

# InTouch

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MORAL Surveillance  CCTV Surveillance

**VIGILANCE AWARENESS WEEK 2014**

27<sup>th</sup> October to 1<sup>st</sup> November 2014



ऑयल इंडिया लिमिटेड  
(भारत सरकार का उद्यम)

**Oil India Limited**

(A Government of India Enterprise)



## Vigilance Pledge

### प्रतिज्ञा

हम, भारत के लोक सेवक, सत्यनिष्ठा से प्रतिज्ञा करते हैं कि हम अपने कार्यकलापों के प्रत्येक क्षेत्र में ईमानदारी और पारदर्शिता बनाए रखने के लिए निरंतर प्रयत्नशील रहेंगे। हम यह प्रतिज्ञा भी करते हैं कि हम जीवन के प्रत्येक क्षेत्र से भ्रष्टाचार उन्मूलन करने के लिए निर्बाध रूप से कार्य करेंगे। हम अपने संगठन के विकास और प्रतिष्ठा के प्रति सचेत रहते हुए कार्य करेंगे। हम अपने सामूहिक प्रयासों द्वारा अपने संगठनों को गौरवशाली बनाएंगे तथा अपने देशवासियों को सिद्धांतों पर आधारित सेवा प्रदान करेंगे। हम अपने कर्तव्य का पालन पूर्ण ईमानदारी से करेंगे और भयय अथवा पक्षपात के बिना कार्य करेंगे।

### PLEDGE

We, the public servants of India, do hereby solemnly pledge that we shall continuously strive to bring about integrity and transparency in all spheres of our activities. We also pledge that we shall work unstintingly for eradication of corruption in all spheres of life. We shall remain vigilant and work towards the growth and reputation of our organization. Through our collective efforts, we shall bring pride to our organizations and provide value based service to our countrymen. We shall do our duty conscientiously and act without fear or favour.



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“First they **ignore you**,  
then they **ridicule you**,  
then they **fight you**,  
and then **you win.**”

*Mahatma Gandhi*





राष्ट्रपति, भारत गणतंत्र  
**President Republic of India**

**MESSAGE**

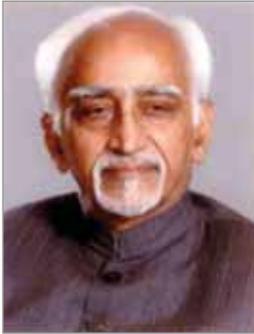
I am glad to know that the Central Vigilance Commission is observing Vigilance Awareness Week on the theme "Combating Corruption - Technology as an enabler" from 27th October to 1st November 2014.

Corruption is a complex problem that needs multi-faceted action. One of them is the use of technology that can help promote, openness and transparency. Use of modern technologies can play an important role in eliminating human interface in service delivery systems. It is the collective responsibility of citizens as well as government departments to adopt technology initiatives in combating corruption to maximize benefits.

I extend my greetings to everyone and wish a very successful Vigilance Awareness Week 2014. Let us all strive to create a society free of corruption.

**(PRANAB MUKHERJEE)**

New Delhi  
October 17, 2014



उप-राष्ट्रपति, भारत  
Vice-President of India

**MESSAGE**

I am happy to learn that 'Vigilance Awareness Week' is being observed by the Central Vigilance Commission (CVC) from October 27 to November 1, 2014, with 'Combating Corruption - Technology as an enabler' as the theme for this year.

Eradiction of corruption from our society is not only a legal obligation but also a moral duty of every Indian. Towards attainment of this goal, observance of 'Vigilance Awareness Week' plays an important role in promoting integrity through greater efficiency, transparency and accountability in government.

On this important occasion, let us take a firm pledge to build a corruption free India.

**(M. HAMID ANSARI)**

New Delhi

October 8, 2014



प्रधान मंत्री, भारत  
Prime Minister of India

**MESSAGE**

I am happy to know that the Central Vigilance Commission (CVC) is observing Vigilance Awareness Week from 27th October, 2014 to 1st November, 2014 in all organisations.

It is needless to point out that integrity of public servants and transparency in public offices is utmost necessary in making transparent and efficient administration free of corruption.

In this connection, I appreciate the CVC's outreach initiatives and endeavours to combat corruption with optimum use of technology.

I call all government employees for making Vigilance Awareness Week a success and congratulate CVC on this occasion.

(NARENDRA MODI)

New Delhi

October 17, 2014



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केन्द्रीय सतर्कता आयोग  
CENTRAL VIGILANCE COMMISSION



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सं./No. .... **014/VGL/48** .....

दिनांक/Dated ..... **10th October, 2014** .....

### MESSAGE

#### **Vigilance Awareness Week - 27th October to 1st November 2014**

In its endeavour to fight corruption, the Central Vigilance Commission mandates observance of Vigilance Awareness Week every year. While reaffirming our commitment to eradicate corruption, we need to enlist the support and participation of all stakeholders and seek their active co-operation in fighting the menace of corruption. The Commission hopes that such initiatives would be an effective anti-corruption measure.

The theme chosen for this year's Vigilance Awareness Week is "Combating Corruption - Technology as an enabler". A combination of e-governance, web enabled technologies and transparent policy initiatives by Government Department / Organisations can provide an efficient and effective service delivery system to the citizens. Innovative technologies of social media promote citizens' participation and enable reporting instances of corruption.

The Commission believes that transparency and objectivity in governance hold the key to combating corruption. Effective systemic changes with simplified procedures, minimum discretion and optimum use of technology is the way forward. The Commission expects all organizations to undertake technological initiatives relevant to their fields to facilitate fairness and equity in governance.

(Rajiv)

Central Vigilance Commissioner



**सुनील कुमार श्रीवास्तव**  
अध्यक्ष एवं प्रबन्ध निदेशक  
**Sunil Kumar Srivastava**  
Chairman & Managing Director

CMD/OIL/MSG  
October 13, 2014



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**MESSAGE**

I am happy to learn that Vigilance Department is observing "Vigilance Awareness Week" from 27th October to 1st November, 2014 across all spheres of our Company and is commemorating the event with a special issue of the souvenir "INTOUCH." The Theme of this year's Vigilance Week is "Combating Corruption - Technology as an enabler." It is a very suitable theme in today's context where everything revolves around technology.

The main motive of Vigilance is to help the organisation to be rooted to sound systems, structures and procedures so that people can be guided by them and be focused on continual improvement of business practices. The Vigilance Department of Oil India Limited has been doing yeomen work in aligning the function with all processes of the Company and bridging the gap in people's understanding on the critical role of Vigilance function in internal process improvement. In this regard souvenir "INTOUCH" has been providing much food for thought on the need for vigilant behaviour, on creating organisational awareness on the core values of our Company and the importance of demonstrating them through our deeds and actions.

In any good Corporation, values of honesty, integrity and transparency are the main pillars on which business is carried out. Vigilance is a habit and a way of life which can enable each one of us in the organisation to challenge our thinking, change our behaviour and adopt better practices for affective functioning. A vigilant workforce can help in correction, prevent lapses, dispel confusion and ensure transparency at workplace. The onus therefore lies on each one of us in imbibing these values in our behaviour and demonstrating them in our dealings and interactions.

Let us keep 'INTOUCH' with our values, be grounded to our principles and create an organisational culture based on sound governance, integrity and trust. My best wishes to organisers of the Vigilance Awareness Week for its continued success and my earnest appeal to all our employees to join the various programs and events wholeheartedly so as to build collective awareness throughout the organisation. My congratulation to each one in the Vigilance Department for the excellent work they have put during the year.

  
(S.K. Srivastava)



अमित मोहन प्रसाद, आई. ए. एस.

मुख्य सतर्कता अधिकारी

**Amit Mohan Prasad, I.A.S.**

Chief Vigilance Officer



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### MESSAGE FROM CVO

Vigilance Awareness Week gives us an opportunity to rededicate ourselves to the cause of eradicating corruption from our society. The theme chosen by the Central Vigilance Commission this year is "Combating Corruption - Technology as an Enabler".

We have seen, in recent times, that technology has played a very important role in our fight against corruption. Whether it is e-procurement, e-payments, bill tracking system or automation of services, each of these initiatives has helped to reduce wrong doings and corruption. Technology can be utilised to develop structures, systems and processes to prevent leakages which adversely affect productivity and profitability. Further, the leveraging of technology can bring in efficiency and thereby strengthen our economy ensuring fair play, transparency and equity.

As a vision driven and value governed organisation, it has always been our endeavour to achieve excellence with ethics in our operations. Vigilance Department has been always instrumental in helping the organisation to progressively adopt e-initiatives for better governance in our business operations. A number of areas have been identified where use of information technology can bring efficiency, economy as well as transparency. These initiatives have helped in the development of re-engineered processes, adoption of best practices and higher responsiveness to external and internal organisational demands.

To increase awareness amongst all Oil-Indians, Vigilance Department is organising a lot of events during the Vigilance Awareness Week, in all spheres of the organisation. Let us join together and work for promoting accountability and curbing corruption in all spheres of life.

(Amit Mohan Prasad, IAS)



**एन. के. भराली**  
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**N.K. Bharali**  
Director (HR & BD)

OIL/D(HR&BD)/01  
October 21, 2014



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### MESSAGE

I am delighted to learn that the Vigilance Department at Oil India Limited is organizing the, "Vigilance Awareness Week", from 27th October to 1st November, 2014 and is bringing out a special issue of its in-house magazine, "INTOUCH", on this occasion.

In today's highly competitive and conscious corporate environment, the world over, Vigilance function plays a critical role in induction and adoption of the best practices of corporate governance and ethics in any organisation. The principles of honesty, integrity, transparency, fairness, and righteous action are the guiding lights of corporate and business ethics and operational etiquette. At Oil India Limited, we are committed to ensuring that we adopt and implement the highest standards of corporate governance. The work of the Vigilance Department, OIL, is highly commendable in this regard. The department through its proactive initiatives has helped the organisation in streamlining its' various integral systems and processes.

I am also very pleased to know that the special issue of the in-house magazine, "INTOUCH", is set to provide readers intensive and exhaustive information on the ground principles of Vigilance awareness.

I take this opportunity to express my immense appreciation for the hard work put in by the OIL Vigilance team and convey my best wishes for the success of the "Vigilance Awareness Week", 2014.

Jai Hindi

(N. K. Bharali)



एस. रथ  
निदेशक (प्रचालन)  
**S. Rath**  
Director (Operations)



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### MESSAGE

I am delighted to note that the Vigilance Department of Oil India Limited is observing "Vigilance Awareness Week - 2014" from October 27 to November 1, 2014. It is well known that corruption and malpractices in any industry are the biggest stumbling blocks of progress, and it is imperative to make every effort to weed them out of the system. We all must join hands and spread awareness in order to offer a united stand of resistance against this deep-rooted evil. To this effect, observation of this Week must not be viewed as merely a evc guideline, but rather as an opportunity for each of us to make a contribution towards more effective vigilance.

The theme for this year's Vigilance Awareness Week is "Combating Corruption - Technology as an Enabler", which is very apt considering the role technology has already played in ensuring transparency across channels. It is widely known that the incidence of malpractices is directly related to the number of human channels any process has to go through. Technology not only removes the requirement of human channels, it also offers the capability to monitor all transactions through itself, which ensures transparency. Additionally, technology has also helped spread awareness among the masses, which is another key aspect of this fight against malpractices.

I wish the "Vigilance Awareness Week - 2014" all the success and hope that we all make efforts to leave behind a society practicing ethical behavior for our future generations.

(S. Rath)



श्रीमति आर. एस. बोरा

निदेशक (वित्त)

**Mrs. R. S. Borah**

Director (Finance)



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### MESSAGE

I am glad to know that Vigilance Department is observing "Vigilance Awareness Week" from 27th October to 1st November, 2014 and is commemorating the event with a special issue of its in-house magazine "INTOUCH".

Observance of Vigilance Awareness Week reaffirms our commitment towards honesty, transparency and mutual trust as envisaged in OIL's vision statement. This year the theme for Vigilance Awareness Week is "Combating Corruption-Technology as an enabler". Technology-induced initiatives such as e-payments, e-procurements, etendering, reverse auctions etc. are the powerful tools to curtail irregular practices to a large extent. OIL has progressively implemented many such initiatives to ensure transparency in all its internal and external processes. These initiatives have helped OIL in the development of improvised and transparent processes, adoption of best practices and also higher responsiveness to any internal and external organisational requirements.

I convey my best wishes for bringing out the special issue of "INTOUCH" and also for the successful observance of Vigilance Awareness Week.

(Mrs. R.S. Borah)



**सुधाकर महापात्रा**  
निदेशक (अन्वेषण एवं विकास)  
**Sudhakar Mahapatra**  
Director (Exploration & Development)



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### MESSAGE

I am pleased to know that OIL INDIA LIMITED will be observing the "Vigilance Awareness Week - 2014" from 27th October, 2014 to 1st November, 2014 alongwith many other Government organizations of the country.

Business transactions entail appropriate systems and processes to demonstrate transparency and fairness. Legacy based systems and processes have the lacuna for deviating from the ideal course which per se leads to "corruption". Vigilance department has an important role to play to sensitizing organizational members and delve upon ways and means for improving the existing systems and processes. Induction of modern technology is in the right earnest to bridge this existing lacuna. Thus the theme "Combating Corruption - Technology as an Enabler" is quite relevant in present day context. The numerous initiatives already taken up by the Vigilance Department of Oil India Limited in this regard is praiseworthy. I am sure, observance of the awareness week will further substantiate utility of the technology application in conducting our business by adopting the right spirit and following the right approach.

I wish the organizers and the participants all success in their endeavour.

(S. Mahapatra)



## Editorial



The Vigilance awareness week is the time when we rededicate ourselves to renew our commitment to the cause of creating conditions to ensure that public services are rendered with utmost honesty, sincerity and efficiency. As advised by CVC, this year's Vigilance Awareness Week will be observed from 27th October to 1st November, 2014. The theme chosen in this regard by the Central Vigilance Commission is "Combating Corruption – Technology as an enabler".

Corruption adversely affects the country's economic growth. It promotes inefficiencies in utilization of resources, distorts the markets and compromises quality. Leveraging of technology in functioning of the organizations can address the challenges of corruption to a large extent. Vigilance is not a stand-alone activity. It is to be seen as part of the overall risk management strategy of an organization, wherein the structures, systems and processes are built in such a manner so as to prevent leakages which adversely affect productivity

The FAT content in good governance goes like this : F-Fairness,100%; A-Accountability, 100%; T- Transparency,100%. These are considered as the essential elements which can be achieved by leveraging technology.

Apart from regular quarterly issues of 'InTouch', the Vigilance Department has been publishing our special 'InTouch' once every year during the "Vigilance Awareness Week". To commemorate the observance of Vigilance Awareness Week-2014, we are putting forward the special issue of 'InTouch' which includes messages from dignitaries and functionaries from Govt, CVC and our own organization. We are hopeful that articles included in this issue by our in-house talents on different subjects; will be beneficial to our readers.

### **Editorial Team**

**Advisor :** Suresh Chandra Goswami

**Editors :** Prakash Deka , Rajumoni Saikia

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## Death of the Handwritten?

**Amit Mohan Prasad, IAS, Chief Vigilance Officer**

About a year back, we received a circular from the Department of Personnel and Training, which announced that the Annual Appraisals would henceforth be recorded electronically and with digital signatures of the appraisee and the appraising officer. My immediate reaction on a group mail was that we would be reduced to mere binary codes one day. I have always been fond of reading the pen and ink picture of my appraising officers, ending with their unique signatures. Some stylish and some not so, but each having its own indelible mark!

This circular came around the same time when the Postal Department sent our old friend telegram to rest in peace. Technology had progressed and no body really needed the telegrams in an age of email, sms, facebook and whatsapp to notify friends and relatives about an incident or forthcoming event of urgent importance. This set me thinking about the rapid march of technology and its implications for the society. When was the last time I wrote a letter on a postcard or an inland? I could not remember as this could have been more than a decade ago. I still remember fondly the letters written to me by my father, when I was in a hostel in my school days. Coming back from school we always checked as to who all were lucky in our hostel to get a letter from home on that particular day. Though my father is no more, I still have a few letters written by him with me, which reminds me of his lovely handwriting and takes me back to the olden days. My children will probably not have that privilege, as I do not remember having written any letter to them on an inland or a postcard. When was the last time you received a handwritten letter from your children or a close relative? I do receive emails and I do write emails also to my family members but I wonder whether a Times New Roman font or an Arial font can generate nostalgia of the kind generated by the handwritten word! One does not receive many things other than the bills for electricity, phone etc. these days from the post

office. I wonder whether the Postman is also feeling threatened about his existence!

The famous poet Lord Tennyson wrote, “The old order changeth, yielding place to new”. Change is the law of nature and we must gracefully accept it but we must preserve the good things of life from the onslaught of forces, which may make them extinct. Every change may not be a desirable change and that is something, which we must carefully weigh before adopting and adapting to the new situation. The thought that really scares me is whether someday we will stop writing at all and will become totally dependent on the keyboard? Will our coming generations no longer learn alphabet with pencil and paper and instead get this knowledge from tablets or i-pads? Will the art of writing get replaced by the art of typing? Will the art of calligraphy die? Will we not have the pleasure of appreciating the handwritten invitations of future Thambis?



We must think about these things before it is too late. Let us not take technology to the extreme. We must save our little pleasures of life. Life is not about machines; it is the other way round!



## Dishonesty, Duplicity, Deceit - A Cultural Phenomenon

S. Rath, Director (Operations)

The high incidence of corrupt and fraudulent practices in India is a major issue that adversely affects its economy like a malignant disease. A study conducted by Transparency International a few years back found that more than 62% of Indians had firsthand experience of paying bribes or influence peddling to get jobs done in public offices successfully. In 2012 India has ranked 94th out of 176 countries in their Corruption Perceptions Index. But this disease that is plaguing the country is not one that has been contracted overnight. The epic Ramayana speaks of how Lord Rama had to subject his own wife Sita to a trial by fire (agni-pariksha) in order to prove that she had not been corrupted by the influence of the Rakshasa clan. Written history tells us it has been prevalent in society since ancient times, right from the Mauryan period. Great scholar Kautilya mentions the presence of forty types of dishonesties in his contemporary society. It was practised even in Mughal and Sultanate period. When the East India Company took control of the country, these malpractices reached new heights. The bureaucracy that took hold of the country has never let go, and today we find ourselves surrounded by so much double-dealing that we have begun to accept it as a part of our daily life.

But the question arises, what is the root cause of such fraudulence in our country? The answer to this question is often excessive regulations, complicated taxes and licensing systems, numerous government departments each with opaque bureaucracy and discretionary powers, monopoly by government controlled institutions on certain goods and services delivery, and the lack of transparent laws and processes. Many measures have been taken to combat this evil, aiming at these reasons. State police units have been given the responsibility to tackle corrupt elements of society, later followed by the Criminal Investigation Department (CID). Thereafter to counter more powerful people engaging in malpractices, the Central Bureau of Investigation (CBI) was set to task. Now, a lot of power has been vested in the Lokayukta through the Lokpal act. Despite of all these reactive measures, the evil still prevails,

and some suggest it is increasing. To truly tackle this tendency towards duplicity we have to go deeper into the cause, and we need to find the psyche behind the tendency to resort to unfair means in processes. That is when we realize that these tendencies are deeply ingrained in the societal structure of our country, and it is a cultural phenomenon.

Every day, we watch in the news that the economy is growing at a high rate, and we keep hearing how India is advancing. But a quick check on the numbers reveals how far down the ladder we are when compared to the rest of the world. According to the scale of the Human Development Index, which is said to be one of the best indicators of human development, India is ranked 135 out of 185 countries. Many countries we perceive to be less developed than India are much higher on the list, for example Libya (ranked 55), Sri Lanka (ranked 73) and Iran (ranked 75). The biggest difference we have compared to the West as far as working is concerned are the difference in the minimum wages. In countries of Europe and North America, the minimum wage earned by people is sufficient for comfortable living, whereas in India the minimum wage is not enough to even make two ends meet. With the influx of foreign products which are flooding the market, starting from iPhones to fast food joints, this means that the masses face the impact of the low purchasing power as compared to the western countries when it comes to these products. There is a huge disparity that is evident here, which is only magnified by the inequality of the classes of the society within our own country.

This disparity, coupled with the increasing pressure put on the consumers by aggressive advertising which psychologically influence them into believing they need more expensive things than they can afford, leads to a feeling of financial inadequacy which is independent of the earning bracket of an individual. Hence someone who can afford a car will feel the need for a bigger car and someone who can afford a house will feel the need for a bigger house, which are not affordable, and in



turn this will create a negative pull that tempts people into means of earning quick money. This desire to live beyond our means in India is a part of the framework of the society, and right from the poor to the people in the highest echelons of power have it ingrained in them, and it pushes them into the habit of double-dealing and malpractice. It is the same feeling - the need for more than what we have - which drives people in high places to make uncountable sums of money in case of 2G & Coal Block allotment. In between the extremes of the social strata, there are crores of people who engage in many forms of deceit and deception on a routine basis to satisfy their ever-increasing thirst for more, and the net effect is that this evil has become part of our culture and instinct.

In order to root out this propensity towards taking unrighteous paths, therefore, it is important to strike at the very foundation of corrupt thoughts. Firstly, it must be understood that people are not born frauds, they only take up these traits later in life. Hence, right from the school, the evils of malpractices must be taught to children to set them on the path of leading a virtuous life. For the working class, the deterrent will have to be established in the form of strict punishment to people guilty of malpractices, be it petty criminals or big political mafias. Also instrumental are structural reforms, ranging from the judiciary and legal system to the introduction of single-window systems like e-governance and dissolution of permit raj. A major reason for corruption is the number of channels needed to get a job done. Reducing the number of these channels will lead to a consequential drop in corruption levels. This way, system-wide implementation of e-governance in the form of online portals, file tracking system, and online payments will replace many avenues of face-to-face interactions and put all procedures under monitoring. This can bring malpractices into check almost immediately. But what will really go a long way in combating this tendency is by rewarding the ones who are honest. If we start to do that, people will see the righteous path as the right path, and mental models formed over time can be broken.

In an organizational structure also, the root cause of underhandedness lies in the work and societal culture. Taking the case of Oil India, simplification of bid evaluation and rejection criteria and the creation of unambiguous payment terms directly related to work will also help prevent ambiguities. Most importantly, if someone is found guilty of fraud, he must be put to justice in order to send the right message to the entire organization. However, it must be kept in mind that it can also act as a double-edged sword, stifling the thoughts of well-meaning professionals who do not take initiative fearing retribution. For this reason, if anybody is suspected of malpractices, he must be assumed to be innocent unless proven guilty. Additionally, people fabricating cases against their colleagues should be punished with the same quantum as someone guilty of fraudulent practice. Additionally, an organization should reward people who have taken an extra step to ensure transparency in their practices in order to create role models for the rest of the workforce.

Ultimately, it must be understood that all the malpractices, double-dealings, nepotisms and other such practices, be it governmental or organizational, has a cultural root, and in order to tackle it, we all must join hands and change the culture which leads to dishonesty. Cooperation between departments in an organization and between individuals in the society is necessary to root out this evil. The recent waves in political circle with the RTI act among others have shown how much difference a few individuals can make to the society. We all must ask ourselves what good it serves by pursuing deceitful methods and we must teach ourselves to value what we have. If we go to someone's house, as is common in our society, we should enjoy their hospitality rather than casting jealous glances at their possessions. And at the workplace, we must remember that we are working for the good of the organization, and that if we ensure the well-being of the organization, it will look after our needs in return. We can change the society, but first we must change ourselves. And if we can change ourselves, we can change the world.



## A Learning Initiative Towards Better Performance in OIL

V. K. Verma, GM-Learning & Development

Many organizations all over the world face the challenge of developing greater confidence, initiative and problem solving capabilities amongst its employees. Each and every organization needs people who are aware of global challenges and ways to overcome them apart from knowledge in their own field of work as well as overall knowledge. An all round knowledge can help a company survive and make an impacting growth in today's multicultural world. This can be achieved through learning enablement and personal development. We must understand that focus should be on developing the person and not only the skills. Through personal development, we will be able to make people across all levels more self sufficient, resourceful and creative. Broadening the mental vision is one of the important aspects of any training.

Most of the organizations consider training as an expense rather than as an investment. This is understandable when a company is not focusing on result oriented targets. But having a structured training policy in a company is big positive step which will help the company business in the long run. In any organization if the Training or HRD activities take a back seat or become inactive, sooner or later that



organization confront a number of problems because their Human resource is not geared or groomed to shoulder challenges. Certain benefits which a company can derive from a structured training programme are:

- a) **Strengthening Skill:** A structured training and development programme allows a person to strengthen his/her skills and bring them to a higher level.
- b) **Improved employee performance:** A proper structured training builds a person's confidence which pushes him/her to perform better and think of new ideas.
- c) **Consistency:** A structured training and development programme ensures that employees have a consistent experience and background knowledge. This is particularly required for company's basic policies and procedures.
- d) **Enhancing employee satisfaction:** Presence of a structured training programme makes an employee feel valued. They feel appreciated and challenged through training and as a result they feel more satisfaction towards their jobs.
- e) **Improves morale of employees:** A structured training programme makes a person feel more satisfaction towards their jobs and accordingly his morale will be improved.
- f) **Less Supervision:** A well trained employee requires lesser supervision. Thus it will bring down the wastage of time
- g) **Increased productivity:** A well structured training improves efficiency and productivity.

A focused structured programme with clear understanding aims at addressing training needs of various level of executives or workman through a well planned thoughtful process so that the employees will eventually bridge the skill gap and prepare themselves to achieve the business goal smoothly. In our Origination, too, the importance of having a full-fledged training department was felt and accordingly in 1984 T&D Dept was formed with a clear goal to upgrade the skills and knowledge of our employees to



enhance their capabilities. However, thrust which was put initially could no longer sustain and with the passage of time it deviated from the track and was no longer result oriented. Employees treated these In-country programmes as a mere paid holiday package rather than a knowledge gaining experience. A Consolidated approach on the training activity front was not visible and it became a practice to send the employees for training without considering the relevance. This resulted in little or almost nil benefits in spite of huge expenses.

A need for proper direction and aim was felt while planning the training activities. With this challenge in mind Learning and Development department started re-structuring the training process since 2012 onwards. For having an effective training programme, it is essential that the top management should have faith in your initiative, which was given in the form of continuous support and guidance. Some of the initiatives taken by L&D are:

- a) To assess the training need requirements in case of executives through the APRs (in case of executives), in discussion with the HODs & GMS, interaction with the employees and collectives and thereafter a suitable training plan was formulated.
- b) Impact of the training programmes.
- c) Introduction of Six-Sigma Certification for the employees and the executives in the Company.
- d) Obtaining ISO 9001:2008 certification for L&D department.
- e) Modifying and updating the executive training induction programme with introduction of number of concurrent topics with assessment tools, sphere visits as well as exposure to core departments apart from training in own department.
- f) Introduction of long duration residential level based customized training programme for Junior management, Middle management and Senior management level of executives in association with XLRI-Jamshedpur, IIM-Calcutta and IIM-Shillong. The programme has been categorized as Winter and Summer programme. In this program, executives of different levels acquaint themselves with concurrent topics/ issues relevant to them which broaden their vision to function effectively.
- g) Preparation of MDP brochures for executives.
- h) Preparation of a consolidated technical training calendar based on the training requirements submitted by the various departments.

- i) Introduction of programme on business etiquettes and manners for the ETs and executives.
- j) Strengthening the departmental level of training coordination function coordinating with national level management institutions like IIMs, Deen Dayal Petroleum University, XLRI, IMI, MDI-Gurgaon etc.
- k) Large number of awareness programmes on Project Management, Risk management, Financial management for the benefit of executives.
- l) Engaging international famed trainers for leadership development programme like Mr. Shiv Khera.
- m) More young performer executives were nominated for Overseas Training programme of longer duration to provide them a global exposure.

Similarly, in case of workman also, entire workforce was grouped in three categories i.e. Junior, Middle and Senior level. A number of training institutions around India were contacted and asked to conduct residential training programmes for our employees of different categories in scenic environment in different parts of the country. It was essential to send our employees to these training programmes so that they can have exposure of recent happenings around them and at the same it acts as motivating tools to attend the programme. The agencies were asked to include some of the topics concerned to PSUs and E&P Sector, in their curriculum like CSR, relevance of man management in E&P sector, how to avoid conflict at workplace, briefs of Project management, business etiquettes at workplace etc. etc. The programme has given impetus on the development of behavioral aspects apart from making our employees informative. While processing the nomination we could observe that around 60%-70% of our workmen in different departments have not been sent for any outside training programmes in their career varying from 4 years to 28 years.

Although immediate results are not expected by such kind of training programmes at the first instance itself however we are sure that with the continuous counseling and training activities the views of these employees will widen which will be much helpful for the Company to achieve its targets. Meanwhile the responses and feedbacks received from departments are very encouraging for the efforts put in by L&D Dept.

These initiatives are just a beginning and still a long way to go. In future more and more new approaches and methodologies will be adopted in a structured way to train our employees.



# Sathyam Vada; Dharmam Chara

S. R. Krishnan, Company Secretary

## Business Ethics and Corporate Governance

Corporate Governance is needed to create a corporate culture of Transparency, Accountability and Disclosure. Business Ethics is concerned with truth and justice, concerning a variety of aspects like expectations of society, fair competition, public relations, social responsibilities and corporate behavior. Corporate governance is meant to run companies ethically in a manner such that all stakeholders are dealt with in a fair manner. Corporate Governance means a set of systems, procedures, policies, practice and standards

put in place by a corporate to ensure that relationship with various stakeholders is maintained in transparent and honest manner.

A Good Governance refers to compliance with all the moral and ethical values, legal framework and voluntarily adopted practices, while being accountable for economic, social and environmental responsibilities. This enhances shareholders value and ensures sustainable development of all stakeholders.

Governance is a mechanism for monitoring the actions, policies and decisions of corporations.

We have the challenge of challenging our own abilities, value systems and the whole thought process. It needs value clarifications and renewed commitment. May be the spiritual dimension of the professional will have to be reflected. The two fundamental principles of Governance Philosophy are:

- Transparency and high degree of disclosure levels;
- Truthful communication about how the company is run internally.

Here the professional needs to demonstrate the courage to always tell the truth and complete truth. To state facts as they are without exaggeration or hiding is “to be honest”. **Sathyam Vada.**

## Sathya: Its Wider Meaning and Connotations

The word Sathya in Sanskrit is derived from the root (Sat) meaning real, true, existing, genuine, truthful, virtuous, excellent, learned, ideal, pure, true essence and firm. Sathya has several meanings or translations:

- “unchangeable”
- “that which has no distortion”
- “that which is beyond distinctions of time, space, and person”
- “that which pervades the universe in all its constancy”



Sathya combined with other words, acts as modifier, like “ultra” or “highest,” or more literally “truest”, connoting purity and excellence.

Truthfulness lays strong foundation for a good life. Following the principles of truth makes us strong within, integrates our personality, endows us with peace of mind, confidence, and fearlessness and gives us credibility and respect from others.

It spreads goodness in society and helps to integrate



it. A truly honest man has the strength to make mighty powers bow before him. Even the phenomenal powers change their nature in front of him. When Sita Maatha in Ramayana entered fire to prove her purity (*agni pareeksha*), even fire changed its nature and became cold.

Governance is a mechanism for monitoring the actions, policies and decisions of corporations. The Governance Professional encourages performance culture and assures uncompromising responsibility for results. He indulges in ethical decision making in the conduct of professional work.

The kind of decisions a person takes and the Level of performance he guarantees are expected to be best Examples of “Intellectual Honesty & Performance Excellence”.

So what is the mantra – **Dharmam Chara.**

### **Dharma: Its Wider Meaning and Connotations**

The word ‘dharma’ in Sanskrit is derived from the root (Dhru) meaning ‘to hold’, ‘to bear’, ‘to carry’ or ‘to support’. That which holds together or supports is dharma. In this sense dharma encompasses all ethical, moral, social and other values or principles, code of conduct and behavior which Contribute to the well-being, sustenance and harmonious Functioning of individuals, institutions, societies and nations and which prevent their disintegration. In a wider sense it is Dharma which sustains and supports the whole world. ‘Dharma’ is also used in Indian languages to denote ‘duty’, ‘righteousness’, ‘virtue’, ‘justice’, ‘morality’, ‘charity’, ‘innate tendency’ etc. All these represent only a particular aspect of ‘*dharma*’.

The word ‘*Dharma*’ has gathered around itself such richness of meaning and wealth of associations that it is impossible to translate it into a single word in any other language, Indian or foreign.

### **‘Dharmam’ is a unique Human Attribute:**

An oft-quoted verse in Sanskrit says:

‘Eating, sleeping, fearing and mating – human beings have these in common with animals. What distinguishes them from animals is *dharma*. Those human beings devoid of *dharma* are no better than animals’ Only human beings are endowed with the

capacity to distinguish between what is *dharma* and what is *adharma*, the opposite of *dharma*. Human beings are endowed with an inner conscience which cautions us when we contemplate deviating from the righteous path. This, of course, assumes that we have not smothered this inner voice by habitually breaking the counsel of that voice. Without adherence to *dharma* humans will sink to the level of animals.

### **Ten Rules for Practice of Dharma:**

Manusmrithi written by sage Manu prescribes the Sources and

Essence of *Dharma* –

‘Steadfastness or determination, patience, control of the mind, non-stealing, purity of mind, body and speech, control of the senses, an inquiring intellect, knowledge which leads to liberation, truth in thought, word and deed and controlling anger. These ten are the marks of *dharma*’.

### **Duty to protect and uphold dharma :**

It is the duty of everyone to protect dharma. Manu says dharma protects those who protect it. The same idea is expressed in Valmiki Ramayana wherein Kausalya tells Rama before he leaves for the forest:

‘O Raghava! *Dharma* which you uphold with steadfastness and discipline will protect you from all sides’.

### **The dilemma of dharma and adharma**

Ethical dilemma could be a right vs. wrong situation in which right would be more difficult to pursue and wrong would be more convenient. A right versus wrong dilemma is easier to resolve. Whereas ethical dilemma becomes complex when faced with a decision between right and right. It becomes more challenging when you face the situation of right and more right, where right becomes wrong !! The solution is Dharmam Chara. Do what is right, only right.

### **The Lord Krishna says to Arjuna:**

‘O Arjuna! Engage yourself in this fight with a mind which accepts with equanimity pleasure and pain, gain and loss, victory and defeat. Thus you will not be tainted by your actions’. You are only upholding your Dharma.



### Sanskrit Phrase As Motto:

Now let us put together the two nouns “Sathya” & “Dharma” and the appropriate verbs “Vada” & “Chara” next to them respectively to understand the proper and full meaning of Sanskrit phrase:

Sathyam Vada; Dharmam Chara;

Speak The Truth; Do The Right.

Say What Is True; Do What Is Right.

Speak the Truth; Practice Righteousness.

### Sathyam Vada; Dharmam Chara

Meaning: Speak the Truth, Practice Righteousness.

Source: Taittiriya Upanishad – Section -1: Shikshavalli, Chapter – 11

### The Convocation Speech:

The tradition of convocation ceremonies has been with us since Vedic times. One notices this in the 11th chapter (anuvāka) of the Shikshāvalli, Section 1 of Taittiriya Upanishad. According to our Vedic educational traditions, a student lives in an ashram. For a number of years, the students learn from teachers experienced in various subjects and attain proficiency in a variety of fields. When their education is over, a convocation ceremony is held. The teacher himself ceremoniously announces the degrees of the students. This convocation ceremony is the students’ final class.

From that day on, these profound young men will leave the ashram and take their first steps in society for the good of all. They will start a new life. Therefore, the teacher fondly gives them his last words of advice. These precepts are themselves the convocation ceremony. They encompass the essence of all education. Let us see what this uplifting convocation speech contains:

### English Transliteration:

*Vedamanoochya acharyo anthevasinam anushasthi;*

*Satyam Vada; Dharmam Chara; swadhyayan maa pramadah;*

*Acharyaya priyam dhanamahatya prajathantu ma vyavachethsihi;*

*Satyaanna pramaditavyam; dharamaanna pramaditavyam;*

*Kushalaanna pramaditavyam; bhutyai na pramaditavyam;  
Swadhyaya pravachanabhyaam na pramaditavyam.*

### Meaning:

Having taught the Vedas, the teacher thus instructs the pupil:

**Speak the truth. Practice Righteousness.** Do not neglect study for the rest of your life. After offering to the teacher respectful gifts, as an expression of your gratefulness to him, see that the line of the line of discipleship remains unbroken.

Do not swerve from truth. Do not swerve from righteousness. Do not neglect welfare. Do not neglect prosperity. Do not neglect study and teaching for the rest of your life.

In this way, having given a priceless lesson, the teacher finally says: ‘Esha ādeshaha, esha upadeshaha, etadanushāsanam, evamupāsītavyam’

This is the rule. This is the teaching. This is the secret wisdom of the Vedas. This is the command of God. This you should observe. This alone should be observed.

These teachings are having relevance even today.

As Governance Professional, everyone is expected to provide a decisive leadership which means always saying–

- Yes to right kind of responsibilities;
- No to wrong kind of temptations.

The Governance Professional will definitely have the courage and conviction not to deviate from the path of Truthfulness and Righteousness under all the circumstances unmindful of the outcome:

- Whether Scholars, knowledgeable persons criticize and condemn or appreciate and applaud;
- Whether Economic gain and wealth flows in or massive loss and erosion of wealth occurs;
- Whether Death stares and readies to embrace or one feels assured of a long life.

One should always be guided by the motto:

Sathyam Vada; Dharmam Chara;

**Say What Is True; Do What Is Right.**

**If only everyone adheres to the above, the planet we live would be a paradise.**



## Killer Disease

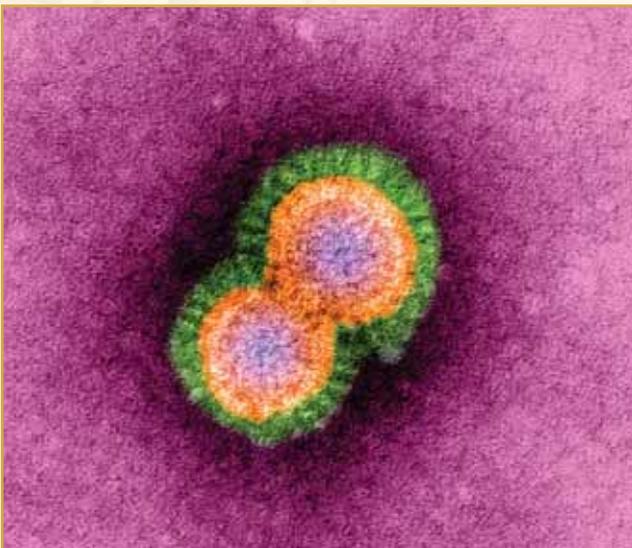
Dr J. K.Goswami, GM (Medical Service)

**“All sorts of bodily diseases are caused by half-used minds”**

- George Bernard Shaw

Our health may bring some life changing moments which can push us to the walls and also health may lead towards fulfilling our dreams. The job of an architect is to plan, design and build infrastructure keeping in mind the environment and aesthetics of a region. Likewise, we are the architect of our own health, region in our own body.

In recent times a popular term has surfaced in relation to health of aristocrats and middle class personnel – life style diseases. They can be termed as silent killers also. They damage organs of our body as they come like a thief.



Hypertension or raised Blood Pressure is termed as ‘silent killer’. It is necessary for us to know about it and take measures against it. It is the pressure exerted on the walls of the arteries (vessels carrying blood from the heart to tissues) by the blood column. When the pumping force is highest, it is termed as Systolic Pressure and the pressure at the rest stage of the heart

is known as Diastolic Pressure. Pressure may go up while walking, jogging, cycling and at the time of rest, pressure goes down.

**Normal Blood Pressure :** Despite more than 80 years’ of experience with the measurement of blood pressure, discussion continues about its reliability and wide variability in individual subjects. Accurate measurements are essential under standardized conditions for valid comparison between persons over time. Three sources of errors have been identified in the recording of blood pressure. a) Observer error b) Instrumental errors c) Subject error.

High blood pressure or hypertension is diagnosed when systolic and diastolic pressure are recorded above 140 and 90 respectively. In India, prevalence of hypertension is 59.9 and 69.9 per 1000 in males and females respectively in urban population and 35.5 and 35.9 per 1000 in rural population. Interestingly, hypertension has shown the decline in mortality in some countries during the last five decades. Although the number of deaths in women exceeds those in men, the rate of fall is similar in both sexes. The fall is attributed to the use of more effective drugs introduced during the past 20-25 years to control hypertension.

### Causes of hypertension :

- i) **ESSENTIAL HYPERTENSION:** Almost 95% of high blood pressure cases in the world do not reveal any cause. It is genetic in nature.
- ii) **SECONDARY HYPERTENSION:** If any direct cause is identified, this kind is called secondary hypertension. The causes may be : kidney disease, tumours in adrenal gland (a small gland at the top of kidneys), medications that narrow blood vessels and prolong use of birth control pills.



People likely to develop hypertension :

- i) Age Blood Pressure rises with age.
- ii) Sex At adolescence, men display a higher average level. Later in life the difference narrows and the pattern reversed.
- iii) Genetically inclined.
- iv) Smokers and alcoholics – of these cases blood pressure returns to normal with abstinence.
- v) Those who do not have physical activity, use stairs instead of lift.
- vi) Intake of salty and high fatty foods.
- vii) Overweight and obese people.
- viii) People who suffer from less sleep.
- ix) Environment stress :The term ‘hypertension’ itself implies a disorder initiated by tension or stress. It is an accepted fact that psychological factors operate through mental process, consciously or unconsciously, to produce hypertension.

**UNTREATED CASES may lead to :**

- a) Coronary Artery Disease (CAD)
- b) Kidney failure - Kidneys act as filter in getting rid of wastes produced in our body and get damaged due to high blood pressure.
- c) Heart Failure - Heart failure is due to weakening of heart muscles for less blood supply to the heart muscles. In heart failure, the heart either fails to fill with enough blood or pump blood to all parts of the body.
- d) Stroke - Untreated cases may lead to brain haemorrhage (bleeding)

**Prevention :**

Goal for precaution of hypertension is to eliminate morbidity and mortality due to raised blood pressure. Generally, blood pressure record should be less than 140 / 90.

### Life style modification

Sl. No.	Modification	Recommendation	Expected decrease in Systolic blood pressure.
1.	Adopt DASH (Dietary approach to stop hypertension) eating plan.	Consume – diet rich in fruits and vegetables and low fat dietary products with a reduce content of saturated and total fat	8 – 14
2.	Reduce weight	Normal body weight. BMI = 18.5 to 24.9	5 – 20
3.	Restrict Salt intake.	Restrict daily extra salt intake. ≤ 6 gm.	2 – 8
4.	Physical activity.	Regular aerobic exercise (Brisk walking for 30 minutes 5 days with week)	4 – 9
5.	Limit alcohol	Permissible limit Women ≤ 1 drinks daily	2- 4

Intensive research carried out during part few decades, aiming at control of hypertension at the community level, has already provided valuable results. The studies have shown that control of hypertension in a population is feasible, so also the prevention of complications. Some countries already have launched nationwide control programmes in the field of hypertension.



## Role of Vigilance in the organizational growth in Oil

**Dr. Ajit K Pattanaik**, Ex-General Manager (Engg) and Former Head (Vigilance)

In the era of globalization and liberalization, all progressive Indian companies have become proactive and spread their wings abroad for development and growth. Oil India is no exception. There are certain pre-requisites to become a global company. Among others, a high standard of ethical conduct is one of the pre-requisite. It was necessary to re-look at the vision of the company.

Accordingly Oil India re-visited the company's vision and co-created six vision statements and the values vision was one of them. The core values adopted in the values vision statement are "Honesty", "Integrity", "Transparency" and "Mutual Trust". Another value "Pride" which emerged as outcome of these values. This is a very welcome step OIL has taken to become a 'fastest growing and ethical E&P company. It was



also necessary to strengthen the Vigilance function of the company because vigilance and ethics go hand in hand in any organization. The primary function of the vigilance is to prevent corruption by ensuring transparency in an organization. Transparency is one of the core values of OIL and is closely associated with and complimentary to the other core values. Each value will not be complete without the other.

The company's top management has also taken a keen interest to strengthen the vigilance function. Many recommendations of Chief Vigilance Officer have been implemented by the top management for better

transparency, improved technology, efficient systems and procedure. All of these contribute to a clean corruption free organization

Shri Narayanasamy emphasized 'the need of a well defined code of ethics, and sufficient means of its enforcement' and said that 'there is no single method for constructing an ethics infrastructure in public service. Rather, a combination of incentives and sanctions is needed to encourage professional standards of conduct. They, when combined with other relevant laws, promote openness and transparency by establishing processes that support the application of the latter'.

A report on bribery in India published by Trace International in January, 09 states that

- 91% of the bribes were demanded by govt. officials.
- 77% of the bribes demanded were for avoiding harm rather than to gain any advantage.
- Of these 51% were for timely delivery of services to which the individual was already entitled.

Various attempts have been made to indicate the impact of corruption in quantitative terms. Some estimates show that govt. loses about Rs. 2 lakh crores annually due to tax evasion while

about Rs. 40,000 crores is lost due to delay in projects

The important causes of corruption in India are poor regulatory framework, exclusivist process of decision making aggravated by discretion and official secrecy, rigid bureaucratic structures and processes; and absence of effective internal control mechanism. Social acceptability and tolerance for corruption and absence of a formal system of inculcating the values of ethics and integrity further propagates corruption.

The intervention of vigilance in few of the following areas which are not exhaustive will definitely improve the functioning of the organization and lead it in the path of growth.

### **PR and Media**

The biggest challenge before us is the ever changing environment. We have tried to adjust ourselves to



the changing environment but could not turn it to our advantage. The environment has changed due to change in Socio-politico-cultural changes and insurgent activities. The environment is hostile and not conducive for efficient functioning of the company which is deteriorating day by day. Large number of organizations and groups are emerging with their own demands conflicting with company's interest. To further add to the woe various pressure groups and individuals with vested interest tend to corrupt our wonderful CSR systems leading to unfair means and lack of transparency and violation of systems and procedure. We are just managing the situation on a day to day basis. As such the environment is worsening day by day. We are in a "Dying frog phenomenon". Unless we are proactive it will be difficult to survive. To turnaround the environment, the role of media is very important. The PR (public relation) of the company has to use the media as a tool to manipulate the environment in favour of OIL

Role of media in combating corruption is equally significant. Today, we are in a transitional phase where old values are crumbling and new values are formed. Media also plays extremely vital role in our lives. It is like a mirror to the society, which reflects contemporary thoughts and actions, and shapes people's perception. It wields enormous power to affect their opinion. In such a backdrop, media owes huge responsibility of disseminating true and fair information about the company and its policy. Here again the PR plays an important role.

### **Decision making**

Why are we afraid to take decision? Why so many proposals to go to LMC or referred to CBC. If we take the right decision for the good of the company even beyond DOP I think, LMC or CBC or the higher management will not question us. Of course to facilitate such decisions we should have robust systems and procedures without any ambiguity and with complete transparency. Another issue people have is fear of vigilance. Such fear is baseless. From my vigilance experience I can tell you that vigilance is not a deterrent. Vigilance never wants company's jobs should suffer. At times we have to take decisions deviating the procedures if the situation demands. The decision can be taken after justifying and noting in file with the approval of superior. Vigilance only looks into malafide intentions. Violating a procedure with a good intention is not that serious as that with a malafide intention.

### **Simplification of procedures with transparency**

Public procurement is an activity highly prone to corruption and which has serious impact on the industry as well as the market. According to World Bank estimate, the average bribe to obtain a public contract is estimated at 15% of the contract value. The CVC therefore maintains a high focus in this area. Vigilance has been always advocating simplification of procedure and transparency in this area. As has been mentioned above, for a good decision making it is utmost necessary to put in place a robust system, simplified and with complete transparency. This will help cutting down time of completions of procurement of materials and works and improve projects completion time with the best quality. The purchase and contracts manuals need to be re-looked from the above angle. Vigilance has already recommended the top management to update these manuals and the DOP of the company. To be a clean and corruption free company, this is a pre-requisite.

### **Lack of implementation strategy**

I have seen during my association with OIL that there were a large number of committees, studies and appointment of consultants at different times in different functions. My observation was that very few recommendations and finding were implemented, may be due to lack of implementing strategy. This leads to waste of scarce resources like money time and manpower I can give an example of the six processes in OIL but could not be implemented in the right perspective due to a lack of implementation strategy. One of these processes was the suggestion scheme which was prepared by benchmarking with the best in the industry. But till now could not be properly implemented due to lack of will and understanding and understanding of the scheme. Recently the engineering group implemented this and first award giving function and felicitation of few of the best suggestors was held at FE department few days back. This was possible due the initiative and hard work of the Engineering group.

### **Internal consultants**

It has been observed by Vigilance that there have been many irregularities in appointment of consultants. The qualifying criteria are so abstract that it is difficult to select a particular consultant. Some discretion need to be applied due to lack of established logical criteria. It is also observed that consultants are used unnecessarily. What the external consultants do is, extract information from us and organize the same and sell the product to us. We have in OIL lot of expertise and knowledge in all



fields of E&P, engineering, P&A and other functions. Therefore I feel that we can reduce dependence of the external consultants and build up a force of internal consultants who not only save time and cost to a great extent but also could do an excellent job due to their better understanding of the working and culture of the company that the external consultants.

### **Inefficiency of committees**

The numerous committees formed make the jobs delayed instead of making it faster and efficient. It becomes a big task to co-ordinated the committee functioning. There is often a lack of assignment of responsibilities to the members. “Everybody’s baby is nobody’s baby”. Under such a situation there are chances of corruption as no particular person is responsible. While investigating any lapse vigilance is constrained to make the entire committee responsible. I feel it is not right to make all members responsible for any lapse by certain influential members. I propose here a concept of core committee members and advisory committee members. The core committee members should coordinate among all committee and take all decisions and should be accountable. The advisory committee members should function as advisors only with respect to their area. This will clarify job roles and increase efficiency and at the same time reduce the risk of corruption.

### **New Technology**

Our company always encourages introducing new technology. Also there is no dearth of money and will to procure the same. But I found in many departments that people feel proud in maintaining 40 / 50 year old equipment and machineries. But at what cost and efficiency? This also retards growth. We have to renew and revitalize. It is also observed that obsolete equipment and spares are sometimes procured and not used at all and they rot in the junk yard. This is a criminal waste.

### **Recruitment**

Some steps need to be taken to include psychological assessment at the recruitment stage, and inculcation of ethical values (OIL’s core values) at the time of training to ensure that people with the right values are selected for the company. But there is a need to periodically reinforce and reaffirm these values amongst the employees. These can be effectively addressed by establishing an ethics office with a proper ethics

structure. This was suggested by the team responsible for co-creating the values vision of the company.

### **Discretionary Powers**

Some discretionary power exists with our executives at some levels particularly at the top level. There is no mechanism to moderate the use of such powers. The misuse of such powers leads to corruption. Vigilance department has an important role to play to curb corruption. It is the awareness of existence of vigilance deters such executives restrain from the practice of corruption.

Anti-corruption efforts were so far focused only on enforcement wherein it was assumed that strict enforcement of anti-corruption laws and punishing the corrupt public servants will have a serious deterrent effect. This approach has not been effective because of the cumbersome process involved in punishing the errant and the deterrent effect is lost due to delay and dilution of punishment. Therefore having realised the shortcoming of an enforcement focused strategy, the Central Vigilance Commission is now proposing to lay greater emphasis on prevention and education and generation of awareness among the people as a more effective and sustainable means of fighting corruption. In view of CVC’s observations and recommendations, Vigilance department in OIL has taken steps to correct the policies, procedures and systems and strengthen their internal controls to eliminate the scope for corruption and also leveraging of technology to combat corruption, by suggesting the OIL management to adopt IT and automate the activities and process vulnerable to corruption. Enforcement, Awareness and Prevention is the policy of the Vigilance department.

While Vigilance department is striving to address the problem of corruption, their task cannot be truly accomplished without active participation of all the stake holders. An important requirement for the success of anti-corruption efforts is that it should be participative i.e. involve all the stakeholders and establish coordination among all agencies fighting corruption. These elements have been lacking so far. It is also necessary for executives and employees of OIL to realize the importance of the function of vigilance and act like vigilance officers to strengthen the pillars of vigilance. Everybody’s concerted effort will make it truly a global ethical company and will lead it to the path of growth and prosperity.

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## Modern day battlefield

**Bhupesh Choudhury** - Sr. Manager, (BP) L&D Department

The behavior of a company / firm is the reflection of general habits and strategic orientations it inherits from its past. All the actions of the companies are guided by long-held organizational habits, patterns that often emerge from thousands of employees' independent decisions and have more profound impacts in its decision making, actions and results.

These organizational habits—or “routines,” are enormously important, because without them, most companies would never get any work done. Routines provide the hundreds of unwritten rules that companies need to operate. They allow workers to experiment with new ideas without having to ask for permission at every step. They provide a kind of “organizational memory,” so that managers don’t have to reinvent various processes every six months or panic each time on one’s exits. Routines reduce uncertainty.



Most of us are accustomed to treating companies as idyllic places where everyone is devoted to a common goal: making as much money as possible. But in the real world, that’s not how things work at all. Companies aren’t big happy families where everyone plays together nicely. Rather, most workplaces are made up of fiefdoms where executives compete for power and credit, often in hidden skirmishes that make their own performances appear superior and their rivals’ seem worse. Divisions compete for resources and sabotage

**They provide a kind of “organizational memory,” so that managers don’t have to reinvent various processes every six months or panic each time on one’s exits. Routines reduce uncertainty.**

each other to steal glory. Bosses pit their subordinates against one another in the name of performance, linking variable pay & promotion etc. It translates companies to a modern day battlefields rather than a family.

Yet despite this internecine warfare, most companies roll along relatively peacefully, year after year, because they have routines—habits—that create truces that allow everyone to set aside their rivalries long enough to get a day’s work done. If employees follow the established patterns and abide by the truce, then rivalries won’t destroy the company, the profits will roll in, and, eventually, everyone will be benefitted.

So at most companies, an unspoken compact emerges: It’s okay to be ambitious, but if one plays too rough, the peers will unite against that employee. On the other hand, if one focuses on boosting one’s own department, rather than undermining others, there is possibility of taken care of by others over time. Routines and truces offer a type of rough organizational justice, and because of them, conflict within companies usually follows largely predictable paths and stays within predictable bounds that are consistent with the ongoing routine.... The usual amount of work gets done, reprimands and compliments are delivered with the usual frequency....



**Such destructive organizational habits can be found within hundreds of industries and at thousands of companies making losses to the company as well as to the community.**

Nobody is trying to steer the organizational ship into a sharp turn in the hope of throwing a rival overboard.

Most of the time, routines and truces work perfectly. Rivalries still exist, of course, but because of institutional habits, they're kept within bounds and the business thrives, though rate of growth arrested. But, sometimes even a truce proves insufficient. Sometimes, as "X Hospital" discovered, an unstable peace can be as destructive as any civil war.

This is about a real incidence that happened in "X Hospital". One day, when the emergency room staff saw the brain scans of one 86 years old man with the subdural hematoma, they immediately informed the neurosurgeon on duty. The surgeon was in the middle of a routine spinal surgery, but when he got the information, he stepped away from the operating table and looked at images of the elderly man's head on a computer screen. The surgeon told his assistant—a nurse practitioner—to go to the emergency room and prepare for the surgery. He finished his spinal procedure. A half hour later, the elderly man was brought into the same operating theater.

Nurses were rushing around. The unconscious elderly man was placed on the table. A nurse picked up his medical charts / records. "Doctor," the nurse said, looking at the patient's records. "It doesn't say where the hematoma is." The nurse leafed through the paperwork. There was no clear indication of which side of his head they were supposed to operate on. Every hospital relies upon recorded papers to guide surgeries. In a chaotic environment, where as many as a dozen doctors and nurses may handle a patient, patient's charts / file is the instructions that keep track of what is supposed to do.

They provide a kind of "organizational memory," so that managers don't have to reinvent various processes every six months or panic each time on one's exits. Routines reduce uncertainty.

"I saw the scans before," the surgeon said. "It was the right side of the head. If we don't do this quickly, he's gonna die." "Maybe we should pull up the films again," the nurse said, moving toward a computer terminal. For security reasons, the hospital's computers locked after fifteen minutes of idling. It would take at least a minute for the nurse to log in and load the patient's brain scans onto the screen.

"We don't have time," the surgeon said. "They told me he's crashing. We've got to relieve the pressure. I'm going to save his life." The surgeon grabbed the papers, marked on right side by himself and started proceedings. The nurse had worked at the Hospital for years. She understood the hospital's culture. This surgeon's image as talked by all was signaling that nurses should beware. The unwritten rule in this scenario were clear: The surgeon always wins.

The nurse put down the file and stood aside as the doctor positioned the elderly man's head in a cradle that provided access to the right side of his skull. He made two more holes and used a saw to cut out a triangular piece of the man's skull. "Oh my God," someone said. They were operating on the wrong side of the head. "We need him turned!" the surgeon yelled.

The triangle of bone was replaced and reattached with small metal plates and screws, and the patient's scalp sewed up. His head was shifted to the other side. This time, the hematoma was immediately visible. The surgeon vacuumed the blood and the pressure inside the old man's skull fell immediately. The surgery, which should have taken about an hour, had run almost twice as long.

Afterward, the patient was taken to the intensive care unit, but he never regained full consciousness. Two weeks later, he died. Though a subsequent investigation said it was impossible to determine the precise cause of death, but the patient's family argued that the trauma of the medical error had overwhelmed his already fragile body, that the stress of removing two pieces of skull, the additional time in surgery, and the delay in evacuating the hematoma had pushed him over the edge. If not



for the mistake, they claimed, he might still be alive. The hospital paid a hefty amount for settlement and the surgeon was barred from ever working at that Hospital again.

Later on, Researchers explained why things went so wrong at the Hospital. The hospital had routines that created an uneasy peace between nurses and doctors. These delicate pacts allowed the organization to function most of the time. But truces are only durable when they create real justice. If a truce is unbalanced—if the peace isn't real—then the routines often fail when they are needed most.

The critical issue at the Hospital was that the nurses were the only ones giving up power to strike a truce. It was the nurses who double-checked patients' medications and made extra efforts to write clearly on charts; the nurses who absorbed abuse from stressed-out doctors.

The truces at "X Hospital" were one-sided. So at those crucial moments—when, for instance, a surgeon was about to make a hasty incision and a nurse tried to intervene—the routines that could have prevented the accident crumbled, and the wrong side of an eighty-six-year-old man's head was opened up. Such destructive organizational habits can be found within hundreds of industries and at thousands of companies making

losses to the company as well as to the community. If operating department behave like the 'doctor' towards the C&P or Service departments or vice-versa, which will lead to a situation as happened in "X Hospital".

Some might suggest that the solution is more equitable truces. That if the hospital's leadership did a better job of allocating authority, a healthier balance of power might emerge and nurses and doctors would be forced into a mutual respect.

That's a good start. Unfortunately, it isn't enough. Creating successful organizations isn't just a matter of balancing authority. For an organization to work, leaders must cultivate habits that both create a real and balanced peace. These delicate pacts allowed the organization to function most of the time. But truces are only durable when they create real justice. If a truce is unbalanced—if the peace isn't real—then the routines often fail when they are needed most.

This kind of shift is possible at any company where institutional habits—through thoughtfulness or care—have created real truces. Wise executives may seek out moments of crisis—or create the perception of crisis—and cultivate the sense that something must change, until everyone is finally ready to overhaul the patterns they live with each day.

A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty.

*Winston Churchill*



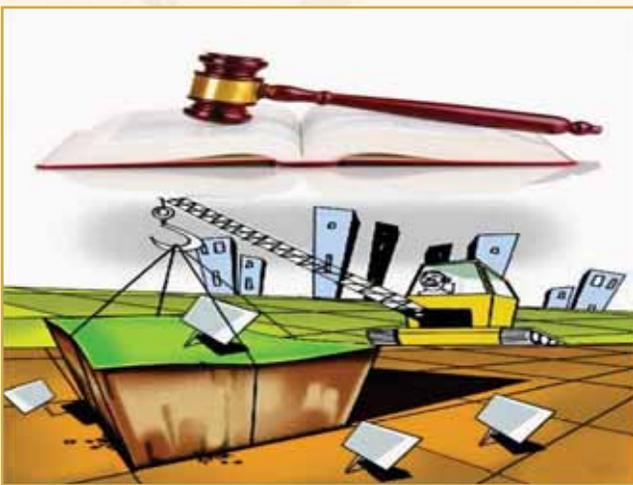
## OIL's Land Acquisition policy: An Approach

B. D. Talukdar, A. Deori & D.C. Talukdar Land Dept.

With the increasing pressures on land due to urbanization, rapid economic development, increasing mining activity and the urgent need for faster development of infrastructure etc., the acquisition of land in India has become extremely difficult, litigious as well as time consuming process affecting the industrial as well as economic health of the country. In Oil India Ltd. (OIL) also, timely acquisition of land has been an issue of great concern for achievement of all its activities, viz; drilling, production and transportation of crude oil & natural gas.

### The New Land Acquisition Act, 2013:

There are few issues in India today that rival land acquisition in terms of its complexity, challenges and in its significance to country's growth. Government of India has overcome several hurdles to finally repeal the historic, 119 years old The Land Acquisition Act, 1894 and introduced "The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013" which has come into force with effect from 01/01/2014.



The new land acquisition Act-2013 has sought to address two critical aspects of land acquisition namely Acquisition and Rehabilitation & Resettlement and lays down the policy framework which will act as a

facilitator between the land owner and the acquirer. The Act safeguards the interests of the affected families by making an elaborate R&R applicable. The implementation of the proposed institutional structure and mechanism for acquisition and R&R will be crucial in creating a transparent and swift land acquisition process. The approach of the states towards land acquisition policy and the form in which they adopt the Centre's policy will be critical. However, the implementation of the provisions can be considerably challenging as land acquisition in rural areas where the population is fully dependent on the land and the related ecosystems and, in tea gardens where workers tend to assert their right over garden land on the basis of their historical association with the land and also have considerable political clout.

The New Act has the following salient features.

- Social Impact Assessment (SIA): SIA will be carried out by an independent body to study the direct and indirect impact of the project in the near vicinity of the proposed area within six months. The SIA report shall be scrutinized and recommended by an expert group constituted by appropriate Government within two months.
- Elevated compensation package: It consists of
  - a) Land value: Fixed by the District Administration based on market value of the land with a multiplication factor based on a sliding scale from the town boundary.
  - b) Value of assets attached to land: Surface compensation through physical assessment of assets as per the Govt. zirat list.
  - c) Solatium: 100% solatium on surface compensation and land value with multiplication factor.
  - d) Interest: @ 12% on market value from the date of notification of SIA
- Rehabilitation & Resettlement package: This will be applicable in all acquisition under the new Act.



However, in case of private purchase, concerned State Govt. shall fix a threshold limit of quantum of land to be acquired upon the crossing of which the purchasing party shall have to carry out such rehabilitation and resettlement activities as provided in the Act. The provisions are:

- Provision of housing units in case of displaced families
- Land for Land for development projects
- Offer for developed Land in case of urbanization projects
- Choice of Annuity or Employment
- Subsistence grant for displaced families for a period of one year
- Transportation cost for displaced families
- Cattle shed/petty shop costs
- One-time grant to artisans, small traders and certain others
- Fishing rights in case of irrigation and hydel projects
- One-time Resettlement Allowance
- Stamp duty and registration fee for the land or house allotted to the affected families.

#### **Flexibility Given to States:**

1. The sliding scale on the basis of which compensation is to be calculated.
2. Thresholds for multi-crop irrigated lands
3. Thresholds at which R&R provisions apply to private purchases including PSUs
4. States are encouraged to adopt the option of “lease” instead of acquisition.
5. States are also empowered by this law to provide for benefits and safeguards that go over and above the provisions of this law.

#### **OIL’S Corporate Policy on Land Acquisition Matters:**

The Competent Authority had approved formation of a Task Force on the subject of formulation of a comprehensive Corporate Policy on Land Acquisition, Rehabilitation and related compensation. The Task Force, inter alia, shall address the concerns of all stake holders whose livelihoods are dependent on the

land being acquired with reference to the New Land Acquisition Act-2013.

Land Acquisition under Bipartite Settlement procedure shall be taken up as per recommendations, once the Corporate Policy on Land Acquisition is approved by the Competent Authority/ OIL Board. It is expected that OIL’s Corporate Policy on Land Acquisition shall offer attractive compensation and people will be willing to offer their land to OIL, without going through the elaborate process under the New Land Acquisition Act-2013 through the District Administration/State Govt.

Broadly speaking, there is urgent need to reduce the quantum of land requirement to bare minimum and incorporate vertical designs wherever applicable, to make CSR an intrinsic part of acquisition, and to maintain transparency in all dealings related to land acquisition. Compensation package should be at least equivalent, if not more, than the compensation offered under the new Act and should also compensate for unavoidable delays, in settlement of payments. Proactively, Socio Economic Survey at the initial stage of land acquisition can also be undertaken.

#### **New initiatives:**

Several initiatives have been taken in land acquisition process:

- Pre acquisition activity including Socio Economic Survey
- A tripartite meeting at Circle Office before land acquisition with occupiers/pattadars where all issues, payment/compensation terms, procedures etc. are explained in detail.
- Taking written consent of the occupiers/pattadars at initial stage.
- Collection of land chart at initial stage
- Individual Notarized Agreement with all occupiers/pattadars at different stages of land acquisition process.

Additionally, Land Department has taken initiative for creation of an Online Monitoring System of drilling location from release of Location (LAF-I) to rig down. Accordingly, The Online Monitoring of Drilling Locations (OMDL) shall greatly improve monitoring of projects and enable concerned departments of OIL to manage their projects successfully, efficiently and also help to adhere to timelines.



### Lease vs. Outright purchase of land:

Because of the problems faced in acquisition of land through bipartite settlement as well as through Govt. intervention, the option of taking land on lease was also examined by the Land Dept.

A Lease guarantees the lessee (the renter) use of an asset and guarantees the Lessor (the property owner) regular payments from the lessee for a specified number of months or years. Both the lessee and lessor must uphold the terms of the contract for the lease to remain the lease valid. Lease has the following advantages:

- The title of the land stays with the pattadar.
- No reclamation/restoration of the land is required.
- Lease agreement can be terminated at any point of time.
- No need of mutation and record correction.
- No need to pay land revenue.

ONGCL, Assam Assets, has been acquiring land through lease for many years now. In fact till recently most of ONGCL's land acquisition has been through lease, but is now finding it difficult to acquire land through lease. The procedure followed by ONGCL for acquisition of land through lease agreement and their experience was also examined. It was felt that in case of OIL, the Bipartite Settlement procedure with all its inherent problems and delays, is still preferable to lease agreement because of following reasons:

- Land owners now prefer to part with their land under the provisions of the new Act in anticipation of better compensation from OIL.
- On completion of tenure of lease agreement, additional financial involvement shall arise, which is unknown now.
- The land holdings in the operational areas of OIL are a mixture of Periodic Patta, Annual Patta, Tea garden leased, Govt. allotted, Govt. and Grazing land etc. Lease of land except PP land and Tea garden land is not feasible. For Govt. land, Annual Patta land etc. the allotment procedure is cumbersome as well as time consuming.
- Land documents required for lease agreement are similar to outright purchase.
- Land acquisition through lease near urban areas is not feasible due to frequent change of market rates.

### Conclusion:

Gerald O'Hara said in the epoch making movie 'Gone with the Wind' - "The land is the only thing in the world worth working for, worth fighting for, worth dying for, because it's the only thing that lasts". Land may be the only thing that lasts, but it is also finite. With everyone vying for precious available land, it will be prudent for all of us in Oil India Limited to look for technological and viable alternative for judicious use of land so that OIL can grow and sustain for years to come.

It's fine to celebrate success but it is more important to heed the lessons of failure.

*Bill Gates*



## “An ounce of prevention is worth a pound of cure”

**S.M.I. Zamir, Head (L&D)**

One Saturday morning I was standing in the job allocation room of my department. A report came to the supervisor that there has been a breakdown of a machinery in one of the installations. One young person in the room immediately reacted saying that this always happens on a Saturday morning in the installations. On that comment the supervisor responded saying “that’s why the company has engaged us for”. He further added that if there were no problems the company would not be employing us at all.

Needless to say that I couldnot but appreciate the two responses to the same situation – one positive and one negative. I started pondering on the reason why

the reports for some problems cropped up mostly on Saturday morning when it is a half working day and it takes an extra effort to arrange the materials and manpower to carry out the job during office hours and to continue to support the team in the fields after office hours. One explanation could be that a mechanical equipment may develop snag and break down without a warning. But another thought also came to me that if we have taken good care of our equipment – read preventive and predictive maintenance (adequate precautions) some of these problems can be contained or attended to even before the equipment breaks down.

The same analogy applies to deficiencies in purchase (read purchase of goods and services); if while formulating our requirement for the job/equipment and subsequent preparing indents for purchase we take care and do a bit of research, such as market survey and information gathering from organizations in similar business who use similar goods and services and put specifications complete in all respects and comprehensive terms and conditions in place then there is less chance of making an error in the documents.

Another point to keep in mind is that we should take care to record the reasons for choosing particular goods services. Similarly the decisions taken in the TC or LMC meetings should also be recorded with reasons including the circumstances under which this decision has been taken etc. especially if the decision has been taken deviating for the extant rules.

This would also mean that

1. We would not be required to make changes in the specifications when the vendor submits his offer
2. We would not be purchasing outdated equipment and services





3. We would not be required to cancel the indent/NIT for want of deficiency in specifications or the terms and conditions
4. Accept below specification material or substandard materials
5. Modify the quantities of contract or equipment and seek additional budget
6. Leave the rates for an item not originally included in the SOR to the discretion of the Project Management Consultant (if one is engaged for the project) or be at the mercy of the vendor who may quote unrealistic rates etc.
7. Modify the terms and conditions of the order/contract to enable the completion of the order/contract.
8. We will be able to defend our position when our decisions are questioned in this regard.

It is therefore advisable to take a bit of time for planning the activity of purchasing goods and services before preparing the document.

At times it is seen that in our anxiety to avoid trouble we sometimes be overcautious and include such terms as part of BRC that the NIT become untenable and we either do not get sufficient participation or conditional bids are submitted and the entire NIT is scrapped and re-floated. This is not only a wasted effort but increases the cost of purchasing the goods or services since the one year down the line when the purchase is finally made the cost has already gone up – not to speak of the delay in the project implementation or activity.

The execution of purchase activity (purchase of goods or services) also needs care by the executing officer. The terms and conditions of the purchase order should be thoroughly studied and understood. It should be ensured that the execution of the purchase order (purchase of goods or services) is carried out as per the terms and conditions of the purchase order. During the execution phase any time overrun should be brought to the notice of approving authority and penalty proposed as per the terms of the purchase order. In case a waiver of penalty is proposed the same should be justified with sound reasoning.

These are some of the precautions which can be taken to avoid problems later.

There are two mistakes one can make along the road to truth - not going all the way, and not starting.

*Buddha*



## Understanding of few terminologies of Tendering Process:

**Rupak Kalita, Sr. Manager (C&P) (CEMG)**

It is a well-known fact that tendering process or public auction is a basic requirement for the award of contract by any Government agency as any other method, especially award of contract on nomination basis, would amount to a breach of Article 14 of the Constitution guaranteeing right to equality, which implies right to equality to all interested parties.

Tendering process in public procurement is indeed to be done in fair, just and transparent manner. We have two approved manuals for procurement of Materials as well as procurement of Services which detail about the procedural guidelines and are helpful in maintaining transparency during tendering process.

As all of us are directly or indirectly involved in tendering process for procurement of goods and services, few terminologies as given below related to Tendering Process are required to be understood:

- 1. Tender Fee:** Detailed commercial & technical specification of each tender is available in Tender Document, which most government departments sell for a small fee. Tender Document Fees is the



fee towards buying the Tender Document. The reason towards making Tender Document paid are :

- To ensure that only Serious Bidders show their interests
- To recover the cost of making Tender Document
- To recover the cost of Tender Advertisement

### 2. EMD or Earnest Money Deposit :

To ensure that a Bidder does not submit a Dummy Bid or back out at a later date after tender opening, buyer collects a small refundable fee from each bidder, which is called EMD. EMD is always in the form of a Demand Draft and submission of cheques or cash towards EMD is strictly not allowed. EMD of unsuccessful bidder is returned when tender is finalised for award of contract or placement of purchase order. In case of winning bidder, EMD is returned after getting acceptable performance bank guarantee at the time of placing Purchase order or awarding the contract. In case Tender is cancelled, the EMD is returned to all the bidders. After Bid is opened, if a Bidder refuses to enter into the contract, being the successful bidder, the EMD submitted by the bidder is forfeited. EMD amount is generally calculated to a given percentage of the Tender Value

- 3. Bank Guarantee or BG** - In High Value tenders, the EMD amount may be very high and in such cases, Bidders may not like to block a huge amount by making a DD. Hence in all such Tenders instead of EMD, Bank Guarantee is also allowed.

In case of Bank Guarantee, the Bank Issues a letter of undertaking to the Tenderer or Buyer that if Bidder Defaults, Bank will pay the requisite



amount equivalent to Bank Guarantee. The purpose of Tenderer or Buyer is met since the Buyer has a guarantee from the Bank and it need not handle the cash received against DD. This is also helpful in the EMD for Foreign Currencies as the BG avoids the problem of exchange rate fluctuations, which could have been the case when a DD of foreign currency is taken. In most of the cases, BG is allowed only from Nationalised Bank i.e. BOB, SBI, etc. Additionally, Private Banks like ICICI, Citibank, HSBC etc. are also accepted for submission of BG. After Bid is opened, if any Bidder refuses to accept the contract, the BG is forfeited. In OIL, Bank Guarantee or irrevocable Standby L / C is acceptable from the following:

- a) Any Scheduled Indian Bank or
- b) Any Indian branch of a foreign Bank or
- c) Any reputed foreign Bank having correspondent bank in India.

To get a Bank Guarantee, Normally, the Bidder has to do the following:

**Option 1:** Make a Fixed Deposit (FD) of amount equivalent to Bank Guarantee amount in the Bank & Bank in lieu of FD gives the Bank Guarantee. This way Bidders get Interest on his FD & on paying a small fee (up to 1-2%) he can get a Bank Guarantee. If bank gives 9% interest on FD & he is giving bank 1% interest on BG, Bidder get a net 8% interest. If Bidder had given an EMD, he would have lost this 8% interest.

**Option 2:** Bidder can pledge collateral's like House, Offices, Machinery's, Raw Materials, etc. instead of Cash and still get a Bank Guarantee. Bank on the basis of valuation of his Collateral can issue Bank Guarantee. For e.g. if a company has a turnover of 10 Cr, the Bank can issue it a Bank Guarantee of 1 Cr, if company makes FD of just 20 Lakh, because a company which is making 10 Cr turnover can anytime pay Rs.1 Cr to bank, if it defaults.

#### 4. **Performance Bank Guarantee & Financial Guarantee :**

A performance BG (also called performance bond) states that in the event of failure to perform

an agreed task the beneficiary can raise a claim on the bank. For example: Party A wins a tender to supply party B with equipment for Rs. 10 lakhs. Party A submits a performance bond. Thereafter, if party A backs out because it feels it cannot deliver on the agreed price and may incur a loss. The beneficiary (party B) will claim against the performance bond for failure to perform the contract.

A financial guarantee is a very broad and general guarantee that can be issued by a bank to ensure that party A fulfils its financial obligations to party B. Typical example is party B is a manufacturer & seller of goods and party A is a newly established buyer & distributor of those goods and requests a credit limit of USD 1 million. Party B will request party A to arrange a Financial Guarantee stating that Party B will receive payment of upto USD 1 million upon submission of proof of delivery of goods by party B to party A (typically Invoice and signed Goods Receipt Note)

5. **Retention Money :** Retention is a percentage (often 5%) of the amount certified as due to the contractor on an interim certificate, that is deducted from the amount due and retained by the client. The purpose of retention is to ensure that the contractor properly completes the activities required of them under the contract.

6. **Annual Turnover :** It is the total sales of goods or services during the year.

7. **ORIGIN :** "Origin" means the place where goods are mined, grown or produced or from where ancillary services are supplied. When goods are produced through manufacturing, processing or substantial and major assembling of components, a commercially recognised product results that is substantially different in basic characteristics or in purpose or utility from its components. The origin of goods and services is distinct from the nationality of the Bidder.

#### 8. **EFFECTIVE DATE OF CONTRACT :**

Date of issue of LOA is normally considered as Effective Date of Contract, unless it is specified otherwise.



## 9. DATE OF COMMENCEMENT OF CONTRACT:

Date of starting of actual work after completion of Mobilisation.

## 10. DURATION OF CONTRACT :

Duration of Contract starts from date of actual commencement of work after completion of Mobilisation

## 11. Proprietary Materials and Non-Proprietary Materials

### a. Proprietary Materials

An item is “Proprietary”, if the same is made or marketed by a person or persons having the exclusive right to manufacturer and to sell it.

Hence, the equipment(capital)/ spares/ stores/ software/ services/ patented drugs whose make and model are only from a named manufacturer and no other make and model is acceptable as substitute for technical reasons, these are classified as Proprietary Materials.

Any capital item, spares or stores procured from only one source like OEM is also proprietary, in case there is no substitute available for the item.

### b. Non-Proprietary Materials

Non-Proprietary materials are those which are manufactured by many firms.

## 12. Collaboration in Tender

In a Tender a bidder can participate either directly or indirectly.

- Bid on own strength (Direct route)
- Bid in JV (Direct route)
- Bid in Consortium (Direct route)
- Act a Sub Contractor (Indirect route)

### Direct Route.

# Bidders submits its' own Bid.

**Joint Venture or JV** - There are tenders where Joint Venture is allowed. In such tender 2 or more companies float a new company which is jointly owned & this JV Company submits bid on behalf of both the companies

**For example** if there is a condition in a tender that the bidder has to submit Rs. 10 Cr as Security Deposit, 2 small companies may not have Rs. 10 Cr individually, but they both can contribute 50 % each and submit security deposit worth Rs.10 Cr. In such case they will form a JV company & the JV will submit the Bid.

**For Example**, if there is a Tender which requires good manufactured using particular technology/ machinery to be supplied, than a company which has the technology/machinery can form a JV with local manufacturer who is willing to manufacture and submit the bid.

JV can be formed on any mutually acceptable conditions which can be technical, financial or related to execution, supervision, quality, experience, etc. Two companies may not be fulfilling all the pre-qualification criterion individually but under the JV banner, they can fulfil all the criteria. Eg. a Tender may have the following pre-qualification criteria - A company or JV having Rs.100 Cr turnover & experience of successfully executed 3 projects. In such case a company having 100 Cr Turnover & another company having experience of executing 3 projects successfully can form a JV.

**Consortium** - This is similar to JV where 2 Bidders bring in their individual strengths such that their bid gets pre-qualified. Unlike JV, a new JV company is not formed but between 2 Bidders and instead one decides to be a Lead Partner & other secondary partner. Two or more companies can form a consortium. When contract is awarded, the responsibility of execution lies on the Lead partner.

### Indirect Route:

# **Sub Contracting** – In case of integrated service or bundle service or LSTK Contract, the main contractor may hire services from



other contractors on sub contracting basis. For example, in case of Construction of a Bridge the sub contract may be for supply of Cement, Iron & Steel, Manpower, Machinery etc.

### 13. Various Business Models / Project execution types

For any projects jobs, Buyer may split the work & invite tender from different agencies for the Project. Failure of one agency to deliver on time results in delay of the entire project. In such cases, Tenders are invited under the following models.

#### # Turn Key Project :

When a tender for setting up a new Power Plant is floated on Turn Key Basis, the Buyer expects Bidder to Buy Land, Build Complex, Buy & Install machinery, test run machinery, train people such that on switch of a button the plant goes live. The whole idea is to walk into a fully furnished house, where all you have to do is unlock the doors (**turn key**).

#### # SITC - Supply, Installation, Testing & Commissioning

For e.g. if a tender is floated for supply of Genset under SITC basis, then the bidder has to Supply Machinery, Installation, Test run and even commission them (start it) for the Buyers.

#### # BOOT - Build, Own, Operate & Transfer

For example, when a Tender for construction of Express Highway is floated on BOOT Basis, worth Rs. 100 Cr, it means

- The Bidder will invest Rs.100 Cr & build the Road
- The Bidder will own it & collect toll fee from Vehicles that uses the road
- The Bidder will operate and maintain it till the time it does not recover 100 Cr
- And eventually after the bidder recovers its invested amount, it will transfer the Road to Buyer /Government.

#### # PPP - Public Private Partnership :

Under this model, the tender is executed under partnership model (between Government & Bidder). For e.g. A new power plant is built & operated by the Bidder but the Power is distributed by Government & fees is collected by the Government. The Revenue is split between Government & Bidder on pre defined ratio.

#### # EPC - Engineering, Procurement & Construction :

Under this model, the Bidder is responsible for Engineering Work, Procurement of Goods & machinery & even for the construction. Construction of Power Plant is a good example of EPC model. 3 different agencies are not appointed by Government for Engineering, Procurement & Construction work such that coordination is easy and is responsibility of one Bidder.

### 14. Reverse Auction (RA) Application :

Traditionally Purchase Managers have been negotiating with the Suppliers on one to one basis to get the best competitive price which is a gross waste of Time, Efforts & Money and both Buyers & Supplier have to bargain.

With Reverse Auction Application buyer can now make all their Suppliers compete with each other through online transparent process and buyer can simply watch the price movement. Reverse Auction not only helps to save time and efforts but also results in great amount of savings with complete transparency.

### 15. Contracts on nomination basis

Only on rare and exceptional cases contracts can be awarded on "Nomination Basis" The most important office order no. 23/7/07 dated 05.07.07 from CVC is enclosed in the next page for reference.



No.005/CRD/19  
Government of India  
Central Vigilance Commission  
\*\*\*\*\*

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 5th July 2007

**Office Order No.23/7/07**

**Subject:- Transparency in Works/Purchase/Consultancy contracts awarded on nomination basis.**

Reference is invited to the Commission's circular No.15/5/06 (issued vide letter No.005/CRD/19 dated 9.5.2006), wherein the need for award of contracts in a transparent and open manner has been emphasized.

2. A perusal of the queries and references pertaining to this circular, received from various organizations, indicates that several of them believe that mere post-facto approval of the Board is sufficient to award a contracts on nomination basis rather than the inevitability of the situation, as emphasized in the circular.
3. It is needless to state that tendering process or public auction is a basic requirements for the award of contract by any Government agency as any other method, especially award of contract on nomination basis, would amount to a breach of Article 14 of the Constitution guaranteeing right to equality, which implies right to equality to all interested parties.
4. A relevant extract from the recent Supreme Court of India judgement in the case of Nagar Nigam, Meerut Vs A1 Faheem Meat Export Pvt. Ltd. [arising out of SLP(civil) No.10174 of 2006] is reproduced below to reinforce this point.

“The law is well-settled that contracts by the State, its corporations, instrumentalities and agencies must be normally granted through public auction/public tender by inviting tenders from eligible persons and the notifications of the public-auction or inviting tenders should be advertised in well known dailies having wide circulation in the locality with all relevant details such as date, time and place of auction, subject matter of auction, technical specifications, estimated cost, earnest money deposit, etc. The award of Government contracts through public-auction/public tender is to ensure transparency in the public procurement, to maximize economy and efficiency in Government procurement, to promote healthy competition among the tenderers, to provide for fair and equitable treatment of all tenderers, and to eliminate irregularities, interference and corrupt practices by the authorities concerned. This is required by Article 14 of the Constitution. **However, in rare and exceptional cases, for instance, during natural calamities and emergencies declared by the Government; where the procurement is possible from a single source only; where the supplier or contractor has exclusive rights in respect of the goods or services and no reasonable alternative or substitute exists; where the auction was held on several dates but there were no bidders or the bids offered were too low, etc., this normal rule may be departed from and such contracts may be awarded through 'private negotiations'.**”

(Copy of the full judgement is available on the web-site of the Hon'ble Supreme Court of India, i.e., [www.supremecourtfindia.nic.in](http://www.supremecourtfindia.nic.in) )

5. The Commission advises all CVOs to formally apprise their respective Boards/managements of the above observations as well as the full judgement of the Hon'ble Supreme Court for necessary observance. A confirmation of the action taken in this regard may be reflected in the CVO's monthly report.
6. Further, all nomination/single tender contracts be posted on the website ex post-facto.

**(Rajiv Verma)**  
Under Secretary



# Indicators of Fraud and Fraud Personalities

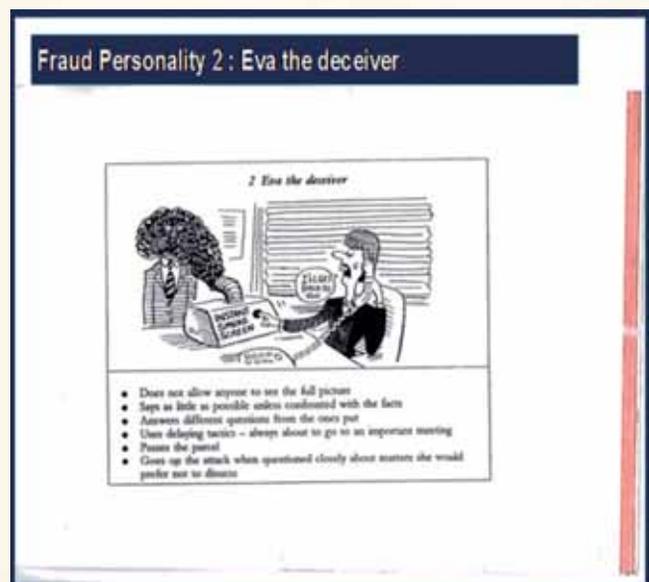
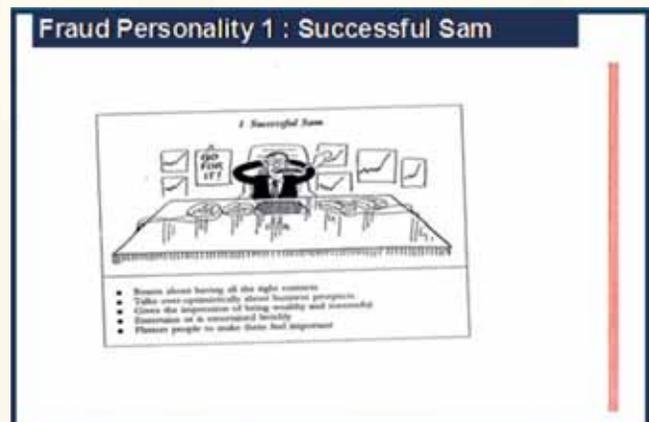
**Subir Bhattacharya**, Chief Manager Vigilance

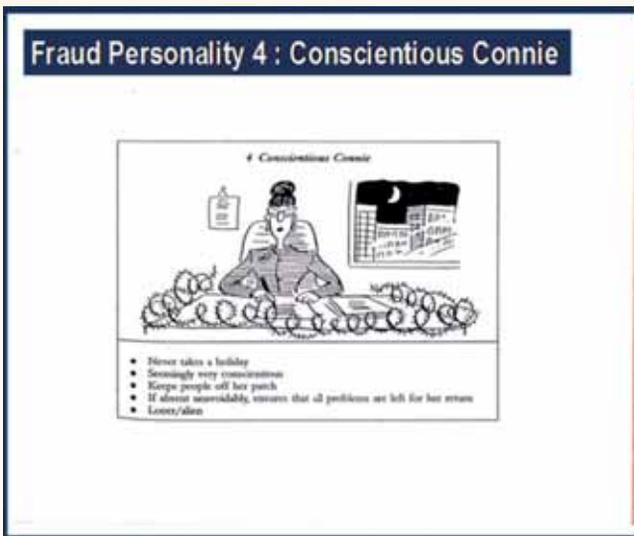
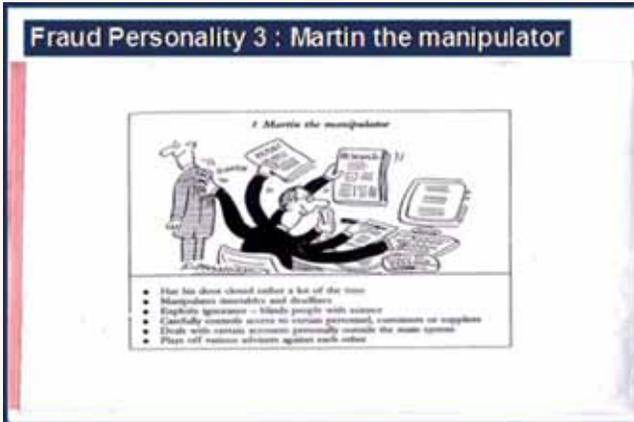
Corruption is the abuse of entrusted power for private gain. It hurts everyone who depends on the integrity of people in a position of authority. Therefore it is of utmost importance to have effective deterrent in place to control this menace and one of the key deterrents to fraud and corruption is awareness and prevention. For prevention of corruption in an organisation, an important tool is to know & understand various indicators of possible fraud, often termed as red flags. However, it is to be clearly understood that a red flag is a set of circumstances that are unusual in nature or vary from normal activity. It is a signal that something is out of the ordinary and may need to be watched / investigated further. Red flags do not indicate guilt or innocence but merely provide possible warning signs of fraud / corruption.

Various accountancy / auditing firms and fraud handling agencies have listed some indicators or red flags of possible fraud / corruption in an organisation. This list is not exhaustive and the ingenuity of those involved in corruption knows no bounds! But one should be aware of:

- The reluctance of employee to take their holidays and/or time off.
- Employees who constantly bend the rules.
- Employees who are excessively secretive in relation to their work.
- Employees living a lifestyle not commensurate with their salary – staff who displays sudden trappings of wealth for no apparent reason.
- Indicators that staff have financial problems.
- Employees who receive inappropriate gifts or hospitality from suppliers or customers.
- Employees who consistently work longer hours than their colleagues for no apparent reasons.
- Managers who tend to avoid using the purchasing department.

- The autocratic boss who rules with a rod of iron, making employees too frightened to complain.
- Employees subject to constant complaints from employers or customers – customers complaining that payments are not correctly showing on statements.
- Managers' by-passing subordinates, subordinates bypassing managers and management frequently overriding the internal controls.





- Staff who consistently produce good results or achieve their targets on every occasion – are normal controls being flouted, ignored or overlooked? Are the figures true?
- Employees making procedural or computer-system enquiries inconsistent or not related to their normal duties.
- Managers who show unusual concerns over audit inspections or head office reviews.

Apart from above personality traits, other indicators of possible corruption have also been identified which again do not necessarily indicate fraud / corruption but provide possible warning signs and need to be watched / investigated further:

- Key documents missing (e.g. invoices, contracts). Documentation that is photocopied or lacking essential information. Missing expenditure vouchers and official records

- Where there is uncertainty over job security – high staff turnover.
- Lack of Senior Management oversight. Inadequate monitoring to ensure that controls work as intended (periodic testing and evaluation).
- An unusual number of customer complaints.
- Customers or suppliers insisting on dealing with just one individual.
- Tendering / contract to one supplier only or to the same suppliers.
- Lack of transparency.
- Poor engagement with corporate governance philosophy.
- Too much delegation by senior managers without proper review procedures
- Cash-only transactions.
- Poorly reconciled cash expenses or customer accounts.
- Rising costs with no explanation or that are not commensurate with an increase in revenue.
- Large volume of refunds to customers.
- Unusually large inventories.
- Unusual transactions or inter-account transfers (even for small amounts).
- Remuneration disproportionately linked to activities such as sales.
- Employees who appear to make a greater than normal number of mistakes, especially where these lead to financial loss through cash or account transactions.
- Employees with competing or undeclared external business interests.

**Above contents are collected from various publications/ materials of Fraud Advisory Panel, UK; Serious Fraud office, UK; KPMG; RIPA International, UK, Columbia University and some other related websites.**



## Even when there is no Law, There is conscience

K. S. B. RAO, Contract & Purchase Department

The thief is an artist and the Policeman is only a critic.

Oscar Wilde

I always wish to think out of the box. Why should an article to be published in a Vigilance journal be only about vigilance administration or about corruption and wished to write different - collective social conscience, which is the need of the house.

### PAST AND PREVALENT:

The medieval Indian history is replete with interesting episodes of corruption, which was inherited by the British subsequently. Corruption in Mughal India was on an extensive scale, which reached Himalayan heights, after the death of Akbar. No social or political group was considered above board. Corruption and crime paved the way for the final annihilation of the Mughal rule. Total absence of moral code to guide the conduct of the Government officials in those days, was believed to be the reason for such gigantic levels of unhindered, broad day light corruption.

It is quite interesting to note that several European travellers have eulogised the all round progress during the time of Akbar, who had a galaxy of personalities like Abul Fazl, Faizi, Birbal, Man Singh, Todar Mal etc. who gave their best to serve the empire with utmost devotion and dedication, a rare phenomenon in medieval history and therefore is well remembered.

In order to relate the hind-sight, gained from the above facts, one would tend to infer, logically, that for effective



**Democracy is the greatest boon that we enjoy in India, though many of us do not know how hard our ancestors sacrificed their yesterday to ensure a liveable today for us.**

governance, we need good administration and code to guide the conduct of its Administrators in governance.

Corruption has certainly existed in India historically; Kautilya, in his Arthashastra, deliberated how to combat it. He noted that it (corruption) arises because individuals realise that they have an opportunity to divert resources, and some choose to try and get away.

Democracy is the greatest boon that we enjoy in India, though many of us do not know how hard our ancestors sacrificed their yesterday to ensure a liveable today for us. As we know the British did not encourage industry in India and post independence, there was a great enthusiasm for nation-building. Corruption in India is a phenomenon that one has to face inevitably in every walk of life. Normally, bribe is paid in order to get an illegal benefit, I remember, Arun Shourie, in his Magsaysay award speech, 25 years ago, exhorted that in India the rules are interpreted in such a way to create problems in order to squeeze money. This is petty corruption, which can be controlled, regulated with introduction of transparent systems and through effective unit management.

The history of corruption in India, post independence, for the purpose of analysis here, is divided into two



**With dead and dormant conscience, one cannot expect to see a corruption free society.**

phases, pre and post liberation periods, compelling transformation from **control to regulated economies**.

India, having decided to build a socialistic pattern of society, went into commanding, intervening and controlling the economy, which according to late C.Rajagopalachari created “Licence Raj” and those who had their hands on the lever of power made money. Thus, post independence, before the liberation era, the monster of corruption spread its tentacles in every walk of life of every citizen.

The major reforms process, post liberalisation era commencing from 1991, warranted implementation of policy decisions, during which process, political corruption and market capitalism thrived by feeding each other. Even the regulatory bodies, created for the transformation are considered prone for corruption; more or less our regulatory bodies remained above board, with the exception of some scattered cases.

Grabbing and manipulating positions of power, a nexus of some politicians, bureaucrats industrialists and middlemen, threw the economic progress of the society into a cauldron of corruption; the cauldron, bubbling quietly in the background, suddenly erupt sometimes, otherwise it ceased to be an issue in Indian politics. In the words of the former CVC, Mr Vittal, the nexus of Neta, Babu, Lala and Dada ruled the roost. The attitude of the major political parties in India is “your scam is bigger than mine”. A discussion in India about corruption is like what Mark Twain said about weather, that everybody talks and nobody does anything.

In the West, law enforcement is regarded as one of the least corrupt professions and India you know about our Police, who come one step below politicians and together make a terrible combination. According to a TI report, 87% of the people in India regard the police as most corrupt. The recent revelations of Justice Katju speak

volumes of the penetration of corruption in judiciary as well.

#### **PRESENT SCENARIO:**

Corruptions has ceased to be an issue for all of us, let us accept bravely and let us enjoy discussing the same and listening to the discussion on prime TV channels and if time permits, reading them in news papers. We all should realise, we are in murkier times, and may not be able to pass on the baton that has been inherited by us from our ancestors. Talking to a daily newspaper, Pratyush Sinha, the erstwhile CVC felt that corruption has social acceptance. Elaborating, he said, there would be 20% of people in India even today who would be honest, regardless of the temptations, because this is how they are. They have a conscience, they would not be corrupt. The helpless comment of a former PM that for every rupee meant for the poor, hardly 15 paise reached the beneficiary, drives our heads to hang in shame.

A high-flying Minister was forced to resign for his alleged involvement in facilitating the entry of a team, a Principal Secretary of a Department was jailed for his involvement in the biggest and the largest recent scam in Indian history, Paradoxically, an auto driver in Chennai, after having found an unclaimed bag containing Rs.20 lakhs, went to the local SHO to hand over the same and hit the headlines, also the hearts many optimistic people as well. There is hope yet. The propensity for corruption is generally determined by three contributing conditions: First, the pressure for amassing wealth, second, the opportunities for achieving such objectives and third, the scope for rationalisation, such as everyone

**Introduction of Vigilance Administration to synchronise with the organisational administration is in itself a silver lining to the dark clouds of corruption that overcast India.**



does it, it is very common, establishment is not paying me adequately as deserved etc. For the perpetrators, the countervailing control mechanisms did frustrate their objectives, suggesting that our great democracy have enough correcting features in the system.

To my mind it goes, the problem is to do with the conscience. The father of Indian constitution, Dr. Ambedkar, while delivering a speech to the students of a Bombay college exhorted that rights cannot be protected by statute but by the social conscience of the citizens. With dead and dormant conscience, one cannot expect to see a corruption free society. The vigilance function, my mind goes to feel, should operate within each individual by way of one's own inner conscience.

### **ANALYSIS:**

Of the various faces of corruption, the political corruption, in nexus with other players is the most diabolical one. In a parliamentary democracy, where the rulers, in order to get to the throne of power, have to depend on the votes from their subjects, the voters have an opportunity to change their own destinies. The Mahatma said that post independence; the government should try to wipe the tears of the poorest of the poor, prescribed austere life styles for the rulers and expected superior moral standards from the brown sahibs, unlike the exploitative colonists.

It has become a fashion for us to talk about corruption. One employed in Bank, while standing in a queue for a train ticket would tell that the railways are corrupt, one employed in state electricity board would tell that the revenue department is corrupt without realising the crux of the issue. It is us, who make the society, our traits reflect in the society. If the society is corrupt, none except us, is responsible. In a democracy, we are the rulers of our destiny. Corruption, in our present society, has become inevitable, reaching to intolerable heights and therefore can hope to see a dramatic change in the country for the better. So let us do something.

Introduction of Vigilance Administration to synchronise with the organisational administration is in itself a silver lining to the dark clouds of corruption that overcast India. In the words of Mr Vittal, the former CVC, it is necessary to sensitise the entire population of the country and bring together every citizen who wants to fight corruption.

**The institution should be viewed as a friend, guide and not deterrent for achieving organisational goals, as the prescriptions of the Institution are more broadly preventive in nature.**

Therefore, the efforts of our Chief Vigilance Officer, Mr Amit

Mohan Prasad, IAS, to create awareness through various forums with a view to sensitising the employees, at various levels, are impressive and laudable. The efforts of the Institution of CVC are to sanitise and mentally empower every employee who wants to fight corruption. The institution should be viewed as a friend, guide and not deterrent for achieving organisational goals, as the prescriptions of the Institution are more broadly preventive in nature. Public awareness will crystallise into public opinion which will provide the needed sanction for modifying social behaviour of citizens, especially those prone to corrupt practices.

To drive home the fact in support of the Institution of Vigilance Administration in PSUs, I would like to enumerate my observations in the Company. Some senior officers, considered to be with high integrity were found to be entangled in some issues which were complained as violations and on the basis of anonymous letters, cases used to be filed, even without a PE. Especially, it has become a norm to receive such complaints or false cases, when promotion of a particular person is on the anvil, resulting in fulfilment of the immediate purpose of the complaint, at least preventing the promotion of that person, against whom such a false and frivolous complaint is lodged. Perhaps, this culture prevailed in other PSUs and government agencies, resulting in unbridled vistas for corruption. Perhaps, realising the trend, the first CVC, Mr Vittal introduced a structured mechanism to deal with the



menace and due to the implementation of the same through CVOs, and the results are reaped by one and all. At least, it is now known, what the aggrieved person can do, rather than simply getting a heart attack, when embroiled in the cob web of a false case.

I can quote another miraculous remedy brought out by this Institution. Before introduction of CVC, arising out of Supreme Court's judgement in Vineet Narain's case, lot of references used to flow from the powers that be, to award contracts to the 2nd lowest etc. resulting in corruption percolating to all levels. This epidemic spread and contaminated all the arteries of the PSUs and reached its optimum levels. On the complaints of PSUs chiefs and realising the evils of menace and its evil effects on the financial health of each PSU/Organisation, Mr Vittal flung into action and a simple

circular from his mightier pen, curbing the menace, resulted in checking political corruption to a great extent.

As regards the nagging feeling of a fence eating the grass, I can only suggest, that each one of us should act in the interest of the organisation in which we work and for those who follow this path, can at least have sound sleep.

#### **CONCLUSION:**

Neither the efforts nor the solutions should come to a conclusion for eradicating corruption from the society. It cannot be concluded; it is a perennial effort. However, to curtail the political corruption, the boon of democracy: the right to vote should be exercised with application of conscience and defeat the corrupt politicians.

PS: Due to limitation of time and space, I am compelled to end this article, but the struggle of each one of us against corruption should continue. Even the God, when he said : "dharma samsthapanardhaya sambhavami yuge yuge, meant that the effort to curb any evil never ends, but is only a perennial.

Try not to become a person of success, but rather try to become a person of value.

*Albert Einstein*



## Human – the Supreme Creature of Nature

S. S. Rawat, Chemical Department, Duliajan

**There was never a night or a problem that could defeat sunrise or hope – Bern Williams**

When conspiracy haunts in wide range, when everything seems to be going against, when disappointments stare in the face, and we see not one ray of hope on the horizon to overcome within the legal parameter, turn to Bhagavad-Gita and find a verse to comfort and we can immediately able to begin to smile in the midst of overwhelming sorrow. Those who meditate on the Gita will derive fresh joy and new meanings from it every day. The Bhagavad-Gita is the most systematic statement of spiritual evolution of endowing value to humankind. It is one of the most clear and comprehensive summaries of perennial philosophy ever revealed; hence its enduring value is subject not only to India but to all of humanity.”

When we can no longer think of a reason to continue, we must think of a reason to start over. There’s a big difference between giving up and starting over in the right direction. And there are three little words that can release us from our past regrets and guide us forward to a positive new beginning. These words are: **“From now on.....”**

**Let the things we can’t control, GO.** – Some fail by virtue, some shine by sin quoted by Shakespeare. Most things are only a part of our life because we keep thinking about them. Positive things happen in our life when we emotionally distance ourselves from the negative things. So stop holding on to what hurts, and make room for what feels right. Do not let what is out of our control interfere with all the things we can control.

“No matter what conditions we encounter in life, our right is only to the works-not to the fruits thereof. We should not be impelled to act for selfish reasons, nor should we be attached to inaction.” - A verse from Bhagavad Gita



**Accept and embrace reality.** – Perception creates thought, thought create reality; Change your perception to change your reality. Life is simple. Everything happens for us, not to us. Everything happens at exactly the right moment, neither too soon nor too late. For everything we lose, we gain something else; and for everything we gain, we lose something else. We don’t have to like it, but it’s just easier if we do. So pay attention to our outlook on life. We can either regret or rejoice; it’s our choice.

“Whatever happened, happened for the good; whatever is happening, is happening for the good; whatever will happen, will also happen for the good only. We need not have any regrets for the past. We need not worry for the future. The present is happening.....” - A verse from Bhagavad Gita

**Change your mind.** – We don’t have to engage in grand heroic actions to participate in the process of change. Small acts when multiplied by millions of people, can transform the world said by Howard Zinn. Change is like breath – it isn’t part of the process, it is the process. In reality the only thing we can count on is change. And the first step toward positive change is to change our outlook. Prepare for the positive. Allow the unknown to take us to fresh and unforeseen areas within ourselves. Growth is impossible without change. If we cannot change our mind, we cannot change anything in



our life. Sometimes all we need to do is look at things from a different perspective.

“Change is the law of the universe. What we think of as death, is indeed life. In one instance we can be a millionaire, and in the other instance we can be steeped in poverty. Yours and mine, big and small - erase these ideas from our mind. Then everything is ours and we belong to everyone”. – A verse from Bhagavad Gita

**Hold tight to the good things.** – When life’s struggles knock us into a pit so deep we can’t see anything but darkness, don’t waste valuable energy trying to dig our way out. Because if we hastily dig in the dark, we’re likely to head in the wrong direction and only dig the pit deeper, instead, use what energy we have had to reach out and pull something good in with us. For goodness is bright; its radiance will show you which way is up, and illuminate the correct path that will take you there. Whatever you do, do it as a dedication to God. This will bring you the tremendous experience of joy and life-freedom forever.

“The human personality is covered by six enemies or negative emotions. They are known as ‘arishadvarga’ and they play a great role in our lives. They are kama (desire), krodha (anger), lobha (greed), moha (attachment), madha (pride) and matsara (jealousy). These six enemies eat us from within, like a worm. We don’t see them. We deny we have them, but they are there. Each one of them is so profound, so powerful, that it could ruin the entire buddhi“. We only have the right to perform our actions and never to the fruits of our karma. We should not perform the action only for the sake of fruits, nor let ourselves be attached to inaction.” – A verse from Bhagavad Gita

**Rest and regroup.** – Strength isn’t about bearing a cross of grief or shame. Strength is about choosing our path, living with the consequences, and learning from them. Sometimes we do our best and end up with a mess. When this happens, don’t be discouraged. We tried. That’s really all we can ever do. We have not failed; we just learned what not to do. So rest, regroup and begin again with what we now know.

“As a man can drink from any side of a full glass, so the skilled theologian can extract from the scripture

that which will serve his purpose”. - A verse from Bhagavad Gita

**Take chances.** – Making a big life change or trying something new can be scary. But do we know what’s even scarier? Regret. So realize that most of our fears are much bigger in our mind than they are in reality; we’ll see this for ourselves as soon as we face them. Don’t let them stop us. Live our life so that we never have to regret the chances we never took, the love we never let in, and the gifts we never gave out.

“Everyone faces problems and difficult circumstances in life. The Bhagawat Gita is there to teach us and give us the opportunity to rise. We are a temple, where we visit every day. We light a candle in the form of hope at the heart center. We bow; we pay our homage to that inner dweller. We meditate and receive mental peace, then gently come out from that temple. We can take that peace everywhere we go. With every single action we perform, we keep that peace in our mind. That is how we cultivate ourselves to take chances.” - A verse from Bhagavad Gita

**Keep Moving and climbing.** – Every person who is at the top of the mountain did not fall there from the sky. Good things come to those who work for them. We gain confidence and grow stronger by every experience in which we truly push ourselves to do something we didn’t think we could do. If we are standing in that place of in-between, unable or unwilling to go backwards, but too afraid to move forward, remember that we can’t enjoy the view without being willing to climb. It was rightly quoted by Martin Luther King (30 BC) that if you cannot fly, then run, if you cannot run, then walk, if you cannot walk, then crawl, but whatever you do, you have to keep moving forward.

“A person performing karma yoga, actions performed without attachment to the rewards is superior to the cheating renunciate spoken. That person who performs their actions with the mind offering them to the Supreme Lord is properly performing karma yoga by which their mind gradually becomes purified and they develop spiritual knowledge”. “Controlling the senses by strength of mind, utilizing them to assist in achieving attma tattva by performing the prescribed duties given in the Vedic scriptures according to the natural attributes found within their character by the natural disposition of their natural impulses, then that



person although performing karma yoga the yoga of actions is superior to the performer of jnana yoga the yoga of cultivating knowledge in as much as falsely performing jnana yoga with duplicity is far inferior to performing karma yoga with sincerity.” - A verse from Bhagavad Gita

**Appreciate what we have learned.** – Nothing is more beautiful and powerful than a smile that has struggled through the tears. Don't regret our time, even the moments that were filled with hurt. Smile because we learned from it and gained the strength to rise above it. In the end, it's not what we have been through that defines who we are; it's how we got through it that has made us the person we are today, and the person we are capable of being tomorrow.

“The means to acquire atma tattva or soul realization is being stated here: One should render humble and sincere service to this self-realized being because this person has realized the ultimate truth, fully steeped in the knowledge of the Vedic scriptures, of the Brahman or the spiritual substratum pervading all existence and the intuitive potency which manifests along with it. Such a person will magnanimously instruct one in attaining the ultimate truth. This knowledge should be learned by accepting a spiritual master and by submissive inquiries and rendering service unto him. The self realized and holy saint endowed with divine revelation will instruct us in wisdom”. – A verse from Bhagavad Gita

**Realize every step is necessary.** – Henry Ford said that “Think You Can, Think You Can't - Either Way You Will Be Right”. Nothing is ever wrong. We learn from every step we take. Whatever we did today was a necessary step to get to tomorrow. So be proud of ourselves. Maybe we are not as good as we want to be, or as great as we one day will be; but thanks to all the lessons we have learned along the way, we are so much better than we used to be.

**The beginning is the most important part of the work – Plato**

“The beginning is always today” quoted by Mary Shelley. Do we expect a good day, or do we think about our problems? Do we feel happy or depressed, energetic or washed out? The way we start our day, affects our moods and behavior, and therefore, how

we relate to us. How we begin our day can make our day, or break our day. There are some things we can do to start a good day and keep it so. Our thoughts, our attitude, and our actions immediately after waking and getting up in the morning have a strong effect on our whole day. Here are 10 things to do to have a good day. We don't have to follow all the 10 tips at once. If it is easier, choose only one or two, and gradually add more. Trying to implement all the 10 right away, might lead to inner resistance, which is not helpful.

### 10 Tips to begin our day

1. Begin our preparations the day before. Go to sleep at a reasonable hour, so that we have enough hours of sleep.
2. After we lie down in our bed, don't turn on the TV. Close our eyes, calm our body, and repeat several times the affirmation. “I am going to have a good night's sleep, and I am going to wake up happy, refreshed and energetic.” Next, let our thoughts come and go, staying calm and relaxed, not thinking about anything in particular, and not fighting thoughts we do not want. Do so until we fall asleep.
3. Upon waking up in the morning, repeat the following affirmation several times: “Today, I am having a most wonderful, happy and productive day.”
4. Muster enough strength, and get up, sit on our bed a few seconds with a smile on our face, and then stand up.
5. After washing up, sit alone for at least 5-10 minutes to mediate. If we usually mediate, then do our usual meditation. If we have meditated, just sit down on a chair with our back straight with closed or opened eyes, as we wish. Calm our body, and then watch our thoughts as they come and go. Just watch them with lack of interest, as if they do not belong to us. Don't try to follow them nor fight them.
6. If we have the time for exercising or walking in the morning that's great, but if we don't, do a few exercises for a few minutes. Any exercise will bring more oxygen into our lungs and energize our blood stream.
7. Mother Teresa wrote “Love begins at home, and



it is not how much we do... but how much love we put in that action” It is said the breakfast is the most important meal of the day. It gives us the strength and energy to start our day, prepare something to eat ourselves, if we don’t have the time, then wake up a few minutes earlier to prepare a light meal for self and our loving family. We will feel more energetic and our head will work better, if we have breakfast together in the morning with our loving ones, we will get an extra energy & family support to encounter our daily problems.

8. Read a few inspiring quotes before going out to work, it would be a good idea to prepare them the previous day. These could be any kind of quotes and inspire that motivate us. We can read different

quotes every day or we can repeat the same ones every day.

9. Dress up properly, polite on the way to work. Smile and greet people, whom we know, don’t try to ignore them or show them an unhappy face.
- 10 When we arrive at our place of work, repeat in our mind the following sentence. “I am happy and relaxed. Today is a wonderful and most productive day to encounter our routine problems.” These tips will make us feel better and happier and become more positive and energetic. When we are happy, positive and in a good mood we broadcast these vibration around us, affecting other people and our environment accordingly.

Thinking should become your capital asset,  
no matter whatever ups and downs you come  
across in your life.

*Dr. APJ Kalam*



## Corruption - nipping it in the bud

**Arijit Banerjee, Sr. Reservoir Engineer - EO to D(O)**

Looking back to the days of school, the subject I have the most vivid recollection of is History. Our textbooks taught us, among endless other things, about the glorious history from the times of the Indus Valley Civilization to the present day, and about the immense potential of our country. In school, most of us, our minds innocent and immature, used to believe that India is well on its way to becoming a superpower. There was, of course, the subject called Civics, which taught us about the sociopolitical structure of the country, and kept reminding us of the ills that plague our society: starting from religious intolerance, economic disparity, population explosion, and of course, corruption. Interestingly, though, while the History book was thick over which we used to break a lot of sweat, the book on Civics, on the other hand, was thin, almost like a booklet. From the very beginning, therefore, we were in a way conditioned to think that it was the glorious past and not the present evil that was worthy of attention, and seeds of compliance are inadvertently sown in us from the very beginning. This is the reason that when we moved to the higher classes and started reading newspapers, the many instances of corruption were interpreted by our impressionable minds as something which is always in the background, and something we need to simply acknowledge as a part of our lives.

It is when we grow up and face the world on our own without the protective blanket of elders and teachers that we realize how deep rooted corruption really is. We realize that the cancerous disease of corruption is eating away our economy, and all our impressions of India as an emerging superpower are shattered overnight. However, the seeds sown deep in childhood remain in our subconscious, and despite the knowledge of the extent of damage corruption inflicts on our economy, we accept it as a part of our lives. Worse still, while we criticize its extent and frequently blame our country for being a hotbed of corruption, we make use of it to our advantage at the slightest chance available. A small example of it is how we look upon traffic rules.



We consider it an insult to stop at a red light, which is actually in place for our own safety, and we only obey it if the crossing is manned by the traffic police. However, even this obedience is only a sham, as it is not the retribution of law we fear, but the fact that if we are caught by the police, we might have to shell out anywhere from a hundred to a thousand rupees depending on our bargaining capability. This acceptance of corruption and complicity in corrupt activities is only magnified as we age, and from the petty corrupt acts of bribing police constables we progress towards more serious offences, yet never feeling guilty of it as we have come to accept it as a part of life since we had nascent minds.

This is why I feel there is an urgent need to sensitize children from a very young age against corruption. Instead of teaching the subject of History at length and giving Civics the cold shoulder, equal stress must be placed on the past and the present. However, that is something that might take a long time and require the rare element of initiative on the part of the education institutes. Till that time, we as individuals can take charge and educate our next generation about the evils of corruption. But for even that, the prerequisite is that we must shun corrupt practices out of our lives. If our children grow up watching their elders pay off tax inspectors and traffic constables, they will only replicate them in the future. If we present ourselves



to them as incorruptible, they will not only follow our examples, but they will have immense respect for us when they grow up and realize the value of following the virtuous path. And at the end of the day, we will respect ourselves all the more for it. It might make our lives slightly tough if we don't pay the occasional bribe, but this respect from our children and our own selves is something money can never buy.

Apart from educating the young minds, it must also be understood that drops make an ocean: it is often a mental block we place in front of ourselves that we cannot bring about any change in a corrupt society, and so we must adapt and corrupt ourselves instead. The happenings of the recent past in the political circles have gone a long way in breaking that perception.

As a personal experience, I would like to recount the recent experience with traffic rules I have had when I drive to Noida stadium for my morning jog every day. I encounter a traffic signal, the presence of which isn't even noted by motorists in the wee hours of the morning, and so I used to ignore it too. However, one day I happened to stop at the signal, and to my surprise another car behind me, which was about to jump it, also pushed the brakes and waited for the light to turn green. It was quite a novel experience for me, as by the small act of stopping at a red light I had prevented another person from breaking the law. In a similar way if we all make efforts to stem the rot that corruption is causing to our society and economy, we will see the consequences with our own eyes. Change starts from within.

As we look ahead into the next century,  
leaders will be those who empower others.

*Bill Gates*



## Corruption: Fighting it, the ethical way

Sudhanshu Sekhar Dash, Sr. Manager-F&A (Vigilance)

The world is not quite right! Honestly ask yourself! Is the world, we are living in currently, really ideal to live in? Make no mistake; I am not saying that we need a utopian world, where everything is a fairy tale. What I am trying to get across is, we as humans have a tendency to get satisfied with whatever we are thrown at, good or bad. The result is that our society is degenerating. And the base of this degeneration is nothing other than corruption. Worse than corrupted people are those people who don't give a damn. It is said that one bad fish pollutes the entire pond. But it is not mentioned that the bad fish could pollute the entire pond only because the 'good' fish did nothing to curb the nuisance of the bad fish. Before we get to the indifference of people towards corruption, let's get to a bit of theory about corruption and also have a look at its roots.

World Bank defines corruption as "the abuse of public office for private gain". Corruption in administration is a many sided phenomenon.

The Prevention of Corruption Act does not define corruption. However it lists certain acts which are better known as acts of corruption. Such acts can be termed as follows:

- i. Demanding and/or accepting (by any public servant) of gratification other than legal remuneration in respect of an official act for using his influence with any other official.

- ii. Obtaining any valuable thing, without consideration or with inadequate consideration from a person with whom he has or is likely to have official dealings or with whom his subordinates have official dealings or where he can exert influence.
- iii. Obtaining for himself or for any other person any valuable thing or pecuniary advantage by corrupt or illegal means by abusing his position as a public servant.
- iv. Possessing assets disproportionate to his known source of income.
- v. Case of misappropriation, forgery or cheating or other similar criminal offences.

SARC lists four types of official conduct which while outside the definition of corruption, cause immense damage to public interest. These are as follows:

- Gross perversion of the Constitution and democratic institutions amounting to willful violation of oath of office.
- Abuse of authority by unduly favoring or harming someone.
- Obstruction of justice
- Squandering public money

### Roots of Corruption

It is the individuals who are guilty of acts of corruption. In a way, corruption represents moral failure of individuals. They are unable to follow official rules, social norms or their own conscience. There is, however more to acts of dishonesty than an individual's moral feelings. Political, economic and social environment can create an atmosphere of permissiveness and laxity. Further, the gains from dishonesty may far outweigh the risks of detection, punishment or social opprobrium.

So basically, people kill their own conscience to commit illegal acts and then sub consciously make that a habit.





Therefore, the degeneration can be attributed to lack of moral conscience or lack of moral ethics. Now what is exactly an ethic?

According to one common definition, ethics study the norms or standards of right and wrong used to judge actions. To take a simple example, X notices that while his friend Y was walking down the street, his purse fell down, without the knowledge of Y. Y keeps walking, and X picks up the purse filled with money. X is strongly tempted to pocket the purse and with it, the money, but he resists the temptation. In doing so, he makes a moral judgment i.e. it is wrong to take what is not one's own. This example presents a simple moral problem. From this perspective, ethics can also be regarded as a study of moral problems which men face.

In another view, ethics deal with conduct viewed as right or wrong, good or bad. We can say that ethics give a systematic account of our judgments about conduct viewed from the standpoint of right or wrong, good or bad. These judgments take two forms. One type of judgment is about conduct as revealed in individual acts or events or simply on individual or particular actions. The other type of judgment is not about particular actions but about what standards or norms are appropriate for morally evaluating human motives, ends and actions. Ethics are primarily concerned with these standards that regulate our judgments of right and wrong.

Talking about ethics, one gets reminded of another important aspect of morality – Character. There is a close relation between an individual's desires, character and conduct. The desires of a person are not bits and pieces randomly thrown together, but form a system which is held together by certain moral ideas. Here we ignore man's biological drives based on hunger, thirst and reproductive instincts as also the minimum amenities like shelter and clothing needed for human existence. An individual's desires reflect the dominant moral features of his character. It is from this point of view that one can understand the significance of a man's desires, which in a way sheds light on his character and morals. Character shows the moral universe which an individual occupies. A man of good character is one said to be habitually guided by a sense of duty. A swindler is one who is constantly seeking means of defrauding others. A fanatic is one who is so completely dominated

by a single thought that he shuts out completely other important points of view. Similarly, all other kinds of character may be described by reference to the ideas that are dominant in them.

Ethics regard character as the most important aspect of human life. Occasional good deeds are of no great significance; they have to be performed habitually with a few exceptions. Hence Aristotle emphasized that the formation of good habits is essentially for cultivating a good character. As the saying goes "the tree is known by its fruit", similarly good character shows itself in good acts of will.

Thus we see how important it is to build a good character as it can go a long way in helping us become pro active and fight corruption. Now we must start the process with the children of today. Educationists have noted that schools have appropriate settings for moral education because their main goal is student learning, and the purpose of learning is to promote students' cognitive development.

There are two major purposes of schooling: cognitive development and character formation. We will deal here extensively with character formation as that is the need of the hour in fighting corruption from the grass root levels. Character formation helps shape the children's attitudes and behaviors, reflected in such values as honesty, integrity, respect, responsibility, self-discipline, and reliability. Character education involves teaching basic human values. These include honesty, kindness, generosity, courage, freedom, equality, and respect. It aims at creating schools that foster ethical, responsible, and caring young people. However, some adults need to be exposed to character and moral education too for attitudinal change; but it is difficult to change adults, especially those with entrenched bad behavior. For instance, our schools should make serious efforts to instill in their students important core, ethical values such as respect for self and others, integrity, and self-discipline with emphasis on the basic values the society share. In fact, character education should be an integral part of every aspect of schooling and learning as it provides long-term solutions to moral, ethical, and academic issues in society. The children of today will be the adults of tomorrow. They need to be taught these values right from the formative stages so that these are inculcated in their systems right from the very beginning.



There is no single laid down rule or method for effective character education. However, there are some basic principles, which include promoting core ethical values as the basis of good character and defining “character” comprehensively to include thinking, feeling, and behavior and a teaching with meaningful and demanding academic curriculum that helps students to succeed. We in the society must engage families and community members as partners in the character-building effort.

Instilling these values right from the formative stages (as well as in adulthood in some cases) is definitely a step in the right direction. But a critical aspect which can't be undermined is the mental set up of people. Many people think that only government has responsibility for eliminating corruption and often blame the government; however in view of the level of corruption and the existing framework that we have in India, it is very clear that government alone cannot stop corruption. If we, the people of India and civil society institutions remain unconcerned and hopeless in fighting against corruption then it can simply never be eliminated. No matter what your position is, what your age is, whether you are a government employee or working in a private sector, a student, a retired person or even a housewife, each and every individual has the ability to contribute in eliminating corruption in India and push government, civil society and policy makers to implement more measures at each level.

Furthermore, fighting corruption requires more than government policy, laws, tools and legal system; it requires awareness of our social responsibility, moral values, excellence in our daily work, etc. We need role models, campaigns, debates, and many different approaches to educate our people, to inspire our young generations, to change the mindset of corrupt people and to tackle with every cause. Parents have a very important role in imparting moral ethics to their children, which will make them live within their

means and obviate the need for any ill gotten money. Moreover it needs willingness, commitment and active participation of media, civic associations, voluntary groups, teachers, students, social workers, etc. So don't sit back; every one of us needs to come forward and take actions. If you are not affected today you will be affected tomorrow. Our media can help to bring awareness of these kinds of initiatives, so that others also can learn from them. We have so many TV channels in India, if these channels start inviting role models, social workers, celebrities and youths on one platform to hold debates/discussions and bring awareness of consequences of the increasing corruptions, I believe people will become more active in fighting corruption and improve their ethical qualities.

What I have been trying to say is that there is no fast route to fighting corruption. The process has to be implemented step by step. We can't keep ranting that the system does not change anything or doesn't fight corruption. We, as responsible citizens have to do our bit too. If one has his ethical and moral values intact, he or she would never indulge in any kind of corrupt act. We must change first. Importantly our laxity must go. Only restraining ourselves from such acts will not solve the problem. We all must stay pro active and more importantly have a zero tolerance policy against any kind of illegal or corrupt act committed by anyone, irrespective of status or power.

Remember! The change starts with you! You are one of the torchbearers of the development of our country. And for that, you must pledge to fight corruption in any way you can. If you find anyone indulging in any sort of corrupt activities, bring it to the notice of authorities. But before correcting others, start with yourself. Keep your ethics and moral values intact. If each citizen prioritizes this, then we are not that far from a corruption free India.



## Journey, Destination and Destiny

Hari Har Sharma, Head (O) Pipeline



We know that any journey could be a combination of several process, activities or sequences. It may or may not have a fixed timeline which is free from control. It could be movement, displacement or progress of self, any article, galaxy or the process. Reaching Destination or completion of activities should mean the end of journey. However, it may not be completely true that the end of journey always coincides with the desired destination or completion of planned activities. If so, should such cases be considered the completion of the act or called the impressed or influenced end of the journey by unknown factors or factors beyond our control?

Normally one plans the journey with definite objective and destination. It would be worth knowing that should destination control the journey or journey can exert its influence and create a compelling situation to adapt the destination which incidentally arrived, artificially induced or came across as a force measure during the journey? This could also be viewed as a deviation in original plan. Probably, it may depend on the agenda, if it is a common goal or the goal set suitably by individuals.

In relation to any big activity, once journey and destination have been planned, worked out and frozen then the outcome of such journey should qualify to be considered in the category of the destiny linked completion, or it could also have any other dimension associated with it. Can the destiny have any role to influence the outcome of a journey? How do we evaluate the completion of journey undertaken is as a part of assigned destination or can it also be construed as destiny linked or both?

In order to analyze the journey more elaborately, we need to understand the relationship between the Destiny and the Destination. In case of non clarity between the two, would it be possible to decide that the journey has been completed or concluded in real sense until the destiny and destination zeroed down to the same point.

There may be several school of thoughts on above, however, no single thought may suffice and help to conclude the satisfactory completion of journey. The proper understanding of thoughts initiated for a particular event, journey or project and the subsequent development and progress during its implementation may probably help us to go little deeper and study the relationship between the Destination and the Destiny.

As per business ethics, an organization engaged in any activity would like to complete the journey and achieve end result (destination) as planned. Should the journey be given more importance or the end result? Studying some ongoing or completed project might be a good endeavor to seek more clarity in understanding the actual relationship of the Journey, the Destination and the Destiny.

In order to understand and analyze above, let us take a tour through the journey of a Pipeline system in place.

### **JOURNEY OF A TRUNK PIPELINE**

- A cross country crude oil delivery (COD) trunk pipeline was constructed to accommodate sections with various diameters; several pump stations, repeater stations and refinery terminals.
- This pipeline recently completed half century, passes through three states and negotiates the mighty Brahmaputra and several other Rivers & crossings.
- The pump stations were designed to operate on Balance Tank Control Philosophy. Where the tank level governs the flow control to offer a great relief to the operation crew.
- The technology used for pipeline operation was the latest and best of that time.
- Low speed dual fuel engines running on crude oil as prime mover and reciprocating pumps were used for the purpose.
- A clear goal was set to safely evacuate and transport the total amount of crude produced by all the



upstream hydrocarbon industries engaged in E&P activities in the region.

- Centralized maintenance base were established to cater for the maintenance needs.
- The standardization of equipment helped to optimize, control and centralize the inventory stock.
- At times, cannibalization of equipment became handy.
- A proper approach of “Equipment Acquisition and Life Cycle Costing” was responsible for better and efficient utilization of the acquired system. This study also helped in selection of the equipment for this great task.
- Probably a competitive Capex was preferred to achieve maintaining the lower Opex for very long duration. The practice to study the “Equipment Acquisition and Life Cycle Costing” is prevalent since several decades.
- Optimum manpower to maintain and operate the system was specified and same continued without increase in operation and maintenance crew, even after 5 decades.
- As per information about the prevailing trend, most of the time, executives and work personnel remain less than the optimum number at work place. However, the system still working satisfactorily, thanks to proper selection of equipment, technology, operation and maintenance philosophy.

From the day-one till date, even after celebrating the half century, the system has consistently delighted the owner by serving so satisfactorily that at times even the manufacturer of the equipment had expressed its interest to take pride, demonstrate and utilize the performance of equipment for exhibiting the quality and reliability of their product.

Pipeline and Equipment Journey for more than 5 decades has seen crew of different generations in respect of maintenance and operation. Associated pipeline crew has sufficient reason to feel pride as their proper approach in maintenance and operation has made it possible to maintain a good health of the system as a whole. Uninterrupted Crude evacuation and transportation to defined destination remained cent percent.

Here, we see that the Journey of construction, Maintenance and Operation matches the designed and redesigned destinations to evacuate / transport the entire crude produced / allocated.

By any school of thought, achieving 100% safe evacuation and allocated transportation of crude oil should be taken as a measure to confirm the assumed

or expected destiny of the Journey (operation), which incidentally is the expected end result (i.e. destination) as well.

The pipeline designed for one decade has crossed five decades and still going well. Here the Destiny seems to have coincided with the Destination achieved through the well planned Journey. Therefore, may it be construed that Destiny, Destination and Journey seem to be converging at a single point without any noticeable major divergence? Yes it does converge at a single point. Since it qualifies the evaluation test beyond any reasonable doubt, should we not take it as the live display of an ideal case?

Since the three points - the Journey, the Destination and the Destiny have converged to a logical single point therefore the Journey should be taken as completed. It should mean the indication for end of Journey or termination of current activity in existing case. Under the situation, the question arises that should we opt to replace such a versatile pumping system with any upgraded system which has all the three components as promising as found through above evaluation? Let us see if following criteria provide sufficient reasoning for replacing the existing system.

#### **Probable Practical Realities Qualifying the Up-gradation of Pumping System**

- Ageing of equipment
- Difficulty in availability of genuine spare parts
- Phasing out of equipment manufacturing by OEM
- Low efficiency of equipment in present context
- High GHG emission loading the environment with CO<sub>2</sub>e

Reasons cited above would overcome by acquiring a better technology for more convenience etc through the up-gradation of pumping system.

Of course, every journey has an end and existing system deserves its right for a royal salute to bid a fare well as it has fulfilled the conditions set for completion of its Journey.

A spectacular display & astonishing performance exhibited in acquisition, installation, operation and maintenance management of pipeline has been well established through above study taken up as an endeavor to offer a rich tribute the existing pipeline system and its technical and administrative management system in place. Let us wish that new system shall also provide sufficient opportunity to feel proud for having a better replacement with new technology.

Certainly, considering tremendous technological advancement in every engineering field, the new system must be able to offer better operational, environmental and financial convenience to the management.



# Competition Issues in Procurement for R&D and Innovation

P. K. Dhodapkar, Chief Research Scientist, R&D Department

## Introduction

Competition amongst vendors is a highly desirable element in public procurement. Competitive environment motivates the vendors to enhance the quality of their offerings (goods or services) while maintaining reasonable level of prices. This benefits not only the public procurement authorities, but the economy as a whole.

The benefits of competition are evident if we take a look at the everyday things that we use- right from soaps, cooking oils and toothpastes to durable/ lifestyle goods such as television, mobile handsets or passenger cars. We can safely conclude that the days of limited choices for the consumers are gone. People choose things based on their budget (low priced car with a reasonable mileage, basic mobile handset, plain white toothpaste or a long-lasting soap) or whatever they fancy (luxury cars, mobile handsets that meet all computing and communication needs, colourful sparkling toothpaste with salts, etc.). People with health concerns such as diabetes or blood pressure need not worry; fancy diets are available on the shelves of grocery shops. Innovative packaging and marketing of goods such as

soaps, detergents and beverages make things available to poorer sections of society.

## The trend of liberalization and market economy

The government recognizes the importance of competition for the economic development of the country. Competition creates more jobs, improves the quality of our lives and strengthens the economy. In the period following 1990s, competitive environment has been created through series of steps such as liberalization of the economy, empowerment of public sector units and enabling regulations (e.g. Competition Act, 2002). In many sectors of the economy, barriers to trade (permits, licenses or quotas) have been reduced and a level playing field has been provided to all the players in the market.

## The importance of R&D activities

Apart from competition, investment in research, technology development and innovation (RTDI) is important for economic development. RTDI activities lead to development of new products or capabilities, improve processes and lower production costs. Recognizing this fact, investments in RTDI activities by companies, institutions and countries is on the rise. Investments in R&D and new technologies are inherently risky, and the private sector is reluctant to undertake such investments. In India, the government sector is the major investor in R&D. It follows that, to be effective, public R&D procurements should promote competition.

How can we distinguish R&D procurement from routine or operational ones? R&D procurements involve purchase of capital items, consumables, services, software, books and periodicals, training programs, etc. This appears to be similar to conventional procurement. However, there is one important feature of R&D





purchases- the procurement of sophisticated instruments lead to creation of specialization and distinctive capabilities. The R&D infrastructure of the various government organizations has strategic importance for the nation. The R&D activities are carried out through time-bound and result-oriented projects, each of which may require the purchase of consumables or services. Moreover, collaborative research projects, which are increasingly becoming common these days, are carried out through agreements. R&D procurements involve purchase of goods or services for which there may not be an established market.

### **Limitations of regulations for ensuring competition in the market**

The competition laws enumerate the type of behaviours that are against competition in the market- one such example is the agreement amongst the existing vendors to eliminate competition (price fixing, market sharing, collusive bidding etc.) Another example could be resorting to dumping or deliberate lowering of prices by a company that enjoys dominant market position, with a view to eliminate competition from entrant to the market. Companies could also use mergers and acquisitions to gain monopoly in the market. However, the competition laws are not adequate to eliminate anti-competition behaviour. This is on account of the following reasons: (i) some of the regulations and guidelines themselves have the effect of limiting competition in the market (ii) the companies that carry out procurement activities, do not appreciate the importance of competition and prefer procurement on nomination or limited tender basis. (iii) Very often, procurement for research and innovation on nomination / limited tender basis is justified on the grounds that very few, specialized vendors exist. Let us examine these factors in some more details.

### **Procurement method affects competition**

Many organizations carry out procurement through rate contracts. This is especially true of items like IT equipment, furniture, stationery or other regularly needed consumables, etc. Agreements related to rate contracts are entered into with a particular vendor and are valid for a year or so. Such agreements, although allowed under the various regulations, have been

criticized as being anti-competitive. Similarly, the practice of awarding procurement contracts to vendors exclusively from a pre-approved list has been alleged to be anti-competitive, although used routinely by the various government organizations.

### **Attitudes and mindsets of procurement authorities affect competition**

The procurement personnel may believe that sourcing goods and services from the leading or selected vendor(s) is a preferable option, as open tendering could lead to offers from firms dealing in inferior goods. The vendors of inferior goods can win the tenders on the basis of very low prices, it is often argued. Formulating correct specifications/ scope of work for procurement of goods and services is the only solution for eliminating non-conforming offers. The specifications should use generic terms, rather than proprietary terminology and also list out the functional requirements of the subject matter of procurement. During bid submission, instead of relying on 'yes/no' type of responses from the vendors, details of work executed/ goods supplied in earlier contracts should be obtained. This provides the clear picture regarding the capabilities of the vendors.

### **Does patent right justify procurement on nomination basis?**

The procurement on nomination basis is often justified on the grounds of legal monopoly, e.g. patent rights for certain product by a vendor. However, existence of patent rights in respect of a product or technology does not mean that there is no competition or equivalent technology in the market. For example, a vendor may be possessing patent for an oilwell stimulation technology using certain chemicals. There could be technological alternatives for oilwell stimulation (e.g. acidization, fracturing, solvent treatments, etc.) and open tendering procedure can be followed. To get sufficient number of bids, specifications must be prepared by taking into consideration all the possible technologies in the market.

### **Limited tender procurement for new technology**

There are occasions when the procuring organization wants to try out patented or new technology for the purpose of assessing that technology. Such



procurements serve the purpose of diffusion of new knowledge or technology. This is desirable, since R&D units of the public sector organizations are the ideal platforms for understanding and assimilation of new technologies. However, the new technological offerings have very few (and sometimes a single) vendor. New technology should not be tried merely on the basis of suggestions by vendors, or in a speculative manner. In order to procure new technologies in an effective manner, there should be a process for identification, evaluation and prioritization of candidates for new technology acquisitions on a regular basis. Induction of new technologies must preferably happen in the core functional areas of the organization (such as exploration and production of hydrocarbons), rather than in the areas that are peripheral to the organization.

### **Does collaboration amount to anti-competitive behaviour?**

Collaborative research projects, joint industry projects and industry-academia linkages are gaining strategic importance these days. Such collaborations and linkages complement or pool the resources of individual organizations and are essential to share risks and rewards in the process of new knowledge generation. Collaboration leads to maximum use of available resources and serves the interests of a larger number of stakeholders.

Although the collaborative research projects or joint industry projects are undertaken through contractual agreements, such contracts do not involve open tendering. Instead, the contracts are formulated on the basis of one-to-one discussions. Such procedures could be perceived as acts of suppressing competition. However, since these partnerships are focused on exploitation of early stage research, they are pre-competitive rather than anti-competitive in nature. It must be appreciated that the partnerships are based on the unique and complementary capabilities and resources of participating organizations, which cannot be availed through open tendering. General Financial

Rules, 2005 recognises [Rule 215 (3)(1)] that the results of sponsored projects with IITs or other autonomous institutes are expected to be of national interest.

### **Importance of open standards in procurements**

Research or technology development projects often involve large capital investments. Examples of such investments include procurement of specialized laboratory equipment, setting up of SCADA, automation of production or pipeline installations, etc. Such procurements may have the effect of restraining fair and competitive trade if the vendors stipulate the condition that future spares, accessories and replacements have to be procured from the specified sources only. This situation, known as ‘vendor lock-in’, is particularly undesirable since the equipment or project life is likely to be very long.

One way of preventing vendor lock-in is to prepare specifications on the basis of open or widely accepted standards, rather than proprietary standards. Standardization ensures interoperability, compatibility, safety and economy. For example, if we specify oilfield equipment (tubulars, valves, pumps, etc.) on the basis of API standards, such equipment can be sourced from different vendors without the problem of compatibility. We may source a desktop PC from a particular vendor, but it will work with peripherals and input-output devices from different vendors due to standardization.

### **Conclusions**

The various regulations pertaining to competition prohibit certain activities by vendors that have anti-competitive effect. However, the mindsets, attitudes and actions of the procurement personnel can also have significant impact on competition. There are several characteristics of procurement for R&D and innovation that appear to be adverse to competition in the market. Globally, the importance of R&D activities is well recognized but there is a lack of guidelines for effective R&D procurements.



# Managing Conflicts of Interest in the Public Sector

**Dr. V. M. Bareja**, Manager (OL) Calcutta Branch

Managing conflicts of interest in the public sector requires careful consideration of both legal and ethical expectations. Public officials need to take great care to avoid situations where they could be accused of using their position to further their personal interests. Impartiality and transparency in administration are essential to maintaining the integrity of the public sector. Where activities are funded by public funds, or are undertaken in the public interest, taxpayers will have strong expectations of probity. Media and the public take a strong interest when they think public resources are being used irresponsibly or misused for private benefit.

## **The nature of conflicts of interest**

A conflict of interest arises where two different interests intersect. In the public sector, a conflict of interest exists where a person's duties or responsibilities to a public entity could be affected by some other separate (and usually private) interest or duty that he or she may have.

That other interest or duty might exist because of:

- the person's financial affairs;
- a relationship or role that he or she has; or
- something he or she has said or done.

Public perceptions are important. It is not enough that public officials are honest and fair; they should also be clearly seen to be so.

Labeling a situation as a "conflict of interest" does not mean that corruption or some other abuse of public office has actually occurred. Usually, there is no suggestion that the person concerned has in fact taken advantage of the situation for their personal benefit or been influenced by improper personal motives. But a perception of the possibility for improper conduct – no matter how unfair to the individual – can be just as significant. The key issue is whether there

is a reasonable risk, to an outside observer, that the situation could undermine public trust and confidence in the official or the public entity.

In other words, the existence of a conflict of interest does not necessarily mean that the person concerned has done anything wrong. What it does is create an issue that needs to be managed carefully by the public entity.

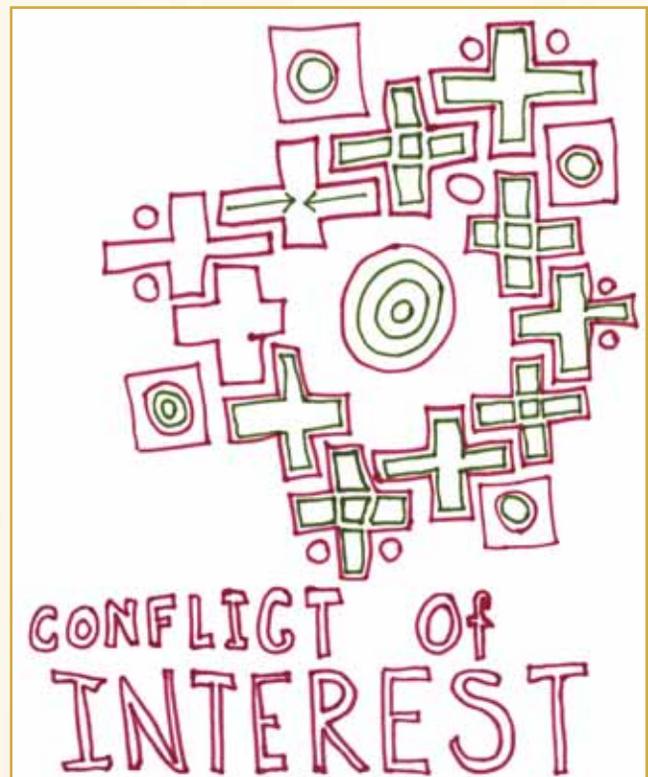
## **The legal and ethical dimensions**

Conflicts of interest can have both legal and ethical dimensions.

### *Legal obligations*

Legal obligations can arise from both statute and the common law.

In recent years, it has become increasingly common





for public entities to have Statutory rules about particular types of conflicts of interest inserted into their own governing legislation. These provide the clearest rules about what must or must not be done in a given situation. Non-compliance may lead to civil or criminal consequences for the individual concerned, or may affect the validity of the entity's decision. Some – but more limited – rules apply to private sector organisations. Most of the statutory requirements apply only to members of the governing body of an entity. It is unusual for them to apply to employees or contractors. The contents of the statutory requirements vary across different types of entities, but they commonly do one or more of the following:

- Prohibit members from discussing and voting at meetings on matters in which they have an interest;
- Require members to disclose interests at relevant meetings, and/or in a register of interests, and/or before appointment;
- Prohibit members from being interested in certain contracts with their entity;
- Prohibit members from signing documents relating to matters in which they are interested;
- Provide that breaching the requirements constitutes grounds for removal from office, and/or constitutes an offence, and/or enables certain of the entity's acts to be avoided;
- Provide mechanisms for seeking exemptions from the requirements.

### **Bias at common law**

Whether or not any statutory rule applies, a person who exercises powers that can affect the rights and interests of others may also be subject to the common law rule about bias. Persons in such a position must carry out their duties fairly and free from prejudice. If a decision is tainted by bias, the courts may declare it invalid on a judicial review application.

#### *Ethical expectations*

Managing conflicts of interest in the public sector often involves more than just consideration of the law. The term “conflicts of interest” can be used to describe

a range of other behavior that may be regarded as unethical, albeit not unlawful.

Only some types of conflict of interest involve legal obligations. The legal requirements may not be relevant to:

- personnel who are not on the entity's governing body;
- people who make decisions outside formal meetings or hearings;
- subordinate officials who advise or work for the actual decision-maker; and
- people who are not exercising statutory powers.

Therefore, for many situations involving employees, advisers or contractors, there may well be no doubts over legality, but the situation may nevertheless be questionable.

The ethical dimension of conflicts of interest involves issues of integrity, honesty, openness, and good faith. A high standard of behaviour is expected of those involved in public life. A public entity must avoid situations where its officials could be accused of using their positions to further their private interests. Regardless of whether or not any legal requirement applies, a conflict of interest will always involve ethical considerations.

### **Identifying conflicts of interest**

A conflict of interest arises when a particular matter concerning a person in their public role intersects with that person's other interest.

It is the *intersection* of those two interests that must be considered. The mere existence of the other interest, on its own, may not necessarily cause a conflict. Therefore, one must always focus on what the private interest has to do with the particular matter (that is, the question, decision, project or activity) that is being considered by the public entity. One way of considering whether a conflict of interest may exist is to ask:

Does the issue create an incentive for the person to act in a way that may not be in the best interests of the public entity?

The issue is not confined to a consideration of the possibility of financial loss to the public entity



concerned. It can relate to the potential for public funds, resources, time or position being used by someone to advance their own private interests.

### **Managing conflicts of interest**

There are no prescriptive and comprehensive written definitions or “rules” for identifying and dealing with conflicts of interest that apply to all situations across the entire public sector. Nor should there be. The concept of conflicts of interest can cover an infinite range of situations, of varying seriousness. Moreover, each entity’s own circumstances are likely to generate different needs and concerns.

There are two ways in which a public entity can manage conflicts of interest. They are by:

- having effective policies and procedures; and
- identifying, disclosing, and then making prudent decisions about difficult or novel conflict-of-interest situations on a case-by-case basis.

#### *Policies and procedures*

Managing conflicts of interest can never be as simple as just creating and enforcing a blunt set of rules. Nevertheless, robust policies and procedures within an entity are an important starting point. They can provide clear rules for the most obvious situations, and establish a process for dealing with the more difficult ones.

#### *Making decisions about particular situations*

However, policies and procedures are no substitute for effective management of individual dilemmas as they arise. No matter how comprehensive a set of policies

and procedures is, not every factual scenario can be predicted and provided for. In addition, some types of conflict might not be able to be dealt with by a firm rule one way or the other, since the seriousness of many intersecting interests will be a question of degree. Accordingly, the decision about how to treat some situations may need to be the subject of discretionary judgements by the entity on a case-by-case basis.

The key message here is that, in the public sector, simply declaring a conflict of interest may not be enough. Once a conflict of interest has been identified or declared, the entity may need to take further steps to remove any possibility – or perception – of taxpayers’ funds being used for private gain.

### **The role of lawyers advising public entities**

In the public sector, it is important not to confine advice to simply whether any statutory rule applies or whether the agency may be exposed to judicial review.

Public entities and their advisers also need to carefully consider how to manage the ethical dimension of conflicts of interest.

Public or media outrage over a possible impropriety is not dependent solely on whether the act in question was unlawful. In-house counsel and other advisers of public entities can add value by proactively encouraging their clients to recognise and take into account the ethical dimension (and the political risks) of conflicts of interest in the public sector. By doing so, they can help ensure that issues are identified and managed carefully before they cause real trouble.

*Source: Internet*

Honest people don't hide their deeds.



## Leveraging Technology – A boon to Vigilance Management Function

L. K. Saikia, Head (vigilance)

S. K. Roy, Sr. Manager (vigilance)

Corruption is not a peripheral social concern that organizations can ignore or passively address. When we talk of corruption in public life, it covers corruption in politics, state governments, central governments, business, industry etc. Public dealing counters in most of the government offices are the places where corruptions are evident. If anybody does not pay for the work, it may not be done or delayed.

The overall risk management strategy of an organization wherein the structures, systems and processes may be built in such a manner so as to prevent corruption / lapses which adversely affect productivity and profitability. In this context, a number of organizations in public sector are re-engineering their processes by leveraging information technology and enterprise resource planning. While reorganizing business processes, one should identify the risks like fraud, corruption, other malpractices and build in the required risk management tools in the new processes for organizational benefit.

This year, the theme of observing Vigilance Awareness Week has been chosen by Central Vigilance Commission as “Combating Corruption-Technology as an enabler”. Leveraging of technology in functioning in the Government and its organizations can address the challenges of corruption to a large extent. The adoption of technology initiatives can mitigate various factors which lead to corruption like lack of transparency, cumbersome procedures and delays in decision making. By re-engineering government processes, limiting discretion and enhancing accountability, departments/organizations can effectively bring about transparency and efficiency in the service delivery system which affect the ordinary citizen the most. By using information technology, the process can become faster and to that extent, the scope of corruption can be reduced. The commission has therefore, been

advocating leveraging of technology by organization to combat corruption.

As an organization, it has been the continuous effort of Oil India Limited to study the existing systems and procedures to detect any loopholes for malpractices and to take appropriate action towards suitable amendment of the same to make the systems and procedures more robust. In doing so, the Company is always concerned about adopting best practices in the world to make systems and procedures more effective, transparent, competitive and corruption free. The system as well as procedure help management to monitor the activities which also add efficacy to the process. Thus technology while providing solution for efficient process management, also helps in risk management and strengthen the internal vigilance. There is a need to integrate vigilance activity as a part of overall risk management strategy which in turn shall lead to overall development of the organization.

The Vigilance Department has persistently been trying to identify such areas where generic solutions to the problems of corruption may be implemented. A number of areas have already been identified where use of information technology has brought efficiency, economy as well as transparency, thus curbing scope of corruption. Some of these ideas which are in place so far in OIL are mentioned below:

- 1) **Bill Tracking System and Report Generation from the system:** This system was introduced so that all the incoming bills can be tracked in the ERP system and the status of payment to the vendors can be viewed/monitored by anyone including the vendors. This system facilitates monitoring of the process of payments and the reports generation from system.



- 2) **Document Management System:** Document Management System has already been introduced in Land Department and is going to be replicated in all the departments of OIL shortly. This system also helps in preventing corruption through proper and permanent maintenance of vital records.
- 3) **Updating of Purchase and Contracts Manuals:** Purchase Manual has already been updated by incorporating new/amended procedures considering the best practices.
- 4) **Updating of Vendors lists:** Periodic update of vendors list is given priority to generate enough competition and prevent probable loopholes for corruption.
- 5) **E-tendering and e-payment:** e-tendering and e-payment have already been introduced in OIL to eliminate the scope for corruption.
- 6) **Introduction of registration of non-entitled patients in Medical Dept.:** This process has been already implemented.
- 7) Purchase Orders and Contracts which are awarded on nomination basis are uploaded in **OIL's website** which can be viewed by anyone.
- 8) **B2B transactions with partners:** B2B has already been implemented through SAP system to avoid manual transactions.

Curbing of corruption require dedicated effort and continuous vigilance. It is not only the responsibility of the Vigilance Department or the various agencies but the duty at individual level. We can eliminate corruption if there is joint effort. Let us take a pledge to create an atmosphere, free from corruption.

### E-Procurement

It has been the experience of a large number of organizations worldwide both in public and private sectors that e-procurement can bring in economy and efficiency in the procurement of goods, works and services. Apart from these benefits, the process also brings in greater transparency, thus reducing opportunities for corruption. Some of the State Governments like Andhra Pradesh, Karnataka as well as

some Public Sector Undertakings like SAIL are already making use of e-procurement systems. The Central Vigilance Commission has issued a directive that all Govt. organizations over which the Commission has jurisdiction should publish their tenders and complete bid documents along with the application forms on the website. This is the first step towards e-procurement and would help in curbing mal-practices prevailing in various Govt. organizations where competition is sought to be restricted.



### E-Payment

Another directive of the Central Vigilance Commission regarding leveraging technology pertains to introducing e-payment. Here again, the intention is to bring economy and efficiency, while at the same time, reducing corruption. The banking industry in the last one decade has made rapid technological advances in India. The directive of the Central Vigilance Commission for introducing e-payment is to leverage these technological advances in banking sector for the benefit of rest of the governmental set up. This system will help in significantly reducing transaction costs involved in making payments by way of cheques and sending the payment through couriers. It will also curb corruption which accompanies handing over cheques to contractors, suppliers and others like persons receiving refunds from income tax and other departments.

Apart from the above mentioned two specific directives which the Central Vigilance Commission has already issued there are very many other areas



where technology can be leveraged simultaneously for efficiency, economy and corruption control. The key idea being that risk management tools are made integral part of the main business processes. For example, there are frequent cases of frauds in availing various employee benefits like medical expenses, LTC, TA/DA etc. The accounting softwares can be built in such a manner that the computer system generates 'exception report' and gives alerts wherever there are significant deviations from certain benchmarks and norms. Similarly, the same accounting software system can make inter unit/inter location comparisons of expenditure on these items. Similarly, softwares can be developed with regard to procurement with in built features for making inter unit/inter office comparisons of rates and consumption patterns.

**Extensive use of website** can be made both as a tool for communication with the stake holders as well as for curbing corruption. Right to information and transparency are the biggest tools for fighting corruption and website as a tool for such communication can have very extensive application across the entire spectrum of Govt. activity. Contractors and suppliers can know where their bills are held up, applicants for passport

can know where their passport application is held up or whether police is taking abnormally long time in issuing NOC, beneficiaries of public distribution system can know whether wheat, rice and sugar is being diverted by the ration shop owner. Municipal corporations and other civic agencies can get feedback from public whether repairs to roads or drainage pipes is actually being carried out or only fake bills are being prepared without actually undertaking the works. Some Govt. organizations have already taken initiatives in this direction but the complete potential of website/portal as a tool for fighting corruption is yet to be made.

In addition to generic issues pointed out above, there can be a large number of organisation specific solutions where risk management tools can be integrated in the business processes. Customs & Central Excise, Income Tax, Employee Provident Fund Organisation and certain other organizations are learnt to have already undertaken such exercises in their computerization projects and business process re-engineering efforts. The aim is to gradually integrate preventive vigilance in the business processes and reduce our dependence on a complaint driven vigilance administration which is the present scenario.

Innovation distinguishes between a leader and a follower.

*Steve Jobs*



# Corruption Around The World: Causes, Consequences, Scope and Cures

S. Rajasekhar, Vigilance Department

Much evidence indicates that corruption has been around for thousands of years, but in recent years it has attracted increasing attention. Corruption has been increased in recent decades.

Global Infrastructure Anti-Corruption Centre (GIACC) uses the term “Corruption” in the wider sense to include bribery, extortion, fraud, deception, collusion, cartels, abuse of power, embezzlement, trading in influence and money laundering.

## **The motivation for Corruption :**

**Voluntary :** In some cases, the corrupt practice may be a voluntary act undertaken by the relevant party with the deliberate intention of gaining a competitive advantage or obtaining additional unjustified compensation.

**To level the playing field :** In other cases, the practice may be undertaken so as to “level the playing field”. For example, a contractor may feel compelled to offer a bribe during tendering if it believes that its competitors will be offering a bribe. Alternatively, a contractor may feel that it is necessary to inflate a claim artificially if it believes that the project owner will automatically and unjustifiably reduce the contractor’s claim or raise artificial counter-claims against the contractor.

**Extortion :** In some circumstances, a bribe may be extorted from the payer. For example, a contractor may be informed that if it does not pay a bribe, it will not receive a payment to which it is entitled.

There are some factors at Project level which facilitate corruption. Absence of project anti-corruption systems : Many infrastructure projects have few or no means by which corruption during any phase may be prevented., deterred or detected. Some methods are used, but these may focus on one or two aspects of corruption, such as monitoring of the tender process, and leave the rest of the project without sufficient safeguards. If anti- corruption systems which are imposed on projects by government departments, implemented by project owners, properly operated they would serve to reduce corruption.

Infrastructure projects normally have a large number of participants linked together in a complex contractual structure. There are more links to contractors, sub-contractors, sub-sub contractors, material suppliers, because of so many parties are involved in different levels and different ways, the contractual link provides the opportunity for someone to pay a bribe in return for an award of relevant contract.

There has been significant change in attitude over the last few years, many people working in the infrastructure sector still accept the status quo, and/or make little attempt to change it. Bribery and deceptive practices seem to have become so engrained in some parts of the sector and in some territories, that in many cases they have become accepted as the norm. The following are some attempted justifications sometimes given by some participants in the sector :

“Corruption is an accepted part of life in the relevant country. The people in that country see nothing wrong in it”,

“Bribery and deceptive conduct are not really crimes, They are just age old business practices. They are part of the game. Everybody does it”.

The cost of a bribe is merely an essential business cost. It forms part of the contract”

“If we stop bribing, our competitors will not stop. Therefore, we have to bribe in order to remain competitive.”

“Corruption is only a problem for developing countries. It does not exist in developed country”.

There are so many factors at national level which facilitate corruption.

1. Corruption in Government
2. Lack of consistent anti-corruption policy within government.
3. Insufficient reporting of corruption



4. Lack of knowledge
5. fear of whistle-blowing
6. Inadequate or non- existent reporting structures
7. Insufficient prosecution of corruption

There are so many factors at International level which facilitate corruption.

The causes or factors that promote corruption are those that affect the demand (by the public) for corrupt acts and those that affect the supply (by public officials) of acts of corruption. Among the factors affecting the demand, the most important are :

1. regulation and authorizations
2. certain characteristics of the tax systems
3. certain spending decisions; and
4. provision of goods and services at below-market prices.

Among the factors affecting supply of acts of corruption are (1) the bureaucratic tradition (2) the level of public sector wages; (3) the penalty systems; (4) institutional controls; (5) the transparency of rules, laws, and processes, and (6) the examples set by the leadership.

It is not possible to measure corruption, but it is possible to measure perceptions of corruption. Various corruption indices have been developed by several institutions and have been used by various researchers.

Actions can be taken to reduce corruption, but the fight against it cannot be seen independently from the need to reform the role of the state. The reason is that a certain role of the state almost inevitably creates a fertile ground for corruption.

In recent years, and especially in the decade of the 1990s, a phenomenon broadly referred to as corruption has attracted a great deal of attention. In countries developed and developing, large or small, market-oriented, or otherwise, because of accusations of corruption, governments have fallen, prominent politicians (including presidents of countries and prime ministers)

Corruption is not a new phenomenon. Two thousand years ago, Kautilya, had already written a book “Arthashastra”, discussing it. Seven centuries ago, Dante placed bribers in the deepest parts of Hell, reflecting the medieval distaste for corrupt behavior, Shakespeare gave corruption a prominent role in some of his plays.

The degree of attention now paid to corruption leads naturally to the question of why so much attention now? It is because there is more corruption than in the past? Or is it because more attention is being paid to a phenomenon that had always existed.

There has been growing role played by non governmental organizations, such as Transparency International, in publicizing the problems of corruption and in trying to create anti-corruption movements in many countries. The World Bank has defined corruption as that is the abuse of public power for private benefit.

It is mentioned in the book namely the “International Monetary Fund Fiscal Affairs Department’s working paper on “ Corruption Around the World: Causes, Consequences, Scope and Cures” prepared by Tanzi Mej 1998. that “Not all acts of corruption result in the payment of bribes. For example, a public employee who claims to be sick but goes on vacation is abusing his public position for personal use. Thus, he is engaging in an act of corruption even though no bribe is paid. Or the president of a country who has an airport built in his small hometown is also engaging in an act of corruption that does not involve the payment of a bribe”.

It is important to distinguish bribes from gifts. In many instances, bribes can be disguised as gifts. A bribe implies reciprocity while a gift should not. However, even though the distinction is fundamental, it is at times difficult to make. At what point does a gift become a bribe? Identification of bribe may not be always be simple.

Acts of corruption can be classified in different categories. Some of these categories are mentioned below without specifically commenting on them or even defining them. Thus corruption can be :

Bureaucratic or political, i.e. corruption by the bureaucracy or by the political leadership.

Cost –reducing (to the briber) or benefit –enhancing.

Briber-initiated or bribe-taker

Coercive or collusive.

Centralized or decentralized.

Predictable or arbitrary.

Involving cash payments or not  
discretionary decisions



Time to be creative...

## रास्ता भी क्या है ?

भीड़ से निकल कर  
पॉवों को कुचल कर  
कंधों पर चढ़ कर  
पायदानों को लपक कर  
वह शीर्ष पर पहुँचता है  
और अकेला हो जाता है।  
ऐसी महत्वाकांक्षा किस काम की  
पर रास्ता भी क्या है ?

जी जान से पढ़ाई कर  
बड़ी परीक्षा पास किया  
अफसर बने, बड़ी कुर्सी मिली  
सपनों को साकार किया।  
अब डोर से बंधी कठपुतली जैसा  
कुर्सी के लिए नाचता है  
मेधा, प्रतिभा घुटती है  
आत्सम्मान धिक्कारता है।  
न निगलते बनता न उगलते बनता  
पर रास्ता भी क्या है ?

बच्चे बुढ़ापा की लाठी हैं  
ऐसा उन्होंने विचारी किया  
जीवन भर की जमा पूंजी  
उनकी कोचिंग पर न्यौछार दिया  
माँ बाप अब बुजुर्ग हुए  
उन्हीं बच्चों ने दुत्कार दिया  
कहानी दुहरायी जाती है  
पात्र बदलते रहते हैं  
पर रास्ता भी क्या है ?

अमित मोहन प्रसाद  
मुख्य सतर्कता अधिकारी



## मेरे सपनों का भारत

जो देश गुलाम बना था तब  
अब जाग गया है, हुंकारे,  
कोई लूट नहीं पायेगा  
जन-जन देखो यही पुकारे !

जो गुजर गया फिर ना होगा  
अब नई इबारत लिखनी है,  
इस भारत की तस्वीर नयी  
जग के नक्शे में भरनी है !

आदर्शों की ध्वजा, पताका  
अब पुनः यहाँ लहराएगी,  
सत्य, अहिंसा और प्रेम के  
जनता गीत नए गायेगी !

भूखा ना कोई सोयेगा  
हो निर्भय नारी निकलेगी,  
शोषण, पीड़न अब न होगा  
हर बच्ची कलिका सी खिलेगी !

भयमुक्त हो जन विचरेंगे  
अपनेपन की प्रबल कामना,  
डंडे का कोई काम न होगा  
जब फैलेगी सद् भावना !

थाने भी निरापद होंगे  
संसद में न धींगामुश्ती,  
बाहुबली बस रंगमंच पर  
केवल मैदानों में कुश्ती !

वेदों की ऋचाएँ फिर से  
अधरों पर शोभित होंगी,  
अपनी भाषा, अपनी बोली  
जग में गौरवान्वित होगी !

ऐसा होगा देश हमारा  
स्वप्न सभी भारतीयों का,  
पूर्ण करेंगे मिलजुल कर हम  
नव जोश जगा है हम सब का !

अनिता निहालानी

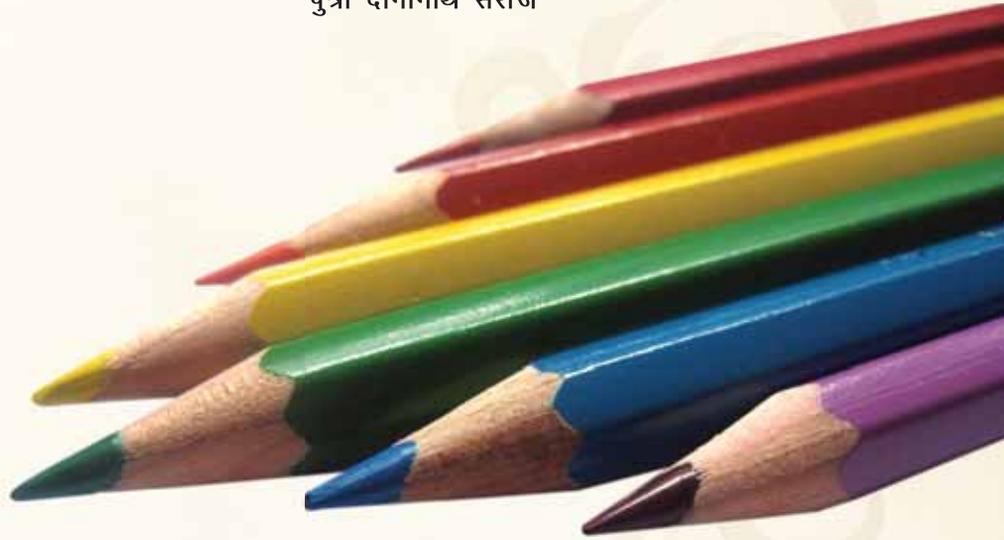
## कंधे पर नदी

यदि हमारे बस में होता, नदी उठाकर घर ले जाते।  
अपने घर के ठीक सामने, उसको हम हर रोज बहाते।  
कूद-कूद कर उछल-उछलकर, हम मित्रों के साथ नहाते।  
कभी तैरते कभी डूबते, इतराते-गाते मुस्कुराते।  
नदी आई है, आओ नहाने, आमंत्रित सबको करवाते।  
सभी उपस्थित भद्र जनों का, नदिया से परिचय करवाते।  
यदि हमारे मन में आता, झटपट नदी पार कर जाते।  
खड़-खड़े उस पार नदी के, मम्मी-पापा हम चिल्लाते।  
शाम ढले फिर नदी उठाकर, अपने कंधे पर रखवाते।  
जहाँ से ये नदी हमने लाया था  
उसे वही वापस रख आते।

सुहानी सरोज

कक्षा 5, केन्द्रीय विद्यालय (दुलियाजान)

पुत्री दीनानाथ सरोज



## I have a little frog

I have a little frog  
His name is Tiny Tim  
I put him into the water to see  
If he can swim  
He drank up all the water  
And swallowed up the soap  
And when he crooked  
He had bubbles in his throat

Suhani Saroj

Class 5th, K.V. (Duliajan)

D/o Deenanath Saroj



## My very own 'Iron Lady'

**Priyanka Roychoudhury, Daughter of Sri Atindra Roychoudhury**

I sat down on the chair, a little out of breath. It seemed like a long day and the sultry, oppressive sun outside didn't make anything better. Sweat glistened on my forehead and some made their way down my spine bringing in the urge to escape into the man made wintry settings of my room. Alas! Reality hit me with a smack as the inverter's noise emulating that of a menacing and sarcastic laugh (or so it seemed to me!) made its way to pop my thought bubble. Delhi's summers had lived up to its reputation of being inconsiderate and apathetic to the chaos it brings into the lives of the helpless beings on earth. This was a typical day in the month of June in Delhi; I wondered as to how Delhites lived their lives in this sweltering heat never having spent a summer here in Delhi prior to this year, in spite of studying here for 3 years. Unaccustomed to this harsh weather I longed for the heavenly abode of my hometown, my face expressing the look of desperation deftly.

As I sat under the fan trying to catch my breath, I watched as my 80 year old grandmother continued cooking in the kitchen wiping her brow with the cloth that hung from her waist. She had been up since 6 in the morning and it seemed that her body should have given in by now. But nothing- not the unbearable heat, not the oven like kitchen, not the pain in her knees- could bring her to give up and retreat. Here I was, a young 21 year old who woke up lazily at 10 am after being pestered incessantly to do so, exhausted and panting after a mere 30 minutes of performing some petty chores around the house. It amazed me to see 'Abu' (that's what I have grown up referring her as) being so proactive and unwilling to let her age get in her way. I felt incapable, insufficient and in a way more aged than Abu is.

This is just one of the many incidents that I experienced in the past 3 months. But before I go on, let me put this article into context. I grew up in a nuclear family, miles away from my grandparents. Twice every year up until



9th grade, I got to visit them and get pampered. Owing to my age back then, I could never appreciate what Abu did for us; taking things for granted was and is in a way ingrained in my generation most of the times. Moving away from my home for higher studies, I lost the essential touch that I maintained through those rare visits and eventually it led to keeping in contact over the phone. Never once in all these years did Abu forget to wish me on my birthday, call up to ask about my health, wish me luck for my examinations or congratulate me for having performed well. And never did I understand the deep emotions that ran within her each time I was with her or when I called. Her presence was, in a way, a given in my life.

Things changed when my family moved to Delhi and Abu shifted in with us. After spending 2 months with her day in and day out, I have come to realize about the woman she is and today I aspire to be remotely close to who she is as a person. Her unfettering zeal to keep on going inspires me. Today, she manages the entire household and there is not a day that I see her idle. While I complain about incessant electricity cuts, she manages to put together lunch without a word of frustration. She encourages me to look above the obstacles and be hopeful about the future. It scares



me to think where my family would have been today without her. Unlike many of my peers, I, in a way, have never seen my grandmother age.

I won't be wrong when I say this that my generation (including myself) tends to put its efforts in all the wrong places. If someone dares to put his in front of us, the first instinct is to get defensive instead of reflecting on the criticism. I unfortunately am tagged to be part of the GenX who has been dragged into the world of technology. I can never put forth a good enough argument to put technology in bad light altogether; however, it does bother me for it to have taken such a priority in everyone's lives so as to neglect essential human relationships and the subtle joys that life has to offer on its own without the company of a gadget. I myself am to blame to have committed the same blunder up until now. Realization struck late, but it did nonetheless.

Just to put things in perspective, no one can contest that the serene beauty of experiencing a sunrise or a sunset outdoors can ever be replicated by the act of looking at a sunset in an HD channel on the nature-channel on TV. The joy of lying on the grass with your best friend next to you talking about your embarrassing moments can never be replaced by online networking sites. Instead of vying for popularity by seeking approval of the world through 'likes' I would rather be complemented

on having taught a poor child how to spell his own name. The time I spend with Abu will always triumph over the time I waste 'facebooking'. I want people to know that I say all this out of experience and I have experienced a fair amount of both sides of the coin, albeit I have miles to tread in my life.

The way I think today and approach life has been greatly influenced by Abu. She has played a significant role in molding my thoughts and hence me into the woman that I am today. It is one thing to learn about being strong willed and optimistic about life. I, on the other hand, am fortunate to live with an epitome of such incredible will power. Among all the things that I have learnt from her, one thing which will always remain with me is the need to keep on going come what may to realize one's dreams. Looking at her, I have learnt to dream big. To never lose hope. To never give up. And most importantly, to get my priorities ordered carefully.

Being the humble person that she is, Abu will vehemently refute all the praises that I have sung but I know that she deserves a lot more than that. I want to be like her one day. It is almost impossible to do that knowing that the odds are against me (I already tend to have a backache if I sweep the house once!) but again, it is from Abu that I have learnt to dream and to dream big.

Vigilance is the Responsibility of  
Everyone in the Organisation



**An Award Winning Essay  
in Vigilance Awareness  
Week-2013**

## **Practising Honesty and Transparency Leads to a Prosperous Nation**

**By Chandini Singh, Class-VIII**  
Army Public School, Narangi

“Honesty is the best policy” these are the words we have heard from our elders from those days when we started going to the nearby Kinder Garden School to learn those magical letters ‘A’ B’ -----Z. These are the words which I even hear today, Inter I pass through the junior classes of my schools. But the million dollar question comes, How many of us have even tried to get into this moral words?”. The answer may be 100,200,1000, 1 lakh of us. But, the real importance lies in understanding and realizing these beautiful words.

We can define ‘Honesty’ as a moral value, good habit, word found in our Moral science text book or as word which every successful man needs to win the game of life. I am defining Honesty as a moral value, a habit which shows how truthful, how innocent, how disciplined and how faithful we are in our work and in our day-to-day life.

To be honest, a man does not need to be extra talented or extra serious or a saint, a religious ‘Guru’ a word used for a teacher in Hindi, a hermit or a dreadful follower of God. Honesty is such a trait which can be shown in our very simple and ordinary deeds. For example – speaking the simplest truth, accepting our smallest mistake, doing the simplest good deed for the needy can make us honest persons. The very next page and a very fresh and enhancing topic “Transparency”.

Showing what we really are, what we really have in our minds and thoughts refers to how transparent we are in our deeds and talks. If we shift our minds to the science subject, we will find that transparency has a completely different meaning i.e. ability of an object to allow light through it. The meaning is also found in all the dictionaries of the world. Thinking deeply we

will find that socially, both have the same meaning. Allowing the other surrounding objects to get into the inner mind and bodies.

‘Transparency’ is such a habit which we will not be able to see in many people of our society. Among hundreds we will be able to find only one who is free in their thoughts and deeds. Only one who thinks the speaking frankly is better than feeling bitter in our heads.

Coming to the content of a prosperous Nation, qualities such as “Honesty” and Transparency are much important in order to have a nation which is free of corruption, crimes, poverty, serious death, evils and the list seems end. Yes, honesty is such a value that makes our conscience stop us from pulling our hand to pick that money on the ground, it is honesty which stops us directly from those mere traffic rules, it is that Honesty inside our hearts which stops us from taking mere bribe.

The person who has spent his whole life in that hope that he will never indulge in corruption but has bowed down before the never forwarding world.

We can’t change anyone in this world other than ourselves. It is this quote which inspires me a lot always. Yes it is only our own thoughts, our deeds and our stereotypes which we can change in this whole world. If we rise to even change our friends we will end up annoying the whole group of friends.

Awareness is what that, always matters and I thank Oil India Limited for making us think once more on what we really are.

I end up with this “It is you who cannot inspire others, but others should be inspired by you.”



**Vigilance goes hand in hand  
with good Governance!**



**ऑयल इंडिया लिमिटेड**  
( भारत सरकार का उद्यम )

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