

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:4480
ANSWERED ON:22.12.2005
IRREGULARITIES IN AWARDING TENDERS
Shakya Shri Raghuraj Singh

Will the Minister of RAILWAYS be pleased to state:

- (a) whether there have been irregularities in awarding tenders in RITES, Ltd. as reported in Rashtriya Sahara dated November, 20, 2005;
- (b) if so, whether the Government has conducted any inquiry in this regard;
- (c) if so, the outcome thereof and the follow-up action taken thereon; and
- (d) the steps taken by the Government to check irregularities in future?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI R. VELU)

(a) to (c) On the basis of a report of the Central Bureau of Investigation, an investigation has been conducted by the Rail India Technical and Engineering Services (RITES) Vigilance which has revealed that there have been irregularities in the awarding of a tender by RITES Limited in regard to changing of the specification of material from machine broken ballast to hand broken ballast after opening the tender, awarding the tender to an ineligible firm and acceptance of the recommendations of the tender committee by the tender accepting authority which was beyond his financial powers. For these irregularities, departmental action against the officials responsible is underway. The irregularities as reported in the Rashtriya Sahara dated November 20, 2005 have, however, not been established during investigation.

(d) Guidelines on construction project management have been issued by RITES Limited in September, 2005 for strict adherence in order to avoid such irregularities in future.