment Boards (RRBs). As regards, recruitment to other category of posts, the Ministry submitted as under:

“Posts in Level-1 are filled through RRCs as per procedure laid down by Board from time to time as per requirement to have a fair and transparent selection.

Compassionate appointment is not done through RRBs. Such appointments are done against the posts having Direct Recruitment (DR) Quota.

There is a provision of engagement of Substitutes in exigency of services. Also selection against Scout & Guide quota, Cultural quota against DR vacancies are not done through RRB, but by the Railway Administration themselves as per laid down guidelines.

Sports Quota is done through respective GM & ED/Sports.”

18. Asked to state preventive measures taken to deter malpractice in the recruitment process in Indian Railways, the Ministry submitted that some of the salient features of the instructions issued for the purpose were as under:

- Employment Notices are given wide publicity including their publication in Employment news indicating vacancies, eligibility conditions etc.
- At all stages of examination results are uploaded on the website of RRCs.

- Computerised evaluation of answer script is done through specialised agencies.
- Interview/viva-voce have been done away with eliminating the possibility of subjectivity.
- Online examination have been introduced which is efficient, fast and ensures high degree of scrutiny of the question papers.
- Websites of the recruiting agencies are constantly updated giving status of the exams.”

III. PARTICIPATIVE VIGILANCE

19. As regards Participative Vigilance in Indian Railways, the Committee were apprised that Vigilance Awareness Week was being celebrated every year during the last week of October or first week of November to educate the general public regarding the facilities available and also ways and means to lodge complaints with the Railways.

20. The Ministry elaborating the concept of ‘Participative Vigilance’, stated as under:

“Efforts are made to train our staff and as many as 239 Workshops/seminars/ interactive sessions were conducted on topical issues in 2016 towards participative actions. Officers, senior supervisors and other railway personnel representing various levels and disciplines participated. The primary focus was to inculcate greater awareness of rules and procedures and most importantly, the pitfalls that need to be steered clear of.”

21. Highlighting the special efforts made towards participative vigilance, the Ministry further submitted as follows:

“In a special effort, 98 Schools, 66 Colleges, 4 Training Institutes were covered by the units of this Ministry to sensitize the youth about the ills of corruption and its prevention. The activities included 126 seminars/workshops/skits/street plays, 235 Employee/Family competitions (Debates, Quiz etc.) and 108 Customer Grievance Redressal Camps were effectively conducted. Debates/Essay Competition/Elocution Contests etc. were also organized in as many as 291 educational institutes (107 Colleges and 184 Schools).”

22. The Adviser (Vigilance), Railway Board, supplemented in evidence as under:

“Sir, we are talking of ‘participative’ because we involve people in our own organizations. We organize seminars and training programmes. We also involve outside parties. For example, the present Central Vigilance Commission has been emphasizing on going to the schools and colleges and educating people about vigilance. So, we have something called ‘Vigilance Awareness Week’. ...They have given a theme of ‘Public participation in promoting integrity and eradicating corruption’. We are all supposed to go to schools and colleges, and organise debates, elocution competitions, essay competitions and teach children and students about the ills of corruption. Last year, the Railways had organised something like 211 such events and this year also, the Commission has nominated cities to us. So, we will be going in the cities to about 200 schools and colleges. We will also be organizing things like Nukkad Nataks to educate people. Last year, we had also made a film and put it on our website.”

23. The Committee asked whether the Railways were associating eminent persons from different walks of life to educate people including the Railway official about the ills of corruption. In reply, the Chairman, Railway Board submitted in evidence that they had tried it once and efforts would be made to associate more and more eminent persons for the purpose.

24. In response to a specific query, the Committee were informed that efforts were also made by the Ministry to inculcate a sense of integrity and ethical behavior amongst the Railways Officials. Asked to state the procedure followed for appointment/selection of Vigilance Officials, the Ministry responded as under:

“The Vigilance Organization fills up the posts of Investigating Inspectors and Vigilance Inspectors through selection. The focus is on selecting a candidate who has a fair idea in the stream of Vigilance for which he is being considered for. Officers of outstanding reputation and proven integrity are selected for Vigilance.”

25. The Committee then queried about the mechanism put in place to look into the complaints lodged against the Vigilance Officers themselves. In reply, the Ministry deposed as follows:

“Complaints received against the Vigilance Officers/Personnel is handled by Director/Vigilance (Police). For ensuring transparency and impartiality, the Director/Vigilance (Police) is not from the Railway Service and is a DIG level Officer from the Indian Police Service Cadre, posted in the Vigilance Department on deputation. Based on the circumstances of the case, advice

of the Central Vigilance Commission is also taken on Investigation Reports.”

IV. PUNITIVE VIGILANCE

26. As regards Punitive Vigilance, the Ministry submitted as under:

“The Directorate conducts a large number of checks and also investigates large numbers of complaints for taking punitive action against guilty officials. This may be seen in the context of the fact that Indian Railways runs approximately 23000 trains per day and carries more than 2.2 crores passengers per day. It is also the largest Government employer with 13.41 lakhs employees. Approximately 818 crore passengers were carried by Indian Railways in 2016. The Indian Railways operate round the clock, throughout the year, and there is a continuous public interface with its customers. Indian Railways also carries out a very large number of other activities related to its operations including construction activities, procurements, tendering etc.”

27. The Adviser (Vigilance), Railway Board supplemented in evidence as under:

“Sir, ‘punitive’ means, action after, we do our preventive checks. If any shortcoming is found, then we find out whether it is malafide or whether it is an administrative problem. In consultation with the Central Vigilance Commission, in the case of officers, action is taken against them. Punishments are also given where people have been found to be guilty. Last year, we had done about 21,700 checks from our own Vigilance Officers and our staffs into various facets for examining whether the things were all right or not.”

28. Asked to state the number of Vigilance checks conducted and staff taken up under disciplinary action (D&AR) during the last two years, the Ministry furnished the following data:

		2015	2016
(a)	Total No. of Vigilance Checks	21735	19383
(b)	Total No. of Staff Taken up under D&AR	6174	6169

29. The Committee then desired to know about the number of complaints received/handled and disposed of during the last three years. In response, the Ministry furnished the following details:

“Calendar wise information is maintained in the Vigilance Organization of Railways. Details of complaints handled and disposed of during 2015, 2016 & 2017 (upto March) are stated below:

Description	2015	2016	2017 (Up to March)
Total handled including brought forward	12394	11200	4429
Disposed off during the year	9777	8852	2075

30. Asked to state the number of officials imposed with major and minor penalties during the same period, the Ministry provided the following information:

“Details of officials penalized during the years 2015, 2016 & 2017 (upto March) are as under:

Year	Major penalties imposed			Minor penalties imposed		
	2015	2016	2017 (upto March)	2015	2016	2017 (upto March)
Gaz. Officers	76	59	13	180	103	26
Non-Gaz. Staff	960	1048	241	5183	5859	1302
Total	1036	1107	254	5363	5962	1328

31. As regards cases pending for sanction of prosecution, the Ministry submitted as under:

“As on 20.08.2017, there are no cases pending with the Minister of Railways. However, two cases involving three officials are under process. Sanction for Prosecution against 6 & 10 Group ‘A’ officers has been granted during the years 2015 & 2016 respectively. Sanction for Prosecution against 11 Group ‘A’ officers has been granted upto June 2017.”

32. The Committee then asked about the action taken against the persons outside the Railways who were found indulging in corrupt activities in ticketing, award of contracts etc. In reply, the Ministry apprised as under:

“As a result of joint checks, a large number of outside persons were prosecuted and convicted under section 143 of Railway Act in malpractices in Railway Ticketing. Details are stated below:

Description	2015-16	2016-17
No. of persons Prosecuted	1483	1700
No. of persons Convicted	147	264
Amount of fine realised (In Rs.)	9,99,405	41,85,600

8 Firms (i.e. Electrical -2, Stores -3, Engineering -2, S&T -1) outside the Railways were found indulging in malpractices in award of Contracts. Out of these 8, banning of business has been completed against 3 firms, banning of business is under process against 4 firms and 1 case is with CVC for its advice.”

V. PROACTIVE VIGILANCE

33. As regards the concept of Proactive Vigilance, the Ministry apprised as under:

“Towards proactive vigilance, the Directorate identifies ‘Thrust Areas’ requiring special focus annually for carrying out preventive checks. The Department also identifies sensitive posts for implementation of rotational transfers and suggests System Improvements based on experience gained through Vigilance Investigations and checks.”

34. The Adviser (Vigilance), Railway Board elaborated in evidence:

“Sir, ‘proactive’ means, we give some suggestions to the Zonal Railways. For example, we have something called Thrust Areas. This year, we have given a set of areas where we want our Vigilance Organisation to concentrate. ...the purpose being to go into areas where faults have been found or mala-fides have been found in the past. Where we feel that there could be a lot of scope for wrongdoings, we ask our people to go and do investigations in those areas.

Also being ‘proactive’, we have identified posts which are sensitive where people cannot be posted for more than four years. So, we request for rotational transfers. So, we keep going to the administrative authorities wherever we find that people have been posted for more than four years and they need to be

shifted. This year also, we have found that there are some people who have overstayed. So, that is being taken up.”

VI. INTERACTION WITH CVC

35. The Committee were informed that regular meetings between the Vigilance Directorate and Central Vigilance Commission (CVC) were held once in three months. Besides, Annual Sectoral Review meetings were being held by the CVC once in a year during the month of June/July.

36. Asked to state the number of interactions held with CVC during the years 2015-16 and 2016-17 and the concrete outcome thereof, the Ministry submitted as under:

“9 Interactions meetings were held between CVC & Railways during the period from April 2015 to March 2017 (i.e. 5 in 2015-16 and 4 in 2016-17). As a result of concerted efforts, pendency of CVC cases has been reduced from 1176 to 729 including new added cases.”

37. As regards Annual Sectoral Review Meetings, the Ministry further submitted as under:

“During the Annual Sectoral Review Meeting, policy issues like punitive vigilance, preventive vigilance, training and capacity building, constraints etc. for improving the working of the Vigilance Organization is discussed and the Commission suggests systemic improvements for the same. During the Quarterly Review Meetings, pending cases in which CVC has asked for Investigation Report are discussed and steps are taken to expedite the same. The latest Annual Sectoral Meeting of the Railways Sector has been held on 18.08.2017.”

38. Elaborating the issue, the Adviser (Vigilance), Railway Board deposed in evidence:

“Sir, you mentioned about interaction with the CVC. The CVC reviews our performance annually in which the Chairman, Railway Board also goes. ...but at my level, we have a quarterly interaction with the Commission. ...they would review all the cases which are pending with us for investigation report, which they have sent to us. If there are corruption or vigilance related issues, whether they are getting delayed or whether enough action has been taken or not or whether action taken has been adequate or not, all these issues get discussed in these meetings.”

39. The Committee then asked the types of cases generally taken up by the CVC and whether the suggestions of CVC were invariably complied with by the Railways. In response, the Ministry stated as under:

“Cases of corruption/irregularities involving vigilance angle related to Group ‘A’ officers are generally taken up by the CVC. Suggestions given by the CVC are followed without fail. The suggestion of the CVC to reduce delay in finalization of cases was followed up with increase in the honorarium to the inquiry officers and also linking the honorarium to the time taken to complete the inquiry report. Further the 2nd stage consultation with the CVC has been dispensed with wherever the Disciplinary Authority’s decision is in line with the CVC advice.”

VII. CASES UNDER CBI INVESTIGATION

40. As regards the procedure for referring corruption cases to the CBI, the Adviser (Vigilance) apprised the Committee in evidence:

“Those cases where we find that it is people who are outside the purview of the Railway Vigilance, that means, they are non-Railway people may be touts or somebody else or people from outside other Government organisations, those whom we cannot investigate, so, we coordinate with CBI. Sometimes, we handover the cases to CBI ourselves and sometime CBI takes them over and sometimes the Commission refers those cases to CBI. So, there is no structured meeting with the CBI as such except once a year. ”

41. Asked to state the number of investigations carried out by the CBI during the last three years and the outcome thereof, the Advisor (Vigilance) responded:

“Sir, you mentioned as to how many investigations they have done, in 2014, they asked for prosecution sanction against 35 of our officers and in 2015 they asked for prosecution sanction against 34 of our officials from across the country. Then their advice is examined by us and by the Central Vigilance Commission and thereafter the prosecution sanction decided. In the case of officer, it is the Minister who is the competent authority, so the Minister himself has to give the sanction.”

42. The Ministry in a written deposition stated that as on 31 March, 2017, 164 cases pertaining to various Zonal Railways were under CBI investigation.

43. The Committee asked whether the Railway Board maintained data of the closed cases which were investigated by the CBI. In reply, the Advisor (Vigilance) submitted:

“Sir, you mentioned as to how many cases do not reach the logical end, in the case of CBI, I would not have this reply straightway because there are some cases which get closed and we do not maintain any separate data of the number of cases.”

44. The Committee then enquired whether the Ministry did not feel it necessary to maintain separate data of the closed case. In response, the Advisor (Vigilance) deposed:

“Sir, perhaps, it is. You are right. Maybe we should talk to them. We have not thought about it so far.”

45. In response to another specific query, the Ministry apprised that no appeal pertaining to the CBI Cases had been filed by the Railways in the Court of Law.

VIII. MONITORING

46. Drawing the attention of the Ministry to the general perception regarding high number of Vigilance cases in the Railways, the Committee desired to have the comments of the Railway Board. In response, the Chairman, Railway Board submitted in evidence:

“...Often we read in the newspapers that the number of cases of vigilance in the Railways is very high. But that really does not give the true picture because we are the largest organization under a single management anywhere in the world with over 1.3 million employees and we have a very large public interface at various levels. So the number of cases appears high but

actually it is only about 0.5 per cent that means five out of every thousand employees are punished for vigilance.”

47. In a post-evidence information, the Ministry further stated as under:

“Indian Railway runs approximately 23000 trains per day and carries more than 2.2 crores passengers per day. It is also the largest Government employer with approximately 13.4 lakhs employees. The Indian Railways operate round the clock, throughout the year, and there is a continuous public interface with its customers.

Considering the amount of traffic carried by Indian Railways and its large staff strength, it may be stated that the number of complaints received regarding graft are not disproportionately high.”

48. Asked to state the measures taken/proposed to intensify the monitoring system in the Railways for an effective check on corrupt practices, the Ministry deposed as under:

“Preventive and decoy checks are conducted regularly. Thrust Areas are identified annually and regular checks are specified against certain areas. A report on the same is obtained through the monthly reports from the Zones/PUs. Special drives on vulnerable areas are conducted and monitoring done on regular basis. Sensitive posts have been identified and Officials/officers posted on these seats are rotated every four to five years. Name of officers whose integrity is doubtful are kept in the Secret List & Agreed List. Such officers are not posted on sensitive post.”

49. The then Chairman, Railway Board elaborated in evidence:

“...We also operate a vigilance helpline, number 155210 which operate 24 by 7 and any complaint about the corruption against Railway officials can be made on this helpline and our Vigilance Officers immediately take note of it and try to take corrective action.”

50. The then Chairman, Railway Board further submitted:

“...We have a system of rotational transfers also so as to see that the person does not develop nexus and all that and vigilance keeps monitoring that. So, we have a elaborate system of vigilance in Railways organization so that the cases of corruption are minimized, of course, we are in the field where lot of public interface is involved. So, these things cannot be absolutely eliminated but they are definitely contained with the work that is being done by the Vigilance Organization...”

IX. CONSTRAINTS

51. As regards specific constraints faced by the Railways in carrying out different types of Vigilance activities, the Ministry apprised as under:

“A large number of representations have been received from the Zonal Railways that suitable candidates are not coming forward to work with Vigilance. Even after repeated advertisements, no applications are received. Thus, it is necessary that some incentives are given to officials working with Vigilance. 7th Pay Commission has also not recommended any special allowance for vigilance officials, even though proposal was sent to Commission by Railway.”

52. The Chairman, Railway Board supplemented in evidence:

“...One of the issues which we are facing is staff morale. Staff morale has to be extremely high. Staff has to be enthusiastic for any organization to perform well. We are working in that direction. We strongly believe that if there is any mala fide, if anybody commits a mala fide, he has to be punished very strongly. But, if somebody commits a mistake, then the mistake has to be seen in a different perspective. With this viewpoint, we are running our vigilance set up and we plan to run it that way. It is because, ultimately, the Railways have to perform much better. Our revenues have to go up; our expenditure has to come down. It is a dynamic organization. A lot of dynamic decisions have to be taken.”

X. SUGGESTIONS

53. The Committee then desired to have the suggestions of the Ministry to make Vigilance activities more effective in the Indian Railways. In reply, the Ministry submitted as under:

“It is generally stated that involvement in corruption is high gain low risk proposition. Thus, it is desirable that persons involved in corruption cases are imposed with exemplary punishment.

In Rule 6 of The Railway Servants (Disciplinary & Appeal) Rules, 1968, it has been specified that in case of persons found guilty of possessing assets disproportionate to known sources of income or found guilty of having accepted or having obtained from any person any gratification, other than legal remuneration, as a motive or reward for doing or forbearing to do any official act, one of the penalties specified in Clause (viii)

(i.e. Removal from service) or (ix) (i.e. Dismissal from service) shall ordinarily be imposed and where such penalty is not imposed, the reason therefore shall be recorded in writing.

On account of such provision, sometimes guilty officials get away with lighter punishment. It is suggested that the line ‘where such penalty is not imposed, the reason therefore shall be recorded in writing’ may be deleted from the Rules. The Railway Servants (Disciplinary & Appeal) Rules, 1968 are based on Central Civil Services (Classification, Control & Appeal) Rules, 1965.”

54. The Ministry further suggested as follows:

“For augmenting the Vigilance Organisation and also to address corruption relating to information technology, it is suggested that candidates with ample experience in handling cyber crime, IT related problems can be taken either on deputation or selection basis.”

PART-II

OBSERVATIONS/RECOMMENDATIONS

- 1. Vigilance working in Indian Railways has four facets viz. (i) Preventive Vigilance (ii) Participative Vigilance (iii) Punitive Vigilance, and (iv) Proactive Vigilance. As regards Preventive Vigilance, the Committee note that the Indian Railways are taking a number of measures which *inter-alia* include investigation of authenticated complaints received from various sources, preventive checks on several activities, implementation of e-auctions, introduction of e-tendering for work contracts and material procurements, proliferation of CCTVs modification of reservation/ticketing procedures and rules to curb activities of unauthorized persons/touts etc. The Committee also find that in continuation to the existing system of e-tendering, complete digitisation of the supply chain has been planned in which all the stakeholders including inventors, vendors, consignees, accounts department and inspection agencies will be a part. While opining that these preventive checks are steps in right direction, the Committee desire the Railways to intensify their Preventive Vigilance and strengthen the monitoring mechanism so as to ensure strict adherence to the measures initiated which are intended to improve transparency and cleanse the system.**

2. The Ministry have claimed that e-tendering has proved to be a very effective measure to weed out corrupt practices in the tendering process and now there is no scope of any manipulation therein. As far as e-auction is concerned, the Ministry have submitted that it is now a well established and foolproof system and no complaint has been received in the Vigilance Directorate in this regard. The Committee are not inclined to agree with the Ministry's claims in view of their own submission that there is no infrastructure in the Vigilance Directorate to deal with Cyber Crime and Railway's own software dealing organization *viz.* Centre for Railway Information System (CRIS) has so far been handling issues relating to manipulation of software. Needless to say, when there is no requisite infrastructure/expertise available with the Railways to effectively deal with Cyber Crime and software manipulation, the e-tendering and e-auction system introduced by the Railways cannot be claimed to be foolproof. The Committee, therefore, urge the Ministry to seriously consider inducting persons with ample experience in handling Cyber Crime, either through deputation or permanent absorption, so as to eliminate any scope of manipulation of the e-system by the vested interests. The Railways should also embark upon adequate preventive measures to protect the interest of persons/contractors from one particular region while they evince interest in participating in e-tendering and e-auction processes and get the contracts for execution in another region.

3. The Ministry have submitted that ticket reservation system is now 100 percent computerized and CCTV monitoring system has been installed in containing corruption, particularly touting etc. The Committee are of the considered opinion that the Railways have miles to go in eliminating corrupt practices in ticket reservation system as a lot of complaints through various medium are still coming to notice with regard to closure of the website/ticket counters within minutes of their opening, especially during rush season in some particular sectors. It is, therefore, imperative on the part of the Ministry to further tighten the system in the larger interest of the general public.

4. The Committee are deeply concerned to note the huge number of persons detected travelling without/with improper tickets in Indian Railways during the year 2016-17. They are equally concerning to find the amount of Railway dues realised from the ticketless travellers during the same period. To illustrate, an amount of Rs. 935.64 crore was collected from more than two crore ticketless travellers during 2016-17 across the Zonal Railways, the highest detection being made in Northern Railway (26.40 lakh) followed by South Central Railway (25.86 lakh), Central Railway (24.24 lakh), Western Railway (20.24 lakh), East Central Railway (18.62 lakh), North Central Railway (16.56 lakh) and North Eastern Railway (12 lakh). All other Zonal Railways had single digit

detection of ticketless travellers. As regards recovery of dues from such travellers, the Committee find that Central Railway tops the list with a recovery amount of Rs. 125.13 crore followed by Northern Railway (Rs. 116.52 crore), Western Railway (Rs. 95.86 crore), North Central Railway (Rs. 84.09 crore), East Central Railway (72.52 crore) and North Eastern Railway (60.80 crore). All other Zonal Railways, made a recovery of less than Rs. 50 crore. Given the fact that many cases of ticketless travelling might have remained undetected in various Zonal Railways the defaulting Railways where number of checks conducted are less or the ticket checking earnings are low have been indentified and instructions issued to them to make all out efforts to launch special drives and checks. While taking Note of the initiatives of the Railway board, the Committee desire that the monitoring mechanism be stepped up to ensure special drives and surprise checks to detect ticketless travellers as the Railways can ill afford to lose substantial money on this count.

- 5. With a view to deterring malpractices in the recruitment process in Indian Railways, the Ministry are reportedly taking a number of measures which *inter-alia* include introduction of online examination, doing away with interview/viva-voce, computerized evaluation of answer papers, uploading the results on the website of RRCs etc. The Committee are of the considered opinion that any malpractice/manipulation in the recruitment process not only compromises merit and quality but also**

put the safety aspect at greater risk. Hence, utmost care and alacrity should be displayed by the Railway Board to foster transparency in recruitment to all categories of posts including recruitments made on compassionate ground and Sports and Scout & Guide quota.

- 6. The Committee note that towards Participative Vigilance, the Railways are organizing 'Vigilance Awareness Week' every year; imparting training to their own staff by conducting workshops/Seminars/Interactive Sessions; involving school and college students and educating them about the ills of corruption etc. The Committee also note that officers of outstanding reputation and integrity are posted in the Vigilance Directorate and any complaints received against the Vigilance officers/personnel are handled by the Director (Vigilance) who happens to be a DIG level officer from the Indian Police Service (IPS). The Committee commend the measures taken by the Ministry for an effective and transparent participative vigilance and desire that eminent persons from different walks of life be also associated with the Railways endeavours towards Participative Vigilance so as to have a greater impact in inculcating a sense of integrity and ethical behavior amongst the Railway Officials. The Committee further recommend that certain posts at the lower level in the Vigilance Directorate should be earmarked for being filled in through deputation so as to ensure better transparency and impartiality.**

7. As regards Punitive Vigilance, the Committee find that during the years 2015 and 2016, 21735 and 19383 vigilance checks were conducted respectively and 6174 and 6169 number of Railway staff were taken up under disciplinary action (D&AR) correspondingly. Regarding penalties imposed, the Committee have been informed that during the said period 2143 major penalties and 11325 minor penalties were imposed on the Railway staff which included both Gazetted and Non-Gazetted officers. Similarly, during the year 2017 (upto March) 254 major penalties and 1328 minor penalties were imposed. As it is desirable that officials involved in corruption cases are imposed with exemplary punishment, the Committee would like the Railway Board to escalate their punitive vigilance activities so as to deter Railway Officials from indulging in corrupt practices.

8. As regards involvement of outside persons in malpractices in ticketing, the Committee note that during the year 2015-16, 1483 persons were prosecuted out of whom 143 persons were convicted and an amount of Rs. 9,99,405 was realised from them. Similarly, during 2016-17, 264 persons were convicted out of the 1700 persons prosecuted and a sum of Rs. 41,85,600 was realised from them. So far as malpractices in award of contracts is concerned, the Committee find that 8 firms had indulged in corrupt practices out of which business has been banned against 3 firms, banning of business is

under process against 4 firms and the remaining case is with CVC for their advice. The Committee are of the firm opinion that the Railways should exhibit Zero tolerance towards corrupt practices adopted by outside persons/touts and firms in Railway ticketing and award of contracts by leveraging their punitive vigilance mechanism.

9. The Committee note that during the year 2015, 12394 complaint cases were received (including brought forward) out of which 9777 cases were disposed of during the year. Similarly, during 2016 and 2017 (upto March) 11200 and 4429 cases were received respectively out of which 8852 and 2075 cases were correspondingly disposed of. The Committee desire that a time bound programme be chalked out by the Railways to dispose of the complaint cases so as to reduce the pendency of cases to the barest minimum and do justice to the complainant to the maximum.

10. The Committee note that towards Proactive Vigilance, the Vigilance Directorate identifies 'Thrust Areas' requiring special focus annually for carrying out preventive checks. The Directorate also identifies sensitive posts for implementation of rotational transfers besides suggesting system improvements based on experience gained through Vigilance investigations and checks. The Committee appreciate the measures initiated for proactive Vigilance and recommend that the Thrust

Areas identified every year be persisted with for ushering in systemic improvements to check corruption and malpractices in Indian Railways.

11. The Committee appreciate that regular meetings between the Vigilance Directorate and the Central Vigilance Commission (CVC) are held once in every three months. Besides, Annual Sectoral Review Meetings are being held by the CVC once in a year. It is equally appreciable to note that the suggestions given by the CVC are followed by the Railways without fail. As the CVC disseminates new and innovative ideas for systemic improvements, the Railways should continue periodic interactions with the CVC and follow their considered advice so as to make the Vigilance system in Indian Railways more effective.

12. The Committee note that sometimes the Railways themselves handover corruption cases to the Central Bureau of Investigation (CBI), sometimes the CBI takes over the cases *suo-motu* and sometimes the CVC refers those cases to the CBI. The Committee further note that as on 31 March, 2017, 164 cases pertaining to various Zonal Railways were under CBI investigation. However, what concerns the Committee is the non-maintainence of data by the Ministry regarding the cases closed by the CBI. It is perhaps precisely for the same reason that no appeal pertaining to the CBI cases has been filed by the Railways in the Court of Law. The Committee, therefore, impress

upon the Ministry to keep track and maintain data of both ongoing and closed cases referred/taken up by the CBI so as to facilitate follow up action as deem fit.

13. The Committee take note of the Ministry's submission that considering the amount of traffic carried by Indian Railways and its huge staff strength, the number of complaints received regarding corruption/malpractices is not disproportionately high contrary to the general perception. The Committee agree that in such a large organization complete elimination of corrupt practices is a herculean task. Simultaneously, they are of the considered view that with adequate checks and balances and stringent monitoring mechanism coupled with dynamic decisions, the Railways would certainly be able to reduce prevalent malpractices to a considerable extent.

14. The Committee are deeply concerned to note that the Indian Railways in their efforts for putting an effective Vigilance system are facing a number of constraints/impediments like unwillingness of the staff to work in the Vigilance due to lack of incentives, low staff morale, imposition of lighter punishment upon guilty officials due to flaws in the Central Services Rules, 1965 etc. The Committee appreciate the views expressed and call upon the Ministry to take up the matters at appropriate fora to overcome the above impediments so that Railways endeavors towards Preventive, Participative,

Punitive and Pro-active Vigilance activities are carried out seamlessly.

New Delhi:

28 December, 2017
07 Pausha, 1939 (SAKA)

BHARTRUHARI MAHTAB

CHAIRPERSON
RAILWAY CONVENTION COMMITTEE

RAILWAY CONVENTION COMMITTEE (2014)

MINUTES OF THE TWENTY THIRD SITTING OF THE COMMITTEE

The Committee sat on Wednesday, the 14th October, 2016, from 1430 hrs. to 1545 hrs. in Committee Room-D, Parliament House Annexe, New Delhi.

PRESENT

Shri Bhartruhari Mahtab - Chairperson

Members

Lok Sabha

2. Shri K. Ashok Kumar
3. Shri Sanganna Amarappa Karadi
4. Shri Janak Ram
5. Shri Nana Patole
6. Shri Rahul Ramesh Shewale
7. Shri K.C. Venugopal

Rajya Sabha

8. Shri T.K. Rangarajan
9. Shri Abdul Wahab

Secretariat

1. Sh. K. Vijaykrishnan - Additional Secretary
2. Sh. M. K. Madhusudhan - Director
3. Sh. D. R. Mohanty - Additional Director

Witnesses

Representatives of the Ministry of Railways (Railway Board)

- | | | | |
|----|------------------|---|----------------------------------|
| 1. | Sh. A.K. Mital | - | Chairman, Railway Board |
| 2. | Sh. K.B. Nanda | - | Financial Commissioner, Railways |
| 3. | Sh. Shahzad Shah | - | AM (Budget) |
| 4. | Sh. Sunil Mathur | - | Adv. (Vigilance) |

2. At the outset, the Chairperson welcomed the Members and the representatives of the Ministry of Railways (Railway Board) to the sitting of the Committee, convened to have a briefing on the subject “**Vigilance in Indian Railways**”. Impressing upon the witnesses to keep the proceedings of the Committee “**Confidential**”, the Chairperson asked the Chairman, Railway Board, to brief the Committee on various aspects of vigilance activities undertaken by the Indian Railways for detecting and checking corrupt practices.

3. The Chairman, Railway Board, accordingly gave a brief overview of the Vigilance Directorate's organisational structure, number of cases pending, settled, compliance of Railway Board and CVC guidelines at the Zonal level, surprise checks, rotational transfer policy of officials of Vigilance Directorate, corrective measures taken to stop recruitment related scams, proactive and preventive vigilance at public dealing offices, measures to strengthen Vigilance Department and various other challenges and constraints faces, etc. The representatives of the Ministry of Railways also responded to various queries raised by the Members. As some queries required detailed and statistical reply, the Chairperson asked the Chairman (Railway Board) to furnish written reply thereon within 15 to 20 days. The Chairman (Railway Board) assured to comply.

4. The Chairperson thanked the witnesses for appearing before the Committee and furnishing the available information that the Committee desired in connection with the examination of the subject.

The witnesses then withdrew.

A verbatim copy of the proceedings was kept on record.

The Committee then adjourned.

RAILWAY CONVENTION COMMITTEE (2014)

MINUTES OF THE THIRTY EIGHTH SITTING OF THE COMMITTEE

The Committee sat on Tuesday, the 29th August, 2017 from 1430 hrs. to 1530 hrs.
in Committee Room-G074, Parliament Library Building, New Delhi.

PRESENT

Shri Bhartruhari Mahtab - Chairperson

Members

Lok Sabha

2. Shri K. Ashok Kumar
3. Shri Nana Patole
4. Shri Janak Ram
5. Shri Bharat Singh
6. Shri L.K. Vaghela
7. Shri K.C. Venugopal

Rajya Sabha

8. Shri T.K. Rangarajan

Secretariat

1. Sh. M.K. Madhusudhan - Director
2. Sh. D. R. Mohanty - Additional Director

Witnesses

Representatives of the Ministry of Railways (Railway Board)

1. Sh. Ashwani Lohani - Chairman, Railway Board
2. Sh. B.N. Mohapatra - Financial Commissioner
3. Ms. Nalini Kak - Addl. Member (Budget)
4. Sh. Sunil Mathur - Adviser (Vigilance)

2. At the outset, the Chairperson welcomed the Members and the representatives of the Ministry of Railways (Railway Board) to the sitting of the Committee, convened to have further evidence on the subject “**Vigilance in Indian Railways**”. Impressing upon the witnesses to keep the proceedings of the Committee “**Confidential**”, the Chairperson asked the Chairman, Railway Board, to update the Committee on various preventive, punitive, proactive and participative vigilance activities in Indian Railways.

3. The Chairman Railway Board accordingly apprised the Committee of various efforts made by the Indian Railways to prevent and reduce corrupt practices which *inter-alia* included direct connect with the staff, effective use of technology, e-tendering for award of contracts, online examination for recruitments, strong penalties on establishment of *malafide acts* etc. The representatives of the Railway Board also responded to various queries raised by the Members on the subject matter. The Chairperson asked the Chairman, Railway Board, to furnish written replies to those queries, which remained unanswered, within a period of 15 to 20 days. The Chairman, Railway Board, assured to comply.

4. The Chairperson thanked the witnesses for appearing before the Committee and for furnishing the available information that the Committee desired in connection with the examination of the subject.

The witnesses then withdrew.

A verbatim copy of the proceedings has been kept on record.

The Committee then adjourned.

RAILWAY CONVENTION COMMITTEE (2014)**MINUTES OF THE FORTY THIRD SITTING OF THE COMMITTEE**

The Committee sat on Thursday, the 28th December, 2017, from 1030 hrs. to 1100 hrs. in Room No.-215, Chairperson's Chamber, 2nd Floor, Parliament House Annexe Extension, New Delhi.

PRESENT

Shri Bhartruhari Mahtab - **Chairperson**

Members**Lok Sabha**

2. Shri K. Ashok Kumar
3. Shri Kamalbhan Singh Marabi
4. Shri Janak Ram

Rajya Sabha

5. Shri T.K. Rangarajan
6. Shri Ranvijay Singh Judev
7. Smt. Vandana Chavan

Secretariat

1. Smt. Kavita Prasad - Joint Secretary
2. Sh. M. K. Madhusudhan - Director
3. Sh. D. R. Mohanty - Additional Director

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee, convened to consider and adopt the Draft Report on the subject "Vigilance in Indian Railways". Giving an overview of the important Recommendations contained in the Draft Report, the Chairperson solicited the views/suggestions of the Members.

3. The Committee then took up for consideration of the said Draft Report and adopted it after some discussions.

4. The Chairperson thanked the Members for their valuable suggestions and active participation in the deliberations of the Committee.
5. The Committee, then, authorized the Chairperson to finalize the Report in the light of consequential changes that might arise out of factual verification of the Draft Report and present the same to both the Houses.

The Committee then adjourned.