



भारत सरकार
वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग
विकास आयुक्त का कार्यालय
नोएडा विशेष आर्थिक क्षेत्र
नोएडा दादरी रोड, फेस - II, नोएडा - 201305

फा. सं.: सी-21013/01/2000-01-प्रशा./

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01/08/22

दिनांक : /07/2022

कार्यालय ज्ञापन

विषय:-सतर्कता प्रशासन का सुदृढ़ीकरण-निवारक सतर्कता- के संबंध में।

उपरोक्त विषयक वाणिज्य और उद्योग मंत्रालय, वाणिज्य विभाग, सतर्कता अनुभाग के कार्यालय ज्ञापन संख्या सी-31011/14/2022-सतर्कता दिनांक 18 जुलाई, 2022 की प्रति कार्यालय के समस्त कर्मचारियों/अधिकारियों और संविदा कर्मियों को उपरोक्त कार्यालय ज्ञापन के दिशा निर्देशों का सख्ती से अनुपालन करने हेतु प्रेषित की जा रही है।

इस कार्यालय ज्ञापन को विकास आयुक्त महोदय के अनुमोदन से जारी किया जा रहा है।

प्रति: संलग्न

भवदीय,

(नितिन गुप्ता)

उप. विकास आयुक्त

प्रति अग्रेषित :-

1. विकास आयुक्त के निजी सहायक को सूचनार्थ।
2. सभी उप विकास आयुक्त /उपायुक्त (सीमा शुल्क)।
3. कार्यालय के सभी अधिकारी/कर्मचारी।
4. सभी संविदा कर्मी।

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File No.C-31011/14/2022-VIGILANCE
Government of India
Ministry of Commerce & Industry
Department of Commerce
Vigilance Section
https://commerce.gov.in

Room No.425, Udyog Bhawan,
New Delhi, dated: 18.07.2022

OFFICE MEMORANDUM

Subject: Strengthening of Vigilance Administration – Preventive Vigilance – reg

This is in continuation to this Division's O.M. of even number dated 08.07.2022. The Central Vigilance Commission in its Vigilance Manual, 2021, at Chapter X has explained about Preventive Vigilance and the same is reproduced herewith for the information of officers and officials working under the Department of Commerce.

10.1 RECOMMENDATIONS OF SANTHANAM COMMITTEE

(a) "Corruption cannot be eliminated or even significantly reduced unless preventive measures are planned and implemented in a sustained and effective manner. Preventive action must include administrative, legal, social, economic and educative measures".

(b) During a debate in Parliament in June, 1962 Members of Parliament expressed concern over corruption in public administration and sought remedial measures. In response, a Committee was set up under Shri K. Santhanam, Member of Parliament which identified four major causes of corruption, namely:

- (i) administrative delays,
- (ii) Government taking upon itself more than what it could manage by way of regulatory functions,
- (iii) scope for personal discretion in the exercise of powers vested in different categories of Govt. servants and
- (iv) cumbersome procedures in dealing with various matters which were of importance to citizens in their day-to-day affairs.

(c) The Santhanam Committee in its Report observed that the main effort for checking corruption must come from within the Ministry / Department and that it is important to be continuously on the watch for sensitive spots rather than merely taking action when some case comes to notice. It was suggested that Ministries undertake a systematic and thorough review of the laws, rules, procedures and practices for the purpose of listing discretionary powers, levels at which these are exercised, manner in which they are exercised, control over the exercise of such powers and the points at which citizens come into contact with the Departments and why. It was also recommended that a study should be made by Ministries of the extent, possible scope and modes of corruption, remedial measures prescribed and their effectiveness.

(d) The Report deals in detail with the major causes of corruption and steps to deal with each. The Committee observed that:

- (i) Administrative delays must be reduced to the extent possible and firm



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can be said that it is the duty of every employee.

10.2.1 Causes of corruption: Preventive vigilance is aimed at identifying, tackling /addressing the root cause of corruption within the organisation.

The common causes of corruption, inter alia, could be:

- (a) Excessive regulation & licensing.
- (b) Complicated rules and regulations.
- (c) Monopoly over delivery of goods / services.
- (d) Lack of transparency.
- (e) Lack of accountability.
- (f) Too much discretionary power.
- (g) Poor regulatory framework.
- (h) Poor grievance redressal mechanism.
- (i) Very low rate of detection of corruption.
- (j) Lack of condemnation of corrupt practices by the public.
- (k) Absence of a formal system of inculcating values, ethics & integrity.
- (l) Inadequacy of regular / periodic / surprise checks.
- (m) Rigid bureaucratic framework / processes.
- (n) Lack of awareness about rights, duties, procedure to complain, rules, laws,

etc.

10.3 POTENTIAL AREAS OF CORRUPTION

Preventive vigilance is aimed at tackling the areas vulnerable to corruption within the organisation. Although potential areas of corruption are specific to organisations / sectors, there are some broad areas common to all organisations, which need special attention while putting in place a system of preventive vigilance. These relate to: -

- (a) **Procurement:** Procurement is a vast area ranging from procurement of store materials & services to execution of infrastructure projects. It is one of the major corruption prone areas in all organisations.
- (b) **Sale of goods and services:** The disposal of goods (the reverse of procurement) and services is also a major area of corruption in some organisations. Similarly, allocation of scarce and / or precious natural resources is an area of corruption.
- (c) **Human resource management:** Human resource management is common to all organisations and the processes relating to recruitment, promotion, transfer and posting are prone to manipulation and corruption.
- (d) **Delivery of services to public:** Although not common to all Public Sector Organisations, major Government Departments are involved in delivery of services which are a potential area of corruption.
- (e) **Enforcement:** The enforcement of Acts, Rules and Regulations is also an area vulnerable to corruption mainly due to lack of awareness among citizens and ineffective grievance redressal mechanism.

10.4 PREVENTIVE VIGILANCE MEASURES

Preventive vigilance measures can broadly be categorized as: -

- (a) **Simplification and standardisation of rules:** Simplification and standardisation of rules and procedures results in elimination of discretion and arbitrariness, which in turn reduces corruption. Identifying areas involving exercise of discretion which are not governed by guidelines together with a complete review of existing rules and regulations needs to be undertaken to introduce clarity and accountability. Similarly, simplification and

(k) Training & Awareness: Capacity building and sensitization at all levels and across all functional areas is important. Public officials should be made aware of their duties and responsibilities, code of conduct, rules and regulations through regular training and awareness programmes.

A list of Dos & Don'ts for employees / officials is a simple yet effective tool. Likewise, familiarization with Standard Operating Procedures relating to different spheres of activity will enhance awareness and reduce procedural violations / inadvertent errors arising out of a lack of awareness. Knowledge sharing initiatives such as publishing / circulating information relating to areas where fraud / misconduct has been detected and sharing information on best practices are other effective awareness generation methods for more effective preventive vigilance. There should also be an effort to create awareness among all stakeholders.

(k)(a) The Commission strongly believes that successful organisations are those whose training system is robust. Therefore, Commission has propagated the idea of a strong Induction and Mid-career training programmes across all the Government organisations including Public Sector Undertakings and Public Sector Banks. Commission has also emphasized the need for institutionalization of a preventive vigilance module and exposure visits to bring in attitudinal change in the officers, in all the training programmes conducted by all the Government organizations.

The Preventive Vigilance modules have been shared with various training institutions who are conducting induction training programmes for the newly inducted officers and mid-career training programme for in-service officers in Government and PSUs / PSBs.

(l) Conducive work environment: Conducive work environment for preventive vigilance may include drawing up a list of sensitive posts, rotation policy for sensitive posts, identification of persons of doubtful integrity and keeping them away from sensitive posts / public dealing. It would be necessary also to create an environment that promotes ethical behaviour. Protection to Whistle Blowers must be ensured in order to bring to light cases of corruption.

(m) Awareness among public: If public is made aware of their rights, and also of the rules and regulations, then they are able to resist unfair treatment and arbitrary behaviour by public officials. Public should be encouraged to demand the services due to them and to raise their voice when their rights are denied or powers are misused by public officers. Organisations should prominently display information relevant / useful to the common public on their office notice board / website.

(n) Inculcating Moral Values: Inculcating ethical behaviour among public, particularly the younger generation is an important tool of preventive vigilance. Vigilance Awareness Week (VAW) celebrated every year during the last week of October is aimed at creating such awareness. This opportunity should be utilized by all CVOs / Organisations to create awareness among public as well as among its own officials regarding need for imbibing right values.


10.5 INTEGRITY PACT

10.5.1 Integrity Pact (IP) is an important tool of preventive vigilance which is aimed at preventing corruption and ensuring integrity in public procurement. The Central Vigilance Commission is the nodal authority for the implementation of Integrity Pact in India. It addresses not only bribery, but also other corrupt practices such as collusion and bid rigging. IP is a written agreement between the Government / Government Department / Government

Departments / Organisations vide Circular No. 02/01/2017 dated 13.01.2017. In June, 2021, the Commission has comprehensively reviewed the Standard Operating Procedure of Jan, 2017 for adoption of Integrity Pact (IP) by all Government Organizations, Public Sector Enterprises, Public Sector Banks, Insurance Companies, other Financial Institutions and Autonomous bodies, etc. and has issued revised guidelines vide CVC Circular No. 015/VGL/091 dated 03.06.2021. It includes new SOP which would be applicable for adoption and implementation of the IP by the organizations concerned.

2. The above instructions are brought to the notice of all the officers and officials working under the Department of Commerce for information and compliance. For more details, please refer to the CVC's Vigilance Manual (updated 2021) which may be accessed at <https://cvc.gov.in>.

3. This issues with the approval of Competent Authority.


(S.K. Ranjan)
Director (Vigilance)

To,

- i) All Divisional Heads in the Department of Commerce
- ii) All officers and officials in the Department of Commerce
- iii) DGFT, Udyog Bhawan, New Delhi.
- iv) DGTR
- v) Supply Division, Nirman Bhawan, New Delhi.
- vi) Heads of all organizations under Department of Commerce