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# GOVERNMENT OF KERALA

## Abstract

IAS – Purchase of softwares and computer accessories for Kerala Water Authority –  
Vigilance Quick verification report against Shri. Ashok Kumar Singh IAS(KL 1999) –  
Further action dropped – Orders issued.

## GENERAL ADMINISTRATION (SPECIAL A) DEPARTMENT

G.O. (Rt) No. 2739/2018/GAD

Dated, Thiruvananthapuram, 27/04/2018.

- Read: 1. Letter No.E10(QV 21/15/TVM/KWA)29263/2014 dated 21.02.2017 from  
Director, Vigilance and Anti-Corruption Bureau.  
2. Letter No. 2357/D2/2017/Vig dated 06.04.2017 from Additional Chief  
Secretary, Vigilance Department.  
3. Show Cause notice No.1463192/SplA1/2017/GAD dated 03.07.2017.  
4. Letter No. nil dated 07.07.2017 from Shri. Ashok Kumar Singh IAS.

## ORDER

The Director, Vigilance and Anti-Corruption Bureau, based on the Quick verification conducted in Kerala Water Authority, has reported certain irregularities in the purchase of software from a private firm during the year 2012-14 and computer accessories from KELTRON during 2013-14, during the tenure of Shri. Ashok Kumar Singh IAS, formerly Managing Director, Kerala Water Authority. The main allegations in the quick verification are;

- (a) The Kerala Water Authority purchased and implemented softwares, viz. Project Alter Messaging System(PASK), Short Term Executing Projection Status System(STEPS) and Monitoring Accounting and Reporting by Centralised HR System(MARCH) through Origami Technologies LLP, a private firm without inviting open tender during the year 2012-14 and purchased computer accessories for Rs. 5,27,38,170/- from KELTRON for the year 2013-14 without complying tender procedure during the tenure of Shri. Ashok Kumar Singh IAS. In the purchase of these softwares, KWA violated para 7-7 of Store Purchase manual 2013. An excess amount of Rs.1,79,057/- was paid to the firm in connection with the hosting charges of MARCH software, which is a loss sustained to KWA. Further, through the execution of agreement regarding the server hosting with Origami Technologies LLP(a private firm), KWA violated the security aspect. As per the functionality test conducted by C-Dit it was certified that the softwares are still working.

(b) During the year 2013-14, KWA procured computers and accessories for Rs.5,27,38,170/- from KELTRON which were not manufactured or assembled by KELTRON without following tender procedure and violated the conditions of G.O(P) No.1/2006/SPD dated 02.02.2006.

2. The Director, Vigilance and Anti-Corruption Bureau as per the letter read as 1<sup>st</sup> paper above has furnished the following recommendations against Shri. Ashok Kumar Singh IAS;

- i. Departmental disciplinary action may be initiated against Shri. Ashok Kumar Singh IAS, formerly Managing Director, Kerala Water Authority, since he purchased and implemented the softwares named PASK, STEPS and MARCH for an amount Rs. 30,41,036/- (Rupees Thirty lakhs Forty One thousand and Thirty Six only) and purchased computers and accessories for an amount of Rs.5,27,38,170/- (Rupees Five crores Twenty Seven lakhs Thirty Eight thousand One hundred and Seventy only) from KELTRON without inviting open tender and violating the conditions stipulated in G.O(P)No. 1/2006/SPD dated 02.02.2006 related to the purchase of computer from KELTRON.
- ii. Rs.1,79,057/- (Rupees One lakh Seventy Nine thousand and Fifty Seven only) is the loss sustained to Kerala Water Authority regarding the additional and extra hosting charge paid to M/s Origami Technologies LLP. This amount may be recouped from Shri. Ashok Kumar Singh IAS, formerly Managing Director, Kerala Water Authority.

3. As per letter read as 3<sup>rd</sup> paper above, show cause notice was served to the officer and the officer has furnished a detailed reply as per letter read 4<sup>th</sup> paper above. Shri. Ashok Kumar Singh IAS has denied all the allegations and has stated that earlier 'E ABACUS' billing solutions was executed for KWA by Kerala State Unit of NIC in the year 2009 and all subsequent modifications have been carried out by hiring manpower at rates approved by National Informatics Centre Services (an extended arm of National Informatics Centre). There are no Kerala based agencies empanelled by NICS to supply manpower, therefore hired based on expertise and technical competency of individuals. The ownership including source code of 'E ABACUS' belongs to KWA and software is functioning well. The officer submits that petitioners have no complaint against the process followed in development and maintenance of E ABACUS billing solution which is at variance from State Store Purchase Manual.

4. The officer has furnished the reasons for execution of three softwares viz. PASK, STEPS and MARCH without inviting tender. Regarding Project Alert Messaging System(PASK) the officer submits that there were 250 main projects and more than 1000 packages and there were no system to provide information and status of work executed to public and public representatives. At that juncture to get immediate information about the state wide schemes and its status a small tool for scheme data collection was planned. M/s Origami Technologies, erstwhile Mobilive Technologies had already successfully done a free SMS project for promotional activity without any cost for Kerala Water Authority. Since the work was of small value and to be executed in short time, as in the case of E ABACUS, work was executed through Origami Technologies who had good experience in SMS based projects. The source code of PASK belongs to Kerala Water Authority and it has been developed by taking manpower of Origami. The work was approved by High Level Committee of KWA and later Board directed to add up inspection report facility in same.

5. Regarding STEPS software the officer has submitted that during 2013 drought relief work was to be done all over Kerala. Works were of emergency nature and Rs.50 crore funds were sanctioned for the same. Administrative sanction, financial sanction, tender, execution, monitoring and pay of over 1000 such works was a huge challenge. For the speedy implementation of drought relief work, an internet based online system for data entry of drought relief work was sought by the Authority. The system was developed by hiring manpower from Origami Technologies at the rate specified by NICSI. The system was successfully used for the drought relief work and the same was extended to monitor all the works of KWA below 50 lakhs.

6. Regarding the implementation of MARCH software the officer has submitted that there were instances of non disbursement of wages on time to the 6000 staff of the Authority eventhough funds were released on time. This resulted in the protest of staff. For monitoring the payment of wages a software was planned. It was felt that if the new firm was given the task for developing the software tool, it may take long to do study and develop the product. Hence with the approval of KWA board it was decided to source the estimated manpower at NICSI rates to execute the work through M/s Origami Technologies LLP at the cost of 16 lakhs. The officer has further submitted that agencies like KELTRON and C-DIT do not have expertise to take up such projects; and in critical situation as described above, there were limited option in carrying out the development of such software. The officer has informed that at present nearly 400 offices are connected

through MARCH software and it resulted in saving about Rs.10 crores in HR payment per annum and savings of around Rs.30 crores per annum in operation and management payments.

7. The officer further submits that hiring of server was not envisaged while implementing the aforesaid softwares. As the volume of data entry and concurrent users increase, it resulted in memory outages and downtime of server. To tackle this issue it was decided to migrate to dedicated server with higher configuration at monthly charges of Rs.13,280/- per month plus 12.36% service tax. Subsequently decision to procure server was taken during May 2015. However suppliers has not supplied the same and hence extension was given to Origami Technologies after inviting competitive quotations. The officer has informed that there is no loss to KWA in hiring server for hosting MARCH software and as the data on MARCH pertains to HR personal costing there is no sensitivity of data and its security.

8. The officer submits that the KWA board had taken decision at variance with Store Purchase Manual in case of innovative product procurement. The officer has informed that due to the implementation of the softwares the KWA is saving around Rs.50 crores every year. All the proposals were approved by High Level Committee and KWA Board in transparent manner. The officer has further submitted that he had streamlined and brought enormous transparency through e tendering and IT initiatives.

9. Government have examined the matter in detail with the report on quick verification conducted by the Vigilance and Anti-Corruption Bureau and the explanation submitted by the Officer and found that regarding the procurement of computers and accessories, no transgression can be attributed to Shri. Ashok Kumar Singh IAS for the purchase of computers and accessories worth Rs.5,27,38,170/- since M/s KELTRON has been approved as a Total Service Provider(TSP) for rendering assistance to departments including software and hardware procurement, and it is their obligation to observe the Rules and procedures in vogue. Regarding the development and implementation of softwares, it is seen that the decision to procure the items was taken by the Board as a collective decision. All the proposals were approved by the High Level Committee, which consisted of members who were technically competent personnel having ample experience and also familiar with the advanced technology and its adoption in their environment for better output and subsequently taken to the Board. The agreement was executed by the then Chief Engineer with the firm. The Managing Director may not have any direct link with the execution of the agreement. All the deliverables are multipronged

and even now the KWA is harvesting the benefits and also it is in operation. Hence there is no question of unfruitful expenditure on account of the procurement of the software and computers. Moreover there is no allegation that the officer took any undue advantage in the procurement. Hence Government are of the view that the officer didn't commit any grave irregularities warranting disciplinary proceedings and therefore decided to drop further action in the matter. The subject is decided and disposed as above.

(By Order of the Governor)

**PAUL ANTONY,  
CHIEF SECRETARY TO GOVERNMENT.**

To

Shri. Ashok Kumar Singh IAS, Director, Department of Financial Services,  
Ministry of Finance, 3<sup>rd</sup> Floor, Jeevandeep Building, Sansad Marg,  
New Delhi 110001.

The Vigilance(D) Department(vide letter No.2357/D2/2017/Vig dated  
06.04.2017).

The Director, Vigilance and Anti-Corruption Bureau, Thiruvananthapuram.(vide letter  
No.E10(QV 21/15/TVM/KWA)29263/2014 dated 21.02.2017

✓ The Web and New Media, I&PRD

Copy to: The Chief Principal Secretary to the Chief Minister.

The Private Secretary to Minister (Water Resources)

The Additional Secretary to Chief Secretary.

PA to the Additional Secretary, General Administration (Special A&C) Depts.

Stock File/Office Copy.

Forwarded by Order,



Section Officer.