



EAST COAST RAILWAY

VIGILANCE WATCH

Avoiding Mistakes

CASE STUDY

LARGE SCALE IRREGULARITIES IN EXECUTION OF PIPELINE WORKS

In a Preventive Check conducted by a Zonal Railway Vigilance, large scale fraud was detected in execution of pipeline works in a Division. For further investigation, the case was handed over to local CBI unit. In the detailed investigation by CBI, following irregularities were detected:

1 Agreement No. A1

1.1 In some of the stretches paid for, pipe was not laid at all and in some of the stretches; the pipe laid was old pipe. A length of 243.47 m of CI pipe 150mm dia, was paid to the contractor in excess of work (with new pipes) actually executed by him. The excess amount paid on this account as well as due to payment of other associated activities like jointing, shoring etc. was Rs. 601248. Contractor (M/s C1) defrauded the Railways by reusing the released CI pipes (and presenting them as new pipes) in addition to falsification of measurements in MB for claiming fraudulent payments. Later on, after vigilance investigation, this amount was returned by the Contractor.

1.2 The measurements of the work were done by

SSE/Works and test checked 20% by ADEN/Bldg. A test check of 5% was done by Sr. DEN/Co., but in the length test checked by him, no irregularity was detected.

2. Agreement No. A2.

2.1 Under this agreement, a quantity of 600.40 meter CI pipe 250 mm dia and 300.25 metres CI pipe of 200 mm dia were measured and paid. Before CBI check, vigilance had conducted a check and found that actual length laid was only 226.70 metres and 106.75 metres. The loss due to reusing of old pipes and non-return of released CI pipes was worked out as Rs. 21, 52, 240. The contractor (M/s. C2) defrauded the Railway by claiming payments for new pipes whereas he was using only released pipes from same work. The entire amount was repaid by contractor on 06.06.05.

2.2 In CBI investigation also, it was confirmed that old pipes were reused and payment was paid for new pipes. The quantities recorded were also found in excess of actual work done. SSE/Works has recorded the measurements and ADEN/Bldg. has done 20% test check, and it is found in CBI investigation that this was false. Sr. DEN/Co, has done 5% test check for a length of 40.75 metres of CI

pipe 200 mm dia. and it was found in the investigation that the contractor had changed the pipe at that precise location alone.

2.3 During investigation, it also came out that the existing pipe was CI pipe whereas it was shown as RCC pipe in the proposal for sanction of work.

3 Agreement No. A3

3.1 Following irregularities were detected in this work:

Item	As recorded in MB	Actual work executed
Laying of 80 mm Dia CI pipe of 252 m	Site 1-112.30 m	72.2m (New Pipe) 39.60m (Old pipe)
	Site -1-139.70m	Never Laid
Laying 150mm Dia CI pipe	180m	NIL
Laying 100mm Dia CI pipe	986.55m	195 m (New) 791.55mm (Old)
Laying 40mm Dia CI pipe	585.12m	347.30m (New) 237.82 m(Old)
Laying 25mm Dia CI pipe	1792.74m	475.18m (New) 1317.56m (Old)
Laying 20mm Dia CI pipe	829.57 m	527.97 m(new) 301.6m (old)

3.2 In addition to above, it was also revealed in investigation that other items of work like fittings, bends, reducers etc. were also not provided, and still payment was released to the contractor. As per the internal enquiry of the Division itself, excess recording of measurements for Rs.16.46 lakhs was established. The measurements of the work were recorded by SSE/Works. Contractor (M/s. C3) defrauded the Railways by reusing the released pipes and presenting them as new pipes in addition to claiming fraudulent payments for the items of work not executed at all. The bill was not paid.

4 Agreement No. A4

4.1 As against the recorded quantity of 975.02 metre of 150 mm dia CI pipeline, the quantity

actually available at site was only 236.6 metres. As per internal enquiry of Division itself, an amount of Rs. 13,66,799 was paid excess for the work not executed at all. Contractor (M/s. C4) defrauded the Railways by reusing the released pipes and presenting them as new pipes in addition to claiming fraudulent payments for the items of work not executed at all. The excess amount was returned by the contractor.

4.2 The measurements of the work were done by SSE/Works and 20% test check by ADEN/Bldg.

5. For various irregularities, following action has been initiated.

1	SSE/Works	Prosecution & major Penalty
2	ADEN/Bldg (Since retired)	Prosecution
3	Sr. DEN/Co-ord.	Recorded Warning

In addition, CBI is launching prosecution proceedings against the concerned contractual agencies also.

Learning from mistakes

1. CLEAR CONSCIENCE, TRANSPARENT AND HONEST APPROACH AT ALL STEPS ARE INEVITABLE REQUISITES.
2. Material likely to be released on execution of any work has to be jointly recorded in a Register and to be signed by executive officials and the agency. Senior officials also need to test check the details in the register as a matter of abundant precaution.
3. Executing officials has to meticulously supervise and accurately record the details of execution while recording the measurement in MB.
4. Officials test checking the execution of work, have to be vigilant and exercise proper checks in a random manner.

When you are honest inside, you never have to worry about how to say whatever you want to say.