

ANNUAL REPORT 2017



CENTRAL VIGILANCE COMMISSION

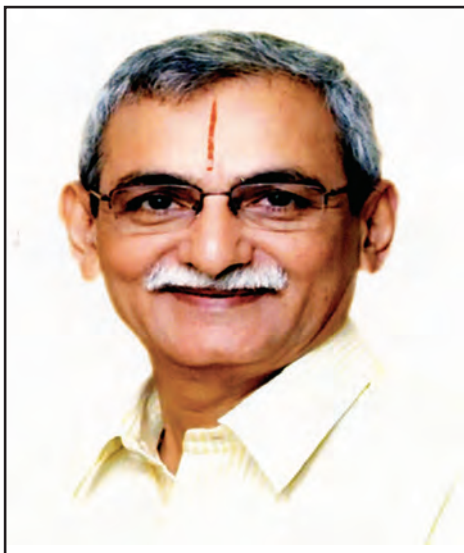


ANNUAL REPORT

01.01.2017 to 31.12.2017



CENTRAL VIGILANCE COMMISSION



Shri K.V. Chowdary
Central Vigilance Commissioner



Shri Rajiv
Vigilance Commissioner

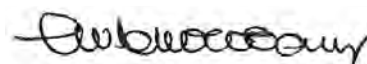


Dr. T.M. Bhasin
Vigilance Commissioner

As mandated under Section 14 of The Central Vigilance Commission Act, the annual report for the year ended on 31.12.2017 (the 54th Annual Report) is being submitted to the President of India. The report highlights the work done by the Central Vigilance Commission during the year ending 31st December, 2017 in fulfilling its mandate under the CVC Act, 2003.

A handwritten signature in black ink, appearing to read 'T.M. Bhasin', is written over a horizontal line.

(Dr. T.M. BHASIN)
VIGILANCE COMMISSIONER

A handwritten signature in black ink, appearing to read 'K.V. Chowdary', is written over a horizontal line.

(K.V. CHOWDARY)
CENTRAL VIGILANCE COMMISSIONER

New Delhi

Dated: the 14th March, 2018

ACKNOWLEDGEMENT

The Central Vigilance Commission thanks the Government of India, its Ministries/Departments, Public Sector Undertakings, Public Sector Banks and other organizations, the team of Chief Vigilance Officers, Central Bureau of Investigation, Law officers and all others connected with the Commission for their cooperation and assistance.

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Inaugural Function of Vigilance Awareness Week 2017



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AN OVERVIEW

- The Central Vigilance Commission (CVC) was established on 11th February, 1964 by a resolution of Government of India as an apex body for prevention of corruption in Central Government institutions.

(Para 1.2)

- The Commission was given statutory status by the enactment of “The Central Vigilance Commission Act, 2003”. After enactment of CVC Act, 2003, the Commission became a multi-member body consisting of a Central Vigilance Commissioner (Chairperson) and not more than two Vigilance Commissioners (Members), to be appointed by the President.

(Para 1.7)

- As on 31.12.2017, the sanctioned staff strength of the Commission is 296 and the working strength is 240 for all categories of officials.

(Para 1.21)

- The Commission may inquire or to cause inquiries to be conducted into offences alleged to have been committed under the Prevention of Corruption Act, 1988 by certain categories of public servants of the Central Government, Corporations established by or under any Central Act, Government companies, societies and local authorities owned or controlled by the Central Government. The Commission exercises superintendence over the functioning of the Central Bureau of Investigation (CBI), for investigation of offences related to the Prevention of Corruption Act, 1988.

(Para 1.7)

- All departments/organisations under Commission's jurisdiction have vigilance units headed by Chief Vigilance Officers (CVO). The CVOs act as an extended arm of the Commission. There are 193 posts of full time CVOs and 499 posts of part time CVOs.

(Paras 1.24 & 1.25)

- The Commission has adopted a multi-pronged strategy and approach to combating corruption, which encompasses punitive, preventive and participative vigilance. These are not mutually exclusive but are complimentary and are important elements within the overall approach and method for tackling corruption.

(Para 2.3)

- The Commission recommended initiation of criminal proceedings in 64 cases during 2017.
(Para 2.17)
- The Commission tendered advices in 3425 cases during the year 2017. These include Commission's advice of initiation of major penalty proceedings in 490 cases and minor penalty proceedings in 181 cases as its first stage advice. Similarly, Commission advised imposition of major penalty in 112 cases and minor penalty in 78 cases in its second stage advice.
(Para 2.14 , 2.18 & 2.19)
- The Commission received 26052 complaints (including brought forward) during 2017 out of which 22386 complaints were disposed. Complaints received in the Commission are processed electronically through IT enabled core processes to ensure speed and transparency.
(Para 2.30)
- The Commission accorded vigilance clearance for 314 Board Level appointments and for 3291 officials for empanelment to the post of Joint Secretary and above in the Central Government.
(Para 2.39)
- As per the Annual Reports received from CVOs, 17554 penalties (5403 major and 12151 minor) were imposed on all categories of public servants.
(Para 3.15)
- 51 cases of deviations from the prescribed procedure or of non-acceptance of Commissions advice were approved by Commission for inclusion in the Annual Report of 2017.
(Para 4.4)
- The Commission reviews the progress of cases pending for sanction of prosecution with various organisations, under the Prevention of Corruption (PC) Act, 1988. At the end of 2017, 100 cases were pending for grant of sanction for prosecution under PC Act, 1988 out of which 34 are pending for more than 3 months.
(Para 6.15)
- Chief Technical Examiner's Organisation (CTEO) undertook intensive examination of 66 procurement cases, covering 52 organisations during the year. The value of these procurement cases was over Rs.13,314.67 crores.
(Para 5.7 & 5.11)

- Given the focus on systemic improvements by the Commission, several Central Public Sector Enterprises (CPSEs) made efforts to streamline and automate processes.

(Para 7.3 & 7.7)

- Based on examination of vigilance cases, the Commission issued several guidelines to improve systems.

(Para 7.9 to 7.15)

- The Commission observed Vigilance Awareness Week, 2017 from 30th October to 4th November, 2017. The theme of the Vigilance Awareness Week was “My Vision – Corruption Free India”.

(Para 8.11)

- Inaugural function of the Vigilance Awareness Week 2017 was organized on 30th October 2017 at Vigyan Bhavan presided by the Hon’ble Vice-President of India. In his address, the Hon’ble Vice-President of India spoke about significance of corruption free India and how this was necessary in contemporary times.

(Para 8.18 & 8.27)

- The Commission initiated an Integrity Pledge for citizens. The Integrity Pledge is an ongoing initiative of the Commission and over 47 lakh citizens and around 65000 organisations had taken the pledge by the end of 2017.

(Para 8.14)

- “Awareness Gram Sabhas” were organized as part of outreach activities. About sixty seven thousand such Gram Sabhas were conducted during 2017 covering a large number of citizens across the country. Short plays, nukkad nataks, display of posters and screening of films, etc., were made to promote awareness and to sensitize citizens on the ill effects of corruption.

(Para 8.15)

- The outreach activity focusing on inculcating greater awareness on corruption and anti-corruption measures were held in colleges and schools including professional colleges/ institutions. Activities in schools / colleges across the country in over 600 cities and towns during the week reached out to several lakh students / youth.

(Para 8.16)

- The Commission participated in various international conferences in 2017.

(Para 2.46)

- CVOs and officers working in the Commission were nominated for induction and specialized training programmes to bridge competency gaps in the vigilance sector. The Commission organized several domestic and international training programmes during 2017 which exposed officers to a whole gamut of anti corruption strategies and international best practices.

(Para 9.3 & 9.4)

- The Commissions' Knowledge Management drive continued in 2017 with 12 monthly lectures held under the "Lecture Series".

(Para 9.11)

Inaugural Function of Vigilance Awareness Week 2017



Activities during VAW 2017 by VPT and DCI



CHAPTER 1

MANDATE OF THE COMMISSION

- 1.1 Central Vigilance Commission is the apex integrity institution mandated under the Central Vigilance Commission Act, 2003 (45 of 2003) to fight corruption and to ensure integrity in public administration. The Commission is a multi-member body primarily responsible to inquire or causing an inquiry or investigation into offences alleged to have been committed by certain categories of public servants under the Prevention of Corruption Act, 1988 or an offence with which a public servant may, under the Code of Criminal Procedure, 1973, be charged at the same trial and considering the report of the agencies to advise the Ministries/Departments/Organisations of Central Government as to the further course of action. The Commission is vested with the powers of superintendence over the CBI's functioning in so far as it relates to PC Act, 1988 as well as superintendence of vigilance administration in the Central Government and its organisations. Besides, overseeing integrity in public administration in the Central Government and the organisations under it, the Commission endeavours in its outreach measures to create awareness amongst civil society and the public at large towards the avowed policy of achieving transparency, accountability and corruption free governance. The Commission is fully committed to implement the policy of “Zero Tolerance against Corruption”.

I Genesis

- 1.2 Constituted vide Government of India Resolution dated 11th February, 1964, the Central Vigilance Commission (CVC) traces its origin to the recommendations of the Committee on Prevention of Corruption (popularly known as Santhanam Committee). In June 1962, the debate in Parliament expressing profound concern over corruption led to the setting up of a Committee by Shri Lal Bahadur Shastri, the then Minister for Home Affairs under the Chairmanship of Shri K. Santhanam, Member of Parliament to review the existing instruments with a view to preventing corruption in the central services and to suggest steps for effective anti-corruption measures. The Santhanam Committee identified four major causes of corruption:
- (i) Administrative delays;
 - (ii) Government taking upon themselves more than what they could manage by way of regulatory functions;
 - (iii) Scope for personal discretion in the exercise of powers vested in different categories of government servants; and
 - (iv) Cumbersome procedures in dealing with various matters which were of importance to citizens in their day to day affairs.
- 1.3 The recommendations of the Santhanam Committee were considered and the Central Vigilance Commission was set up by the Government of India (Ministry of Home Affairs) vide Resolution No. 24/7/64-AVD dated 11.02.1964 as an apex body for prevention of corruption and exercising general superintendence over vigilance administration.

- 1.4 Subsequently, Supreme Court of India, in Criminal Writ Petition No. 340-343/1993 (Vineet Narain and others Vs. Union of India and others), popularly known as Jain Hawala case, had inter-alia given directions on 18.12.1997 that statutory status should be conferred upon the Central Vigilance Commission.
- 1.5 Pending legislation, the Central Government notified “The Central Vigilance Commission Ordinance, 1998” conferring statutory status on the Commission. It was followed by CVC (Amendment) Ordinance dated 27.10.1998, CVC Ordinance dated 08.01.1999, DoPT Resolution No. 371/20/99-AVD-III dated 04.04.1999 and DoPT Resolution No. 371/20/99-AVD-III dated 13.08.2002 while the CVC Bill was under consideration of both the Houses of Parliament.
- 1.6 The Central Vigilance Commission Bill was passed by both the Houses of Parliament and received the assent of the Hon’ble President on 11th September, 2003. It came on the statute book as THE CENTRAL VIGILANCE COMMISSION ACT, 2003 (45 of 2003).

II The Central Vigilance Commission Act, 2003

- 1.7 The Central Vigilance Commission Act, 2003 (45 of 2003) provides for constitution of the Central Vigilance Commission to inquire or to cause inquiries to be conducted into offences alleged to have been committed under the Prevention of Corruption Act, 1988 by certain categories of public servants of the Central Government, Corporations established by or under any Central Act, Government companies, societies and local authorities owned or controlled by the Central Government and for matters connected therewith or incidental thereto. The Act empowers the Commission to exercise superintendence over the functioning of the Delhi Special Police Establishment (DSPE) now called Central Bureau of Investigation (CBI), in so far as it relates to the investigation of offences alleged to have been committed under the Prevention of Corruption Act, 1988 (49 of 1988) and to give directions to the CBI for discharging responsibility entrusted to them under sub-section 1 of Section 4 of the DSPE Act, 1946. The Commission endeavors to maintain objectivity in the mechanism of CBI’s working in corruption matters while discharging the function of superintendence over their functioning i.e. monitoring cases taken up by CBI for investigation; progress of the investigation; cases in which charge sheets are filed and their progress and progress of all cases moved by the CBI for sanction of prosecution of public servants which are pending with the competent authorities especially those in which sanction has been delayed or refused. Further, the Commission exercises superintendence over the vigilance administration of the various Ministries / Departments/Public Sector Enterprises / Public Sector Banks and autonomous organisations under the Central Government.
- 1.8 The Lokpal and Lokayuktas Bill passed by Parliament received the assent of the President on 1st January, 2014 and came on the statute book as The Lokpal and Lokayuktas Act, 2013 (1 of 2014). The Act has amended some provisions of CVC Act, 2003 whereby the Commission has been empowered to conduct preliminary inquiry into complaints referred by Lokpal in respect of officers and officials of Group ‘B’, ‘C’ & ‘D’, besides Group ‘A’ officers, for which

a Directorate of Inquiry for making preliminary inquiry is to be set up in the Commission. The preliminary inquiry reports in such matters referred by Lokpal in respect of Group A and B officers are required to be sent to the Lokpal by the Commission. The Commission is also mandated to cause further investigation into such Lokpal references in respect of Group 'C' & 'D' officials and decide on further course of action against them.

- 1.9 On the issue of overlap of jurisdiction between the CVC Act and The Lokpal and Lokayuktas Act, the Commission has communicated its suggestions to the Department-Related Parliamentary Standing Committee on Personnel, Public Grievances, Law and Justice during its examination of the Lokpal and Lokayuktas and Other Related Law (Amendment) Bill, 2014.

Functions and Powers of the Central Vigilance Commission under the Central Vigilance Commission Act, 2003

- *Exercise superintendence over the functioning of the Delhi Special Police Establishment (CBI) insofar as it relates to the investigation of offences under the Prevention of Corruption Act, 1988 -section 8(1)(a);*
- *Give directions to the Delhi Special Police Establishment (CBI) for superintendence insofar as it relates to the investigation of offences under the Prevention of Corruption Act, 1988 - section 8(1)(b);*
- *To inquire or cause an inquiry or investigation to be made on a reference by the Central Government in respect of a public servant being an employee of the Central Government and its organisations has allegedly committed an offence under the PC Act, 1988 - section 8(1)(c);*
- *To inquire or cause an inquiry or investigation to be made into any complaint alleging commission of offence under PC Act, 1988 received against any official belonging to such category of officials specified in sub-section 2 of Section 8 of the CVC Act, 2003 - section 8(1)(d);*
- *Review the progress of investigations conducted by the DSPE into offences alleged to have been committed under the Prevention of Corruption Act, 1988 - section 8(1)(e);*
- *Review the progress of the applications pending with the competent authorities for sanction of prosecution under the Prevention of Corruption Act, 1988 - section 8(1)(f);*
- *Tender advice to the Central Government and its organisations on such matters as may be referred to it or otherwise - section 8(1)(g);*
- *Exercise superintendence over the vigilance administration of the various Central Government Ministries and its organisations – section 8(1)(h);*
- *Shall have all the powers of a Civil Court while conducting any inquiry - section 11;*
- *Proceedings before Commission to be judicial proceedings - section 12;*
- *Call for reports, returns and statements from Central Government / Organisations under its jurisdiction - section 18;*
- *Respond to Central Government on mandatory consultation with the Commission before making any rules or regulations governing the vigilance or disciplinary matters relating to the persons appointed to the public services and posts in connection with the affairs of the Union or to members of the All India Services - section 19.*

Other salient features

- *Multi-member Commission consisting of a Central Vigilance Commissioner (Chairperson) and not more than two Vigilance Commissioners (Members);*
- *The Central Vigilance Commissioner and the Vigilance Commissioners are appointed by the President on the recommendations of a Committee consisting of the Prime Minister (Chairperson), the Minister of Home Affairs (Member) and the Leader of the Opposition in the House of the People (Member);*
- *The term of office of the Central Vigilance Commissioner and the Vigilance Commissioners is four years from the date on which they enter their office or till they attain the age of 65 years, whichever is earlier;*
- *The Central Government appoints, extends or curtails the tenure of officers to the posts of the level of Superintendent of Police and above except the Director, in the CBI on the recommendation of the Committee consisting of the Central Vigilance Commissioner as Chairperson and Vigilance Commissioners and Secretaries of the Ministry of Home Affairs and Department of Personnel & Training as Members (section 4C of DSPE Act);*
- *The Central Government appoints the Director of Enforcement in the Directorate of Enforcement on the recommendation of the Committee consisting of the Central Vigilance Commissioner as Chairperson and Vigilance Commissioners and Secretaries of Ministry of Home Affairs, Department of Personnel & Training and Department of Revenue as Members. Further, the Central Government also appoints, extends or curtails the tenure of officers above the level of Deputy Director in the Enforcement Directorate on the recommendations of the aforesaid Committee (section 25 of CVC Act);*
- *The Director of Prosecution under the Directorate of Prosecution in CBI shall be appointed by the Central Government on the recommendation of the Central Vigilance Commission;*
- *The Commission is the designated agency under the Public Interest Disclosure and Protection of Informers' (PIDPI) Resolution to undertake or cause an inquiry into complaints received under PIDPI Resolution and recommend appropriate action;*
- *The Central Vigilance Commission has been notified as a Specific Authority to receive information relating to suspicious transactions under the Prevention of Money Laundering Act, 2002 vide Department of Revenue, Ministry of Finance Notification No. GSR 970(E) dated 15.12.2015;*
- *Conducting preliminary inquiry into the complaints referred by Lokpal in respect of Group 'A', 'B', 'C' & 'D' officials for which a Directorate of Inquiry for making preliminary inquiry is to be set up in the Commission.*
- *In Lokpal references in respect of Group 'C' & 'D' officials and after the preliminary inquiry, if it so decides, shall direct any agency including the CBI to carry out investigation within six months (extendable by a further period of six months); notwithstanding anything contained in section 173 of Cr. P. C., 1973 the agency shall submit the report to the Commission which may decide as to filing of charge-sheet or closure report in the Special Court or initiate departmental proceedings or appropriate action by the competent authority.*

III Jurisdiction of Central Vigilance Commission

- 1.10 In terms of the provisions contained in Section 8 (1) (d) and 8 (2) (a) of the Central Vigilance Commission Act, 2003 (45 of 2003), Commission's jurisdiction in respect of suo-motu inquiry extends to members of All India Services serving in connection with the affairs of the Union, Group 'A' officers of the Central Government and such level of officers in the corporations, Government companies, societies and other local authorities of the Central Government as may be notified by the Central Government separately from time to time.

Commission's jurisdiction under the Act

- *Members of All India Services serving in connection with the affairs of the Union and Group 'A' officers of the Central Government;*
- *Chief Executives and Executives on the Board and other officers of E-8 and above in Schedule 'A' and 'B' Public Sector Undertakings of the Central Government;*
- *Chief Executives and Executives on the Board and other officers of E-7 and above in Schedule 'C' and 'D' Public Sector Undertakings of the Central Government;*
- *Officers of the rank of Scale V and above in the Public Sector Banks;*
- *Officers in Grade 'D' and above in Reserve Bank of India, NABARD and SIDBI;*
- *Managers and above in respect of General Insurance Companies;*
- *Senior Divisional Managers and above in Life Insurance Corporation of India; and*
- *Officers drawing salary of Rs. 8700/- per month (pre-revised as on 12.09.2007) and above on Central Government DA pattern, as may be revised from time to time, in societies and local authorities owned or controlled by the Central Government.*

IV Public Interest Disclosure and Protection of Informers' Resolution (PIDPI) – 2004

- 1.11 The Hon'ble Supreme Court in a Writ Petition (Civil) No. 539/2003 filed after the murder of Shri Satyendra Dubey, a whistle-blower, directed that a machinery be put in place for acting on complaints from whistle-blowers till a law is enacted. In pursuance of that direction, the Government of India vide Gazette Notification No.371/12/2002-AVD- III dated 21/04/2004 r/w Corrigendum dated 29.04.2004 notified the Public Interest Disclosure and Protection of Informers Resolution (PIDPI), 2004 which gave the powers to the Commission to act on complaints from whistle-blowers. This Resolution is popularly known as "Whistle Blowers" Resolution and it designated the Central Vigilance Commission as the agency to receive and act on complaints or disclosure on any allegation of corruption or misuse of office from whistle blowers. The Commission has been entrusted with the responsibility of keeping the identity of the complainant secret while lodging a complaint under PIDPI Resolution, in order to provide protection to whistle blowers from victimisation. The Commission was

initially empowered as the only designated agency to take action against complainants making motivated or vexatious complaints. The limitation of jurisdiction of the Commission under the CVC Act, 2003 to inquire or cause inquiry or investigation into the complaints against Group 'A' officers and equivalent level of officers, is not applicable in case of Public Interest Disclosure and Protection of Informers' Resolution 2004.

- 1.12 The Commission had earlier suggested to Department of Personnel & Training that a proper mechanism may be put in place for Ministries /Departments to receive Whistle Blower Complaints and also to give due publicity to the scheme of Whistle Blower mechanism so that people can lodge complaints. Accordingly, the Department of Personnel and Training (DoPT) by an amendment vide Notification No. 371/4/2013-AVD.III dated 14.08.2013 authorised the Chief Vigilance Officers in the Ministries/Departments as the designated authorities to receive written complaint or disclosure of corruption or misuse of office by any employee of that Ministry or Department or of any corporation established by or under any Central Act, Government companies, societies or local authorities owned or controlled by the Central Government and falling under the jurisdiction of that Ministry or the Department. At present, the Central Vigilance Commission is the designated agency and all the CVOs of the Ministries/Departments are the designated authorities to receive and take action on Whistle Blower complaints. The amendment authorised the Central Vigilance Commission to supervise and monitor the complaints received by the designated authorities in the Ministries/Departments.
- 1.13 DoPT vide O.M. N. 371/4/2013-AVD-III dated 16.06.2014 has laid down detailed procedure for handling of complaints under PIDPI Resolution by the designated authorities in the Ministries/Departments of the Central Government.
- 1.14 The Commission in keeping with the spirit of PIDPI Resolution had laid down a detailed procedure for lodging complaints. In order to create awareness among the public at large, so that they feel encouraged to come forward and make complaints/disclosures, wide publicity is regularly made by the Commission.
- 1.15 The Public Interest Disclosure and Protection to Person Making the Disclosures (PIDPPMD) Bill 2010 was introduced by the Central Government in Parliament. The PIDPPMD Bill, 2010 was renamed as "The Whistle Blowers' Protection Bill, 2011" which was passed by Parliament and received the assent of the President on 09.05.2014. The Whistle Blowers Protection Act, 2011 (No. 17 of 2014) was notified in the Gazette on 12.05.2014. The Act empowers the Commission as the competent authority to receive complaints relating to disclosure on any allegation of corruption or wilful misuse of power or wilful misuse of discretion against any public servant and to inquire or cause an inquiry into such disclosure and to provide adequate safeguards against victimisation of the person making such complaint and for matters connected therewith and incidental thereto. However, under Section 1(3) of the Act, the Central Government is required to notify a date for the coming into force of the provisions of the Whistle Blowers Protection Act, 2011.

Important Features of the “Whistle-Blowers” Resolution

- *The CVC shall, as the Designated Agency, receive written complaints or disclosure on any allegation of corruption or of misuse of office by any employee of the Central Government or of any corporation established under any Central Act, government companies, societies or local authorities owned or controlled by the Central Government;*
- *In August 2013, DoPT authorised Chief Vigilance Officers of the Ministries / Departments of the Government of India also as the designated authorities to receive written complaint or disclosure of corruption or misuse of office;*
- *The Commission was authorised to supervise and monitor the complaints received by the designated authorities in the Ministries / Departments;*
- *The Commission or the designated authorities will ascertain the identity of the complainant; if the complaint is anonymous, it shall not take any action in the matter;*
- *The identity of the complainant will not be revealed unless the complainant himself has made either the details of the complaint public or disclosed his identity to any other office or authority;*
- *While calling for further report / investigation, the Commission and the designated authorities shall not disclose the identity of the informant and shall also request the head of the organisation concerned to keep the identity of the informant a secret, if for any reason the identity is revealed;*
- *The Commission and the designated authorities are authorised to call upon the CBI or the police authorities, as considered necessary, to render all assistance to complete the investigation pursuant to the complaint received;*
- *If any person is aggrieved by any action on the ground that he is being victimized due to the fact that he had filed a complaint or disclosure, he may file an application before the Commission or the designated authority seeking redressal in the matter;*
- *If the Commission is of the opinion that either the complainant or the witnesses need protection, it shall issue appropriate directions to the government authorities concerned;*
- *In case the Commission or the designated authority finds the complaint to be motivated or vexatious, it shall be at liberty to take appropriate steps; and*
- *In the event of the identity of the informant being disclosed in spite of the Commission’s or designated authority’s directions to the contrary, the Commission or the designated authority is authorised to initiate appropriate action in accordance with the extant regulations against the person or agency making such a disclosure.*

V Commission's Advisory Role

- 1.16 The advisory role of the Commission extends to all matters on vigilance administration referred to it by the departments / organisations of the Central Government. It is mandatory on the part of the organisations to seek the Commission's advice before proceeding further in a matter where earlier a report was called for by the Commission.
- 1.17 The Commission examines the investigation reports furnished by the CVO or the CBI and depending upon the facts of each case and evidence / records available, the Commission advises launching of criminal prosecution (sanction for prosecution) and / or regular departmental action for major or minor penalty, as the case may be, against the public servant(s) concerned. If disciplinary proceedings are not warranted, the Commission may advise closure of the case or administrative action against the public servant(s) depending upon facts of the case by way of first stage advice.
- 1.18 In cases where the Commission had advised initiation of major penalty proceedings at first stage in respect of Group 'A' officers of the Central Government, members of All India Services and such other categories of officers and where UPSC is not required to be consulted, such cases would be referred to the Commission for second stage advice on conclusion of the inquiry proceedings. Further, where on conclusion of the inquiry proceedings the disciplinary authorities propose to take any action which is at variance with the Commission's first stage advice in respect of non-Presidential appointees including officials of CPSEs, Public Sector Banks and Autonomous Bodies, etc., the Commission's second stage advice is required to be obtained. Besides, second stage advice is also required in cases of all categories of officers in respect of whom the Commission had at first stage advised initiation of minor penalty proceedings and the disciplinary authorities concerned tentatively propose to exonerate the officer(s).

VI Present composition of the Commission

- 1.19 In terms of the CVC Act 2003, the Commission consists of a Central Vigilance Commissioner as Chairperson and two Vigilance Commissioners as Members. The appointment of the CVC as well as that of the VCs is made in accordance with the provisions of section 4 of the CVC Act, 2003 by the Hon'ble President of India on the recommendations of a Committee consisting of (a) the Prime Minister; (b) the Minister of Home Affairs; and (c) the Leader of the Opposition in the Lok Sabha. The Central Vigilance Commissioner and Vigilance Commissioners hold office for a term of four years from the date on which they enter office or till attaining the age of sixty-five years, whichever is earlier. During 2017, Shri K.V. Chowdary, IRS (Retd.) is the Central Vigilance Commissioner (assumed office on 10.06.2015), Shri Rajiv, IPS (Retd.) Vigilance Commissioner (assumed office on 27.02.2014) and Dr. T.M. Bhasin, CMD Indian Bank (Retd.), (assumed office on 11.06.2015) are the Vigilance Commissioners.

VII Staff Composition

- 1.20 As per Section 3(4) of the CVC Act, 2003 the Central Vigilance Commission is to be assisted by a Secretary, who is appointed by the Central Government. In addition to the Secretary, the Commission is assisted by four Additional Secretaries (officers of the rank of Joint Secretary to the Government of India) and other staff which includes twenty-eight officers in the rank of Director/Deputy Secretary, two OSDs (Deputy Secretary level) and four Under Secretaries. Officers of the rank of Director / Deputy Secretary also perform the function of Commissioners for Departmental Inquiries (CDIs), to conduct departmental inquiries relating to major penalty proceedings on behalf of the disciplinary authorities in disciplinary cases against senior officers.
- 1.21 Smt. Nilam Sawhney, IAS was the Secretary of the Commission during 2017 (appointed as Secretary on 11.5.2015). The category-wise staff strength of the Commission as on 31.12.2017 and related information is at **Appendix- I**. As on 31.12.2017, as compared to the sanctioned strength, there is a shortage of 14.81% in Group 'A' posts and 12.24 % in Group 'B' posts.
- 1.22 Considering the need for manpower at the cutting edge, the new initiatives undertaken for capacity building and creating awareness against corruption and the increased responsibilities entrusted to the Commission, a Cadre review was conducted and a proposal was sent to DoPT in June, 2017 with a request to augment the staff strength of the Commission for various categories of posts. The proposal is under examination of the Government.

VIII Technical Wing

- 1.23 The Chief Technical Examiners' Organisation (CTEO) is the technical wing of the Commission. CTEO wing assists the Commission in formulating its views in cases involving tendering for procurement, construction related cases, etc. CTEO wing undertakes intensive examination of major civil / electrical / horticulture and other projects and major procurements by the Central Government organisations. The wing comprises of two Chief Technical Examiners (of the rank of a Chief Engineer), assisted by eight Technical Examiners (of the rank of Executive Engineer), six Assistant Technical Examiners (of the rank of Assistant Engineer) and supporting staff.

IX Chief Vigilance Officers

- 1.24 Vigilance administration in Departments / Organisations is headed by the Chief Vigilance Officers (CVO) and the Commission's activities concerning inquiry or causing inquiry are supported by / carried out through the CVOs. The CVOs provide assistance to the Chief Executive Officers of the organisation concerned in all matters relating to vigilance administration by providing appropriate advice / expertise to them. CVOs are supposed to do vigilance audit of various structures and procedures in the organisation and assist the management in establishing effective internal control systems and procedures, so that systemic

failures can be reduced. Speedy processing of vigilance matters, especially the disciplinary cases is an important function of the CVOs. The other activities are identification of area prone to corruption and to ensure that officers of proven integrity are posted in those areas, preparation of list of officers of doubtful integrity, preparation of agreed list of officers, ensure periodic rotation of staff, ensure manuals / procedures are updated from time to time, conduct regular and surprise inspection in sensitive areas and also undertake review of all pending matters of vigilance complaints / cases, investigation reports, disciplinary cases, etc., every month. The Commission has a system of obtaining monthly reports and annual reports from the CVOs as an effective tool of communication with them, and holds annual zonal review meetings with the CVOs of all major government departments / organisations as a part of its review and monitoring mechanism. Besides, as and when required, the Commission invites the CVOs individually to discuss important issues relating to their organisations with them. There are posts of full time CVOs as well as part time CVOs.

- 1.25 Presently, six Departments of the Government of India, namely Central Board of Direct Taxes, Central Board of Excise & Customs, Central Public Works Department, Department of Telecom, Department of Posts, Ministry of Railways and a majority of the Central Public Sector Enterprises (CPSEs), Public Sector Banks and Insurance Companies have full time CVOs, while others have part-time CVOs. There are 193 posts of full time CVOs and 499 posts of part time CVOs, of which 55 posts of full time CVOs are lying vacant in various Organisations, as on 31.12.2017. Vigilance activities in Ministries / Departments and other organisations are looked into by part time CVOs, who are working in the concerned Ministry / Department / Organisations at sufficient seniority level.
- 1.26 The Commission attaches utmost priority to the capacity building of CVOs and other officers engaged in vigilance activities. For this purpose, the Commission conducts induction training for CVOs for equipping them with the latest vigilance / anti-corruption tools. Apart from the induction training of newly appointed CVOs, customized domestic and foreign training programmes are also organised for CVOs and other officers connected with the affairs of vigilance administration. Eminent persons with immense domain knowledge are invited to interact with the CVOs during such trainings. Officers of the Commission are also nominated / deputed to impart training courses and share their experience/expertise with CVOs, vigilance functionaries etc.

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Visit of Indonesian Delegation to the Commission



Hindi week celebrations at the Central Vigilance Commission



CHAPTER 2

COMMISSION'S ACTIVITIES DURING 2017

- 2.1 Corruption has been identified as a major hindrance to the social and economic growth of the country and thus initiatives to eradicate corruption assume great significance in the present. The Commission is an apex integrity institution of the Government of India and has been leading this effort through a series of initiatives as part of a multi-faceted strategy to tackle corruption in central government departments and organizations. It has been the constant endeavor of the Central Vigilance Commission to ensure transparency, objectivity and accountability in public administration. The Commission's role as a probity institution, became important in the recent past after the judgement of Hon'ble Supreme Court in the Vineet Narain Case popularly known as Jain Hawala case. Furthermore, the Supreme Court of India has reposed confidence in the independent and impartial functioning of CVC and has sought the assistance of the Commission in several instances in monitoring investigations conducted by CBI .
- 2.2 An important component of the mandate of the Central Vigilance Commission consists of receiving complaints regarding corruption from the public, examination of these complaints and subsequently to seek investigation / action from the concerned agencies on the substance of the allegations on their merits. The investigations carried out by the Commission as well as those carried out by other organizations at the instance of the Commission form a basis for identifying corrupt actions and appropriately penalizing such action in organizations within its jurisdiction and mandate. The punitive component of the Commission's work is part of the overall engagement strategy which uses a variety of initiatives targeted at diverse stakeholders, briefly outlined in the following section.

I The Multi-Pronged Strategy

- 2.3 The Commission has adopted a multi-prolonged strategy and approach to combating corruption, which encompasses punitive, preventive and participative vigilance. These are not mutually exclusive but are complimentary and are important elements within the overall approach and method for tackling corruption.
- 2.4 As far as punitive vigilance is concerned, the Commission feels that time-bound and effective punitive action resulting in award of exemplary and adequate punishment apart from punishing the wrong doers, deters others from committing such misconducts. It tenders advice on issues referred to it by various organisations, it reviews the progress of vigilance work periodically through the mechanism of annual sectoral reviews and other meetings, it guides the Chief Executives and the CVOs of various organizations on issues pertaining to vigilance, it seeks organizational responses and suggests systems improvement in areas attracting complaints, conducts direct inquiries on certain sensitive complaints and also summons officials for hearings on specific issues. All this is done as part of comprehensive efforts for better vigilance administration.

- 2.5 The preventive vigilance component of this engagement seeks to achieve corruption free governance proactively by proposing structural remedies which would minimize the possibility of corrupt practices. Although potential areas of corruption are specific to organizations/sectors, there are some broad areas common to all organizations, such as procurement, sale of goods and services, allocation of scarce natural resources, human resource management (recruitment, promotion, transfer and postings), delivery of services to the common citizen, implementation of rules and regulations and effective grievance redressal mechanisms etc. which need attention. The generic measures to combat corrupt practices include simplification and standardization of rules, leveraging technology, rethinking the structure of core processes in order to better fulfil the objectives of the organization and enhance transparency and accountability, regular and effective inspections, periodical rotation transfer of staff, training and awareness of employees and public etc.
- 2.6 Participative vigilance has been stressed by the Commission as part of the overall strategy of holistic engagement, the culmination point of which is seen during the Vigilance Awareness Week, wherein the outreach activity is carried out as a large-scale coordinated programme to disseminate awareness of the benefits of honesty and ill effects of corruption on our national life. Observance of Vigilance Awareness Week every year involves encouraging all stakeholders to collectively participate in the prevention of and the fight against corruption and to raise public awareness regarding the existence, causes and gravity of and the threat posed by corruption. During Vigilance Awareness Week, organizations under the guidance of the Commission and its representatives engage in activities relevant to the theme both within their organization as well as for outreach to the public/citizens. Further, awareness through Gram Sabhas are widely organized across the country during the Vigilance Awareness Week. Schools and colleges organize activities such as debates, elocution contests, essay writing, panel discussions, cartoon and poster making competitions on moral values, ethics, good governance practices, etc.
- 2.7 The theme of the Vigilance Awareness Week, 2017 was “My Vision-Corruption Free India” (“मेरा लक्ष्य – भ्रष्टाचार मुक्त भारत”). The Vigilance Awareness Week commenced with Shri K.V. Chowdary, Central Vigilance Commissioner, Shri Rajiv, Vigilance Commissioner, and Dr T.M. Bhasin, Vigilance Commissioner administering the Integrity Pledge at the Inaugural Function at Vigyan Bhavan, New Delhi on 30th October 2017. The Hon’ble Vice President of India presided over the inaugural function.
- 2.8 To give recognition to the reforms and good work done in vigilance administration, Vigilance Excellence Awards have been instituted in 2017. The Hon’ble Vice President of India gave away the Vigilance Excellence Awards for good work done by CVOs, vigilance functionaries and management in the field of punitive, preventive and participative vigilance.

- 2.9 Dr. Jitendra Singh, Hon'ble Minister of State (PP) released the 7th edition of the Vigilance Manual in on 7th September 2017. The revision of the manual was an important initiative of the Commission and it sought to lead the systemic improvement that it sought from all Central Government departments and organizations. The most important new feature was that the new manual is an open rather than a restricted document, accessible to all citizens and available digitally on the Commission's website. It contains a feature of dynamic updation of various instructions and regulations issued by various authorities since active hyperlinks to citations such as circulars, orders, rulings, etc., have been provided in the manual. A separate chapter has been introduced on Banking and Insurance in view of the specialized nature of work of the financial sector. A new chapter on Preventive Vigilance has also been added for the guidance of organizations to implement these measures, including the establishment of simple and clear procedures, re-engineering of ambiguous processes, use of technology wherever feasible in order to ensure transparency and accountability in organizations. The outreach activity of the Commission in reaching out to various sections of society with a view to creating awareness about honesty and integrity, too has been dealt with in the revised edition of the manual.
- 2.10 The Commission is developing an Integrity Index as a tool of preventive vigilance based on bench marking of internal processes and controls within an organization as well as management of relationships and expectations of external stakeholders. The Indian Institute of Management, Ahmedabad is the consultant appointed by the Commission for this important project involving 25 organizations in the first phase.
- 2.11 Last year the Commission had compiled and released a booklet on the preventive vigilance initiatives of twenty organizations. Carrying forward the momentum from last year, a second compilation detailing preventive vigilance initiatives has been put together for twenty more organizations this year as well.
- 2.12 Another part of the strategy emphasizes capacity building for officials working in this area. For newly appointed CVOs, Induction Training is being imparted to provide suitable exposure to statutory rules and regulations and also to empower them to discharge their functions efficiently. Besides induction trainings, short-term thematic training and refresher courses are organized, both nationally and internationally to build professional competencies and inculcate personal attributes by exposing the officers to courses on leadership development, ethics and values in public governance. Eminent speakers are invited every month to share their views with a select audience comprising senior officials and CVOs of government departments and other organizations as part of the lecture series of the Commission and the proceedings of this event are webcast live by NIC to a wider audience all over India.
- 2.13 The themes of preventive and participative vigilance, which are part of the wider scope of the engagement strategy are discussed in detail in subsequent chapters of the report. The present chapter deals with activities falling within the area of punitive vigilance as well as some statutory activities of the Commission.

II Receipt and Disposal of Vigilance Cases

2.14 The Commission received 3134 cases and tendered its advice in 3425 cases in 2017. Commission vide circular No. 08/12/14 dated 03.12.2014 decided that in cases where the Disciplinary Authority (DA) on conclusion of disciplinary proceedings proposes to impose a penalty which is in line with the Commission's first stage advice, it need not consult the Commission for second stage advice. This has enabled expeditious disposal by administrative authorities. Cases disposed by the Commission include advice tendered as first stage advice and second stage advice as well as sanction for prosecution. Requests for reconsideration of the Commission's advice are also included. Table 2.1 shows the receipt and disposal of cases in the Commission during 2017.

Table 2.1
Number of Cases Received and Disposed during 2017

Cases	First Stage Advice	Second Stage Advice	Reconsideration and Miscellaneous	Total
Brought forward from 2016	1239	200	239	1678
Received	1860	420	854	3134
Total	3099	620	1093	4812
Disposed off	2069	478	878	3425
Carried forward to 2018	1030	142	215	1387

2.15 The comparative figures of cases received and disposed in the Commission during the last five years are given in Charts 2.1 & 2.2 respectively.

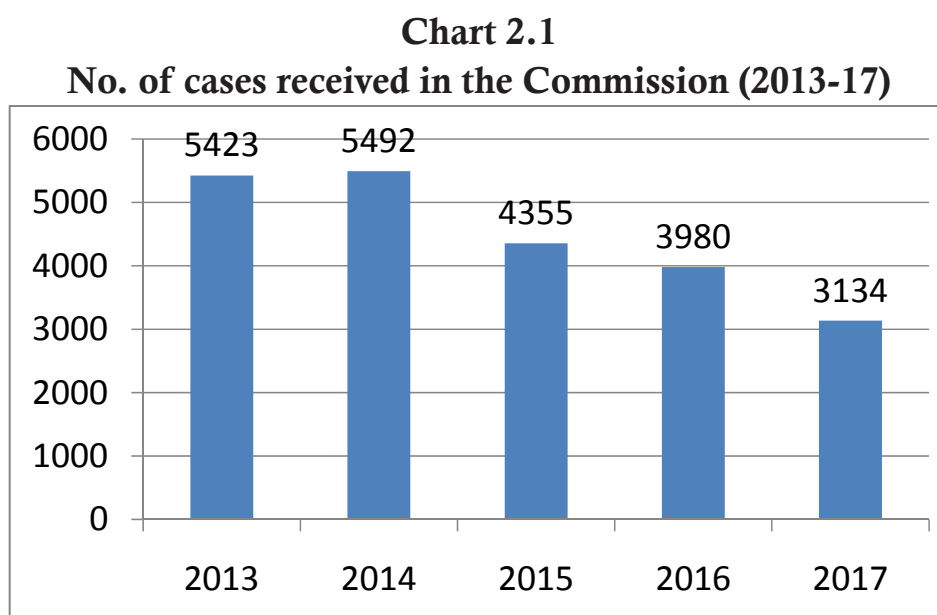
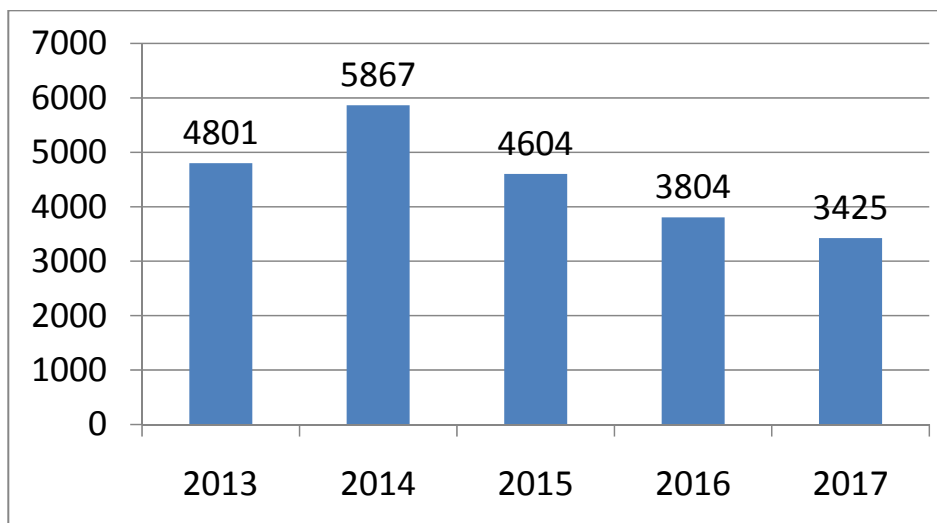


Chart 2.2

No. of cases disposed in the Commission (2013-17)



III Timeline for tendering Advice

- 2.16 The Commission strives to tender advices within the stipulated time period. In 2017, 41.07% of its advices were tendered within ninety days of receipt of the cases. It has been the Commission's experience that many times the organisations either fail to provide complete facts relating to the vigilance case or their recommendations or inputs are not supported by logical reasoning. This necessitates the Commission's seeking further clarifications, causing delay in tendering advice.

IV First Stage Advice

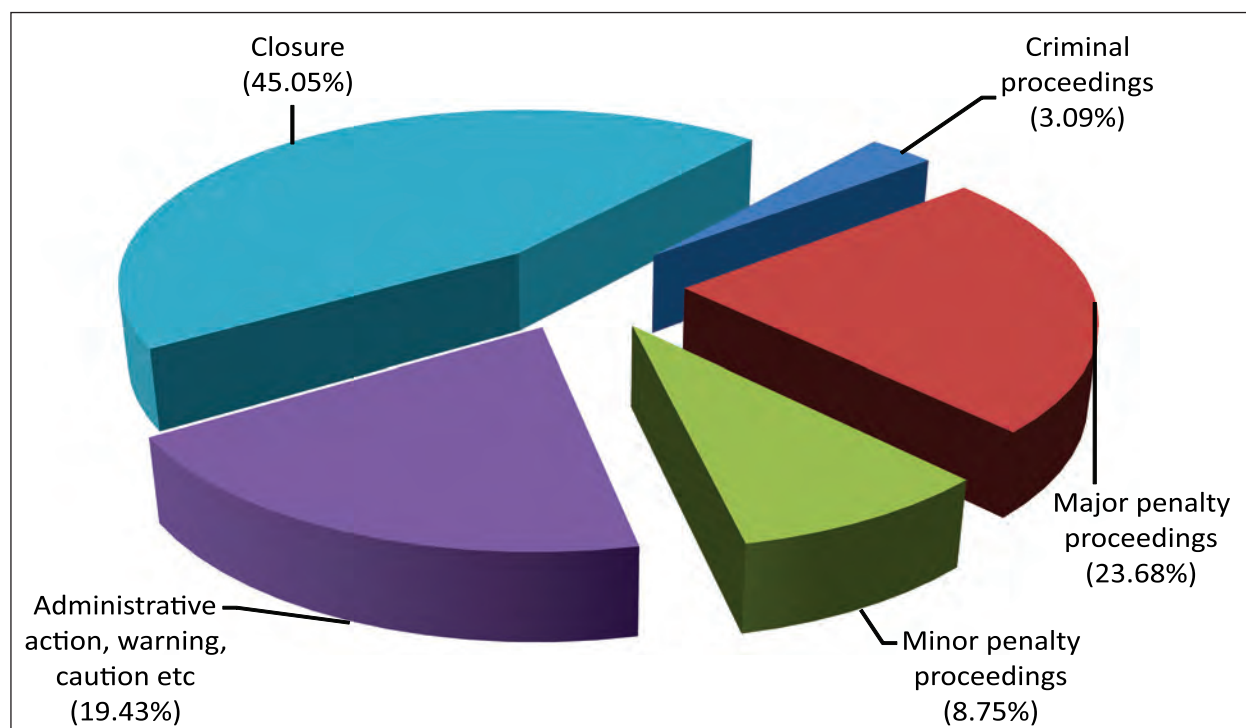
- 2.17 The Commission tendered first stage advice in 2069 cases during 2017. Out of these 2069 cases, 171 cases were based on the investigation reports of the CBI and 1898 cases were based on investigation reports of the CVOs concerned. In the cases investigated by the CBI, the Commission advised criminal proceedings in 52 cases and initiation of major penalty proceedings in 17 cases and minor penalty proceedings in 6 cases. In cases investigated by the CVOs concerned, the Commission advised criminal proceedings in 12 cases, initiation of major penalty proceedings in 473 cases and minor penalty proceedings in 175 cases. In the remaining cases, initiation of regular departmental action were not found to be warranted, as prima-facie, the allegations were either not established conclusively or were merely procedural in nature.
- 2.18 Table 2.2 provides the summary of the First Stage Advice tendered by the Commission. Chart 2.3 provides a summary of various types of First Stage Advice tendered by the Commission in percentage terms.

Table 2.2
First Stage Advice during 2017

Nature of advice	On the investigation reports of		Total
	CBI	CVO	
Criminal Proceedings	52 (30.41%)	12 (0.63 %)	64 (3.09 %)
Major penalty proceedings	17 (9.94 %)	473 (24.92 %)	490 (23.68%)
Minor penalty proceedings	6 (3.51 %)	175 (9.22%)	181 (8.75 %)
Administrative action, warning, caution etc.	57 (33.33 %)	345 (18.18%)	402 (19.43 %)
Closure	39 (22.81 %)	893 (47.05%)	932 (45.05 %)
Total	171	1898	2069

The figures consist of number of cases in which the Commission has tendered first stage advice and each case may involve one or more officers.

Chart 2.3
Nature of First Stage Advice during 2017



V Second Stage Advice

2.19 During the year 2017, the Commission tendered second stage advice in 478 cases. The Commission while tendering its second stage advice, recommended imposition of major penalty in 112 cases (i.e., 23.43 percent of the total) and minor penalty in 78 cases (i.e., 16.32 percent of the total) during the year 2017. In 238 cases, (i.e., 49.79 percent of the total), the charges could not be proved conclusively and in 50 cases (i.e., 10.46 of the total) other action has been advised. Table 2.3 provides a break-up of the advices tendered by the Commission, on the cases received from various disciplinary authorities at the second stage. Chart 2.4 provides a summary of various types of second stage advice tendered by the Commission in percentage terms.

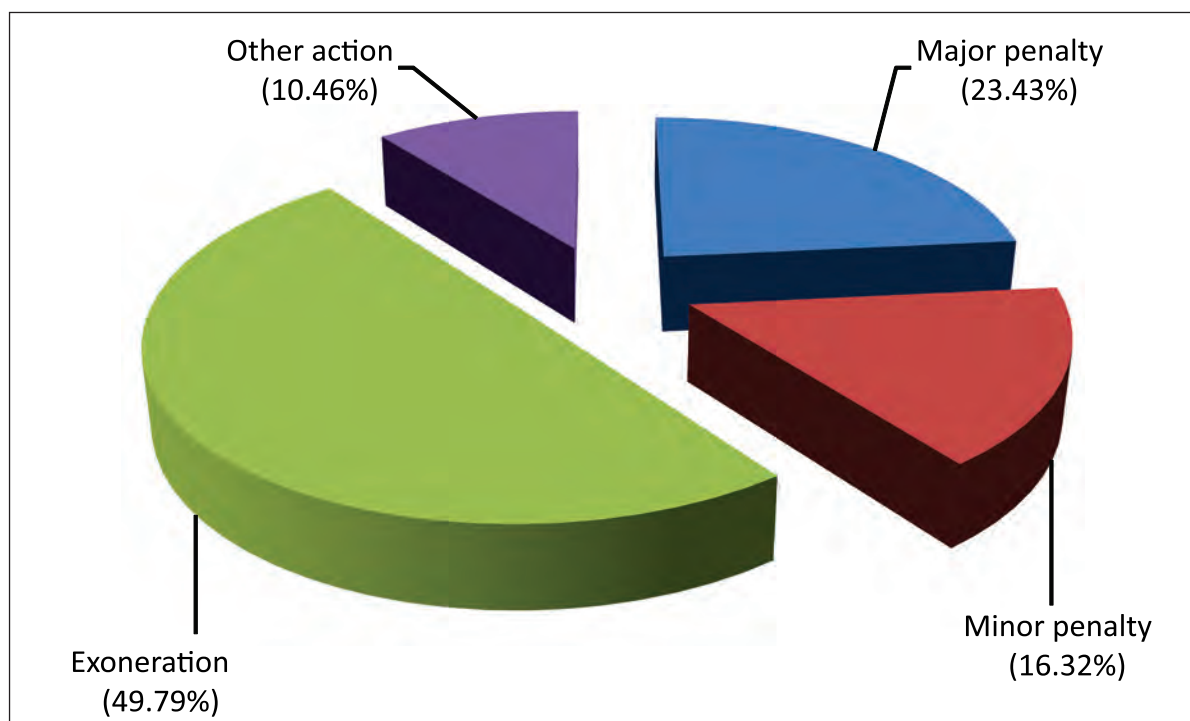
Table 2.3

Second Stage Advice during 2017

Nature of Advice	Cases received for advice
Major penalty	112 (23.43 %)
Minor penalty	78 (16.32 %)
Exoneration	238 (49.79 %)
Other action	50 (10.46 %)
Total	478

Chart 2.4

Nature of Second Stage Advice during 2017



VI Punishments and Prosecution

2.20 In pursuance to the Commission's advice, the competent authorities in various organisations during 2017, issued sanction for prosecution against 152 public servants and imposed major penalties on 1398 public servants and minor penalties on 800 public servants. Tables 2.4 & 2.5 show the number of officers against whom prosecutions have been sanctioned and punishments awarded during 2013-2017. Chart 2.5 shows the nature of punishments awarded in percentage terms during 2017.

Table 2.4

No. of Prosecutions sanctioned (2013 – 17)

Year	Prosecution sanctioned to officers
2013	176
2014	133
2015	132
2016	154
2017	152

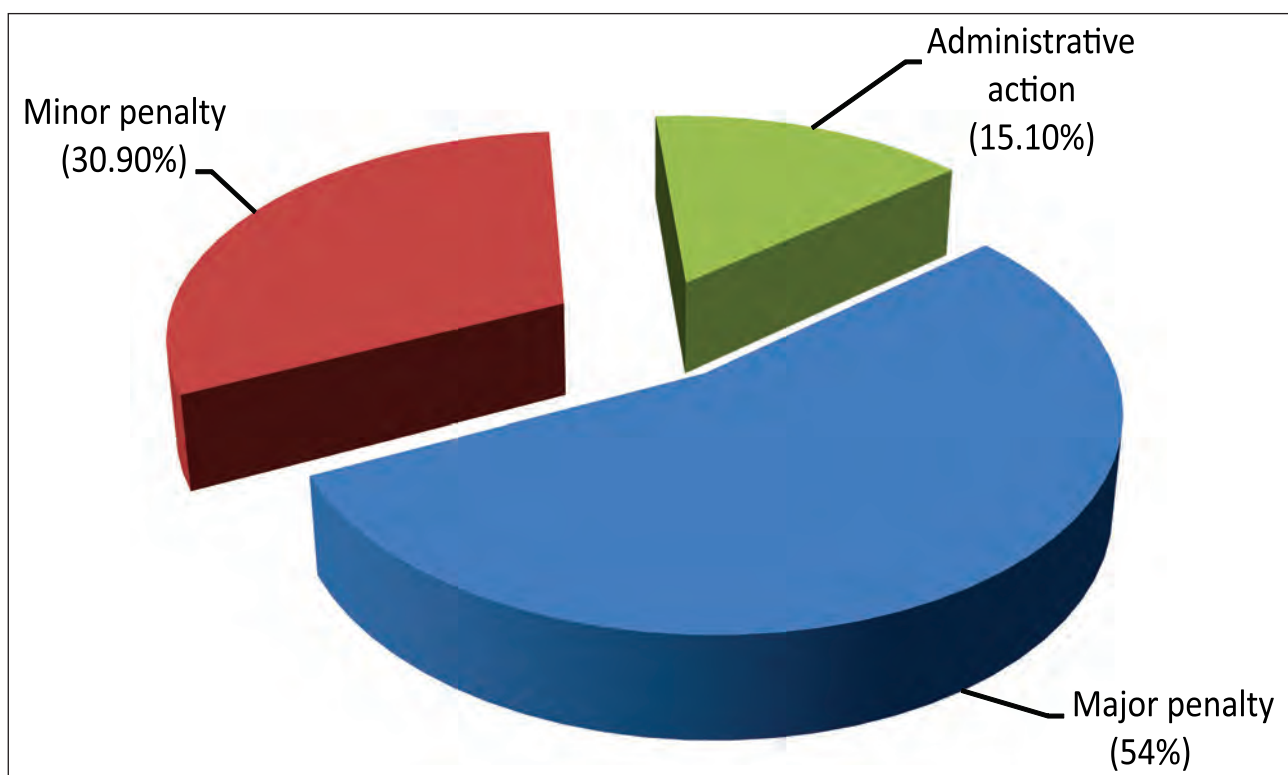
Table 2.5

No. of Punishments awarded (2013 – 17)

Year	Punishments awarded to officers			
	Major penalty	Minor penalty	Administrative action	Total Punishments awarded
2013	1113	1141	426	2680
2014	863	838	443	2144
2015	1832	1346	414	3592
2016	1904	1034	358	3296
2017	1398	800	391	2589

Chart 2.5

Punishments awarded to officers during 2017



2.21 A few cases of deterrent actions taken against senior officers based on the Commission's advice are as follows:

Sanction for Prosecution	<p>One CSTE, Ministry of Railways</p> <p>One General Manager, Central Bank of India</p> <p>Six IAS Officers, Ministry of Personnel, P.G & Pensions</p> <p>One Additional Secretary, Department of Space</p> <p>One Joint Registrar, Department of Education</p> <p>One Regional Provident Fund Commissioner, EPFO</p> <p>One Professor, IIT Kanpur</p> <p>One Vice Chancellor, IIT, Kanpur</p> <p>One Director, Department of Education</p> <p>One Principal, Kendriya Vidyalaya Sangathan</p>
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Dismissal / Removal from Service	<p>One Deputy General Manager, Corporation Bank One General Manager, Industrial Development Bank of India One General Manager, Bharat Coking Coal Ltd. One General Manager, Madras Fertilizers Ltd. One Chief General Manager, State Trading Corporation of India One General Manager, State Trading Corporation of India One General Manager, Western Coalfields Ltd. One General Manager, Coal India Ltd. One Registrar, Department of Science & Technology One Chief Divisional Manager, Ministry of Petroleum & Natural Gas One Professor, Department of Ayush One Additional Secretary, Medical Council of India, One Protector of Emigrants, Ministry of Labour & Employment One Registrar, Rashtriya Sanskrit Sansthan One Deputy General Manager, Mazagon Dock Ltd. One Vice Chancellor, Department of Education Two Principals, Kendriya Vidyalaya Sangathan</p>
Compulsorily Retired from Service	<p>One Deputy General Manager, Pawan Hans Helicopters Ltd. One Registrar, Institute of Physics One Director, Khadi Village & Industries Commission One Chief General Manager, State Trading Corporation of India One Director, Department of Education</p>
Cut in Pension	<p>One IPS Officer, Ministry of Home Affairs 2 CMS, Ministry of Railways One Deputy Director General, Ministry of Civil Aviation One Chief General Manager, Central Bank of India One General Manager, Industrial Development Bank of India One Executive Director, Life Insurance Corporation of India One General Manager, Union Bank of India, One General Manager, Corporation Bank of India One Chief Engineer, Central Public Works Department, One Chief Commissioner, CBEC One Director, Ministry of Textiles One Regional Provident Fund Commissioner, Employees' Provident Fund Organisation Two Chief Engineers, Delhi Jal Board, One Chief Engineer, Delhi Development Authority 2 Principals, Kendriya Vidyalaya Sangathan</p>

Reduction of Pay to lower stage	<p>One Chief Signal & Telecommunications Engineer, Ministry of Railways</p> <p>One Principal General Manager, Department of Telecom</p> <p>One Executive Director, Ministry of Civil Aviation</p> <p>One Member (Ops), Ministry of Civil Aviation</p> <p>One General Manager, Andhra Bank</p> <p>One General Manager, Bank of India</p> <p>One General Manager, Central Bank of India</p> <p>One Field General Manager, Central Bank of India</p> <p>One General Manager, UCO Bank</p> <p>One General Manager, Bharat Coking Coal Ltd.</p> <p>Two General Managers, Bharat Heavy Electricals Ltd.</p> <p>Two General Managers, Central Coalfields Ltd.</p> <p>One General Manager, Northern Coalfields Ltd.</p> <p>One General Manager, South Eastern Coalfields Ltd.</p> <p>Three General Managers, Western Coalfields Ltd.</p> <p>One Professor, Department of Education</p> <p>One Controller of Examination, Indian Council of Agricultural Research</p> <p>One Chief Executive Officer, Director General Department of Estate, Ministry of Defence</p> <p>One Principal Scientist, Indian Council of Agricultural Research</p> <p>One General Manager, Coal India Ltd.</p> <p>One Field General Manager, Dena Bank</p> <p>One General Manager, Oriental Bank of Commerce</p> <p>One General Manager, Oil India Corporation Ltd.</p> <p>Two General Managers, Syndicate Bank</p>
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- 2.22 An overview of organisation-wise break up of penalties imposed by the disciplinary authorities concerned in cases where the Commission's advice was obtained, indicates that Ministry of Railways has issued sanction for prosecution in 21 cases, Ministry of Defence in 16 cases, Power Grid Corporation of India in 15 cases, Department of Posts in 9 cases, Canara Bank in 6 cases, Life Insurance Corporation of India, Bharat Heavy Electricals Ltd. and Ministry of Labour & Employment in 5 cases each.
- 2.23 During the year 2017, punishments were imposed including administrative action taken against public servants by Ministry of Railways (471), Central Board of Excise & Customs (175), State Bank of India (172), Department of Telecommunications (142), Syndicate Bank (102), Indian Overseas Bank (95), Punjab National Bank (60), Dena Bank and Central Bank of India (53), Bank of Maharashtra (50).

- 2.24 An analysis of the penalties so imposed reveals that major penalties of the higher order, viz. dismissal, removal and compulsory retirement from service were imposed on 100 officials by the disciplinary authorities in various organisations.
- 2.25 **Appendix-II** provides organisation-wise breakup of the number of cases where sanction for prosecution has been accorded and a penalty has been imposed on the public servant during 2017 in cases where Commission's advice was obtained by the organisations.

VII Handling of Complaints in the Commission

- 2.26 Complaints constitute an important source of information leading to the exposure of misconducts and malpractices. Complaints are received in the Central Vigilance Commission either by post from complainants or through the complaint lodging facilities available on the Commission's website or through toll free number provided by the Commission.
- 2.27 The Commission has a complaint handling policy for processing of complaints which is available on its website. Complaints received in the Commission are scrutinised thoroughly and wherever specific and verifiable allegations of vigilance nature are noticed, the complaints are forwarded to the CVO / CBI to conduct inquiry / investigation into the matter and report to the Commission expeditiously. Ministries / Departments / Organisations are required to furnish the report of the inquiry undertaken on a reference made by the Commission in terms of section 17 of CVC Act, 2003. The Commission, on receipt of such reports and after taking into consideration any other factors thereto, advises as to the further course of action against the suspected public servants, besides pointing out systemic failures which allow such misconducts to take place. The Commission also suggests systemic improvements, wherever required, to avoid recurrence.
- 2.28 While the Commission recognises the importance of complaints as a good source of information, many complaints received by it are frivolous, vague, non-specific, pertain to procedural lapses, or administrative violations or even against officers not within the jurisdiction of the Commission. Scrutiny of the complaints received in the Commission indicates that number of complaints on which inquiry / investigation reports have been called from the concerned Chief Vigilance Officers form a small proportion.
- 2.29 Also a large number of complaints being received in the Commission are anonymous / pseudonymous in nature. In many complaints, the allegations are wild or unverifiable and in some the intention of the complainant is to harass someone rather than reporting corrupt activities. Therefore, as a general policy, anonymous / pseudonymous complaints are not entertained.
- 2.30 In the year 2017, 26052 complaints were received (including 2443 brought forward from 2016), out of which 22386 complaints were disposed off and 3666 complaints remained pending at the end of 2017. Out of these complaints, 2391 complaints were anonymous / pseudonymous, which were filed in accordance with the Commission's complaint handling

policy. In majority of complaints the allegations were found to be either vague or unverifiable. The Commission received a considerable number of complaints against public servants working in the state governments and other organisations who do not come under the jurisdiction of the Commission or which are of administrative nature.

- 2.31 The comparative figures of complaints received and disposed by the Commission during the last five years are given in Chart 2.6 and Chart 2.7 below.

Chart 2.6

No. of complaints received in the Commission (2013-17)

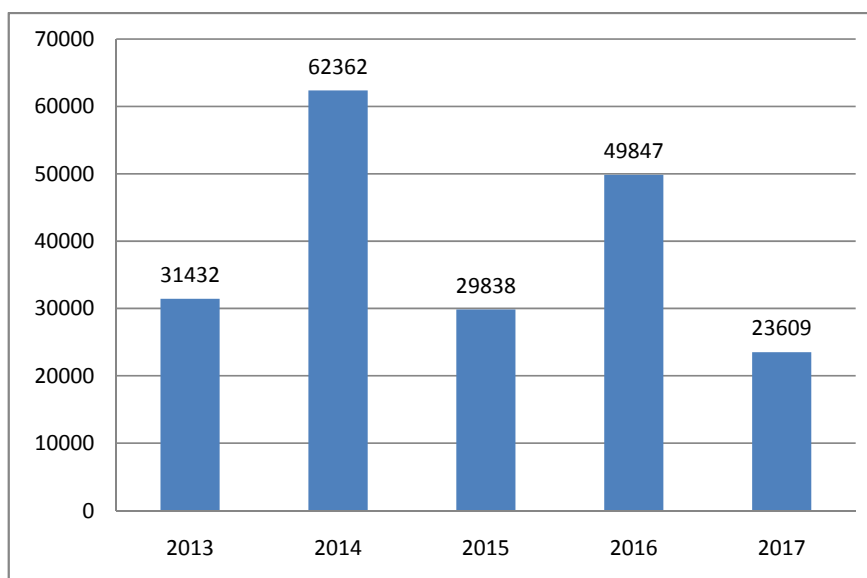
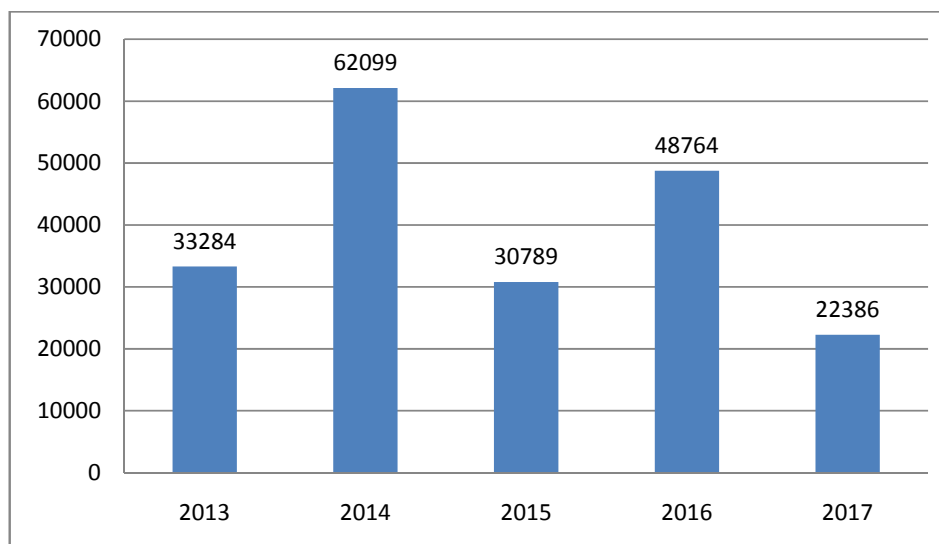


Chart 2.7

No. of complaints disposed in the Commission (2013-17)



2.32 Table 2.6 indicates the nature of complaints received and action taken thereon.

Table 2.6

Complaints received and disposed in the Commission during 2017

Complaints	Nos.
Number of complaints brought forward from 2016	2443
Number of complaints received during 2017	23609
Total number of complaints	26052
Total number of complaints disposed, of which	22386
(a) Anonymous/Pseudonymous (Filed)	2391
(b) Vague/Unverifiable (Filed)	4947
(c) Officials not under CVC / Grievances (Forwarded for necessary action)	14845
(a) Sent for inquiry/investigation to CVO/CBI	203
Number of complaints carried forward to 2018	3666

2.33 After scrutiny of complaints received, the Commission calls for inquiry / investigation reports from the appropriate agencies only in those complaints which contain serious and verifiable allegations and there is a clear vigilance angle. As per the laid down procedure, the inquiry/ investigation reports are required to be sent to the Commission within a period of three months. However, it is observed that in a majority of cases there is considerable delay in finalising and submission of reports to the Commission. Inordinate delays in submission of inquiry / investigation reports to the Commission are a matter of serious concern. In such situation, the Commission may summon CEOs/CVOs concerned personally with records/ documents.

2.34 In addition, the respective organisations also receive complaints directly or through other offices/agencies. CVOs take up enquiry in appropriate cases as per laid down instructions and if vigilance angle emerges, they seek the First Stage Advice of the Commission. Similarly, if during any inspection, audit etc., the management come across any misconducts having a vigilance angle, First Stage Advice of the Commission is sought through the CVO. These also form a large portion of the work of the Commission.

VIII Public Interest Disclosure and Protection of Informers' Resolution (Whistleblower complaints)

2.35 Under Public Interest Disclosure and Protection of Informers' Resolution dated 21st April, 2004, the Central Government had designated the Central Vigilance Commission as the

Agency to act on complaints from the “whistle blowers”. The Commission was entrusted with the responsibility of keeping the identity of the complainant confidential. The Commission has adopted a mechanism of having a Screening Committee which meets periodically to decide on action to be taken on such complaints. The prescribed time limit for investigation and report in respect of PIDPI complaints is one month. Periodic review takes place at the highest level so as to ensure timely submission of report. In the event of any reported threat to life/physical injury, the Commission may issue directions to competent authorities for ensuring protection to whistleblowers.

- 2.36 Department of Personnel and Training (DoPT) vide its Resolution dated 14.08.2013 has authorised the Chief Vigilance Officers in the Ministries/Departments as the designated authority also to receive written complaints or disclosure of corruption or misuse of office by any employee of that Ministry or Department or of any corporation established by or under any Central Act, Government companies, societies or local authorities owned or controlled by the Central Government and falling under the jurisdiction of that Ministry or the Department.
- 2.37 The Commission has advised all organisations to give wide publicity to the PIDPI Resolution and the guidelines issued by the Commission through the websites, specially intranet of the organisations, in-house journals, publications and also to organise seminars / sensitization programmes etc. to inculcate greater awareness so as to encourage public and insiders to come forward and lodge / report information of corrupt practices or misuse of office to the Central Vigilance Commission. Sometimes, the complaints are addressed to the Commission while forwarding copies of the same complaint to other authorities concerned, thus disclosing the identity of the complainant while also seeking protection under PIDPI. At times, even separate complaints are lodged containing similar allegations to authorities other than the Commission thereby compromising the secrecy and safety of the complainant. Even so, the Commission has issued guidelines asking the organisations not to subject the complainant to any kind of harassment because of his having lodged a complaint, even if, at any time, the identity of the complainant gets revealed through any source.
- 2.38 During 2017, the Commission received 781 complaints (includes 37 complaints brought forward from the previous year) under PIDPI Resolution. Out of these, 88 complaints were sent to the CVOs concerned or CBI for investigation / verification of facts/comments which constitute 11.67 percent of disposed complaints and 401 (53.18 percent) of these complaints were sent for necessary action leaving a pendency of 27 complaints. Table 2.7 below gives the nature of complaints received under PIDPI Resolution and action taken by the Commission on them during the year.

Table 2.7

Complaints Received and Disposed under PIDPI during 2017

Complaints Received and action taken	Nos.
Number of complaints brought forward from 2016	37
No. of complaints received during 2017	744
Total number of complaints	781
Total number of complaints disposed, of which	754
No. of complaints filed	265
Non-vigilance (Forwarded for necessary action to Organisations / Departments)	401
Taken up for inquiry / investigation by CVO/CBI	88
Carried forward to 2018	27

IX Vigilance Clearance

- 2.39 One of the tasks performed by the Commission is providing vigilance clearances for persons recommended for appointment to Board level posts in the Central Public Sector Undertakings/ Public Sector Banks etc. During the year 2017, vigilance clearances were processed and issued by the Commission for the Board level appointments in 314 cases. Such vigilance clearance is also provided by the Commission in respect of officials of the All India Services and other Services for empanelment to the posts of Joint Secretary and above in the Central Government and for appointments to certain Statutory Posts under the Central Government and few others. During the year 2017, vigilance clearances were accorded in 3291 such cases.

X Departmental Inquiries

- 2.40 The Commission has been nominating its own officers to conduct departmental inquiries for various Central Government Organisations, usually in cases where the charges leveled are grave in nature. During 2017, the Commission's officers finalised 58 Departmental Inquiries, and there are 103 pending Departmental Inquiries with the Commission at the end of 2017.

XI Vigilance Manual

- 2.41 The Vigilance Manual is a set of all instructions, rules and regulations governing the vigilance management in a Ministry, Department or in an Organisation. The last comprehensive revision of the vigilance manual took place twenty-five years ago, in 1991 (though an edition was printed in 2005). Since then, several changes have taken place in policy matters pertaining to Vigilance Administration, necessitating a comprehensive revision. The Commission accordingly constituted a Committee headed by Shri Praveen Sinha, Additional Secretary

and consisting of CVOs of major organizations, officials of the Commission and other stakeholders to revise the manual. The present 7th edition (2017) of the Manual is the result of a detailed exercise undertaken over a period of one and a half years which involved extensive consultations with several stakeholders including the Department of Personnel and Training and the Central Bureau of Investigation. Dr Jitendra Singh, Hon'ble Minister of State (PP) released the 7th edition of the Vigilance Manual on 7th September 2017 in New Delhi.

2.42 In keeping with the policy of transparency, the Commission decided to put the Vigilance Manual, 2017 in the public domain for the benefit of common citizens and therefore it has been uploaded on the Commission's website. Previous editions were meant for restricted use only. The user friendly Online Version contains hyperlinks to various circulars, orders, rulings, etc., from the websites of the concerned department or organisation. Thus a provision for dynamic and concurrent updation of the manual has been made in the revised edition.

2.43 The 2017 edition of the Vigilance Manual comprises 567 Paras divided into the following 11 chapters:

Chapter-I	Vigilance Administration
Chapter-II	Appointment, Role, Functions and Responsibilities of Chief Vigilance Officers
Chapter-III	Complaints
Chapter-IV	PIDPI Complaints
Chapter-V	Preliminary Enquiry
Chapter-VI	Central Bureau of Investigation
Chapter-VII	Disciplinary Proceedings and Suspension
Chapter-VIII	Specific Issues Related to Public Sector Banks and Insurance Companies
Chapter-IX	Chief Technical Examiners' Organisation
Chapter-X	Preventive Vigilance
Chapter -XI	Some Relevant Issues

2.44 Some Features of the Revised Vigilance Manual are as follows:

- Several new topics of vigilance have been included in the present edition. There are chapters on Public Sector Banks, Public Sector Insurance Companies, Public Sector Enterprises, Preventive Vigilance, PIDPI Complaints, etc.
- The manual includes numerous guidelines issued by the Chief Technical Examiners' Organisation of the Central Vigilance Commission.
- Issues of relevance such as the Standard Operating Procedure in Legal Cases, Procedure for Obtaining and Grant of Vigilance Clearance, Right to Information Act, 2005,

International Co-operation against Corruption, Public Participation in Promoting Integrity and Eradicating Corruption and Forensic Science as a Tool for Enquiry/ Investigation, etc. have also been included.

- A comprehensive chapter on the Central Bureau of Investigation (CBI) has been introduced. The previous edition briefly dealt with ‘facilities and co-operation to be extended with CBI during investigation’.
- A detailed chapter on all aspects of Disciplinary Proceedings and Suspension has also been included in the present edition.

XII IT initiatives

- 2.45 The Commission has in place several IT process systems for enhancing operational efficiency and to provide value addition through better tracking, monitoring and storage of information. Complaints received in the Commission are being handled electronically including for dissemination to the CVOs of the organizations for further action. It has also helped in reducing the manual handling of such tasks thereby minimising time loss involved in physical movement of documents and ensuring better record keeping. The Commission also plans to put in place a multi-tenancy environment to seamlessly integrate vigilance administration with the Ministries / Departments / Organisations concerned. Apart from improving operational efficiency, the IT applications aim at making the Commission’s working citizen-friendly.

XIII International Cooperation

- 2.46 The Commission continuously engages with international anti-corruption agencies for increased sharing of information. This not only helps in exchange of international best practices but also increasing the foot prints of the Commission in the global arena. Some of the international cooperation efforts made by the Commission have been detailed as below:
- (i) Shri K.V. Chowdary, Central Vigilance Commissioner attended the meeting of the Executive Committee of the International Association of Anti-Corruption Authorities, which was presided by H.E. Dr. Ali Al Marri - Attorney General of the State of Qatar from 27-28th Feb, 2017.
 - (ii) Shri K.V. Chowdary, Central Vigilance Commissioner participated in a “Workshop on Tax and Asset Recovery” organized by World Bank in Washington, D.C. on 1st June, 2017.
 - (iii) Shri K.V. Chowdary, Central Vigilance Commissioner represented India at the Eighth Session of Implementation Review Group of UNCAC held in Vienna, Austria from 19th - 23rd June, 2017.
 - (iv) Shri K.V. Chowdary, Central Vigilance Commissioner participated in seventh session of the Conference of the State Parties to the United Nations Convention against Corruption held at UNODC’s office at Vienna International Centre, Vienna, Austria from 06th – 10th November, 2017.

- (v) Smt. Nilam Sawhney, Secretary, CVC participated in the UNODC's working group meeting on Prevention of Corruption from 21st to 23rd August, 2017 in Vienna, Austria.

XIV Right to Information Act, 2005

- 2.47 In order to fulfill the provisions of the RTI Act, a separate RTI Cell has been set up in the Commission to deal with RTI applications from persons seeking information under the Act. Officers of the rank of Director / Deputy Secretary / Under Secretary are functioning as the Central Public Information Officer and an officer of the rank of Additional Secretary to the Commission functions as the Appellate Authority, in addition to their other duties.
- 2.48 1553 applications (includes 162 brought forward from the previous year) were received, out of which 1451 applications were disposed off according to the provisions under the Act during 2017. Further, 377 appeal cases (includes 30 applications brought forward from the previous year) as first appeal were filed with the Appellate Authority of the Commission out of which 354 appeal cases were disposed off. Further, 211 appellants (includes 151 applications brought forward from the previous year) filed appeals before the Central Information Commission (CIC) out of which 36 appeals have been disposed off. At the end of 2017, 102 RTI applications and 23 appeals to the Appellate Authority of the Commission were pending for disposal. A statement showing receipt and disposal of references under RTI Act, 2005 during 2015 to 2017 is given in Table 2.8.

Table 2.8

Receipt and Disposal under RTI Act, 2005

Year	Applications received	Disposal	First appeal references received	Disposal
2015	2146	2034	402	381
2016	1755	1593	298	268
2017	1553	1451	377	354

XV Progressive Use of Hindi

- 2.49 The Official Language Policy is being given due emphasis by the Commission for implementation of the provisions as also achievement of the objectives envisaged in the Official Language Act, 1963. All documents coming under Section 3(3) of this Act, like General Orders, Press Notes, Notifications, Circulars, Annual Report and Papers which were to be submitted before the Parliamentary Standing Committee were issued bilingually in both Hindi and English. Letters received in Hindi were invariably replied to in Hindi.

- 2.50 In compliance to the official language policy of the Union, during the year 2017, three Hindi workshops were conducted in the Commission in which officers of various levels participated. Besides, two officials were nominated for Pragya Hindi training under the Hindi Teaching Scheme.
- 2.51 Meetings of the Official Language Implementation Committee of the Commission are held regularly. The Commission organises Hindi Week in the month of September every year. During the year under report, message of the Central Vigilance Commission was circulated on the occasion of Hindi Day and during the week Hindi Essay Competition, Debates and Poetry recitation competition were also organised in which prizes were distributed by the Commission to the winning participants.

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Annual Sectoral Review Meetings held by the Commission with Chief Executives and CVOs of various Organisations in 2017



Annual Sectoral Review Meetings held by the Commission with Chief Executives and CVOs of various Organisations in 2017



CHAPTER 3

SUPERINTENDENCE OVER VIGILANCE ADMINISTRATION

- 3.1 Consequent to the Commission becoming a statutory body with effect from 11th September 2003, one of the functions entrusted to the Commission under Section 8(1)(h) of the CVC Act, 2003 under Chapter III is to “exercise superintendence over the vigilance administration of the various Ministries of the Central Government or corporations established by or under any Central Act, Government companies, societies and local authorities owned or controlled by that Government”.
- 3.2 Some other clauses viz., Section 8(1)(c), 8(1)(d) and 8(1)(f) supplement the scope of superintendence over vigilance administration. Further, Section 17 of the CVC Act, 2003 empowers the Commission to tender advice to the Central Government/PSUs etc., on report of inquiry forwarded to it, Section 18 of the CVC Act, 2003 enables the Commission to call for reports, returns and statements, etc., and Section 19 of the Act provides for mandatory consultation with the Commission by the Central Government in making any rules or regulations governing vigilance or disciplinary matters. Section 24 of the Act also provides for residual powers drawn from provisions of the GOI Resolution dated 11-2-1964 for continuing to discharge the functions mandated under the Resolution in so far as its functions are not inconsistent with the provisions of the Act. Some of these functions relate to appointment of CVOs, recording remarks of the Accepting Authority in Annual Performance Appraisal Reports (APARs) of CVOs, resolving difference of opinion between Chief Vigilance Officer (CVO) and Disciplinary Authority (DA), advice on policy/procedural issues, issue of guidelines on vigilance matters, framing of Vigilance Manual, providing feedback on vigilance status, amongst others.

I Vigilance Administration in Organisations

- 3.3 The responsibility of ensuring probity, fairness and transparency in an organisation vests with the Chief Executive, i.e., Secretary of a Ministry/Department, CEO/CMD/MD of a Public Sector Undertaking/Public Sector Bank/Public Sector Insurance Company or Head of any autonomous body. Every organisation has a Vigilance Wing headed by a Chief Vigilance Officer (CVO) who assists the Chief Executive in vigilance related matters. The CVO functions as an extended arm of the Commission also. Any vigilance function should aim at upholding the morale and protecting the value system of the organisation. A responsibility is cast on the Chief Executive who heads the organisation to set the right tone from the top management to ensure that the guilty are punished swiftly and innocents are protected from harassment. This would help prevent misconducts, unethical practices and enable the efficient functioning of the organisation. In this context, it is also important that officers and staff of any organisation are updated on the rules, regulations, systems and procedures as they are dynamic and prone to frequent revisions. The Chief Executive is expected to diligently review the work of vigilance

and consider the inputs provided by the CVO for better management of the institution by promoting ethical behaviour in its functioning.

- 3.4 The CVO not only acts as an advisor to the Chief Executive in all matters pertaining to vigilance, but is also the nodal officer of the Organisation for interaction with CVC and CBI. Vigilance functions to be performed by the CVO cover a broad scope and include collecting intelligence regarding the corrupt practices committed, or likely to be committed by the employees of the Organisation or others; investigating or causing investigations to be made into allegations reported to him; processing investigation reports for further consideration of the disciplinary authority concerned; referring matters to the Commission for advice wherever necessary; taking steps to prevent improper practices and commission of misconducts, etc.,. Though there are several facets of vigilance, preventive vigilance measures undertaken by the CVO are of significance as these are likely to reduce the occurrence of vigilance cases.
- 3.5 The Commission primarily communicates with the CVOs in the matter of tendering advices and seeking reports, clarifications, etc. The Commission's impartial and objective advice aids the Chief Executive Officers/Heads of the organisations in maintaining integrity and for effective vigilance administration. In line with its advisory role, the Commission advises the organisations with regard to appropriate punitive action or preventive/corrective action, as the case may be, as and when required, based on material and verifiable records, leaving final action to the disciplinary authority concerned.

II Appointment of CVOs

- 3.6 CVOs in all Departments/organisations are appointed after prior consultation with the Commission and no person whose appointment in that capacity is objected to by the Commission may be so appointed. As the Commission carries out its mandate of superintendence of vigilance administration through the CVOs, it plays a significant role in empanelment and appointment of full-time CVOs in public sector undertakings, public sector banks and insurance companies, etc. The Department of Personnel & Training issued a revised procedure for appointment of Chief Vigilance Officers in Central Public Sector Enterprises (CPSEs) and other organizations under central Ministries/Departments vide their Office Memorandum dated 28th April 2017 covering issues like tenure of CVOs, eligibility criteria and conditions, procedure for selection, procedure to be followed for extension of tenure beyond initial tenure of three years, procedure for additional charge arrangements, premature repatriation, etc. In accordance with the prescribed procedure for appointment of full-time CVOs in public sector undertakings, the Commission conducts a scrutiny of the character rolls and profile of the candidates forwarded by Department of Personnel and Training, apart from verification of its data base and feedback from CBI, before deciding upon the suitability of the candidate for empanelment for appointment of CVO in PSUs as well as select organisations. As regards appointment of CVOs in the financial sector, the panel of candidates shortlisted after preliminary scrutiny and interview is forwarded by Department of Financial Services to

the Commission and thereafter similar procedure as in the case of public sector undertakings is followed before deciding upon the suitability of the candidate for appointment as CVO. The Commission approves panels furnished by Ministries/Departments/autonomous bodies, etc., for appointment of part-time CVOs in their respective organisations. The Commission has also given its recommendations to the Department of Personnel & Training on their proposal for reassessment of CVO positions in Central Public Sector Enterprises (CPSEs) and other organisations under Ministries/Departments which are under consideration.

- 3.7 During the year 2017, the Commission approved the suitability of 64 officers for appointment to the post of CVOs in various organisations. Further, it has also approved names of 15 officers as full time CVOs and 97 officers for appointment as part time CVOs in various Ministries / Departments / Autonomous Bodies. The Commission is however concerned that vacant posts of CVOs are not filled up promptly. It is observed that during 2017, there were 118 posts of full-time CVOs that remained vacant for a period of over month. These included major organisations like Airports Authority of India, Air India, Bharat Coking Coal Ltd., Bharat Earth Movers Ltd., Bharat Heavy Electricals Ltd., Cement Corporation of India Ltd., Central Warehousing Corporation, Coal India Ltd., Delhi Development Authority, GAIL (India) Ltd., Indian Oil Corporation Limited, LIC of India Ltd., MMTC Ltd., NTPC Ltd and Visakhapatnam Port Trust. Among the public sector banks and insurance companies, the post of CVO remained vacant during the year for more than a month in Allahabad Bank, Andhra Bank, Bank of Baroda, Bank of India, Bank of Maharashtra, Exim Bank of India, NABARD, National Housing Bank, Reserve Bank of India, State Bank of India, UCO Bank, Union Bank of India, National Insurance Company Ltd, New India Assurance Company Ltd., Oriental Insurance Company Ltd and United India Insurance Company Ltd. As vacancy in the post of CVO for a long duration is not conducive for efficient vigilance administration, it is essential that concerted efforts are made by Departments concerned for advance action towards filling up the anticipated vacancies.

III Performance of the Chief Vigilance Officers

- 3.8 The Commission monitors the performance of the Chief Vigilance Officers through well established mechanisms by prescribing monthly reports and annual reports and through reviews conducted through the sectoral / zonal meetings convened by the Commission from time to time. In addition, the Secretary and the Additional Secretaries in the Commission also review the work done by CVOs and reconcile the pending issues before the annual zonal review meetings and also periodically either in person or through video conference. The Commission is appreciative of the efforts made by most Chief Vigilance Officers in the efficient discharge of their duties. With a view to prevent any kind of harassment of CVOs, all complaints against CVOs need to be referred to the Commission for advice. Instructions have also been issued vide Commission's OM dated 28.03.2006 indicating steps to be taken to prevent victimisation of officials working in the Vigilance set-up of any organisation. However, in extreme cases where the performance of Chief Vigilance Officers has been found

to be deficient, the Commission has taken a serious view and either declined to recommend their extension of tenure or directed the concerned administrative authorities to repatriate them to their parent cadre. Displeasure was conveyed by the Commission to two CVOs for deficient work during the year.

- 3.9 CVOs scrutinise complaints received from all sources as per the established complaint handling policy. The Commission reviews the status of pending complaints with CVOs periodically so that disposal of complaints is expedited. At the close of the year 2017, out of 4803 complaints (including whistle blower complaints) sent by CVC to the CVOs, 3044 complaints had been disposed. 1759 complaints were pending disposal out of which 1127 had been pending for more than 6 months (**Appendix III(A)(i)**). As regards complaints directly received by the CVOs, 57543 complaints were received by them during the year out of which 41796 had been disposed. 15747 complaints were pending at the end of the year out of which 8011 had been pending for more than six months (**Appendix III(A)(ii)**). Total figures are at **Appendix III(A)(iii)**.
- 3.10 Wherever it has been decided after examination of the complaints to conduct a vigilance investigation, either on the advice of the Commission or otherwise, the CVO gets the investigation conducted by his officers and decides whether the complaint should be dropped or whether regular departmental action should be recommended against the public servant or administrative action, viz., warning, caution etc., would serve the purpose, on the basis of the facts revealed by the investigation report. CVO forwards the report along with his recommendations to the disciplinary authority for appropriate decision. It is expected of the CVOs to get the investigation completed within a period of three months or as soon as possible thereafter. At the end of the year 2017, reports were awaited in 515 complaints out of which 144 were pending for upto one year, 89 were pending for a period between one to three years and 282 were pending for a period of over three years, in respect of such complaints that were referred by the Commission to the CVOs for investigation. (**Appendix IV**).
- 3.11 Once a decision is taken for initiating disciplinary proceedings against an officer, the CVO needs to ensure that charge-sheet is carefully drawn up and issued expeditiously. He/She also ensures that there is no delay in appointment of Inquiry Officers. He/She constantly monitors the progress of the departmental inquiries and brings any inordinate delays to the notice of the concerned disciplinary/administrative authorities for corrective action. At the end of the year 2017, out of 3084 departmental inquiries against officers under the jurisdiction of the Commission, 1191 departmental inquiries had been disposed off and 1893 were pending. Of these, 1432 departmental inquiries were pending for over six months (**Appendix III-B**). As regards 10123 departmental inquiries pending against other employees, 5295 had been disposed off during the year. Out of 4828 departmental inquiries pending at the end of the year, 2747 were pending for over six months (**Appendix III-C**).
- 3.12 CVOs are required to keep a watch over the status of implementation of first stage and second stage advices tendered by the Commission. Cases in which the Disciplinary Authorities have

disagreed with the Commission's advice need to be brought to the notice of the Commission. Periodic reviews are undertaken by the Commission and wherever delays are observed in implementation of its advices, the matter is pursued with the concerned authorities. There were 885 cases pending for implementation of first stage advice and 270 cases pending for implementation of second stage advice for more than six months as on 31.12.2017 (**Appendix V**).

- 3.13 CVOs are also required to send quarterly progress report to the Chief Technical Examiners' Organisation (CTEO) of the Commission giving details about the major purchases/ procurements/works undertaken or being undertaken by the organisation. From these reports, the CTEO selects some of the works, based on certain parameters, for intensive examination. However, as the CTEO would only be able to examine a limited number of works for logistic and administrative reasons, the Commission has issued guidelines for the CVOs to conduct CTE type inspections in order to ensure that works are awarded in a transparent and competitive manner.
- 3.14 Chief Vigilance Officers of Ministries/ Departments/ Organisations are required to submit Annual Reports of vigilance activities to the Commission every year. The performance of the CVOs for the year 2017, as per information reported in their annual reports, is reflected in **Appendix III (A to F)**. List of 402 organisations who have submitted their annual reports is placed at **Appendix III-G**.
- 3.15 During the year 2017, punitive action was taken in 17554 cases (for all categories of officers) dealt with by the CVOs. Further, major penalty was awarded in 5403 cases and minor penalty was awarded in 12151 cases. These details are given in Table 3.1 below.

Table 3.1

Details of penalties imposed in cases handled by the CVOs

Nature of Penalty	No. of officers
Major penalty (total)	5403
• Cut in pension	318
• Dismissal/Removal/Compulsory Retirement	1177
• Reduction to lower scale/rank	2514
• Other major penalty	1394
Minor penalty (total)	12151
• Minor penalty other than Censure	7278
• Censure	4873
Grand Total	17554

Note: The above data is based on annual reports sent by 402 number of organizations, tabulated at Annexure III G.

IV SANCTION OF PROSECUTION

- 3.16 On completion of investigation, if the CBI comes to a conclusion that sufficient evidence is available for launching a criminal prosecution, they shall forward the report to the CVC if previous sanction is required under the PC Act, 1988 to be issued in the name of the President. A copy is to be sent to the authority competent to sanction the prosecution, through the CVO concerned. The CVO plays an important role in processing the matter and expediting decision of the competent authority in arriving at the decision for according or declining the sanction of prosecution. 491 cases for sanction were handled by the CVOs in 2017 out of which 320 sanctions were accorded and 64 were declined by the competent authorities concerned. 107 cases were pending at the end of the year out of which 7 cases were pending for over six months. (**Appendix-III D**).

V ANNUAL SECTORAL REVIEW MEETINGS

- 3.17 The performance of CVOs is reviewed by the Commission through sectoral meetings every year, which provide an opportunity to CVOs to seek Commission's guidance on various issues relating to vigilance administration in their organisations. During the year 2017, the Commission held twelve (12) sectoral review meetings in which 127 organisations participated. They covered Ministries/Departments of Civil Aviation, Railways, Power, Coal, Petroleum, Steel, Mines, Industry, Revenue, Public Sector Banks, Insurance Companies and Financial Institutions.
- 3.18 During the sectoral meetings, the Commission in general reviewed the nature of work being handled by the CVOs in the concerned organisations, areas susceptible to corruption, any milestones achieved by them, systems improvements implemented, other aspects of preventive vigilance pursued as well as focus given to punitive vigilance for expeditious completion of disciplinary proceedings. The Commission highlighted the outreach activities taken up to ensure public participation in fighting the menace of corruption. Departments were also directed to take action to reconcile pendency data with the Commission for effective monitoring.
- 3.19 Various aspects of punitive and preventive vigilance, including systems improvement relating to vigilance administration were covered in the annual zonal review meetings. In the sectoral review meetings of the Petroleum Sector held in Delhi and Mumbai respectively, it was observed that there was a substantial reduction in the number of complaints received in IOCL and considerable improvement in the cases handled and disposed of, mainly due to emphasis on leveraging technology, i.e., e-payments, smart terminals, etc. The Commission advised HPCL to look into their accounting system and carry out reconciliation of various products. Ministry of Petroleum and Natural Gas was advised to ensure that accounts of all PSUs are properly reflected/audited and quality of audit to be improved. The Ministry was asked to keep the Commission informed of the proactive measures taken on the issue of appointments, transport and other contracts as well as dealership issues. They were also advised to look into the aspect of verification of certificates of vendors while processing awarding of contracts.

- 3.20 While reviewing the performance of CVOs of Defence Sector, the Commission emphasised that CVOs of all sectors need to examine CAG audit reports for ascertaining any vigilance overtone or systemic failures. The CVOs of Defence Sector were advised to conduct more CTE type inspections and focus on preventive as well as punitive aspects along with systems improvements.
- 3.21 In respect of the Steel and Mines Sector, the Commission advised Ministry of Steel to look into the steel for reinforcement being used in the construction industry and infrastructure development which should have a fixed standard as far as possible. CVO, SAIL was advised to prepare a plan regarding land records and eviction of unauthorised occupants from their township. A report was sought from NMDC in respect of their new Steel plant under construction on the aspects of major contracts executed, delays observed, time and cost overrun during execution and penalties levied. A report was also sought on the project execution of the Rail Wheel Plant by RINL at Lalganj, UP.
- 3.22 While emphasizing the aspect of recruitment in the PSUs under Power and Fertiliser Sector, the Commission highlighted that most of the PSUs in the various sectors either did not have Standard Operating Procedures (SOPs) or that they were not current or revised. The Commission also noted that there is no SOP for campus recruitments and a laid down policy on deciding/selecting the institute for campus recruitment needs to be defined. The Commission has also desired that security protocol in the various installations be reviewed. With reference to obtaining legal advice in some cases, the Commission observed that despite obtaining legal advice from the Attorney General of India, some PSUs have obtained further legal advice from other legal experts/private advocates also. The Commission desired that an SOP in this regard may be formulated by the concerned organisations. The Commission advised PFC for analysis of audit reports to be carried out in a more objective manner. CVOs of Power and Fertiliser Sector were advised to ensure compliance of time-bound disposal of pending cases in various categories.
- 3.23 In the sectoral review of public sector banks and insurance companies held at Mumbai and Delhi respectively, the Commission noted that there was considerable progress in liquidating the pendency, due to the vigorous efforts on the part of CVOs and Advisors in the Commission. However, the Commission expressed concern on the quality of investigation and urged the CVOs to properly fix responsibility of officials concerned and analyse their lapses vis-à-vis the role assigned. The Commission also advised that cases should be referred well before superannuation of the officer concerned so as to enable effective scrutiny of papers. All the CVOs were advised to scrutinise sundry/suspense entries on a monthly basis. Union Bank of India was advised to cross-check balance-sheets submitted by borrowers with the one submitted by them to MCA which is uploaded on the website. UCO Bank was advised to take corrective steps for curbing incidents of cheque frauds. United Bank of India was asked to issue SOP to prevent major irregularities arising due to non-verification of end use of funds, non-verification of security, vague and generalised inspection report by the bank officers. The

Commission also advised that DFS and large PSBs may explore the possibility of establishing their own training institutes. Considering that the Banking sector is passing through tough times, the Commission emphasised that bonafide actions of officers need to be supported by Vigilance so that the morale of the employees as well as of the organisation is kept high.

- 3.24 The Commission pointed out some cases in the Coal Sector where tenders are issued and processed over a period of time and after a long gap of two years, the tenders are discharged on the ground that there was no need for the work. The Commission desired that CVOs should look into these issues seriously in consultation with the Management to ensure that tender processes are finalised in time. Ministry of Coal was also advised to examine whether procurements of Coal India Limited (CIL) as well as its subsidiaries can be centralised. Asset Management Portal of CIL can be tagged with major repairs also. Mahanadi Coalfields Limited (MCL) was asked to submit a report on guidelines regarding CSR and audit of Corporate Social Responsibility (CSR) funds. In respect of Boda project of Western Coal Fields Limited (WCL) wherein a tender was cancelled after three years, the Commission desired that a case study needs to be conducted on the basis of tendering and various issues involved.
- 3.25 As regards the Ministry of Railways and its PSUs, the Commission urged that vacant posts of CVOs in various organisations under the Railways may be filled up expeditiously. Preventive vigilance needed to be strengthened to avoid violation of tender related irregularities. Railway Board was advised to develop a portal for monitoring of departmental proceeding cases and an alert mechanism may also be added in the portal which would send automatic sms/email alerts to the relevant officials for expediting the pending cases. The Commission also directed CTEO to look into the issue of appointment of PMC by DFCCIL for implementation of contracts to ensure the incorporation of terms and conditions guiding the responsibility and commensurate penalty clauses in the contract for appointment of PMC.
- 3.26 In the sectoral review meeting with CVOs of financial sector, the Commission asked the CVO, Securities and Exchange Board of India (SEBI) to report on the scrutiny of Annual Property Returns of SEBI employees along with the rule position under intimation to the Department of Economic Affairs. Department of Revenue was asked to expedite action on pending complaints/cases and submit an action plan for disposal of departmental inquiries pending for over one year. The Commission advised Central Board of Direct Taxes (CBDT) that in case of simultaneous prosecution and Regular Departmental Action (RDA) cases, the Department may appoint Inquiry Officer / Presenting Officer immediately. The Commission observed that vigilance function in CBDT is driven primarily by punitive vigilance and advised that it should focus on vigilance functions like inspections/reviews/systemic improvements, etc. Department of Revenue was also asked to look into the need of restructuring of vigilance set-up in CBDT and deployment of more manpower at Zonal level to reduce response time in vigilance cases/complaints. In respect of Central Board of Excise & Customs (CBEC), it was pointed out that some cases had become time-barred as the suspected officers had retired.

CBEC was advised to explore the feasibility to enable the tagging of vigilance status of the officers/officials in the Human Resource Management System (HRMS) system to avoid such incidents of cases getting time-barred. With reference to handling of seized gold, CBEC was advised to put in place a system by using scientific tools (such as bar-coding, tagging etc.) for handling the seized gold so that theft and pilferage can be prevented.

- 3.27 It was observed in the annual sectoral meeting with Ministry of Road Transport and Highways that construction works are entrusted by National Highways Authority of India (NHAI) to State PWDs wherein huge amount of Government money is handed over to State PWDs. As a large number of complaints are being received regarding misconduct, lapses and embezzlement in this regard, a report was sought from the Ministry on the mechanism in place to supervise and control State PWDs. NHAI was advised to prepare a paper on the issue of stipulation of disciplinary jurisdiction in the appointment order of deputationists for submission to NHAI Board/Ministry of Road Transport and Highways under intimation to the Commission. Airports Authority of India was asked to submit a status report on digitisation of land records.
- 3.28 In the annual sectoral meeting with Ministries/Departments/organisations, the Commission advised Ministry of Home Affairs to avoid delay in submission of charge sheets to charged officers and delay in appointment of Inquiry Officers. CVO, IREDA was advised to examine the non-performing assets, write-offs and One Time Settlement (OTS) and furnish a report along with guidelines related to project sanctioning. Council of Scientific and Industrial Research (CSIR) was advised to conduct workshops on imparting knowledge on vigilance/tendering process. The Commission advised Employees' Provident Fund Organisation (EPFO) for an analysis to be made of the last quarter of 2015-16 on the methodology adopted for claim settlements of dormant/inoperative accounts in order to ascertain the efficacy of the system. It was also advised that the new IT system being developed by the EPFO should have a mechanism to generate an alert for non-remittance of subscription by establishments and a clear cut mechanism for prosecution of defaulting establishments should be put in place. In respect of Employees' State Insurance Corporation (ESIC), the Commission advised that enforcement officers should be empowered to impose penalty upto a reasonable amount and there should be administrative checks and balances for all these measures.
- 3.29 Apart from stock-taking of vigilance activities in the annual sectoral review meetings, the Commission appreciated the efforts of CVOs, wherever due, in carrying out their functions in an effective manner. The Commission noted the significant progress made in liquidating pendency of cases related to Banking Sector, Coal Sector and Petroleum Sector and appreciated the efforts of the concerned CVOs, Advisors and Branch Officers in the Commission. The contributions of various CVOs in the successful organisation of various events associated with Vigilance Awareness Week and administration of Integrity Pledge were recognised by the Commission and it was hoped that the momentum would be sustained in future also.

VI Other measures of exercising superintendence over vigilance administration

3.30 Apart from holding annual sectoral review meetings, the Commission carries out its mandate of superintendence over vigilance administration through various other measures also, a few of which are as under:

(A) Important Meetings

The Commission has also held meetings with CVOs and senior executives on various issues of importance or to seek further clarity on complicated cases during the year. In a few cases, summons was also issued under Section 11 of CVC Act, 2003.

- (a) A meeting was held on 05.01.2017 with senior officials from Central Bureau of Investigation, Enforcement Directorate and CVOs of ten banks to discuss serious irregularities in the account of some jewellery firms.
- (b) A meeting was held on 13.02.2017 with senior officials from Department of Financial Services (DFS), General Insurance Public Sector Association (GIPSA) and CVO, Oriental Insurance Company Ltd to discuss Standard Operating Procedure on appointment and rotation of surveyors. This was followed by another meeting on 03.08.2017 with senior officials from DFS, CMD and CVOs from General Insurance companies and Insurance Regulatory Development Authority (IRDA) officials on adoption of surveyor management policy in General Insurance companies. However, these authorities have still not finalised the SOP.
- (c) In the matter of chartering of Air Diving Support vessel in a PSU, it was observed that the bidders have to confirm availability of the vessel(s) along with the valid original MOU, if applicable, one day prior to the price bid opening. The PSU had been advised to examine the introduction of such clause of seeking confirmation and availability of vessel(s) one day before opening the price bid because denial of the bidder would lead to the futility of tender process. A presentation was made by senior officials of the PSU to explain the efficacy of the system in hiring of vessel(s) at competitive rates.
- (d) The Commission had taken adverse note of a case of exorbitant expenditure by a PSU to the tune of Rs. 92 lakhs towards conducting AGMs for the years 2013 and 2014. The report of CVO in the matter was found deficient in as much as information regarding the mode of payment and other details, etc., were not available. A meeting was held with the CVO of the PSU for clarification on these issues.
- (e) The Commission held a meeting with CVO, Ministry of External Affairs on 17.05.2017 in the matter of following uniform and transparent process for awarding of contracts of visa outsourcing at various Missions abroad. MEA had thereafter brought out a systemic change in the process of identifying suitable outsourcing company to handle consular/visa work in Missions abroad in order to bring about uniformity, transparency and objectivity in the process.

- (f) A meeting was held by the Commission with CVOs of Ordnance Factory Board and Department of Defence Production on 17.11.2017 wherein measures for systemic improvements for making realistic estimated cost of equipment based on market trend and consultation with other organisations, which were infrequently procured by OFB were discussed.
- (g) The issue related to notices being issued to the tax payers under Rule 22(3) of the Central Excise Rules and requiring them to be present during the course of Audit conducted by the Revenue Audit Party was discussed in a meeting held on 21.11.2017 with officials of Comptroller and Auditor General of India. After discussions, the Commission suggested some preventive vigilance measures so as to protect public in general from harassment and the possibility of corrupt practices. The CAG has since amended the procedure to be followed in such cases and provided certain safeguards.
- (h) A GM of a Public Sector Bank was summoned and counselled for violation of Commission's guidelines in a case involving sanction of prosecution.
- (i) The CMD and CVO of a PSU were summoned to clarify the stand of the company in a matter of wrongful invocation of Bank Guarantees (BGs)/BGs not issued, valued at Rs. 173.50 crores by a Public Sector Bank wherein a similar matter was referred to CBI on an earlier occasion and on a subsequent occurrence of the same action, a reference was made to Chief Secretary, Government of West Bengal.
- (j) There had been a fraud of Rs. 1.80 crores in a PSU and the CMD and CVO were summoned to clarify issues related to exoneration of certain officials on whom responsibility was fixed by the Vigilance.

(B) Direct Inquiries

Section 11 of CVC Act, 2003 provides that in inquiries conducted under the powers granted in Section 8(1)(c) and (d) of the Act, the Commission shall have powers of a civil court trying a suit under the CrPC in the matters including requisitioning any public record or copy thereof from any court or office and issuing commissions for the examination of witnesses or other documents. A few such instances where the Commission undertook direct inquiries in exercise of these powers is given below:

- (a) CBI had registered a Regular Case (RC) in 2008 alleging disproportionate assets in respect of an officer and finally recommended initiation of minor penalty proceedings against the officer for failing to intimate his Department about the large volume of high value transactions in stocks and construction business in the name of his wife. First stage advice recommending closure of the case was sought by CBDT on 06.05.2015. The Commission observed that prima facie the entire exercise appeared to be of routing unaccounted money of the officer through the

accounts of his wife and other entities which required further detailed investigation. The Commission, while conveying its displeasure on the unsatisfactory manner of investigation and delay on the part of CVO, advised on 27.07.2015 that the disproportionate assets case should be re-examined and first stage advice sought within a period of two months. On 24.05.2016, the Department reported their inability to investigate the case on the ground that it lacked powers to make inquiries with persons outside the Department and requested the Commission to direct CBI to undertake further investigation. CBI thereafter informed that closure report had already been filed on 31.10.2009 which had been accepted by the Court on 12.11.2009 and therefore there was no scope for CBI to undertake further investigation/inquiry into the matter. After discussions in a joint meeting with officers of CBI and the Department, the Commission directed a senior officer to investigate the genuineness of the transactions in shares, profits/income generated therefrom and other issues related to the DA case of the officer on 03.05.2017. The Commission also issued directions under Section 11 of the CVC Act to examine witnesses, summon and examine documents and to exercise powers under Section 11 to investigate the matter. The investigation is in progress.

- (b) In a case of auction of unclaimed goods by a PSU in the year 2014, the bidder who had emerged as the highest bidder (H-1) and had deposited about Rs. 9 lakhs as Earnest Money Deposit (EMD) for the purchase of auctioned goods, was not given delivery of the auctioned goods. The auction had apparently been done without obtaining statutory clearance from the Textile Committee. The goods were not delivered to the bidder, his EMD was forfeited and he was also asked to deposit about Rs. 6.7 lakhs as ground rent and other levies. The Commission directed an investigation under Section 8(1)(d) of the CVC Act, 2003 of the auctioning of the unclaimed goods by the PSU by a team of two CVOs on 22.08.2017. The team was asked to examine all the cases of disposal of unclaimed/seized/auctioned goods by the PSU in the financial years 2015-16, 2016-17 and the current year to report whether timelines laid down in the auction schedule have been followed, goods have been released in time on payment of money to successful bidder, EMDs of unsuccessful bidders were released immediately on deciding upon the eligible successful bidder and other relevant issues and as to the systemic defects giving rise to misconducts.
- (c) The Commission constituted Special Investigating Teams (SIT) to investigate complaints of sensitive nature or in cases where the initial departmental investigation was inadequate. Some of the cases where SITs were constituted related to complaint on irregular appointment of Flight Operations Inspector (FOI) on contract basis in Directorate General of Civil Aviation (DGCA) and unauthorised air travels by the incumbent, irregularities in vehicle parking contracts at various airports under Airports Authority of India (AAI), irregularities in the implementation of High

Security Registration Plates Project by Ministry of Road Transport & Highways and alleged bribing of NHAI officials by a foreign company through its Indian unit. After consideration of the reports submitted by the SITs, the Commission issued appropriate advices and where deemed fit, referred the matter to CBI for further investigation.

(C) Advices other than punitive action

The Commission, in deserving cases, advises appropriate measures for effective vigilance administration even if mala-fide is not apparent and no punitive action is warranted. In one such case, a matter of ISD fraud, i.e., under charging of ISD calls in a unit of BSNL was investigated by BSNL Vigilance and report was furnished to the Commission concluding that undercharging of international calls to some countries was done due to a technical glitch in the software of IN switch which was installed and commissioned by the contractor and there was no mala-fide on the part of any officials in the matter. Incidentally, the matter was also investigated by CBI who had opined that though a wrong has been committed at BSNL causing loss to the exchequer, there was no evidence indicating any conspiracy between BSNL officials and private parties. Although no mala-fide on the part of officials was observed, considering that there has been a substantial loss of Rs. 29 crore to the exchequer due to improper/undercharging of ISD calls, the Commission advised Department of Telecommunications to pursue the matter of recovery from the contractor and report compliance. BSNL recovered the entire loss from the contractor. Thus, recovery of huge loss caused to the exchequer could be effected on Commission's intervention.

VII Deficient Vigilance Administration

3.31 The Commission observed lack of proper vigilance administration in a few organisations during the course of examination of cases and conveyed its concerns while tendering advice. A few instances are given under:

- (i) A recruitment process of Trainee Pilots was held by Air India in 2009 and complaints were received in the Commission in 2013 wherein it was alleged that (a) the announcement for the recruitment was intentionally delayed to wait for the clearance of some of the relatives of Air India officials in the DGCA examination and consequent award of Indian Commercial Pilot License (CPL); (b) the time schedule of examination was extended to favour some candidates linked to Air India officials arriving late; and (c) the question paper did not carry question wise break up of marks, there was no mention of negative marking and candidates were allowed to cross/re-cross answers to the same questions facilitating change of wrong answers. The complaint was investigated through CVO, Ministry of Civil Aviation and on receipt of the report, the matter was examined in the Commission in February, 2015. The CVOs of Ministry of Civil Aviation and Air India were called by the Commission to explain the issues in person on 17th June 2016. It was explained that the recruitment process was cancelled due to financial crisis in National Aviation Company of India Limited (NACIL) and therefore fresh process should have

been initiated. However, keeping in view the immediate need for pilots, 40 trainee pilots of the 2009 panel and 30 cadet pilots of 2007 panel were allowed to be inducted with the approval of the Air India Board and MD, Air India. The Commission observed that once the recruitment was cancelled in 2009 for whatever reasons, selection from the same panel could not be justified for any reason. It was also observed that out of 42 candidates selected through the recruitment process which was subsequently cancelled, 24 candidates were wards of employees of NACIL. As the entire modus operandi pointed towards the whole recruitment process not being managed transparently, the bonafides of the process followed also appeared questionable. Considering the explanations offered by the CVOs, the Commission advised closure of the case with further advice to avoid opacity, adopt a transparent procedure in recruitments and devise ways and means to preserve records. The Commission also expressed extreme displeasure on the way the case was handled.

- (ii) An intensive technical examination was carried out by CTEO in February, 2008 in the work of rehabilitation and upgrading of a Road Section on the National Highway network in the state of Gujarat. The report dated 31.10.2008 brought out irregularities in processing of bids, not awarding contract to the lowest bidder, no sense of urgency in awarding of work leading to claims of damages, disqualification of a bidder firm at pre-qualification stage and non-retention of financial documents, etc. Report on two paragraphs were sought by the Commission from the organisation on 30.07.2012. It was conveyed by the CVO that despite best efforts, relevant documents could not be located due to shifting of offices and officers, 95% of whom come on deputation. The CVO was advised on 04.01.2013 to come out with a comprehensive proposal for such outstanding paragraphs which could not be investigated for want of documents. An FIR was also filed in the case with the State Police. The Commission treated the two pending paragraphs as fait accompli and decided not to pursue the matter further. However, considering the delayed response, missing of documents and half-hearted pursuit of FIR with the Police were seen as signs of ineffective vigilance administration in the organisation and were viewed seriously by the Commission.
- (iii) A vigilance check in award of tender to an agent for supply of trained manpower, booking and handling of passengers for Kedarnath and Maa Vaishno Devi Shrine helicopter operations during 2008 and 2011 was carried out by the CVO of the concerned PSU. During the check, it came to notice that the contract was awarded without the approval of CMD who was the competent authority to approve the contract. It was also detected that a financial loss of Rs. 1,80,443/- was caused to the Company by way of paying taxes over the tendered amount to one of the contractors without any provision in the tender and some unauthorised payment made to another contractor. The Commission advised the CVO on 11.03.2013 to initiate major penalty proceedings against one GM and three DGMs and also to recover the

excess payment made to one contractor from the officers found responsible and also recovery of unauthorised payment made to another contractor. On conclusion of the disciplinary proceedings, the competent authority imposed penalties inline with the Commission's first stage advice except that a recovery of only Rs. 50000/- was made from one of the contractors. The Commission advised on 15.12.2015 to effect the remaining recovery from the delinquent and also to realise the unauthorised payment made to one of the contractors. It was intimated on 28.10.2016 that financial loss attributable to one of the charged officers could not be recovered as he had retired before completion of investigation. The CVO further intimated on 22.03.2017 that the proposal for write-off of loss would be put up to the Board in the next meeting. On further enquiry, it was intimated by CVO on 31.10.2017 that a draft Board Agenda was put up to the competent authority (CMD) who decided that since necessary recovery had already been made from the delinquent officer, no further action was required on the issue. Recovery of excess payment to the contractors had also not been agreed to by the CMD. The Commission considered the lack of intent on the part of the Management for recovery of pecuniary loss caused as an instance of inefficient vigilance administration.

VIII Guidelines/Instructions issued by the Commission during 2017

3.32 As a part of exercising superintendence over vigilance administration, the Commission also issues various guidelines, instructions, etc., aimed at streamlining procedures/improving efficacy of vigilance functioning in the various organisations. A few such instructions issued during the year 2017 are listed below:

(i) Systemic Improvement Guidelines - Engagement of Consultants –regarding (Circular No. 011/VGL/063 dated 23.01.2017)

Taking into account the practices and procedures, being followed by various organisations, the Commission advised certain measures in the matter of finalising the contracts for engaging consultants.

(ii) Expeditious finalisation of departmental proceedings pending with the Ministries / Departments/Organisations–regarding (O.M.No.017/MSC/002 dated 07.03.2017)

All Disciplinary Authorities (DAs) were advised that inordinate delays in processing inquiry reports is neither in the interests of the organisation nor the officer concerned. The Commission directed that all such departmental inquiries pending after receipt of Inquiry Officer's report are required to be brought to a logical conclusion within the prescribed timeline by issue of final orders by the competent authorities concerned in the Ministries/ Departments/Organisations expeditiously without any further delay, following laid down procedure. The DAs concerned were advised to expeditiously process all such pending reports. Further, the CVOs concerned were also directed to vigorously pursue all such pending matters with the DAs.

(iii) Reporting of fraud cases to Police/State CIDs/Economic Offences Wing of State Police by Public Sector Banks (Circular No. 007/VGL/050 dated 14.06.2017)

1. According to the existing instructions contained in para 3 of the Commission's Circular No. 3/1/08 dated 3rd January, 2008, in the matter of reporting cases involving financial frauds to the local police by Public Sector Banks (PSBs), cases below the value of Rs.1,00,000/-, but above Rs.10,000/- are required to be reported to the local police by the concerned branch of the PSBs.
2. The Commission, in consultation with the Reserve Bank of India taking into account the practical difficulties faced by PSBs in reporting such categories of cases has decided that only if staff of the bank is involved in the fraud cases of below Rs.1,00,000/- and above Rs.10,000/- would need to be reported / file complaint to the local police station by the Bank branch concerned

(iv) Reference to the Commission for advice –documents/information to be furnished– regarding(Circular No. 006/PRC/1 dated 28.11.2017)

1. The Commission, from time to time, has been emphasising on the need for sending complete documents / information by the Ministries / Departments / Organisations while seeking its advice.
2. Of late, several instances have come to the notice of the Commission where the guidelines are not being followed scrupulously and references are being made to the Commission without the requisite information / documents which is resulting in avoidable delays in processing of vigilance cases / departmental inquiry reports. Many a time, even the proforma prescribed for bio-data of the Suspect Public Servant (SPS) / Charged Officer (CO) is being sent without duly filling it up, or more precisely, after leaving the column of date of birth / retirement blank. Whether an SPS / CO is in service or has retired is a crucial point for appreciating the case and enabling the Commission to tender its advice appropriately.
3. All CVOs have been advised to ensure that the references being made to the Commission for seeking its advice are fully compliant to the guidelines contained in the Circular dated 06.08.2009 and in para 7.9.4 and 7.28.4 of the Vigilance Manual 2017, and include complete information / documents including duly filled-up bio-data as prescribed.

Release of 7th Edition of Vigilance Manual



Swachhata Abhiyan in the Commission



CHAPTER - 4

NON-COMPLIANCE OF COMMISSION'S ADVICE AND OTHER AREAS OF CONCERN

- 4.1 The Central Vigilance Commission in exercise of its functions and powers under Section 8(1) (g) of the CVC Act, 2003, tenders advice to the Central Government, corporations established by or under any Central Act, Government companies, societies and local authorities owned or controlled by the Central Government on such matters as may be referred to it. The Commission also exercises superintendence over the vigilance administration of these organisations. The advice tendered by the Commission is based on a reasoned appreciation of all the facts, documents and records relating to a particular case, which are brought to its notice by the organisations concerned. Acceptance of the Commission's reasoned advice in a majority of cases by the Disciplinary Authorities is an indicator of the objectivity and fairness of the Commission's advice.

However, in some cases of officers falling within the Commission's jurisdiction, either the prescribed consultation mechanism with the Commission was not adhered to, or the authorities concerned did not accept the Commission's advice. Further, there have been instances where the advice tendered by the Commission has been substantially diluted without approaching the Commission for reconsideration of its advice, which was required to be done as per extant procedure.

I Cases of non-compliance and non-consultation:

- 4.2 The Commission has observed that during the year 2017, there were some significant deviations from the Commission's advice. Whenever the Ministries / Departments propose to differ from or not to accept a recommendation / advice of the Commission, a procedure has been laid down in terms of the Department of Personnel & Training OM No.118/2/78-AVD-I dated 28.9.1978, which prescribes that in those cases of officers for whom the President of India is appointing authority, (i.e. orders are required to be issued in the name of the President), a reference has to be made to DoPT before the Ministries / Departments finally decide such cases. However, cases in which the Heads of Departments of other organisations or departments are the Disciplinary Authorities, and in similar cases of officers other than Board level appointees in Central Public Sector Enterprises (CPSEs) / Public Sector Banks / Financial Institutions / Insurance Companies, etc., these cases are not required to be referred to the DoPT for resolution of differences with the Commission. In all such categories of cases, the concerned Disciplinary Authorities are expected to independently take a final decision after due application of mind, keeping in view the Commission's advice / recommendations tendered.
- 4.3 Non-acceptance of the Commission's advice or non-consultation with the Commission vitiates the vigilance process and weakens the impartiality of vigilance administration. Cases of deviation from prescribed procedure or non-acceptance of the Commission's advice considered fit for specific mention are presented in this report as given below:

Table- 4.1

Sl. No.	Department/ Organization	Commission's Advice	Action taken by the Department
1.	M/o Railways	Major Penalty	Counselling
2.	M/o Railways	Prosecution & Major Penalty	Administrative Warning
3.	M/o Railways	Minor Penalty	Counselling
4.	M/o Railways	Major Penalty	Minor Penalty
5.	M/o Railways	Minor Penalty (2)	Exoneration
6.	M/o Railways	Declined sanction for prosecution	Accorded sanction for prosecution
7.	D/o Telecommunications	Major Penalty	Exoneration
8.	Air India M/o Civil Aviation	Minor Penalty	No action
9.	Air India M/o Civil Aviation	To examine role of the then CMD	The role of CMD was not examined and he was allowed to superannuate.
10.	M/o Civil Aviation	Major Penalty	No action
11.	M/o Road Transport and Highways	Major Penalty	No action
12.	M/o Road Transport and Highways	Major Penalty	Oral warning
13.	Punjab National Bank	Major Penalty	Minor Penalty
14.	State Bank of Hyderabad (since merged in SBI)	Major Penalty & Prosecution	Declined sanction for prosecution. Issued Administrative Warning

Sl. No.	Department/ Organization	Commission's Advice	Action taken by the Department
15.	Exim Bank of India	Major Penalty & Prosecution	Declined sanction for Prosecution
16.	M/o Finance	Minor Penalty	Minor penalty proceedings were not completed before retirement and became ineffective.
17.	M/o Finance	Major Penalty (2 officials)	Dropped the proceedings without consulting the Commission
18.	M/o Finance	Major Penalty	No Action till the retirement of the CO
19.	Central Board of Direct Taxes	Investigation and Report	Submitted the closure report after 9 years
20.	Central Board of Direct Taxes	Report on role of Tax officials in non-filing of appeals	No action
21.	Central Board of Excise & Customs	Major Penalty	Charge-Sheet quashed by the Court
22.	Central Board of Excise & Customs	Major Penalty	Action got time barred
23.	Central Board of Excise & Customs	Major Penalty	Exoneration
24.	Ministry of Steel	Minor Penalty	Recordable Warning
25.	Ministry of Steel	Major Penalty	Minor Penalty
26.	Department of Atomic Energy	Major Penalty	Warning

Sl. No.	Department/ Organization	Commission's Advice	Action taken by the Department
27.	Ministry of Coal (CIL)	Major Penalty & Prosecution	Declined prosecution and Regular Departmental Action
28.	Ministry of Coal (NCL)	Major Penalty	Displeasure
29.	Ministry of Coal (NCL)	Major Penalty	Censure
30.	Ministry of Coal (NCL)	Minor Penalty	Recordable warning
31.	Ministry of Coal (SECL)	Major Penalty (2)	Major Penalty of reduction to a lower stage just before retirement
32.	Ministry of Coal (CIL)	Minor Penalty	Warning
33.	Jamia Millia Islamia University	Major Penalty	No action. Could not issue Charge-sheet before retirement
34.	Nehru Memorial Museum and Library (NMML)	Major Penalty	No action. Could not issue Charge-sheet before retirement
35.	Animal Husbandry Dairying & Fisheries (D/o AHD&F)	Major Penalty	No action
36.	Department of Commerce	Minor Penalty (1) & Major Penalty (3)	Warning/ displeasure
37.	Indira Gandhi Rashtriya Manav Sangrahalaya (IGRMS)	Major Penalty	Exoneration
38.	Ministry of Water Resources, River Development & Ganga Rejuvenation	Major Penalty	Closed the case
39.	Post Graduate Institute of Medical Education & Research (PGIMER)	Major Penalty	Charge sheet withdrawn

Sl. No.	Department/ Organization	Commission's Advice	Action taken by the Department
40.	Delhi Development Authority	Major Penalty	No Action
41.	Ministry of Urban Development -CPWD	Minor Penalty	Charge sheet withdrawn on orders of CAT
42.	Netaji Subhash Institute of Technology (NSIT)	Major Penalty	Exoneration
43.	DUSIB	Major Penalty	Exoneration
44.	DUSIB	Major penalty	Minor Penalty by Appellate Authority
45.	Delhi Jal Board	Major Penalty	Minor Penalty
46.	South Delhi Municipal Corporation	Major Penalty	Recordable Warning
47.	South Delhi Municipal Corporation	Major Penalty	Charge sheet withdrawn
48.	South Delhi Municipal Corporation	Major Penalty	Dropped the charges with the approval of Governor(UP)
49.	Ministry of Home Affairs	Major Penalty	Exoneration
50.	Ministry of Home Affairs/ DoPT	Sanction for prosecution	Declined the sanction
51.	Ministry of Defence	Major penalty	No action

4.4 Brief details of these cases are as follows:

S.No.1

Charge

A Sr. DCM granted permission to notify a firm as a Priority D customer eligible for concessional freight rates meant for transportation of iron ore for domestic use, despite the fact that the firm had not submitted the requisite documents. Thus, the firm was permitted transportation of iron ore at lower rates, causing huge loss of revenue to the Railways.

Advice

In June 2016, the Commission, in agreement with the CBI, advised initiation of Major penalty proceedings against the Sr. DCM. On being approached for reconsideration, the Commission reiterated its advice of initiation of major penalty proceedings.

Brief

Railways had a differential tariff policy for transportation of iron ore, wherein iron ore consignments meant for export were charged substantially higher tariff than the consignments transported for domestic consumption. A particular firm availed concessional freight rates by submitting invalid documents and false declarations that the iron ore would be used for domestic consumption. As per the CBI report, the concerned firm caused a loss of Rs.179.23 crore to Railways during the period April 2008 - March 2011. The Sr. DCM committed gross misconduct in granting approval for the issue of a notification dated 10.07.2008 by which a firm was notified as “Priority D” customer eligible for concessional freight. The Sr. DCM ignored the non-submission of requisite documents by the firm. The firm had not submitted certified documents as required. Sr. DCM granted approval despite these glaring irregularities. The Commission advised initiation of major penalty proceedings.

Outcome

The Disciplinary Authority did not implement the Commission’s advice and served a memorandum of Counselling to the concerned Sr.DCM on 10.08.2017 for his failure to conduct due diligence. This is an administrative action not having any formal consequence as against formal disciplinary action advised by the Commission.

The case has been treated as deviation from Commission’s advice.

S.No.2

Charge

A GGM of IRCTC was caught red-handed by CBI in his office demanding and accepting illegal gratification.

Advice

The Commission advised Prosecution and initiation of Major penalty proceedings on 15.01.2013. On being approached for reconsideration after 4 years, the Commission reiterated its advice on 28.08.2017.

Brief

The officer was caught red-handed by CBI in his office chamber on allegation that he demanded and accepted an illegal gratification of Rs. 20,000/- from the complainant for not objecting to running a fast food unit as well as to consider further extension of license period. Apart from launching criminal prosecution in CBI Court, a charge-sheet for major penalty proceedings was also prepared against the delinquent officer, but disciplinary proceedings were kept in abeyance pending trial in CBI Court. The charge-sheet for departmental action further included an additional article of charge relating to non-intimation of transaction in moveable property other than charge of acceptance of bribe. The Charged Officer was acquitted of the charge of acceptance of bribe by the CBI Court. DA sought reconsideration of Commission's advice recommending issue of administrative warning to the CO. Commission reiterated its advice of major penalty proceedings on the misconducts listed earlier.

Outcome

The Disciplinary Authority did not implement the Commission's advice and issued administrative warning to the then GGM of IRCTC on 30.08.2017 for lapse regarding non-intimation of transaction of certain movable properties. The procedure laid down for consultation has also not been followed before deviating from the advice of the Commission.

The case has been treated as deviation from Commission's advice.

S.No.3

Charge

Irregularities in re-engagement of retired staff on daily remuneration basis in Railway Electrification.

Advice

The Commission advised initiation of Minor penalty proceedings on 05.05.2015. On being approached for reconsideration, the Commission reiterated its advice on 25.05.2016.

Brief

Advertisement for engagement of retired employees to the vacant posts was given without mentioning eligibility criteria which resulted in engagement of a non-technical person to a technical post of SSE (Elect.). No reasons were recorded by the selection committee in the minutes as to why 18 out of 24

applicants were declared ineligible for the advertised posts. The selection committee recommended appointment of an applicant who had applied for a non technical post against a technical post. Thus the selection committee failed to exercise due diligence resulting in the re-engagement of non technical staff against vacancy of technical post for which the candidate was neither eligible nor had he even applied for the post.

Outcome

The Disciplinary Authority (GM/CORE) did not implement the Commission's advice and decided for Counselling to the concerned Dy.CEE.

The case has been treated as deviation from Commission's advice.

S.No.4

Charge

DFM/ALD carried out financial vetting of procurement proposals ignoring glaring irregularities such as the following:

- (i) Splitting of demands by Sr. DEE to bring the proposals within his financial powers
- (ii) Booking of 89 Civil Works cases under the expenditure head meant for Plant & Machinery.

Advice

The Commission had advised imposition of a suitable major penalty against the then DFM in its second stage advice.

Brief

The then DFM was responsible for vetting the proposals for the same machines repeatedly during a short time period and thereby allowing splitting of the order for bringing it within the financial powers of the Sr. DEE. For repair of one machine, 20 separate quotations for Rs.4,96,525/- were vetted. Similarly for overhauling of another machine, 28 quotations at a value of Rs.6,97,285/- were vetted. In yet another case, 21 separate quotations totalling Rs.4,73,635/- were vetted to get two ovens repaired.

The DFM is also responsible for vetting of quotation for civil works under the SOP of the Zonal Railway which is meant for 'Repair to Plant & Machinery and Procurement of spares incidental to repairs of plant'. This is a case of violation of the prescribed SOP.

Outcome

In this case, the DA opined that suitable major penalty be imposed on the DFM and resubmitted the case to Railway Board because penalty proposed was not within the competence of GM. Railway Board as the authority competent to impose any of the penalties specified in Clauses (i) to (vi) of

Rule 6 of RS (D&A) Rules has imposed minor penalty of 'Censure' on the then DFM on the date of his retirement.

The Commission has observed that the procedure followed in the case was not appropriate. The penalty imposed by Railway Board is a deviation from the Commission's advice

S.No.5

Charge

The Chief Engineer (Construction) of a Railway forwarded a proposal to the Chief Administrative Officer for execution of a new work under an old expired contract despite the fact that fresh tenders for this new work had already been invited and bids were opened. As per procedure, the new work should have been got executed after finalization of the fresh tender.

The Chief Administrative Officer (CAO) approved the proposal for execution of the said work. The CAO was not competent to award the work in this manner. These powers were vested with the GM of the Zonal Railway and with the concurrence of FA&CAO.

Advice

In June 2016, the Commission advised Minor Penalty proceedings against the then Chief Engineer (CE(C)) and the Chief Administrative Officer. On receipt of request for reconsideration, the Commission reiterated its advice.

Brief

Detailed estimates for the work were sanctioned in January 2013. However in April 2013, much before finalization of tenders for this work, the Vigilance team found that part of work had already been completed on the ground. It was found that the work had been got done through another contract, which was concluded in July 2010 and had already expired on 31.12.12. The execution of this new work had started even before January 2013, i.e. even before sanction of the detailed estimates for the work.

Fresh tenders for this work were invited in January 2013 and opened on 12.02.13. Only one bid was received, which was from the same firm that was already executing the work on the ground under the expired contract. But the CE(C) forwarded the proposal to CAO recommending execution of work under the existing contract, which had already expired on 31.12.12. The CAO approved the proposal without obtaining the sanction of GM or financial concurrence of FA&CAO as required.

Outcome

The Disciplinary Authority took a view that no action was warranted against the then Chief Engineer and the then Chief Administrative Officer. The DA has argued that the evidence brought

out against them is circumstantial only and no documentary evidence has been put on record. The DA has stated that there is no evidence to suggest that the execution of work at site was in the knowledge of senior officers (CE(C) and CAO) or that they took the decision with any malafide intention. Therefore, the DA vide order dated 24.05.2017 exonerated them from the charge. The final decision of the DA is at variance with the Commission's second stage advice. This has been treated as a case of deviation.

S.No.6

Charge

In a case, CBI sought sanction for prosecution of two SAG level IRTS officers. It was alleged that certain licensee caterer firms caused huge loss to the Govt exchequer by supplying packaged drinking water other than 'Rail Neer' on premium trains like Rajdhani, Shatabdi and Duranto in Northern Railway in violation of the contract with the Railways, but the CCM (Catering) did not take any penal action nor passed orders for withholding the payment of defaulting firms.

Advice

The Commission in agreement with Railway Board advised that no case is made out for prosecution of both SAG officers. The case was received in the Commission again as the competent authority desired to have opinion of CVC and CBI again. The Commission reiterated its earlier advice for not granting sanction for prosecution.

Brief

Surprise checks conducted by the CBI in August 2014 revealed that certain licensee caterer firms were causing huge loss to the Govt exchequer by supplying packaged drinking water other than 'Rail Neer' on premium trains like Rajdhani, Shatabdi and Duranto in Northern Railway. As per contract between the licensee firms and the Railways, the firms were required to supply only 'Rail Neer' in Rajdhani and Shatabdi Express trains. The CCM (Catering) of the Railway was the competent authority to take penal action against the firms. It is alleged that the matter was brought to the notice of two successive CCMs by various authorities, but the CCMs did not take any penal action nor passed orders for withholding the payment of defaulting firms. The CBI held that there was a loss to the Govt.

The Commission found that these were acts of omission, procedural lapses and short-cuts, but the case did not exhibit any criminality on the part of CCMs and hence it did not advice sanction for prosecution.

Outcome

The Competent Authority at variance with the advice of the Commission accorded sanction for prosecution u/s 19 of the PC Act in respect of both the officers on 14.03.2017. The Commission

requested Railway Board to clarify as to whether the procedure prescribed in the DoP&T guidelines prescribing consultation with DoP&T, if the competent authority does not propose to accept the Commission's advice, was followed by Railway Board. The Ministry of Railways has opined that *"the sanction order passed by Hon'ble MR has been authenticated without referring the case to DOP&T under inference that the extant instructions of DOP&T call for referring the cases of disagreement to DOP&T where CVC advice is for granting sanction of prosecution but the Competent Authority declines to grant the sanction. This case, however, was reverse"*. The Commission has observed that the instruction of the DOP&T is that where there is a disagreement between CVC and the DA, the matter has to be referred to the DOP&T for a final view. This is a case of deviation from the Commission's advice and of not following the laid down procedure of consultation with DoP&T.

S. No. 7

Charge

Department of Telecommunications (DoT) officials issued false and fabricated experience certificate in favour of 7 persons, showing them as casual labourers working since 1988 to 1996 continuously without verifying records. On the basis of the said certificate and on the recommendations of the Departmental Promotion Committee, these casual labourers were appointed as TSMs (Temporary Status Mazdoors).

Advice

The Commission, in agreement with the department, advised RDA for major penalty against 19 officials.

Brief

The case was investigated by CBI and the allegations were prima facie substantiated. The CBI recommended prosecution against 12 officials of DoT and prosecution as well as Regular Departmental Action for major penalty against the concerned officials. However, DoT recommended only Regular Departmental Action for major penalty against all the 19 officials.

Outcome

DoT vide its letter dated 12/07/2017 furnished a copy of the Disciplinary Authority's (DA's) order dated 03/04/2012 in respect of one of the 19 officials. Though, the Commission advised RDA for major penalty, the DA exonerated the officer without seeking the required second stage advice of the Commission. As per the extant guidelines where the views of the DA are at variance with the Commission's advice, the DA is required to seek advice of the Commission before passing the final order. Hence, there has been deviation from the extant guidelines in this case. Inquiry Officer (IO) concluded that charges "stand not proved". But the DA initially disagreed with the same and accordingly, a disagreement note along with the IO's report was given to the Charged Officer (CO) for submitting his representation. On receipt of representation from the CO, the DA passed an order

exonerating the CO without giving any detailed reasons for changing his initial view. The order of DA is not a speaking order. This is a case of deviation from the advice of the Commission and also of violation of the laid down procedure for consultation.

S. No. 8

Charge

Irregularities in awarding contract for Cockpit Crew Transportation in Air India.

Advice

Commission advised initiation of Minor Penalty proceedings against the concerned ED on noticing irregularities in award of contract for transportation of cockpit crew.

Brief

An interim contract for transportation of crew members was concluded on nomination basis by Air India for a period of 3 years. The rules and regulations of the company governing tender procedures, CVC guidelines, circulars regarding tender procedures and award of contract on nomination basis were not followed. The ED failed to ensure that the relevant rules and regulations of the company and CVC guidelines were followed. The Commission advised initiation of Minor penalty proceedings against the ED on 30.07.2014. The DA issued the charge sheet.

Outcome

However, after the issue of the charge sheet, without receiving the submission of the Charged Officer, the Disciplinary Authority re-considered the matter. The DA closed the case without obtaining the second stage advice of the Commission and counselled the ED to be careful in future while discharging responsibilities entrusted to him. The final decision of the Disciplinary Authority was at variance with the first stage advice of the Commission for a major penalty. This is a case of deviation from Commission's advice and failure to consult the Commission when the advice of the Commission was not to be followed by the concerned department.

S. No. 9

Charge

Irregular appointment of a trainee pilot in Air India Express by National Aviation Company of India Ltd. (NACIL), now Air India.

Advice

To examine role of the then CMD, National Aviation Company of India Ltd. (NACIL), now Air India, in irregular appointment.

Brief

A complaint dated 08.06.2011 alleging irregular appointment of a trainee pilot in Air India Express was received in the Commission. On receipt of investigation report from CVO, Air India, the Commission advised initiation of major penalty proceedings against the officials involved in the misconduct and termination of services of the illegal appointee. An inquiry was conducted against the then OSD to CMD. The Inquiring Authority held the charge against the OSD as 'Not Proved'. The Disciplinary Authority (DA) agreeing with the report of the IA, submitted the case for second stage advice of the Commission. The Commission, taking into account facts and circumstances of the case, advised imposition of major penalty on the then OSD. It was also noticed by the Commission that the then CMD, NACIL had favoured the son of his OSD in appointment as trainee pilot in NACIL, though he was not eligible for the post. The eligibility criteria were altered to suit this particular candidate and induct him by manipulating the eligibility criteria. While communicating the advice, the Commission requested for submission of a factual report on the role of the then CMD since the decision to appoint son of the then OSD was taken by the CMD.

Outcome

CVO, M/o Civil Aviation informed the Commission on 30.01.2017 that the then CMD had superannuated from Govt. service on 30.09.2016 and no fruitful purpose would be served as disciplinary action cannot be taken against the official after retirement.

The matter thus got closed as a 'fait accompli' on account of failure of CVO to investigate and take the matter to a logical conclusion. Delay and non-adherence to the Commission's advice are being reported in the Annual Report.

S. No. 10

Charge

Fabrication of medical report by a DGM(Medical) in respect of cabin crew of Air India for mandatory Pre-Flight Medical Check-Up (PFMC).

Advice

The Commission advised initiation of major penalty proceeding against the DGM(Medical) on 03.10.2013.

Brief

A Public Interest Disclosure Resolution complaint was received in July, 2013 alleging fabrication of medical report of a senior cabin crew who evaded mandatory Pre-Flight Medical Check (PFMC). It was also alleged that the cabin crew was involved in a sexual harassment case but no concrete action was taken against him. It was further alleged that the DGM(Medical) helped him evade disciplinary action.

The Commission called for a report into the allegations. The CVO, Air India submitted that the DGM(Medical) fabricated his report by stating that the Charged Officer (CO) was sick and did not report for PFMC. The CMD, who is the Disciplinary Authority (DA) in the case, however, recommended that there was no merit in the vigilance findings and absolutely no case against DGM(Medical).

However, it was found from the records of the case that the DGM(Medical) took into account the report of the Medical Officer on duty for PFMC who wrote fit and thereafter reported 'absent or not reported'. The Medical Officer subsequently admitted his mistake of tampering the medical sheet. The CO had also admitted that he had come to PFMC room and left without check-up. The Commission, therefore, in agreement with the views of CVO, Air India advised initiation of major penalty proceedings against the DGM(Medical).

Outcome

The CMD, as the DA, did not agree with the advice of the Commission stating that the DGM acted on the report of the concerned doctor and no further action is to be taken against the DGM on these accusations. The Commission has treated this case as non-implementation of its advice.

S. No. 11

Charge

Irregularities in contract for dredging work in V.O. Chidambarnar Port Trust (VoCPT).

Advice

No action was possible against the two retired officers as their cases became time barred due to the prescribed limitation period of 4 years. As per the CBI's report, for misconduct related to the period up to December 2010, disciplinary action against the retired officers was possible under the Pension Rules till December 2014. Though, the CBI's adverse report and recommendation of RDA for major penalty against the retired officers was pending with the Ministry since May 2013, they did not act in time and let the matter to get lapsed. Further, though the case containing serious allegations was registered on 30/08//2011 and investigation was pending, one of the officers (the then Chairman VoCPT) was allowed to take voluntary retirement in April 2012, which was also irregular.

Brief

A case pertaining to irregularities in contract for dredging work in V.O. Chidambarnar Port Trust awarded to a Dredging company was investigated by CBI. The CBI's report brought out serious irregularities/violations in award and execution of the dredging contract. CBI furnished a report dated 03/05/2013 to the M/o Shipping with a copy to the Commission, recommending Regular Departmental Action (RDA) for major penalty against four officers, including two retired officers. The Commission advised the Ministry to furnish its comments on the CBI report and to seek first

stage advice (FSA). The Ministry was reminded from time to time. M/o Shipping referred the case for FSA of the Commission in March 2017.

Outcome

The Commission has decided to report this as a case of lack of seriousness in handling vigilance cases of grave nature and in letting action on serious misconducts get barred by limitation.

S. No. 12

Charge

Irregularities in making payment to the Contractor for the maintenance work in Project Implementation Unit including misuse of official position by a Project Director in NHAI.

Advice

The Commission, in agreement with NHAI, advised initiation of Major penalty proceeding against the Project Director.

Brief

The case relates to irregularities in execution of works committed by a Project Director (PD) of NHAI, on deputation from a State Government. The then Project Director did not seek permission of the competent authority to get the work executed through a contractor on nomination basis which was beyond his powers and against the norms of NHAI. The Project Director failed to intimate to competent authority about his intention to carry out the maintenance work. No efforts were made to take ex post-facto approval as well. The intention of the Project Director did not appear to be bonafide. The Project Director further made ad hoc payment of 75% to the concessionaire for shifting of electric poles without authority and without taking any approval for the same. The Project Director toured outside his jurisdiction without obtaining any written approval from Competent Authority. He incurred extravagant expenditure on stays in hotel. On the basis of investigation conducted by CVO, NHAI and the recommendation of the Chairman, NHAI, the Commission advised initiation of major penalty proceedings on 17.09.2014 against the Project Director. The draft charge sheet along with advice of the Commission was forwarded by NHAI to the concerned State Government for further action as the officer had been repatriated to his parent Department. The State Government issued a major penalty charge sheet to the Charged Officer (CO) and a departmental inquiry was initiated against the CO by the competent authority.

Outcome

The Inquiring Authority (IA) held all the articles of charge as 'not proved'. Although the IA found that the CO did not follow the prescribed procedures such as obtaining prior permission to take up the work which was of urgent nature, he did not attribute any mala fide on part of the CO. The State Government considered the findings of IA and warned the CO orally to be more vigilant in future.

The Commission has considered this oral warning as a deviation from the Commission's advice of major penalty. Commission's second stage advice has also not been sought in the matter which is a breach of the consultation mechanism prescribed by the Commission. Further, instructions of Govt. prohibit such oral warning on conclusion of formal disciplinary proceedings.

S. No. 13

Charge

Cash Credit (CC) limit of Rs. 200 lacs and Term Loan (TL) of Rs. 150 lacs were sanctioned to a firm for setting up a manufacturing unit at Dehradun. Loan was secured by hypothecation of stocks, plant and machinery mortgage of factory land valued at Rs. 42 lacs and mortgage of another immovable property as collateral security situated at Delhi. Further CC limit of Rs. 150 lacs & TL of Rs 50 lacs was sanctioned for setting up Unit II. Charge over existing collateral security was extended and a second immovable property at Delhi was also mortgaged. It has been observed that the Branch accepted the two properties situated at Delhi without ensuring genuineness of property papers as well as its geographical location. In case of one property, the seller of the property was not the rightful owner of the property. The other land was found to be Gram Sabha land and thus both mortgages have been found to be defective and not enforceable. The Bank reported that the chain of title deeds at the time of equitable mortgage was not critically examined independently by the concerned official and the report of advocate was simply relied upon.

Advice

The Commission advised initiation of major penalty proceedings against the Senior Manager of Punjab National Bank.

Brief

Out of 14 charges, Inquiry officer has held only 2 charges as proved and 1 charge as partly proved. On conclusion of inquiry, the Disciplinary Authority proposed to levy a Minor Penalty of 'Censure'. The views of the DA were not agreed to by the CVO and the case was sent to DA to reconsider his views. The DA referred the case to the CVO in the month of May 2016 and August 2016 reconfirming his view. CVO concurred with the view of the DA without referring the matter to the Commission for Second Stage Advice as required under the laid down procedure.

Outcome

The Commission decided to treat the case as a deviation from its advice and to report the same in the Annual Report.

S. No. 14

Charge

In a case relating to State Bank of Hyderabad (since merged in SBI) a complaint was lodged by the bank with CBI for investigation against a borrower for defrauding the Bank to the tune of Rs. 48.53 crores by committing criminal offences of conspiracy, forgery and cheating.

Advice

The Commission advised prosecution as well as RDA for major penalty proceedings against the then Accountant.

Brief

The Competent Authority declined to accord sanction of prosecution and the Bank, without referring the matter to Expert Committee, referred the case to DoPT. DoPT opined that it would be better if the officer is tried in a court of law. The Bank's request for referring the matter to Expert Committee, when DoPT's advice for prosecution was already communicated, was not agreed to by the Commission and the matter was left to the discretion of the Bank to take a final view in the case. DA advised CBI that he was not inclined to accord sanction for prosecution against the then Accountant. In view of nature of advice given by DoPT, it is seen that DA did not follow the advice of DoPT and the Commission.

Outcome

DA took a view to "warn" the official administratively as against sanction for prosecution and accordingly the final order was issued. The Commission has treated the case as a deviation from its advice.

S. No. 15

Charge

The matter relates to violation of normal practices, suppression of serious adverse facts from the sanctioning authority, recommending advance in Exim Bank when the company's loan accounts were already NPA with other Banks, creating mortgage of property overlooking serious discrepancies in valuation report, not inspecting the property which was mortgaged, deliberately suppressing the fact of advance of Rs. 15 crore sanctioned by another Bank and not disbursing pre-shipment credit facility to company's account with Bank, etc.

Advice

The Commission advised sanction of prosecution as well as RDA for major penalty against the CGM and the AGM. Further, the CVO was advised to get the charge sheet vetted by the CBI and the Commission, before serving them on the officers.

Brief

The DA did not propose to accept the Commission's advise and as per procedure referred the matter to DoPT. The DoPT agreed with the decision of the CVC to grant sanction for prosecution against the CGM and the AGM.

Outcome

The competent authority in disagreement with the advice of the Commission and DoPT, denied sanction of prosecution against both the officers. The charge sheet duly vetted by the Commission was supplied to the competent authority for serving upon the delinquent officers. The Commission has treated the case as a deviation from its advice in so far as grant of sanction for prosecution is concerned.

S. No. 16

Charge

The CO, while working on deputation as Financial Adviser in one of the Units of SPMCIL, accorded financial approval / concurrence in the year 1998 for Procurement of Steel Glasses and Press Pan Sheets violating the established tendering / procurement procedures.

Advice

The Commission advised initiation of minor penalty proceedings against the CO in the year 2012. D/o Expenditure sought reconsideration of Commission's advice on two occasions, once in the year 2013 and again in the year 2015. Commission reiterated its advice on both the occasions as no new facts were brought out for its consideration. The Department, while furnishing its comments on the version of the CO, again sought Commission's advice in the year 2017. The Commission reiterated its earlier advice of initiation of minor penalty proceedings against the CO.

Brief

A complaint was received in the Commission in the year 1998 against the officers of SPMCIL alleging irregularities in purchase of Press Pan Sheets and Steel Glasses, which was sent to D/o Economic Affairs for Investigation and Report. On perusal of Department's comprehensive report of 2011, Commission advised initiation of minor penalty proceedings against the three officers. While minor penalty was imposed on two officers, Department sought repeated reconsideration of the Commission's advice for initiation of minor penalty proceedings against the third officer. The Department issued minor penalty charge sheet to the CO just 11 days before his retirement. The Department referred the matter to UPSC for its advice after his retirement. UPSC returned the case to the Department stating that minor penalty proceedings cannot be continued after retirement of the Government Servant. The Department again approached the Commission for a review of this case on the basis of the advice of the UPSC.

Outcome

The Commission observed that the complaint alleging misconduct pertaining to the year 1998-99 could not reach any reasonable finality in about 18 years. Commission noted that this matter had been inordinately delayed and repeated reconsiderations were sought with no new facts. The entire

effort resulted into an exercise in futility. In response to Department's proposal to review the case of minor penalty proceedings sent after the retirement of the CO, Commission while noting the position, advised the Department that Commission does not deem it necessary to revise its advice. The Commission reported the matter to Secretary, D/o Expenditure; Secretary, D/o Economic Affairs and others for such appropriate action as deemed fit.

The Commission has treated this case as non-implementation of its advice and to highlight the inordinate delay on part of the Department in handling the case.

S. No. 17

Charge

Investigation by CBI in a case of FERA violation in the Enforcement Directorate (ED) in the year 2003 revealed that "V", a Dy. Director & "W", an AEO in the ED, in collusion with private persons caused undue pecuniary advantage to a private person and his firms of Rs.1.26 crores being the penalty that could have been imposed during the year 2000-2001. Further, "V" favoured the private person and his firms by bringing down the amount in respect of which Show Cause Notices (SCNs) were to be issued to avoid launching of prosecution against them and to keep the adjudication within his powers. "W" allegedly tampered with a letter of the firm which resulted in concealment of the fact from his superior officers that there were more outstanding Goods Receipts (GRs) that were required to be investigated.

Advice

The Commission advised initiation of major penalty proceedings against "V" and "W" on 24.04.2006. Commission advised CBI to re-examine the case at the level of Joint Director and to intimate to the Commission whether a case of prosecution is made out against "W".

Brief

CBI registered a regular case on 02.07.2003 against "V" and "W", both ED officers and others alleging a criminal conspiracy with an object to cause wrongful gain, pecuniary and otherwise, to the private persons and their firms causing loss to the Government exchequer during the period 2000-2001. CBI recommended initiation of major penalty proceedings against "W" while no action was recommended against "V". The Department did not submit its comments on the CBI's report inspite of repeated reminders. The Commission observed that CBI's report revealed sufficient evidence to establish misconduct on part of the officers. Hence, the Commission on 24.04.2006 advised initiation of major penalty proceedings against both the officers of ED. The Commission also observed that the evidence of manipulation of documents, in addition to other evidence, strongly indicated mala fide on part of "W" and therefore, advised the CBI to re-examine the case at the level of Joint Director and intimate whether a case of prosecution could be made out against him.

On examining the case at the level of Joint Director, the CBI concluded that no case could be made out against the accused persons and, therefore, CBI filed a closure report in the court which was accepted by the court on 23.07.2011. Department closed the case on 12.01.2012 against “V” without consulting the Commission on the ground that CBI closure report was accepted by the Hon’ble Court. In case of “W”, the IO held the charges as ‘Not Proved’ and the DA vide his order dated 31.03.2014 dropped the charges against “W” without consulting the Commission at second stage. In both the cases, the Department should have consulted the Commission before dropping the proceedings, which was not done.

Outcome

The Commission decided to include this case in the Annual Report as a deviation to Commission’s first stage advice and not following the laid down procedure of consultation with the Commission.

S. No. 18

Charge

The Charged Officer (CO) while working as GM in Govt. Opium and Alkaloid Works (GOAW) under D/o Revenue, committed various serious irregularities/lapses in award of transport contract, purchase of store items, etc. during the year 1997-98.

Advice

The Commission advised initiation of major penalty proceedings against the officer on 21.06.2006. Commission has also expressed its displeasure for the inordinate delay caused in this case and advised D/o Revenue to fix responsibility of the concerned officers for the inordinate delay.

Brief

This case was investigated in the year 1998 by the Department on receipt of a reference from an Hon’ble MP. The Department sought Commission’s First Stage Advice in 2006 when the CO was on the verge of retirement. However, in 2016, the Department informed Commission that in compliance of CAT’s orders, they had released the retirement benefits of the CO in 2010. Department also informed the Commission that all the officers, who could have been held responsible for the delay in the initiation of the Departmental proceedings had retired and hence, no action was feasible against them. Further, Department could not clarify the status or provide details of the Departmental proceedings as the relevant documents were not traceable. The Department recommended closure of the case.

Outcome

The Commission observed that Department could not satisfactorily explain the reasons for failure in fixing the responsibility of the officers who were responsible for the delay in the initiation of

the Departmental proceedings. Department could not clarify the status or provide details of the Departmental proceedings in this case and it prima facie appears that the grave misconducts went unpunished inspite investigation. Therefore, Commission decided to include this case in the Commission's Annual Report as non-implementation of Commission's advice.

S. No. 19

Charge

A complaint was received in the Commission in May'2007 alleging harassment to 'V' an NRI & his family members by CBDT officials in a tax case. It was alleged that the AO had illegally attached the bank accounts of four family members of 'V' and one company, 'T' even though no taxes were due against them. Further, no proceedings were pending in case of 'T' but despite this its immovable property was attached by the Income Tax authorities.

Advice

A complaint was forwarded to CVO, CBDT for Investigation & Report in May 2007. CVO, CBDT submitted a report in April 2013 recommending closure of the complaint on the ground that no vigilance angle was involved. Commission advised CVO, CBDT to submit the final outcome of the complaint and the reasons for delay in submission of the report.

Brief

CVO, CBDT submitted an investigation report in November, 2016 recommending closure of the complaint. However, the Department did not explain the reasons for delay in submission of the report. The Department submitted its final report in 2016 i.e. after 9 years of the Commission's first advice of May 2007 and after 3 years of Commission's advice of May 2013.

The Department was advised by the Commission on several occasions and in several cases to expedite the submission of reports and disposal of the cases and to reduce delays at their end.

Outcome

The Commission decided to include this case in the Annual Report of the Commission for the inordinate delay on part of the department in submission of reports.

S. No. 20

Charge

A complaint was received in October 2009 alleging fraud by tax officials in the matter of non-filing of appeals against the orders of Income Tax Appellate Tribunal (ITAT) in cases of three companies. There was an allegation of substantial loss of revenue.

Advice

Commission observed that there had been criminal delay in filing the appeals which resulted in benefit to private parties. Therefore, Commission advised CBDT to examine the role of the Assessing Officer and the Commissioner concerned and to report to the Commission. CBDT was also advised to make a formal complaint to the M/o Law and Bar Council of India regarding the failure of the concerned Panel Advocates in filing appeals in time.

Brief

CBDT confirmed the allegation in the complaint that there had been substantial delay in filing of appeals against certain orders in the cases of these companies. In case of one of the companies, the Hon'ble High Court condoned the delay on payment of fine of Rs. 7500/- which was borne by the Department. In case of the other two companies, CBDT informed that no further appeals were filed. CBDT pointed out that the delay in filing of appeals before the High Court in many cases including the three companies mentioned in the complaint, during the period of 2004-2008, was attributable to the difficulties in getting the drafts of appeals prepared from M/o Law and the Department Standing Counsels. CBDT stated that these three are not isolated cases of delay, but was part of a systemic failure. CBDT mentioned that there was sudden rush of appeals to be filed as a result of refusal by the Law Ministry to file the appeals at the relevant time and the delay occurred in the absence of a suitable mechanism. In such circumstances, CBDT found nothing adverse against the officials of CBDT and Ministry of Law in this matter. CBDT further explained that these systemic issues had been sorted out from the year 2009-10 and the Department had put in place a Standard Operating Procedure (SOP) to ensure the timely filing of appeals before the Hon'ble High Court. CBDT intimated to the D/o Legal Affairs and also to the Bar Council of India regarding the failure of the Panel Advocates in this case for necessary action at their end.

Outcome

The Commission observed that CBDT had not made any efforts to fix responsibility for the delay or to quantify the loss on account of non-filing of appeals in case of these companies. Commission brought its observations in this case to the notice of the CBDT and the D/o Revenue, for taking remedial measures for prompt compliance by the Vigilance Wing to the communications from the Commission as well as regarding the failure of systems in the CBDT in the matter of filing of appeals specially in important and large tax cases. Commission also noticed that the issues like deliberate delays, incomplete reports on the allegations, failure to file the appeals having huge tax effect leading to the potential loss of revenue, etc. are too serious to be ignored.

Commission has decided to include this case in Annual Report of the Commission to highlight inordinate delay on part of the Department in submission of the reports and failure of systems to monitor the filing of appeals even in large revenue cases.

S. No. 21

Charge

Fraudulent availing of Duty Entitlement Pass Book (DEPB) benefits involving a group of firms controlled by one “V” was detected by DRI in August 2003, wherein it was revealed that the firm was exporting cheap materials and mis-declaring the same as alloy steel forging at grossly over invoiced prices. The fraud involved revenue implications of about Rs.20 crores out of which the DRI was able to recover Rs. 5.32 crore from the group. Since the matter attracted provisions of PC Act, it was handed over by DRI to CBI, who registered a RC dated 22/06/2004. The CBI filed a closure report due to lack of evidence to establish collusion/conspiracy between the exporters and the customs officials, beyond reasonable doubt. Investigation in the matter by CBI revealed evidence of payment of bribe to the Customs officials in the form of entries made in a register maintained by the manager of the said firms. In their statements, the exporters also alleged payment of bribes to the customs officials in the matter of clearance of the over-valued export consignments.

Advice

The Commission advised initiation of Major Penalty Proceedings against “B”, then DC and others vide OM dated 09/07/2012. Accordingly, charge sheet was issued to “B” on 07/03/2014.

Brief

While the inquiry proceedings were in progress “B” filed an Application in 2014 in the Central Administrative Tribunal praying for quashing the charge sheet on the ground that the charge sheet was issued after a delay of 12 years when the applicant was due for promotion. Central Administrative Tribunal quashed the charge sheet issued to “B”. On the advice of M/o Law & Justice, the order of CAT was challenged in the Hon’ble High Court, Guwahati by filing a W.P. The Hon’ble High Court dismissed the said W.P on grounds of inordinate delay. The Disciplinary Authority therefore withdrew the charge sheet issued to “B”.

Outcome

The Commission has decided to include this as a case of inordinate delay in issuing the charge sheet leading to quashing of the charge sheet on technical ground. The delay was clearly avoidable. Failure to attend to matters in a time bound manner resulted in the delinquent officer charged with serious misconduct getting away without any adverse consequence (penalty).

S. No. 22

Charge

The CO (retired on 30.09.2005) while working as Competent Authority (CA) in D/o Revenue, acted with mala fide intent and accorded undue benefit to a private party by releasing certain properties. The CO illegally released the properties in gross violation of procedures and by levying a fine in lieu

of forfeiture of properties. The CO passed an order by backdating the same as 04.01.2002 while in fact, it was signed on 07.01.2002. The acts of omission and commission committed by the CO were found to be irregular, inappropriate and against the law and the same were prompted by ulterior motive so as to provide undue benefit to the affected persons in contravention with the provisions of the Smugglers and Foreign Exchange Manipulators Act (SAFEMA).

Advice

The Commission on 05.01.2006 advised initiation of major penalty proceedings under Pension Rules against the CO, the former Competent Authority.

Brief

The case arose on examination of an order by D/o Revenue passed by the CO u/s 7 and 19 of the SAFEMA, 1976 and allegedly issued on 04.01.2002. Vide this order, the then CA dropped forfeiture proceedings in respect of five properties / assets and gave an opinion to pay fine in lieu of forfeiture u/s 9 of the SAFEMA, 1976 in respect of two properties / assets. On examination of the facts and circumstances of the case and after considering the version / explanation of the officer, Department concluded that it may not be correct to step into the shoes of quasi-judicial authority and question his judgment which the authority had arrived at after appreciation and assessment of evidence before him. However, Commission observed that the CO was found responsible for various lapses like not demanding adequate proofs on the various claims of the Affected Persons, not forfeiting the properties, anti-dating orders, etc. Commission viewed that the CO had violated the procedures and released the properties illegally with the ulterior motive thereby extending the benefit to private persons. Hence, the Commission on 05.01.2006 advised initiation of major penalty proceedings under Pension Rules against the CO pointing out that initiation of action becomes time-barred on 11.01.2006. The DA issued the charge sheet under Rule 9 of the CCS (Pension) Rule to the CO on 09.01.2006.

Outcome

During a review on the status of the case, the Department informed that the charge sheet dt. 09.01.2006 could be served on the CO only on 22.03.2006. In terms of Provisions of Rule 9(2)(b)(ii) of CCS (Pension) Rules, 1972, the time limit for initiation of disciplinary proceedings expired on 11.01.2006 (i.e 4 years from the date of misconduct). As the charge sheet could not be issued to the CO within the time limit, the DA dropped the disciplinary proceedings against the CO. The Commission has treated this case as one of non-implementation of its advice.

The Commission noted that there are four other cases where the department failed to implement Commission's advice. The reasons for this were : delay in issue of charge sheet, delay in serving of charge sheet, delay in conclusion of minor penalty proceedings before retirement and quashing of charge sheet by Court on account of unexplained delay in initiating disciplinary proceedings.

S. No. 23

Charge

The case is related to large scale organized smuggling of air conditioners and LED/LCD TVs wherein the items were misdeclared against 84 Bills of Entry as parts of air conditioners, whereas the actual consignments were complete sets of branded spilt air conditioners. Initiation of major penalty proceedings against 'S' was advised at first stage by the Commission on 30/08/2013.

Advice

After completing the enquiry proceedings CVO approached the Commission for second stage advice on 24/08/2016 recommending exoneration of 'S'. However, the Commission based on the facts of the case and IO's findings advised imposition of minor penalty on 'S' on 20/12/2016.

Brief

The Commission observed that IO had found the charges as not proved as the CO had applied his mind to the classification of the goods and exercised his best judgment in accepting the classification of the goods. However, IO had found one part of the charge related to compliance with the Risk Management System (RMS) instruction as 'partly proved,' to the extent that the CO failed to comply with the RMS instruction to call for documents such as Bill of Lading and the Country of Origin Certificate, which could have clarified the nature of the imported goods. Accordingly Commission advised imposition of minor penalty against 'S'.

Outcome

The Disciplinary Authority mentioned that the CO had acted in good faith by accepting declaration of importer and based on facts of the case and the merit of the issue, imposition of any penalty would not be in the interest of justice. The DA dropped the charges against 'S'. The Commission noted the position as explained by the department and decided to include this case in the Annual Report as a case of non implementation of Commission's advice.

S. No. 24

Charge

A case was received from a Public Sector Enterprise (PSE) under Ministry of Steel pertaining to irregularities of Fake/Excess billing in accounts to the tune of Rs. 1.28 crore and apparent embezzlement of funds to the tune of Rs. 0.7 crore. The case was examined and Commission tendered advice in the matter. The Commission also advised CVO to fix the responsibility for delay in taking disciplinary action against the Charged Officers.

Advice

The Commission vide OM dated 08.05.2017 advised initiation of Minor Penalty Proceedings against the IO in its First Stage Advice for lack of devotion to duty and conduct unbecoming of a public servant in not submitting the Inquiry report in the matter of embezzlement for 3 years.

Brief

The CVO stated that the charge sheet was issued on 10.04.2012; IO and PO were appointed on 15.01.2013. The Inquiry was completed on 31.5.2013 but the same was submitted on 27.04.2016. Thus there was a delay of 3 years in submission of Inquiry Report. The IO, a General Manager vide his letter dated 08.03.2017 addressed to Disciplinary Authority submitted that after completion of inquiry, in addition to his other functions, he was given additional responsibility of technical department. He stated that except for Finance and Commercial departments all other departments at Head Office & related functions at mines were being looked after by him. Though the IO had brought out various issues explaining delay in submission of inquiry reports, the CVO found the General Manager responsible for this abnormal delay.

Outcome

Through a letter dated 30.06.2017, the PSE informed that as advised by the Commission, Minor Penalty Proceedings were initiated against the Officer. The Managing Director & Disciplinary Authority imposed a 'Recordable Warning' to the Officer vide order dated 30.06.2017 without sending any proposal for re-consideration and has not followed Commission's advice dated 08.05.2017. Issue of recordable warning on conclusion of formal proceedings is not permissible in the light of DOPT's OM Nos.22011/2/78 Estt(A) dated 16.02.1979 , 22011/2/82 Estt(A) dated 30.01.1982 & 21.05.1982.

The Commission has treated it a case of deviation from its advice and departure from the laid down instructions of DoPT and also not following the laid down procedure of consultation with the Commission.

S. No. 25

Charge

A case was received from Ministry of Steel regarding irregularities in purchase of 16 Tippers/Dumpers by a Public Sector Enterprise (PSE) from a private vendor at exorbitant rates on nomination basis. It was alleged that officials of the PSE in collusion with private vendor, purchased 16 Tippers during the year 2010-2011 at an exorbitant rate of Rs. 41.05 lakhs per unit, whereas the tippers were earlier purchased from another vendor at rate of Rs. 23 lakhs during the year 2009. Thus undue financial loss was caused to PSE with the involvement of CMD.

Advice

The Commission vide OM dated 16.02.2016 advised initiation of Major Penalty Proceedings against the CMD in its First Stage Advice considering the gravity of the issue and loss to the Company. The Disciplinary Authority observed that as head of the organization, the CMD was expected to follow the highest standards of probity and propriety adhering to transparent tendering process and financial rules and regulations, which has not been the case, but concluded that since there was no mala fide intention, the punitive action would be served by a minor penalty. The Commission advised imposition of Major Penalty against the CMD on 04.05.2017 as Second Stage Advice.

Brief

This case arose from CBI's investigation. The CBI had concluded that investigation did not reveal criminality on part of officials of the PSE. However, the process of procurement lacked transparency as the work was awarded to the private vendor by taking quotation from them and repeat orders were placed on the said firm.

Ministry of Steel on the basis of reply of the then CMD and on CBI's self contained note had stated that the tippers were procured considering the specific requirement of mining operations. These tippers were considered suitable for fulfilling the requirement of both mining as well as the perennial Ash Pond Work. They also had additional technical advantage of having powerful engine, ability to encounter steep slopes, more ground clearance, ability to move in water logged area etc. The other make of tippers purchased earlier were for use on the road only and not technically suitable for mining work, hence, not considered.

Ministry of Steel had concluded that prima-facie CMD was guilty of not adhering to codal provisions for procurement, warranting disciplinary action. However, no specific action had been proposed against CMD. The Commission advised Ministry of Steel to propose specific disciplinary action against CMD.

The DA, Ministry of Steel recommended initiation of Minor Penalty Proceedings against the CMD.

Outcome

The Disciplinary Authority did not accept the Commission's advice and referred the matter to DoPT. The DoPT accepted the views of Disciplinary Authority for imposing a Minor Penalty on CMD. Ministry of Steel imposed the penalty of Censure on the CMD.

The Commission decided to include the above case in its Annual Report as a deviation, though procedure for consultation with DoPT was followed.

S. No. 26

Charge

A case was received from Department of Atomic Energy against a Scientific Officer regarding false claims of Leave Travel Concession (LTC) for consecutive five years in respect of self and family despite the fact that his wife was employed in Air-India. As per DoPT instructions, LTC cannot be claimed by Government official, whose spouse is working in Air India or Indian Railways.

Advice

The Commission, in agreement with the recommendation of CVO and DA advised disciplinary action for major penalty against the Scientific Officer in its First Stage Advice on 27.12.2012.

The Commission advised imposition of Major Penalty against the Scientific Officer on 11.01.2016 as Second Stage Advice in view of the offence of claiming LTC is in contravention of LTC Rules.

Brief

This case arose from a complaint received during May 2010 alleging that the Scientific Officer had claimed LTC facility though his wife was working in Air India. It was revealed that employees and spouse of Indian Railways and Air India are debarred for LTC facility as they were entitled for free passes for travel.

The charge against the Scientific Officer that he availed LTC for self and family consisting of his wife and two children, for five years consecutively though his wife was in employment with Air India was proved. The Scientific Officer had violated the provisions of Central Civil Services (Leave Travel Concession) Rules 1988 and failed to maintain absolute integrity and exhibited conduct unbecoming of a government servant. The department recovered the entire amount of LTC advance with penal interest for the period of 1996 to 2009.

Outcome

The Disciplinary Authority did not accept the Commission's advice and referred the matter to DoPT. The DoPT accepted the views of Disciplinary Authority i.e. dropping the charges and issuing a warning to the Scientific Officer. Issue of warning on conclusion of formal disciplinary proceedings is not permissible in the light of DOPT's OM Nos.22011/2/78 Estt(A) dated 16.02.1979 , 22011/2/82 Estt(A) dated 30.01.1982 & 21.05.1982.

Since the DA dropped the charges contrary to the advice of levy of major penalty there is a deviation, though the laid down procedure of consultation with DoPT has been followed.

S. No. 27

Charge

A case was received from CBI for prosecution as well as for major penalty against the then Director(T) of a Coal Company under the Ministry of Coal along with two others on the charges

that they awarded a contract for transportation of 1.5 lakh MT of coal from project to washery on single tender basis. The contract was awarded without due consideration of financial implications causing a loss of Rs. 25 lakhs. According to CBI, it was a case of conspiracy amongst the concerned officers.

Advice

The Commission vide OM dated 25.05.2006 advised Prosecution and initiation of Major Penalty Proceedings against the then Director in view of the evidence/material on record, as brought out in the CBI report that showed that the then Director took an arbitrary decision in the award of the impugned contract and thereby favoured a particular firm.

Brief

This case arose from a reliable information received by CBI alleging that the then Director and others in criminal conspiracy with a firm fraudulently and dishonestly placed order for transportation of 1.5 lakhs MTs coal from project to washery at an exorbitant rate without ensuring competitive rates and also ignoring the prevalent rate of transportation. This caused a wrongful loss to the extent of Rs. 24.78 lakhs (approximately) to the Coal company.

Outcome

After receipt of CVC advice dated 25.05.2006 for Major Penalty Proceedings against the then Director, the file was processed to Disciplinary Authority immediately since the then Director was retiring on 31.05.2006. The CVO of concerned Coal Company was also requested to be present in the Ministry on 30.05.2006, so that the charge sheet could be served on the then Director. The Disciplinary Authority took a view that the charges levelled against the then Director had no substance and the case was not fit for departmental proceedings and prosecution. Immediately on 30.05.2006, the case was referred to DoPT in view of difference of opinion between the Disciplinary Authority and the CVC. The charge sheet was not issued on the ground that no reply was received from DoPT before the retirement of officer,. This was communicated to the Commission on 25.04.2017.

The non-initiation of proceedings against the then Director for major penalty by the Ministry constitutes non compliance with Commission's advice.

S. No. 28

Charge

A case was received from the CVO of a coal company under the Ministry of Coal regarding criminal conspiracy with contractors and corrupt practices by abusing official position by a public servant in the matter of award of tenders/supply orders for mining equipment, etc.

Advice

The Commission, in agreement with CMD, advised initiation of major penalty proceedings against then Dy. CE vide OM dated 04.04.2014 in its first stage advice for various irregularities committed by the officer.

Brief

This case arose from an RC registered by CBI on 14.10.2011 against a public servant for entering into a criminal conspiracy with contractors and resorting to corrupt practices by abusing his official position as a public servant in the matter of award of tenders/supply orders for mining equipment etc. The then Dy. CE, presently General Manager, had committed following irregularities:-

- i. Obtaining benefits to the tune of Rs. 64035/- for booking of various air tickets for which amount was paid by the contractor through a travel agent.
- ii. Claiming false travelling allowance and receiving hospitality from contractor while on official tour.
- iii. Furnishing false Performance Report in respect of Dipper Handle Assembly supplied by a contractor to extend undue favour to him..

Outcome

The Company, vide their letter dated 21.09.2016, intimated that major penalty Charge sheet was issued to the officer on 10/19.05.2014. Inquiry report was submitted by Inquiry Authority to Disciplinary Authority on 08.04.2016. The IO had held two of the charges as 'Proved'.

However, the DA considered Article of Charges as partially proved and issued displeasure to the officer on the ground that CO had already superannuated from the services of Coal India Limited in September, 2014 and no other penalty could have been effective on a retired executive. The Commission vide OM dated 18.10.2016 called for a detailed explanation for deviation from Commission's advice and reasons for not forwarding the case to the Commission for Second Stage Advice. The CVO vide letter dated 06/07.01.2017 submitted the chronology of events and stated that there has been no deviation from the Commission's advice. The explanation of the CVO was not accepted by the Commission. The Commission observed that the Disciplinary Authority had not followed the laid down procedure and the order of the Disciplinary Authority did not disclose the reasons in a speaking order. Further, the proceedings were not completed before the retirement of the officer. While communication of displeasure is not a penalty that could be levied on conclusion of a formal proceedings, such communication of displeasure after retirement serves no purpose. The Commission has treated the case as deviation from its advice.

S. No. 29

Charge

Failure of officers of the Legal Department of a Coal Company to contest the appointment of Sole Arbitrator by Hon'ble High Court though there was no such clause in the agreement with

the contractor. The concerned officers misrepresented the facts stating that there was provision for appointment for Sole Arbitrator in the relevant agreement.

Advice

The Coal company had served a Charge sheet to a GM and a Manager. Since disciplinary action against the officers had already been started and appeared to be in order on the basis of the report, the Commission noted the position vide OM dated 30.01.2015 in its First Stage Advice.

Brief

A case was received from a Company under the Ministry of Coal regarding negligent and malafide acts on the part of a GM and a Manager in not contesting the appointment of Sole Arbitrator and extending undue financial benefits to a contractor in the matter of construction of a road.

The case arose from a complaint referred by CBI which revealed that the GM and the Manager misrepresented the facts in not contesting the appointment of Sole Arbitrator thereby extending undue financial benefits to the contractor.

The CVO had submitted a report on 27.01.2015 holding that the GM and the Manager were responsible for lack of devotion to duty and by their acts of omission and commission had severely compromised the interests of the company,

Outcome

The coal company vide their letter dated 15.03.2017 intimated that both the officials were imposed a major penalty of reduction to a lower stage without cumulative effect for a period of one year (in case of the GM it was till the date of his retirement) by the CMD of the Company. The officials preferred appeals against the penalty orders and requested Chairman of holding Company who was the Appellate Authority to exonerate them. The Appellate Authority opined that the penalty imposed by CMD, of Coal Company tantamounts to a minor penalty because of its non cumulative effect and Appellate Authority thus reduced the quantum of penalty to Censure.

The Commission observed that the Charged Officers did not contest the inappropriate appointment of the Arbitrator leading to undue benefit to the contractors to the extent of Rs. 2.28 Crore. Commission noted the position that major penalty proceedings were initiated in their cases. While the DA levied major penalty of reduction to a lower stage without cumulative effect for a period of one year or till their retirement, on appeal, the CMD of holding Company reduced it to 'CENSURE'. The penalty of censure awarded for causing loss of Rs. 2.28 Crore was disproportionate to the misconduct. The Commission decided to bring this to the notice of Secretary, Ministry of Coal for information and advised CVO of the coal company to place the matter before the Board of Directors of Coal Company for the reason mentioned above with a request to review the decision.

The Commission has treated the case as a deviation from its advice.

S.No.30

Charge

Irregularities in selection of departmental candidates for the post of different disciplines including Assistant Foreman (Trainee) in a Coal Company under the Ministry of Coal.

Advice

The Commission in agreement with the recommendation of Disciplinary Authority, advised initiation of minor penalty proceedings against five officers of the Coal Company under the Ministry of Coal, in its First Stage Advice on 07.10.2015.

Brief

The case arose from a complaint regarding irregularities in the selection of departmental candidates for the post of different disciplines including Assistant Foreman in a Coal Company under the Ministry of Coal. The charges against the five officers were that they did not check minimum requisite qualification as per cadre scheme for selection of departmental candidates to fill the vacancy/requirement and recommended 60 staff of different disciplines, in which 14 Asstt. Foreman were selected who had not completed three years working in the Company as per conditions of the Cadre Scheme. One candidate had been selected for the post of Asstt. Foreman (Trainee), Electrical without verification of original documents and proper scrutiny. All five officers were Members of the Selection Committee for carrying out question paper formality, evaluation, conducting test/interview and final recommendation for selection from departmental candidates. Department recommended initiation of Minor Penalty Proceedings against all the five officers.

Outcome

The Disciplinary Authority had taken a view that role of Selection Committee members had been very limited, there is no financial loss to the company and that there has been a procedural lapse only. The Disciplinary Authority did not accept the Commission's advice and issued recordable warning to all the five officers against advice of the Commission for minor penalty.

The Commission has treated the case as a deviation from its advice.

S.No.31

Charge

A case was received from a Coal Company under the Ministry of Coal regarding a large number of new Equipments/Machines/Plants & Machinery (P&M) items found lying unused at different locations during inspection. Further enquiries revealed that these items were received as assemblies through purchase of spares from OEM on proprietary basis.

Advice

1. The Commission vide OM dated 13.06.2016 advised initiation of Major Penalty Proceedings against the General Manager in its First Stage Advice considering the gravity of the issue.
2. Commission also advised that the cases of other officers in respect of whom the CVO/CMD recommended RDA could be taken up after receiving the report of CBI unless such persons are superannuating before that date.
3. The Commission found the case fit for referring to CBI for investigation u/s 8(1) (d) and 8(1) (h) of CVC Act and directed the CBI accordingly vide OM dt. 15.06.2016. Further Commission also advised the Coal Company under Ministry of Coal vide OM dt. 15.06.2016 to further investigation in the matter.

Brief

The case arose from a surprise check conducted in the month of October 2015 by a Vigilance team of a Coal Company under the Ministry of Coal. As per investigation report of the Chief Vigilance Officer, plant and machinery items were procured under the guise of spares by the concerned officials violating the guidelines and causing huge loss to the company. Material Budget (MB)/Indents were prepared for spares but what was procured instead was new equipments/machines/ P&M items like motor gear box, transformer Oil Filter Machine, etc. All the purchases were treated as proprietary items and had been purchased from approved private vendors without following any bidding process.

The Commission observed that persons involved could not have bypassed the laid down procedure on procurement and placed the orders, causing financial loss to the company without some malafide motive. The Commission further observed that in their explanatory statements, most of the persons justified the act of preparing indents, placing orders and acceptance of materials in a different form, as being “on instructions of some higher authority”. It has further been stated by almost all the employees examined that a similar practice has been in vogue in other areas as well as previously in the company.

Outcome

- (a) It is seen that the Charge Sheet was issued to a General Manager on 28.05.2016, the officer accepted the charges and a major penalty was imposed on 23.06.2016. The General Manager retired on 30.06.2016. Commission observed that the penalty imposed on General Manager of “Reduction to a lower stage in a time scale from the date of issue of memorandum i.e. from 28.05.2016 till his retirement or for a period of one year, whichever is earlier” was not commensurate with the gravity of the misconduct and no penalty had in fact been inflicted on him as he retired before such penalty of reduction in pay became effective.

The Commission has treated it an instance of the management deliberately nullifying the punitive effect of a proven misconduct.

- (b) Further the Coal subsidiary under Ministry of Coal informed the Commission that a major penalty has been awarded by the DA on the concerned Sr. Manager. The Commission observed that there appears to be a misinterpretation of advice of the Commission where the CVO was asked to keep the action suggested by them in abeyance till the receipt of a report from CBI. In the guise of following the Commission's directive, major penalty action was initiated against a Sr. Manager although the Commission had not tendered any such advice. Penalty was imposed by Disciplinary Authority on 01.02.2017 without approaching the Commission for First Stage Advice. Commission further observed that as the Sr. Manager was superannuating on 31.03.2017, the major penalty which was imposed on the Sr. Manager is no penalty in reality as the officer retires before reduction to lower time scale is implemented. Further the penalty imposed does not appear to be commensurate with the gravity of misconduct. In the case of the Sr. Manager, no penalty had in fact been imposed on him as he retired before such reduction in pay became effective.

The Commission decided to include above case in its Annual Report.

S.No. 32

Charge

Irregularities in tenders for Operations and Maintenance of Dust Suppression System, providing and fixing Hose Reel Drums and disposal of Coal from tracks, etc.

Advice

The Commission vide OM dated 26.05.2016 advised initiation of Minor Penalty Proceedings against the DGM (M) and two other officials in its First Stage Advice.

Brief

Three complaints under PIDPI Resolution were received in the Commission against the DGM and others of a Coal company under Ministry of Coal relating to irregularities in tenders for Operation and maintenance of dust suppression system installed in Coal Handling Plant (CHP) at a project, proving and fixing of 5 Hose Reel Drums at different locations of fire zone in CHP and disposal of deposited/ sticky coal from the tracks of NTPC at a project. The Commission sought investigation report on the complaints from Chief Vigilance Officer of the Coal Company. CVO had submitted report on 26.12.2015 and held that the DGM and others were responsible for irregularities observed regarding wrong publication of title in website publication and irregularities in estimate preparation related to the work of 'Disposal of deposited/sticky coal from the tracks' of a Power company.

Outcome

The Charge Memorandum was issued to DGM and two others officials on 08.04.2016. The Disciplinary Authority did not accept Commission's advice and issued Warning to DGM and two

others officials on 02.09.2016. Since the final orders of DA issuing Warning to DGM and two others officials was a deviation from Commission's advice, the case was referred to Chairman of the Coal Company for furnishing their views on reasons for deviation and for not following the laid down procedure, if the first stage advice is not to be followed. The CVO of Coal Company has submitted that in case of difference in opinion of DA and CVC the same should have been referred for Second Stage Advice of the Commission which was not done due to lack of clarity of procedure, and is regretted. The case has been referred to the Chairman of the Coal company for review in view of the observation made by the Commission regarding deviation from its First Stage Advice.

S.No. 33

Charge

An officer nominated as member of the Hearing Committee formed by AICTE for recommending grant of recognition to an Engineering College committed irregularities in recommendation of grant of recognition to an Engineering College on the basis of forged documents.

Advice

Commission vide O.M. dated 24.05.2016 advised initiation of regular departmental proceedings for levy of major penalty against the member of the Hearing Committee.

Brief

The matter relates to CBI's investigation into grant of recognition to an Engineering College. CBI had observed serious lapses on part of the member of the Hearing Committee formed by AICTE. The Institute did not possess the approved building plan and land use certificate required under AICTE guidelines. Despite these deficiencies in the proposal for recognition, the member of the Hearing Committee recommended grant of recognition to the said Engineering College on the basis of forged documents.

Outcome

The accused member of the Hearing Committee was a regular employee of Jamia Millia Islamia University. The University informed the Commission that due to delay on the part of AICTE, the University could not proceed with departmental proceedings in due time and subsequently the accused retired from the services of the University on 30.06.2016. Thus, the advice of the Commission was not implemented by the University.

Commission, therefore, decided to include this case in its Annual Report as a case of non implementation of the advice of the Commission.

S.No. 34

Charge

Irregularities in award of consultancy work, appointment of architect, payment for restoring and digitizing the film rolls worth Rs 7.5 Cr, purchase of goods by a local purchase committee without following tender procedures, excess payment to advocates etc.

Advice

The Commission, in agreement with Ministry of Culture, advised initiation of major penalty proceedings against a Former Director, Nehru Memorial Museum and Library (NMML) and other officers for the gross irregularities in the award of various works/contracts on 29.01.2015.

Brief

The Director General of Audit (Central Expenditure), in their audit for the year 2010-2011 made some observations pertaining to financial and administrative irregularities. Subsequently, on the directions of Chairman of the Executive Council of NMML, a preliminary Inquiry was conducted by NMML followed by a fact finding Inquiry which revealed several financial and administrative irregularities such as excess payment for digitizing of film rolls to the tune of Rs 7.5 cr, excess payment to the Inquiry officer to the tune of Rs 8.68 lakhs, excess payment to advocates to the tune of Rs 54.38 lakhs, appointment of architect without following prescribed procedures, purchase of goods without following prescribed tender procedures, irregularity in respect of use of staff car etc. Commission advised initiation of Major penalty proceedings against the then Director of NMML and other officers for their involvement in the process of procurement and award of works without following due procedures.

Outcome

Commission advised initiation of major penalty proceedings against Former Director, NMML and other officers. The advice of the Commission was not implemented in case of one the former Directors NMML and the officer was allowed to retire although there was sufficient time to serve a charge sheet after the first stage advice of the Commission.

This is a case of non implementation of Commission's advice.

S.No. 35

Charge

Irregularities in purchase of plastic granules at exorbitant rates for packaging milk by the officials of Delhi Milk Scheme (DMS) causing huge loss to the DMS.

Advice

The Commission on 13.11.2003 advised initiation of major penalty proceedings against the then Deputy Manager and the Store Officer for failure to take action for mixing cheaper LLDPE granules

in the raw material supplied for making film for packing milk thus causing loss to DMS. Commission also advised the Department to look into the role of the GM and other senior officers of the Delhi Milk Scheme (DMS) and to refer back the case with the proposed course of action against them.

Brief

The matter was regarding allegation that Delhi Milk Scheme (DMS), after purchasing LDPE granules from IPCL, supplied the same to the manufacturers of poly-films for manufacturing films for packaging of milk. However, these manufacturers mixed LLDPE granules (which was cheaper) in the raw material LDPE thus causing loss to DMS. The then Store Officer and Dy. Manager (Store Purchase) were held responsible for the lapse. The Commission, therefore, advised initiation of major penalty proceedings against them. It was also advised to look into the role of GM and other senior officers of DMS.

No action was taken by the Department against the then Dy. Manager till his retirement and the case got time barred due to limitation. It was also observed that DMS failed to get the samples seized/sealed and tested. Department of Animal Husbandry Dairying and Fisheries (D/o AHD&F), therefore, was advised by the Commission to fix the responsibility of the officers responsible for these lapses.

The Commission followed up the matter with the D/o AHD&F. But, response from the Department was received vide their letter dated 17.02.2016 stating that the action advised by the Commission could not be taken by the Department in a conclusive manner. D/o AHD&F did not implement Commission's advice stating that all the officers / officials concerned with the case have retired.

Outcome

D/o AHD&F did not implement Commission's advice of initiation of major penalty proceedings against the then Deputy Manager and the Store Officer. This as a case of non-compliance with the advice of the Commission.

S.No. 36

Charge

Officials of Department of Commerce (Supply Division) committed grave misconducts in purchase of Jute Mail Bags indented by the D/o Posts by modification of tender conditions after opening of bids, collusion with the bidders in cartelisation, payment of exorbitant rates and extending undue favour to a few select bidders.

Advice

The Commission on 06.07.2012 advised initiation of major penalty proceedings against one ADG(Retd.), one DDG(Retd.), one Director, one Dy. Director and initiation of minor penalty

proceedings against one Assistant Director for the irregularities in purchase of jute mail bags of different sizes.

Brief

Investigation conducted by Department of Commerce (Supply Division) revealed that modification to the conditions of the Tender Enquiry were carried out by introducing a post-tender condition of supply of jute canvas bags that the raw material for these bags was to be procured from a particular firm after the bids were opened (during the negotiations). The investigation also brought out that cartelisation of bids was overlooked and abnormally high prices were paid to the suppliers. The investigation brought out that because of omissions and commissions on part of officials, the Government suffered a loss of approximately Rs. 2 cr. The investigation also revealed that the offers of some firms were ignored by the Tender Purchase Committee Members in order to extend undue favour to a few select bidders. The Commission, in agreement with the Department of Commerce (Supply Division) advised initiation of major penalty proceedings against one ADG(Retd.), one DDG(Retd.), one Director, one Dy. Director and initiation of minor penalty proceedings against one Assistant Director.

Outcome

On inquiry the charges were held as partly proved against all officers against whom major penalty proceedings were initiated. However, D/o Commerce (Supply Division) dropped the charges against all the above officers without seeking Commission's second stage advice. The department issued warning to one serving officer and government displeasure was conveyed to four retired officers. As per DoPT's OM No. 11012/6/2008-Estt(A)-III dated 07/07/2008 and 06/12/2016, where a departmental proceedings has been instituted and it is considered that Government Servant deserves to be penalized for a offence / misconduct, one of the prescribed penalties may only be awarded and no warning, recordable or otherwise should be issued to the Government Servant. Further, issuing Government Displeasure to retired officers serves no purpose.

Commission has treated this as a case of non compliance with Commission's advice, also of not following the laid down procedure of consultation with the Commission and not following laid down instructions in the matter of issue of warning on conclusion of formal proceedings.

S.No. 37

Charge

Irregularities in purchase of video CD, laptops, workstations and cameras in Indira Gandhi Rashtriya Manav Sangrahalaya (IGRMS).

Advice

On 10.12.2015, the Commission advised imposition of major penalty on the officers of IGRMS for irregularities in purchases of laptops, video equipments, cameras etc. The Commission reiterated its advice of imposition of major penalty against these officers on 16/03/2016.

Brief

The officers were members of a Committee formed to purchase Video CD, Laptops, Cameras etc. The purchase of video equipments worth Rs. 11,46,913/- was finalized on nomination basis without proper justification. Further, there was cartel formation in the purchase of laptops and workstations worth Rs.32,10,000/-, and some of the firms were sharing a common address. As such there was complete lack of competition. The Tender Committee recommended the purchases overlooking the above facts thus causing financial loss to IGRMS.

During the departmental proceedings, the IO held the charges as “not proved”. Commission, at second stage advised imposition of major penalty on the officers involved in the purchases. The Director, IGRMS who was the Disciplinary Authority in this case, took a decision to exonerate the officers.

Outcome

IGRMS did not implement Commission’s advice of imposition of major penalty on the officers and the competent authority took a decision to exonerate them. The case has been treated as deviation from Commission’s advice.

S.No. 38

Charge

An Executive Engineer of Central Water Commission committed certain irregularities in awarding Civil Works, he fabricated bills, circumvented tender/procurement procedures and also offered appointments to unregistered labour contractors in violation of the laid down procedure for the same.

Advice

CVO, M/o Water Resources, River Development and Ganga Rejuvenation (M/o WR, RD & GR) approached the Commission for its First Stage Advice, with the approval of Secretary (WR, RD & GR), recommending initiation of major penalty proceedings against the Executive Engineer. The Executive Engineer was due to superannuate on 30.09.2015.

Keeping in view the financial irregularities and the gravity of charges, the Commission in agreement with CVO and the Secretary of the Department, on 24.09.2015 advised initiation of major penalty proceedings against the Executive Engineer. Commission also advised fixing of responsibility on the Superintending Engineer for supervisory lapses.

Brief

The Commission advised CVO, Central Water Commission to undertake an investigation into a complaint against an Executive Engineer of Central Water Commission and to furnish a report.

The investigation revealed violation of financial rules/procedures by the Executive Engineer and irregularities in awarding of civil works tenders. It was observed that the Executive Engineer altered the conditions of a tender for favouring and awarding the work to a particular contractor. He also invited some tenders before obtaining technical sanction of the estimates. The Executive Engineer also floated several tenders without bringing them to the knowledge of his immediate superior authority (Superintending Engineer) and in some cases he split the work of similar nature and invited separate tenders for these works within a short period of time.

The CVO, with the approval of the Secretary approached the Commission for its First Stage Advice, recommending initiation of major penalty proceedings against the Executive Engineer. Commission, in agreement with CVO and Secretary advised initiation of major penalty proceedings against the Executive Engineer. Commission also asked the Ministry to fix responsibility of the then Superintending Engineer for his supervisory lapses.

Outcome

While seeking the first stage advice of the Commission, M/o WR, RD & GR pointed out financial irregularities. Subsequently, the Disciplinary Authority took the view that the irregularities committed by the Executive Engineer were of technical nature, there was no financial loss to the Government and no compromise with the work was reported. The Disciplinary Authority closed the case without consulting the Commission, thus deviating from the Commission's advice.

The Commission, therefore, treated this as a case of non-compliance of its advice and of not following the laid down procedure of consultation with the Commission.

S.No. 39

Charge

Submission of false receipt for Registration fee and conveyance bills.

Advice

On 25/06/2015, the Commission advised initiation of major penalty proceedings against some Assistant Professors of PGIMER for submitting fake registration fee and local conveyance bills while attending a conference in a foreign country.

Brief

The allegation against the Assistant Professors was that they attended a conference in a foreign country and submitting a receipt for inflated registration fee for the conference. They further claimed taxi charges for local conveyance from the hotel to the venue of the conference and back, though the hotel and the venue of the conference were the same. They also claimed false taxi charges from the

Airport to the Hotel. The Commission advised initiation of major penalty proceedings as this was a case of lack of integrity.

Outcome

The Disciplinary Authority issued charge sheets to the Asst. Professors but subsequently withdrew the charge sheets without consulting the Commission. As the Disciplinary Authority did not implement the Commission's advice, the case has been treated as a case of deviation from the Commission's advice and also of not following the laid down procedure of consultation with the Commission.

S.No. 40

Charge

CBI recommended initiation of regular departmental action for major penalty against a Deputy Director, DDA for criminal conspiracy in connection with misuse of land allotted to an Education Society for construction of school building.

Advice

The Commission had advised initiation of major penalty proceedings against the Dy. Director, DDA in agreement with the recommendation of Disciplinary Authority and CBI.

Brief

CBI had recommended initiation of regular departmental action for major penalty against Dy. Director for the conspiracy in connection with misuse of land allotted to a Public School Education Society, for construction of school building. However, CBI has advised to keep the RDA against Dy. Director in abeyance till recording of his evidence in the Trial Court in connection with the criminal case against other accused persons. The advice for initiation of RDA against the Dy. Director was pending since 2003. Meanwhile the charged officer has filed an OA before the CAT and sought relief from the Tribunal. CAT has quashed the memorandum dated 11.12.2003 issued by CVC on the ground of pendency for more than 13 years. Thus no disciplinary proceedings have been initiated against the official.

Outcome

The Commission has observed that the advice of the Commission dated 11.12.2003 was not implemented by the Disciplinary Authority. Hon'ble CAT vide their judgment dated 06.05.2016 quashed the Commission's advice dated 11.12.2003 on the ground that more than 13 years had passed and no disciplinary proceedings have been initiated against the Deputy Director, DDA. The Commission considered it as a case of gross delay /inaction on the advice of the Commission by the Disciplinary Authority.

S.No. 41

Charge

It is alleged that Executive Engineer, CPWD purchased materials from various Co-operative Stores which had been declared as unauthorized sources, thereby violating DG (W)'s Circular dated 03.06.1993.

Advice

The Commission advised initiation of minor penalty proceedings against the Executive Engineer, CPWD.

Brief

On allegation of violation of DG (W)'s Circular dated 03.06.1993 in purchasing of materials from various Co-operative Stores, which had been declared unauthorized sources, the Commission advised initiation of minor penalty proceedings against the Executive Engineer in agreement with the DA & CVO, MoUD /CPWD. The Charged officer filed an OA in the Hon'ble CAT (PB) and the Hon'ble CAT vide orders dated 12.05.2016 and 18.07.2016 quashed the charge memorandum dated 07.11.2013 issued to the Charged officials on account of inordinate delay of 21 years from the date of alleged irregularity and more than 5 years from the date of first explanation to the memorandum in issuing the charge-sheet. The Disciplinary Authority in compliance with the CAT's order and in accordance with the advice of DoPT withdrew the disciplinary proceedings against the Executive Engineer, CPWD.

Outcome

The order passed by the Disciplinary Authority, MoUD/CPWD to withdraw the disciplinary proceedings against the Executive Engineer, CPWD has been noted by the Commission as a case of inordinate delay nullifying vigilance actions.

S. No. 42

Charge

It was alleged that members of Purchase Committee of Netaji Subhash Institute of Technology (NSIT) had committed gross irregularity in purchase of computers. The alleged irregularities were (a) non-invitation of Global tender; (b) approval of the competent authority not taken for procuring computers on rates other than the DGS&D rates; (c) not signing the minutes of the relevant meetings by the computer engineer; (d) mention of brand names in violation of GOI's instructions; (e) rejection of L-1 by those not authorized to make technical evaluation; (f) review of technical specification without furnishing valid reason; (g) non-constitution of central purchase committee required under the purchase rules; (h) frequent change of members of the committee.

Advice

The Commission in agreement with the Disciplinary Authority advised initiation of major penalty proceedings against the members of the purchase committee.

Brief

Due to gross irregularities observed in the purchase of 180 computers in the NSIT, the Commission had advised initiation of major penalty proceedings against the members of the purchase committee. Disciplinary proceedings under Rule 14 of CCS (CCA) Rules 1965 were initiated against all the delinquent officials. The Inquiry Report submitted by the Inquiry Officer (IO) was placed before the Board of Governors (BOG) being the Disciplinary Authority (DA). DA violating the laid down/recognized procedure constituted a three member Fact Finding Committee (FFC). On the basis of the FFC report, the DA exonerated the charged officers without consulting the Commission for its second stage advice, which is in gross violation of the extant instructions of the Commission. The clarification sought by the Commission regarding legality of constituting a three member fact finding committee after initiation of disciplinary proceedings under rule 14 of CCS(CCA) and that too when the Inquiry Report had been submitted by the Inquiry Officer has not been provided by the department.

Outcome

The above act of completely disregarding the laid down procedure and exonerating all the charged officers facing charges of grave misconduct has been treated as a deviation.

S. No. 43

Charge

This case is related to alleged irregularities in eviction proceedings against unauthorised occupancy of a public land in connivance with officials of the Delhi Urban Shelter Improvement Board (DUSIB) and a private party. The Estate Officer passed an order in favour of private party ignoring the evidence placed on record by the department in respect of a piece of land in a village in Delhi. The officials failed to follow up the case properly and inform the superior officers/department about the order of Estate Officer for further course of action expeditiously.

Advice

The Commission in agreement with the department advised initiation of major penalty proceedings against three involved officials (including a land official). Disciplinary Authority after the inquiry sent the case of the land official to the Commission, recommending 'Exoneration'. The Commission after due examination of the reference, observed that Inquiry Officer has held the charge levelled against the land official as proved on the basis of fair evaluation of the documents and oral submission

produced before him. Considering the gravity of proven misconduct, the Commission advised for imposition of suitable major penalty upon the land official.

Brief

The land official DUSIB, while working in the land section of erstwhile Slum and Jhuggi-Jhompri department of MCD (now DUSIB) failed to safeguard the interest of the department. He was required to attend all hearings, make note of the orders passed by the Estate Officer. Thereafter, in case of an adverse order, he was required to intimate action to challenge the adverse order in an appropriate court of law. He failed to discharge his duty. The Inquiry Officer in his Report held the charges as proved and accordingly Commission advised for imposition of major penalty upon the land official. However, the DA exonerated the official without even referring the case to the Commission for reconsideration.

Outcome

The order passed by the Disciplinary Authority exonerating the official, when the charge was held as proved in the inquiry, was considered by the Commission and in view of the seriousness of the misconduct, the action of the Disciplinary Authority was treated as a deviation and as a case of not following the laid down procedure of consultation with the Commission.

S. No. 44

Charge

This case emanated on investigation of a complaint about illegal selling of unused Jhuggi-Jhompri (JJ) plots by officials of JJ and Slum Department using fake and forged documents. Assistant Director, DUSIB and others were found responsible for the connected irregularities. The charge against the Assistant Director was of gross negligence in duty and failure to maintain proper records leading to misplacement and destruction of e-documents which were required to find out the involvement of officials in fraudulent allotment.

Advice

The Commission advised initiation of major penalty proceedings against the Assistant Director.

Brief

Vigilance investigation of DUSIB concluded that the officials dealing with rehabilitation scheme were negligent towards their duties. Important files regarding allotment had either been destroyed or misplaced by them during their tenure. Commission advised initiation of major penalty proceedings against Assistant Director and others. The Disciplinary Authority imposed a penalty of "Reduction to a lower stage in the time scale of pay for a period of one year with further direction that the AD will not earn increment of pay during the period of such reduction and on expiry of such period, the reduction will not have the effect of postponing the future increments of his pay". However, the

Appellate Authority reduced the penalty to “Censure” only, which was not commensurate with the gravity of the charges.

Outcome

The order passed by the Appellate Authority, DUSIB to impose minor penalty of “censure” upon the Assistant Director was considered by the Commission and is of the view that the penalty is not commensurate with the seriousness of the offence and misconduct.

S. No. 45

Charge

It was alleged that Accounts Officer, Delhi Jal Board (DJB) had given undue benefit to a contractor, by not recovering/withholding the required amount from the Running Account (RA) Bills. Further, by releasing the security deposit against the Bank Guarantees (BGs); undue benefit was given to the contractor. Also the Upper Division Clerk (UDC) did not bring to the notice of his Executive Engineer (EE) about the impending expiry of the Performance Guarantee for the work under reference, so that timely action could be initiated by the EE under the relevant clause of the Contract Agreement (CA) before the expiry of Performance Guarantee. As such financial favour has been extended by the UDC to the contractor.

Advice

The Commission in agreement with the Disciplinary Authority had advised initiation of major penalty proceedings against the Accounts Officer and the UDC.

Brief

Departmental proceedings for major penalty was initiated against the Accounts Officer and the UDC along with the EE concerned for granting undue financial benefit to the contractor. It was observed that after inquiry, the Inquiry Officer submitted his findings holding the charges as partly proved, and after considering the facts on record and reply of the Charged Officers, a penalty of “Reduction to a lower stage in the time-scale of pay for a period of six months, with further directions that the Charged Official will earn his increments of pay during the period of such reduction and after the expiry of such period, the reduction will not have the effect of postponing the future increment of his pay”(minor penalty) was imposed upon the Accounts Officer and the UDC by the DA without seeking Second Stage Advice from the Commission even when this was a case of deviation from Commission’s First Stage Advice.

Outcome

The penalty imposed upon the charged officials by the DA, DJB has been noted by the Commission as a deviation from its advice and as a case of not following the laid down procedure of consultation with the Commission.

S. No. 46

Charge

The officers of South Delhi Municipal Corporation allegedly allowed unauthorized construction in four properties during the period from 02.03.2012 to 20.03.2013. The misconduct of the two Assistant Engineers (AEs) of South DMC was that they failed to initiate action against the builder for the unauthorized construction on the properties. They failed to carry out mandatory inspection of the area to detect unauthorized construction at the initial stage. They also failed to exercise proper supervision over the functioning of the Junior Engineers.

Advice

The Commission in agreement with the Disciplinary Authority advised initiation of Major Penalty Proceedings against the two AEs of South DMC. The Disciplinary Authority sought reconsideration of advice of the Commission. The Commission after careful consideration reiterated its earlier advice for initiation of Major Penalty Proceedings against both the officials as there did not appear to be any fresh ground to merit reconsideration.

Brief

Hon'ble High Court of Delhi in WP(C) No. 3384/2014 in a case titled as "People All India Anti-Corruption and Crime Prevention Society Vs SDMC" vide its order had directed SDMC to take action against the officials of SDMC who allowed unauthorized construction in the four properties. It was observed during investigation that no efforts were made by the SDMC officials to curb the unauthorized construction in the initial stage when the builder/owner commenced the work. They failed to detect the unauthorized construction at initial stage and initiate requisite action as per DMC Act. The action as per DMC Act was initiated when the construction of Ground Floor and First Floor was already completed. Due to the irregularities observed, the Commission had advised initiation of Major penalty proceedings against two AEs of South DMC. The Disciplinary Authority made a proposal for reconsideration of Commission's advice which was not found in order and the Commission reiterated its earlier advice for initiation of Major penalty proceedings against the delinquent officers.

Disregarding the Commission's advice, the Disciplinary Authority dropped the disciplinary proceedings against both the officers by issuance of a 'Recordable Warning' without any further reference to the Commission. Further, issue of Recordable Warning is not permissible on conclusion of formal departmental proceedings in view of DoPT's instructions dated 06.12.2016.

Outcome

The above act of the Disciplinary Authority of disregarding the laid down procedure and issuance of recordable warning to the charged officers facing charges of grave misconduct of wilfully allowing unauthorized construction, was considered in the Commission and was treated as a deviation

from its advice and as a case of not following the laid down procedure of consultation with the Commission.

S. No. 47

Charge

A complaint was received that samples were not being checked by engineers of Quality Control Cell of MCD for an unlawful consideration. Vigilance Department conducted surprise check and found 19 samples of different building material lying in unsealed condition. The officers of Quality Control Cell were found responsible for non maintenance of records of quality of materials and failure to exercise proper supervision and control over functioning of Quality Control Cell through alleged involvement with contractors.

Advice

The Commission in agreement with the Disciplinary Authority advised initiation of Major penalty proceedings against the concerned Executive Engineer and Assistant Engineer of SDMC who were found responsible for the misconduct. The Disciplinary Authority sought reconsideration of Commission's advice. The Commission after careful consideration reiterated its earlier advice for initiation of major penalty proceedings against both the officers as there did not appear to be any fresh ground to merit reconsideration.

Brief

The Commission advised initiation of Major penalty proceedings against the concerned Executive Engineer and Assistant Engineer of South DMC on 09.03.2012. The Disciplinary Authority sought reconsideration of Commission's advice in respect of Executive Engineer recommending initiation of Minor penalty proceedings against him on 23.07.2012. Since there was no fresh ground to merit reconsideration, the Commission reiterated its earlier advice for initiation of Major penalty proceedings against the charged officer who was responsible for the serious misconduct. The Disciplinary Authority again sought reconsideration of Commission's advice on 03.05.2016 (after 4 years) which was not acceptable on merits and Commission reiterated its earlier advice. Disregarding the Commission's advice, the Disciplinary Authority i.e. Commissioner South DMC dropped the charges against both the COs on 12.04.2017. The Disciplinary Authority did not issue the charge sheet to both the COs for 5 years and the charges were dropped in complete disregard to the laid down procedures.

Outcome

The Disciplinary Authority completely disregarded the laid down procedure and exonerated both the officials who had committed grave misconducts and irregularities. The Commission decided to treat the action of the Disciplinary Authority as a deviation from its advice.

S. No. 48

Charge

A complaint that the officials of MCD allegedly allowed excess Teh Bazari sites in addition to the ones actually allotted by MCD at a location in Delhi and that although the sites had been allotted as 'open to sky', these shops/sites had been allowed to be erected as permanent structures and an electronic goods market had been allowed to be developed at the site.

Advice

The Commission keeping in view the serious misconduct in agreement with the recommendation of Disciplinary Authority advised initiation of Major penalty proceedings against concerned MCD officials including the then Dy. Commissioner, City Zone (working on deputation from a State Government).

Brief

The Commission advised initiation of Major penalty proceedings against the then Dy. Commissioner (on deputation in MCD from a State Govt). The officer was repatriated to his parent cadre. Therefore North DMC sent the complete record along with Commission's advice to Secretary of the State Govt. for initiating disciplinary proceedings against the officer. The officer was issued a show cause notice in the matter for initiation of major penalty proceedings and after considering his reply to show cause notice, the charges against the officer had been dropped, with the approval of the State Government vide order dated 31.12.2012 without even consulting the Organization in which the misconduct was committed and the Central Vigilance Commission.

Outcome

The above act of the Disciplinary Authority of completely disregarding the laid down procedure and dropping the charges against the officer for serious misconduct, was considered in the Commission and has been treated as a deviation.

S. No. 49

Charge

CBI registered a case for investigation in pursuance to the order of Hon'ble High Court of Delhi passed in a Civil Writ Petition (CWP) and Civil Miscellaneous (CMs) of Hon'ble High Court of Delhi. It was alleged that the then Registrar Cooperative Society (RCS) and other officers including some private persons entered into a criminal conspiracy and cheated the Government of NCT of Delhi by committing offences of impersonation, forgery cheating, use of forged documents and by abuse of official position and fraudulently got allotment of land in the name of a Central Government Housing Society (CGHS) from DDA on 13.02.2003.

The CBI's investigation disclosed that the Cooperative Group Housing Society (CGHS) was registered with the office of RCS in 1983 with 63 promoter members. Since the Society was not functioning as per the bye-laws, the Society was wound up on 1992 on the orders of the then Dy. Registrar and the society was put under liquidation. Investigation revealed that in 2000 the RCS, cancelled the earlier winding up order and revived the Society. The Registrar disregarded the liquidation orders passed in 1992 and did not depute an Area Inspector to check the Society's records and for physical verification of the address of the Society. The Society was not functioning at its registered address.

Advice

The Commission advised initiation of major penalty proceedings against the RCS.

Brief

M/o Home Affairs sought advice on sanction for prosecution against the then RCS. The Commission examined the case and observed that this is a fit case for sanction of prosecution. The Commission advised simultaneous initiation of major penalty proceedings also against him. Sanction was accorded for prosecution of then RCS. A charge sheet for major penalty was also issued by the Disciplinary Authority.

Outcome

The charges were enquired through Commissioner for Departmental Inquiries (CDI). The Inquiry Officer in his report has held the charges alleged against the then RCS as proved. However, the Disciplinary Authority disagreed with the findings of the inquiry report and recommended exoneration of the charged officer. Commission examined the case and advised imposition of major penalty against the Charged Officer. The Disciplinary Authority disagreed with the views of the Commission and approached the DoPT to resolve the disagreement. DoPT agreed with the recommendations of Disciplinary Authority and the charges against the charged officer be dropped.

Accordingly the charges against the officer were dropped by Disciplinary Authority. This is a case of disagreement with the Commission's advice. However, the procedure laid down has been followed.

S. No. 50

Charge

CBI had registered a case against an officer of an All India Service for acquisition of assets by corrupt and illegal means by abusing his official position under section 120-B IPC and 13(2) read with 13(1)(d) of PC Act, 1988. CBI had recommended sanction for prosecution against the officer. Specific allegations against the officer are the following:

- a) Raising the escalation in cost of Indo-China Border Roads with the High Level Empowered Committee in violation of the prescribed procedure. The concurrence of the Technical Committee which was a necessary pre condition prior to approaching the Empowered Committee, had not been obtained.

- b) Construction of a Temple and Guest House by a private contractor for a sum of Rs. 5 lakhs on land in the village of the officer.
- c) Abuse of official position as a public servant by taking monetary favours for purchase of air tickets in the name of the officials relatives.

Advice

The Commission advised sanction for prosecution and also advised initiation of disciplinary proceedings under AIS (CCA) Rules for levy of major penalty for lack of integrity, lack of devotion to duty and conduct unbecoming of a Government servant.

Brief

DoPT observed that the evidence available was insufficient to prosecute the officer. M/o Home Affairs recommended disciplinary proceedings against him for his misconduct pertaining to purchase of air tickets. M/o Home Affairs had also not recommended sanction for prosecution against the officer. The Commission observed that CBI found sufficient evidence during investigation which established that the officer had taken favour/illegal gratification in the case. The Commission advised sanction for prosecution. The Commission advised initiation of major penalty proceedings also under AIS (CCA) Rules.

Outcome

DoPT intimated that Competent Authority had declined sanction of prosecution of the officer. DoPT further intimated that the Competent Authority had directed DoPT and MHA to examine initiation of disciplinary proceedings against the officer.

The above facts were considered by the Commission. The Commission has treated this as a case of deviation from its advice in regard to grant of sanction of prosecution.

S. No. 51

Charge

CBI registered a case on 03.12.2008 against a Garrison Engineer for demanding and accepting a bribe of Rs. 1.50 lakhs. CBI in its report had recommended prosecution and RDA for major penalty. CBI had, however, stated that RDA may be initiated after conclusion of the trial. The Commission advised issuance of sanction for prosecution as well as simultaneous RDA for major penalty against the officer on 26.04.2010.

CBI had also registered another case on 05.01.2009 against the officer for possession of disproportionate assets in the form of cash and bank deposits disproportionate to his known sources of income. CBI in its report dated 20.04.2010 recommended prosecution of the officer. CBI, however, did not recommend Regular Departmental Action against the officer.

Advice

The Commission advised grant of sanction for prosecution against the officer. The Commission advised initiation of disciplinary proceedings also for imposition of a major penalty.

Brief

M/o Defence on 15.10.2015 intimated that CBI had forwarded a copy of the Judgement in the CBI case wherein the officer was not found guilty for the offences and accordingly he was acquitted by the CBI Court on 12.03.2015. M/o Defence has further stated that since the CBI Court has acquitted the officer, it will not be appropriate at this stage to initiate Regular Departmental Action (RDA) against the officer as advised by the Commission. MoD also submitted that they may wait for the decision in other ongoing Court case before proceeding for RDA.

MoD further clarified on 17.03.2017 that the accused Garrison Engineer retired from service on 30.11.2013 and action to initiate penalty proceedings is time barred as per extant rules.

Outcome

The Commission has noted that MoD had not taken action for initiation of major penalty proceedings against the officer in both the above mentioned cases contrary to the advice tendered by the Commission. The cases got barred by limitation. This is a case of non compliance of Commission's advice.

II Irregularities and Lapses

- 4.5 While examining cases received for advice, the Commission has noted some serious and significant irregularities and lapses. These range from failure on part of the DA to follow laid down procedure for consultation with the CVC and/or DoPT in cases of disagreement, to delays in seeking advice and lack of awareness or ignorance of rules in conducting disciplinary proceedings. While the facts of a few such cases are reported in Part-I, an illustrative list of such irregularities/lapses is as under:
- i. Some cases referred for seeking advice of the Commission are not received in the proforma prescribed by the Commission and are not accompanied with complete records.
 - ii. In some cases, specific tentative recommendations of the Disciplinary Authority (DA) are not sent along with the case while seeking advice of the Commission. Such cases are returned to DA for doing the needful, entailing avoidable delay.
 - iii. In some cases it was noticed that the DA submits the case for information and perusal without specifying whether they are seeking an advice or not.
 - iv. It is observed that the DAs issue final orders (deviating from Commission's advise) without seeking advice/reconsideration of the advice of the Commission which is required as per the extant scheme of consultation prescribed.

- v. In some cases the DA mentioned lack of awareness of procedures/instructions as the reason for not seeking advice of the Commission.
- vi. In a number of cases the Commission has noted that the Department of Personnel & Training (DoPT) is not approached for resolution of difference of opinion between the Commission and the DA.
- vii. The advice of the Commission is not sought by the concerned State Government in respect of officers who have been repatriated to the State Government even though draft charge sheet and first stage advice of the Commission was sent to the concerned State authorities.
- viii. It is also observed that reconsideration proposals are sent after a considerable delay of time without any new fact being brought to the notice of the Commission.
- ix. While the instructions provide for reconsideration of the Commission's advice only once, reconsideration requests are received multiple times.
- x. It has been noticed in some cases that DA issued recordable warning after conclusion of the formal inquiry. As per instructions of DoPT either the charges are to be dropped or one of the statutory penalties is to be imposed on conclusion of formal inquiry.
- xi. The Commission has also observed in some cases that the final order of the DA is not a reasoned and speaking order which would indicate a proper and independent application of mind by the DA.
- xii. It was observed that in some cases of the Ministry of Railways the proposal for reconsideration of Commissions advice does not emanate from the DA but from the level of the Railway Board.

III Delays in Disciplinary Proceedings

- 4.6 The Commission has been impressing upon the organisations about the need for prompt action in matters relating to vigilance. The Commission emphasises expeditious enquiry into complaints in order to determine the accountability for an improper action and the finalisation of the disciplinary proceedings within the prescribed time-schedule. These factors not only contribute to the efficiency of the organisations but also send a message to erring officials that any inappropriate action or misconduct on their part would not go unpunished. The Commission has already issued guidelines declaring undue/ unjustified delays in the disposal of a case as one of the elements of the existence of a vigilance angle in any case.
- 4.7 The Commission considers it imperative that instances of suspected malpractices are followed up vigorously by the administrative authorities. Delays have been noticed not only at various levels of processing of the complaints but also at the level at which decisions are to be taken by the competent authorities who are senior level functionaries in the

organisations. Although the Commission's constant endeavour has been to sensitise the organisations about the importance of timely and efficient handling of complaints, it has been observed that many a time the authorities in the organisations demonstrate apathy towards this.

The common areas where delays have been noticed pertain to:

- **Delay in investigating the misconduct for initiating disciplinary action**

It is important that the allegations of misconduct are promptly investigated and disciplinary action should be initiated as soon as possible. A case related to theft of goods deposited at a warehouse came to notice of the disciplinary authority in 2001. A charge sheet was issued on 25.05.2006. The charged officer approached the CAT which set aside the charge sheet on the ground of unexplained delay in initiating the disciplinary action. Appeal against the orders of the CAT was also dismissed by the Hon'ble High Court.

- **Issue of charge sheet**

Delay in issue of charge sheet often leads to delay in completing disciplinary proceedings before the retirement of the charged officer and cases of minor penalty proceedings become infructuous. In many cases Charge Sheets are quashed by the courts on ground of inordinate delay.

- **Appointment of inquiry officer/presenting officer**

It has been noticed that disciplinary authorities are not prompt in appointing IO & PO after the issue of charge sheet to the charged officer and reply of written statement of defence. In a particular case, charge sheet was issued on 27.03.2012 for minor penalty proceedings. IO/PO were appointed on 17.12.2012 after a gap of eight months and just a few days before retirement on 31.12.2012. Disciplinary proceedings could not be concluded due to the retirement of the charged officer on 31.12.2012.

- **Delay in completing disciplinary proceedings**

It has been observed by the Commission that inquiring authorities take a long time (far greater than the prescribed limits), in completion of disciplinary proceedings. In one of the cases, major penalty proceedings were initiated in 2009 in accordance with the advice of the Commission. The charged officer retired on 31.03.2011. The charged officer expired on 16.10.2016 during the course of disciplinary proceedings. The disciplinary proceedings lapsed with the death of the charged officer.

- **Proposal for seeking advice of the Commission**

The Commission endeavours to tender advice at the earliest if the proposal seeking advice of the Commission complete in all respects and accompanied with requisite documents is submitted in the proforma prescribed for the purpose. It has been observed that incomplete

proposals seeking advice of the Commission unaccompanied by requisite details/documents at times lead to the delinquent official retiring from service or the disciplinary action getting barred by limitation.

▪ **Compliance of orders of courts**

In a number of cases, the charged officers take recourse to appropriate Courts, challenging the departmental proceedings and certain orders are passed by the competent Courts. The departments neither appeal against the orders nor comply with the order. Inaction on part of the departments sometimes leads to proceedings for contempt of Court.

- 4.8 The Commission lays emphasis on expeditious disposal of disciplinary cases in an optimum time frame and has noted with serious concern that some of the administrative authorities are not adhering to the time-schedules prescribed for completion of disciplinary proceedings.

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Glimpses of activities held during Vigilance Awareness Week 2017 across the country



Activities of CTEO during 2017



CHAPTER – 5

CHIEF TECHNICAL EXAMINERS' ORGANISATION

I Background

- 5.1 The Chief Technical Examiners' Organisation (CTEO) was established in the year 1957 under the Ministry of Works, Housing and Supply, which was the forerunner of the present Ministry of Housing and Urban Affairs. The mandate of the Chief Technical Examiner's Organisation was to conduct technical audit of works of the Central Public Works Department (CPWD), with the objective of achieving economy in expenditure and better technical and financial control.
- 5.2 The Santhanam Committee on prevention of corruption, while appreciating the contribution of CTEO, recommended for strengthening it so as to make it more effective. It also recommended enlarging the jurisdiction of CTEO to cover construction works undertaken by other Ministries / Departments also and to place it under administrative control of the Central Vigilance Commission. On acceptance of these recommendations by the Government, CTEO was placed under the administrative control of the Commission in 1964.
- 5.3 The CTEO initially undertook intensive examination of selected civil and electrical construction works only. Subsequently, with the increasing expenditure on purchase of goods, services etc., CTEO began conducting intensive examination of supply and service contracts as well. At present, CTEO conducts intensive examinations of all contractual activities of the Central Government, Central Public Sector Undertakings, Public Sector Banks and other Central Government organizations. The scope of its examination includes execution of works, purchase of goods, hiring of services etc. which are mainly funded by the Central Government.
- 5.4 At the apex level, the CTEO is headed by two Chief Technical Examiners (CTEs) – one of them is responsible for examination of civil / horticulture related procurement cases and matters and the other one for all other types of procurement contracts viz., supply contracts, electrical / mechanical contracts, IT procurements, consultancy and service contracts, transport contracts etc. and related matters. The CTEs are assisted by a team of Technical Examiners (TEs), Assistant Technical Examiners (ATEs) and Junior Technical Examiners (JTEs).
- 5.5 The main functions of CTEO include conducting technical and financial scrutiny of various procurement cases of the different agencies, to advise the Commission on policy matters related to public procurement and matters referred to the Commission for its advice by the Ministries, Departments of the Government of India and other organisations within the jurisdiction of the Commission. As part of preventive vigilance and system improvement, CTEs / TEs participate in workshops and seminars on issues related to public procurement.

II Intensive Examination of Procurement Cases

- 5.6 Selection of procurement cases for intensive examination is primarily based on the Quarterly Progress Reports (QPRs) submitted by the Chief Vigilance Officers (CVOs) of various organisations, as also complaints received from various sources. Intensive examination is also done on the basis of the criticality, nature and the time and cost overrun involved in the procurement cases reported. The CVOs are required to furnish every quarter, details pertaining to different type of procurement cases, completed or on-going, with a contract value above the prescribed threshold values. As per extant instructions, the threshold values are Rs. 5 crore and above for civil and turnkey works, supply contracts, Public Private Partnerships, sale of scrap and land etc., Rs. 1 crore and above for electrical, mechanical works, maintenance and service contracts, manpower supply and consultancy contracts, Rs. 50 lakh and above for medical equipment, Rs. 10 lakh and above for horticulture works and four largest value contracts for supply of medicines. During 2017, 260 organisations submitted their QPRs. At times, intensive examination is also undertaken based on complaints alleging specific misconducts / irregularities.
- 5.7 During the year, CTEO undertook intensive examinations of 66 procurement cases, covering 52 organizations as summarised below.

Table 5.1

Intensive examinations conducted by CTEO during the year 2017

Organization	No. of Organisations	No. of Intensive Examinations
Government Departments	13	14
Banks/Insurance Companies & Financial Institutions	04	04
Public Sector Undertakings, Autonomous Bodies, etc.	35	48
Total	52	66

The value of these procurement cases was over Rs. 13,314.67 crore.

- 5.8 Some of the organizations where intensive examinations were undertaken in the year 2017, are Ministry of Road Transport & Highways (MoRT&H), Central Public Works Department (CPWD), VO Chidambaranar Port Trust (VoCPT), Deen Dayal Port Trust, All India Institute of Medical Sciences (AIIMS), Western Railways (WR), Employees' State Insurance Corporation (ESIC), Central University of Punjab, Airports Authority of India (AAI), Kendriya Bhandar, Engineers India Ltd. (EIL), North Delhi Municipal Corporation (NDMC), Rail India Technical and Economic Services (RITES), Oil and Natural Gas Corporation (ONGC), NLC(India) Ltd., Bank of Baroda (BoB), HSCC

(India) Ltd., Bharat Heavy Electricals Ltd. (BHEL), Nuclear Power Corporation of India Ltd. (NPCIL), NTPC Ltd., Bharat Coking Coal Ltd. (BCCL), Power Grid Corporation of India Ltd. (PGCIL), etc.

- 5.9 On completion of intensive examination of the selected procurement case, the CTEO prepares an examination report. Deviations, if any, from GFR, policies of Government of India, laid down guidelines of the Commission as well as of the procurement manual of the organisation are brought to the notice of the concerned procurement agency. In addition, issues related to transparency, efficiency, fair and equal treatment of bidders, overpayments, quality deficiencies, time and cost overruns, tax avoidance etc. are included in the report. Some of the important irregularities observed during the intensive examinations carried out during 2017 and even during scrutiny of various procurement cases are at **Appendix VI**.
- 5.10 Examination reports are forwarded to the CVO of the organisation for obtaining comments from the concerned officers responsible for the lapses and recovery, if any, to be effected, improvements in system etc. The Commission may, in appropriate cases, subsequently refer cases involving suspected criminal culpability to CBI. During the year, two such cases were referred to CBI. Other cases of irregularities, with perceived vigilance angle, are referred to the CVO for detailed vigilance investigation and for fixing of responsibility. Fifteen such cases were referred to the CVOs during the year. The action taken on these observations resulted in a large number of systemic improvements, besides punitive action against erring officials. Recovery of Rs. 55.54 crore was also made by various procuring agencies from the defaulting contractors after such deficiencies were pointed out. Some of the cases, which were referred to CVOs for detailed vigilance investigations during 2017, with the approval of the Commission, are listed at **Appendix VII**.
- 5.11 As a result of observations made by CTEO in the course of the intensive examinations, a number of systemic improvements were initiated by respective organisations. These system improvements were on issues like Earnest Money Deposit, professional liability insurance, selection of consultants, etc. Some of the significant systemic improvements are listed at **Appendix VIII**.

III CTE Type Intensive Examination by CVOs

- 5.12 The Commission decided that intensive examinations, similar to that being carried out by CTEO, may also be carried out by the CVOs, in their respective organisations. CVOs carry out intensive examination of some chosen procurement contracts, broadly representing spectrum of the core activities of the organisation and report the outcome to the Commission. As reported by the CVOs during the year, 371 organisations conducted 11992 inspections of contracts and major purchases / CTE type examination, leading to recovery of Rs. 97.53 crore and 862 vigilance cases.

IV Examination of Vigilance Cases

- 5.13 While examining vigilance cases, various branches of the Commission, as and when required, refer issues related to procurement to CTEO for technical inputs and advice. During the year, CTEO furnished advice in 587 vigilance / complaint cases, referred to it.

V Additional works assigned by the Commission

- 5.14 During the year, the Commission nominated Technical Examiners on committees constituted under Section 8(1)(d) of CVC Act 2003 to conduct Direct Inquiry in five cases involving serious irregularities. They are
- (i) Alleged bribing of NHAI officials by M/s CDM Smith Inc., through its unit M/s CMD Smith India Pvt. Ltd.
 - (ii) Procurement of DAP (Di-Ammonium Phosphate) by M/s RCF Ltd. (Rashtriya Chemicals and Fertilisers Ltd.) from M/s Zuari Holdings Ltd. (ZHL) during 2013.
 - (iii) Irregularities in the implementation of High Security Registration Plates Project by MoRT&H.
 - (iv) Practices being followed in award of contracts for parking in various airports under Airports Authority of India.
 - (v) Investigation into the case of procurement and fixing of automatic fire detection and suppression system in AIIMS, New Delhi.

VI Important initiatives taken by the CTEO

- 5.15 Under the guidance of the Commission, following initiatives were taken by CTEO during 2017:
- (a) In continuation of the efforts towards emphasis on preventive vigilance, CTEO provided technical inputs to various organizations towards capacity building and sensitizing officials about various aspects of vigilance.
 - (b) A presentation / lecture by Shri Girish Bhatnagar, Consultant, Ministry of Finance was organized on the topic 'Salient Features of Manuals for Procurement of Goods and Consultancy & Other Services', recently brought out by the Ministry of Finance, for the benefit of officers of the Commission and CVOs.
 - (c) In addition, specific areas pertaining to tenders and contracts, estimation of rates, legal aspects in contracts etc. were covered in training programs and seminars organised by various organisations during the year.

Lecture Series in the Commission



Justice B.S. Chauhan, Chairman, Law Commission on 20.01.2017



Prof. Ashish Nanda, Director, IIM, Ahmedabad on 16.02.2017



Dr. Y.V. Reddy, former Governor, RBI on 22.03.2017



Ms. Anita Kapur, Member, Competition Appellate Tribunal on 26.04.2017



Dr. Jitendra Singh, Minister of State (PP) on 09.05.2017



Dr. Nasim Zaidi, former CEC on 29.06.2017

Glimpses of activities held during Vigilance Awareness Week 2017 across the country



CHAPTER 6

SUPERINTENDENCE OVER CENTRAL BUREAU OF INVESTIGATION

I INTRODUCTION

- 6.1 The Central Bureau of Investigation traces its origin to the Special Police Establishment (SPE) which was set up in 1941 by the Government of India. The functions of the SPE then were to investigate cases of bribery and corruption in transactions with the War and Supply Deptt. of India during World War II. Even after the end of the War, the need for a Central Government agency to investigate cases of bribery and corruption by Central Government employees was felt. The Delhi Special Police Establishment Act was therefore brought into force in 1946. This Act transferred the superintendence of the SPE to the Home Department and its functions were enlarged to cover all departments of the Govt. of India. The jurisdiction of the SPE extended to all the Union Territories and could be extended also to the States with the consent of the State Government concerned. The DSPE acquired its current name, Central Bureau of Investigation (CBI), through a Home Ministry resolution dated 1.4.1963.
- 6.2 As the CBI, over the years, established a reputation for impartiality and competence, demands were made on it to take up investigation of more cases of conventional crime such as murder, kidnapping, terrorist crimes, etc. Apart from this, the Supreme Court and the various High Courts of the country started entrusting cases for investigation to the CBI on petitions filed by aggrieved parties. Taking into account the fact that several cases falling under this category were being taken up for investigation by the CBI, it was found expedient to entrust such cases to Branches having local jurisdiction. It was therefore decided in 1987 to constitute two investigation divisions in the CBI, namely, Anti-Corruption Division and Special Crimes Division with the latter dealing with cases of conventional crime, besides economic offences.

II SUPERINTENDENCE OF CVC OVER CBI

- 6.3 The Honourable Supreme Court in its judgement dated 18.12.1997 in the Vineet Narain case envisaged greater autonomy and objectivity in the functioning of CBI. Pursuant to the judgement, the Central Vigilance Commission was statutorily mandated to superintend the work of CBI in respect of investigations conducted under the Prevention of Corruption Act, 1988.
- 6.4 As per Section 8(1) of the CVC Act, 2003, the functions and powers of the Commission shall be to:
- (a) exercise superintendence over the functioning of the Delhi Special Police Establishment in so far as it relates to the investigation of offences alleged to have been committed

under the Prevention of Corruption Act, 1988 or an offence with which a public servant specified in sub-section (2) may, under the Code of Criminal Procedure, 1973, be charged at the same trial;

- (b) give directions to the Delhi Special Police Establishment for the purpose of discharging the responsibility entrusted to it under sub-section (1) of section 4 of the Delhi Special Police Establishment Act, 1946:

Provided that while exercising the powers of superintendence under clause (a) or giving directions under this clause, the Commission shall not exercise powers in such a manner so as to require the Delhi Special Police Establishment to investigate or dispose of any case in a particular manner;

- (c) review the progress of investigations conducted by the Delhi Special Police Establishment into offences alleged to have been committed under the Prevention of Corruption Act, 1988 or the public servant may, under the Code of Criminal Procedure, 1973, be charged at the same trial.

6.5 Section 4 of Delhi Special Police Establishment Act, 1946 was also amended w.e.f. 01.09.2003, which inter-alia reads as follows:-

“4. Superintendence and administration of Special Police Establishment. (1) The superintendence of the Delhi Special Police Establishment in so far as it relates to investigation of offences alleged to have been committed under the Prevention of Corruption Act, 1988 (49 of 1988), shall vest in the Commission. (2) Save as otherwise provided in sub-section (1), the superintendence of the said police establishment in all other matters shall vest in the Central Government.”

6.6 The Commission exercises superintendence mainly through the following modes:

- (i) Monthly review meetings with the Director, CBI wherein progress of cases under investigation/inquiry, reasons for delay, status of pending prosecution sanctions, etc., are discussed;
- (ii) Forwarding of complaints for inquiry where deemed necessary;
- (iii) Issuing directions for investigation and report in exercise of powers under Section 8(1) (d) of CVC Act, 2003;
- (iv) Examining the reports of investigation into misconducts in cases against officers within the jurisdiction of the Commission for advising the Disciplinary Authorities for initiating disciplinary proceedings and/or grant of sanction for prosecution;
- (v) Reviewing progress of sanctions for prosecutions pending with the concerned authorities for expediting decision on them;

- (vi) Calling for reports/returns wherever necessary;
- (vii) Monitoring complaints against officers of CBI;
- (viii) Recommending officers for appointment to posts of the level of SP and above and also extension or curtailment of tenure of such officers as provided for under Section 26 of CVC Act, 2003; and
- (ix) Recommending appointment to the post of Director of Prosecution under Section 4BA of DSPE Act, 1946.

III Registration, investigation, trial and conviction

6.7 CBI sends monthly reports of its activities to the Commission about cases registered, their disposal and cases pending for trial. A gist of CBI activities during the year 2017 is given below:

(A) Registration of cases:

6.8 1076 cases comprising 939 Regular Cases (RCs) and 137 Preliminary Enquiries (PEs) were registered during 2017 as compared to 1047 cases comprising 925 RCs and 122 PEs registered during 2016. Out of 1076 cases registered in respect of various types of misconducts, 167 cases were registered for demand of bribe by public servants for showing official favours and 56 cases were registered for possession of assets disproportionate to known source of income. Out of the 1076 cases, 687 cases were registered in Anti-Corruption Division (ACD), 195 cases in Special Crime Division (SCD) and 194 cases in Economic Offences Division (EOD).

(B) Investigation:

6.9 During 2017, investigation was finalised in 765 RCs and 104 PEs. 1365 RCs and PEs were under investigation/enquiry at the end of the year 2017 as against 1156 RCs and PEs under investigation/enquiry at the end of 2016. 597 cases were pending for investigation for more than one year as on 31.12.2017.

(C) Trial and conviction (including non-PC Act cases):

6.10 During the year 2017, judgments were received in 894 court cases under trial as compared to 988 cases in 2016. Out of these 894 cases, 557 cases resulted in conviction, 254 in acquittal, 21 in discharge and 62 cases were disposed of for other reasons. The conviction rate during the year was 66.9% against 66.8% in 2016. At the end of the year 2017, 9383 Court cases were pending in various Courts.

IV Cases dealt with under P.C. Act during the Year 2017

6.11 A gist of cases dealt by the Central Bureau of Investigation under PC Act 1988 during the year 2017 is as under:-

Table 6.1
Cases dealt under P.C. Act during 2017

Sl. No.	Particulars	Cases
1	Registration	632
	No. of Public Servants involved in these cases	1142
	No. of Gazetted Officers involved in these cases	291
2	Disposal from investigation	559
	i) Departmental Action as well as Prosecution	205
	ii) Prosecution only	262
	iii) Departmental Action only	41
	iv) Such Action	6
	v) Closed	44
	vi) Otherwise disposed of	1
3(a)	Disposal from Trial (Court Case wise)	667
	(i) Conviction	413 (62%)
	(ii) Acquittal	211 (32%)
	(iii) Discharge	14 (2%)
	(iv) Otherwise disposed of	29 (4%)
3(b)	Break up of No. of Public Servants and Private Persons involved in cases disposed of from trial	2092
	(i) Conviction	900
	(ii) Acquittal	867
	(iii) Discharged	40
	(iv) Otherwise disposed of	285
4	Total No. of cases under investigation (as on 31.12.2017)	743
5	No. of pending Trials (Court Case wise)	6417

- 6.12 The CBI is normally required to complete investigation of a registered case within one year. Completion of investigation would imply filing of charge sheets in courts wherever warranted, after receipt of sanction from the competent authority. The Commission has observed that there have been some delays in completing investigations in certain cases. Some of the reasons for such delays include delay in investigation due to an overload of work, inadequacy of manpower, delay in obtaining responses to Letters Rogatory (LRs), verification of documents/ title deeds, etc., in disproportionate asset cases, delay in obtaining forensic reports from forensic laboratories and reports from other experts, delay in receipt of prosecution sanction from competent authorities, etc. Details of PC Act cases pending under investigation is at Table 6.2.

Table 6.2

Pending PC Act cases under investigation as on 31.12.2017

Length of pendency	As on 31.12.2017
Less than one year	419
More than one year but less than 2 years	215
More than two years but less than 3 years	65
More than three years but less than 5 years	28
More than 5 years	16
Total	743

Delays in disposal of cases under trial before Courts

6.13 The Commission is concerned about the slow progress of disposal of the large number of cases pending trial in different courts for long periods, at times for over twenty years. Such inordinate delays in investigation defeat the very purpose of efficient vigilance administration and are an impediment to the fight against corruption. The Commission has been emphasising that effective measures are required to be taken to increase the disposal of pending PC Act cases under trial/appeals/revisions in order to effectively combat corruption. The pendency of these cases have been brought to the notice of the authorities concerned with a request for such appropriate actions as are possible to expedite the finalisation of such cases. Details of PC Act cases pending under trial, appeal and revision is at Tables 6.3 and 6.4.

Table 6.3

PC Act cases pending trial

Length of Pendency	As on 31.12.2017
Less than 3 years	1836
More than 3 years and upto 5 years	1051
More than 5 years and upto 10 years	1911
More than 10 years and upto 20 years	1448
More than 20 years	171
Total	6417

Table 6.4

Appeals and Revisions pending in PC Act cases in various courts as on 31.12.2017

	Additional Session Court		Session Court		High Court		Supreme Court		Total
	CBI	Accused	CBI	Accused	CBI	Accused	CBI	Accused	
Appeal	3	1	1	3	453	8404	55	182	9102
Revision	0	1	0	1	174	784	23	9	992
Total	3	2	1	4	627	9188	79	192	10094

Age wise analysis of pending Appeals and Revisions

Age	Appeals	Revisions	Total
Less than 2 years	2843	480	3323
More than 2 but less than 5 years	2451	332	2783
More than 5 but less than 10years	2434	132	2566
More than 10 but less than 15 years	1025	37	1062
More than 15 but less than 20 years	246	7	253
>20 years	103	4	107
Total	9102	992	10094

(Figures are as furnished by the CBI)

V Previous sanction for prosecution against Central Government employees

- 6.14 Section 19 of the Prevention of Corruption Act, 1988 lays down that no court shall take cognizance of an offence punishable under Sections 7,10,11,13 and 15 of Prevention of Corruption Act, 1988 alleged to have been committed by a Public Servant, except with the previous sanction of the authority competent to remove him from his office. The requirement of previous sanction under section 19 of Prevention of Corruption Act, 1988 is necessary only in respect of serving public servants and no such sanction is required in respect of retired public servants under the PC Act. On receipt of a request for grant of previous sanction for prosecution under Section 19 of Prevention of Corruption Act, 1988 from the CBI or other investigating agency and while processing such requests, all the Ministries/ Departments / Organisations need to take decisions expeditiously and in accordance with the guidelines issued by the Commission vide CVC Circular No. 005/VGL/11 dated 12.05.2005, 28.03.2012 and 25.05.2015. As per the directions of the Apex Court, a time limit of 3 months has been fixed for grant or refusal of sanction for prosecution and 4 months where the opinion of Attorney General or of any other law officer in AG's office is sought. The Commission in terms of its powers and functions under Section 8(1)(f) of the CVC Act, 2003 issued directions that all administrative authorities should scrupulously follow the guidelines while considering and deciding requests for Sanction for prosecution.
- 6.15 The Commission reviews the progress of cases pending for sanction of prosecution with various organisations, under the PC Act, 1988. CBI reported that at the end of the year 2017, 100 cases were pending for grant of sanction for prosecution under PC Act, 1988. During the year 2017, the CBI had referred cases of 696 officials of all categories in various organisations for sanction of prosecution. The Ministry wise PC Act cases pending for prosecution sanction as on 31.12.2017 and number of PC Act cases pending for sanction for prosecution for more than 3 months as on 31.12.2017 are given below in Table 6.5.

Table 6.5

**Ministry-wise PC Act Cases Pending for Prosecution Sanction
As on 31st December, 2017**

Ministry	Cases	Officers involved	Pending for more than three months as on 31.12.2017	
			Cases	Officers involved
Ministry of Communications & IT (Department of Telecom)	1	1	-	-
Ministry of Commerce and Industry	1	1	1	1
Ministry of Finance (Department of Revenue)	1	1	-	-
Ministry of Agriculture	1	1	-	-
Ministry of Communication (Department of Posts)	4	9	-	-
Ministry of Defence	9	27	2	17
Ministry of Finance (Department of Expenditure)	1	1	-	-
Ministry of Finance (Department of Financial Services)	37	59	7	13
Ministry of Finance (Customs and Central Excise)	3	3	-	-
Ministry of Finance (Income Tax)	3	5	-	-
Ministry of Health & Family Welfare	2	2	2	2
Ministry of Electronics and Information Technology	1	1	1	1
Ministry of Micro, Small and Medium Enterprises	1	1	1	1
Ministry of Personnel, Public Grievances and Pensions	5	6	4	5
Ministry of Power	1	5	-	-
Ministry of Railways	7	10	2	2
Ministry of Water Resources	1	2	-	-

Ministry	Cases	Officers involved	Pending for more than three months as on 31.12.2017	
			Cases	Officers involved
Union Territories	6	6	4	4
Government of Arunachal Pradesh	1	3	1	3
Government of Andhra Pradesh/Telangana	3	12	1	1
Government of Bihar	2	2	-	-
Government of Chhatisgarh	1	4	1	4
Government of Himachal Pradesh	1	1	1	1
Government of Jammu and Kashmir	1	1	1	1
Government of Karnataka	1	1	1	1
Government of Uttar Pradesh	5	11	4	9
Total	100	176	34	66

6.16 The Commission regularly follows up the cases pending for sanction for prosecution pertaining to the Central Government Departments and its organisations. These details are also placed on the website of the Commission and updated every month. In respect of sanctions for prosecutions to be given by State Governments, the Commission does not exercise jurisdiction over the officers. However, in pursuance of Section 8(1) (f) of the CVC Act, 2003 which mandates the Commission to review the progress of applications pending with the competent authorities for sanction of prosecution under the Prevention of Corruption Act, 1988, and guidelines of the Honourable Supreme Court in this regard, the Commission has been taking up the matter with competent authorities in the concerned State Governments at the highest level for expediting decision on requests for sanction of prosecution pending with them. The Commission has also emphasised on the need for the competent authorities to decide upon the grant or denial of prosecution sanction by issue of valid speaking orders.

In cases of difference in opinion between the competent authorities in the Ministries/ Departments/ Organisations and CBI/other investigating agencies, where the latter have after investigation sought sanction for prosecution of public servants, the Commission resolves such matters of difference of opinion with CBI/Investigating agencies on the basis of available documents/materials and tentative views of the competent authorities of the concerned Ministries/Departments/Organisations, as indicated vide Commission's circular No.05/03/15 dated 16.04.2015.

VI COMPLAINTS REFERRED BY COMMISSION TO CBI

- 6.17 The status of the complaints referred by the Commission to CBI for investigation and report under Section 8(1)(d) of CVC Act, 2003 is indicated in Table 6.6.

Table 6.6

Complaints sent by the Commission to CBI under Section 8(1)(d) of CVC Act, 2003

Sl. No.	Commission's F. No.	Date of Reference	Status
1.	014/DLH/074	31-01-2017	Pending
2.	1641/BNK/9	09-02-2017	FIR registered
3.	1733/BNK/1	15-02-2017	Pending
4.	1433/BNK/1	23-02-2017	FIR registered
5.	1110/BNK/5	27-02-2017	Pending
6.	1614/BNK/6	07-03-2017	Pending
7.	014/W&H/084	20-04-2017	FIR registered
8.	1641/BNK/5	08-06-2017	Pending
9.	1701/BNK/11	28-06-2017	Pending
10.	1705/BNK/042	26-07-2017	Pending
11.	016/FUD/001	31-08-2017	Pending
12.	015/POL/036	14-09-2017	Report received
13.	1211/BNK/9	04-10-2017	FIR registered
14.	010/INS/8	04-10-2017	Pending
15.	1633/BNK/8	27-10-2017	Pending
16.	1709/BNK/14	24-11-2017	Pending
17.	174/RLY/004	28-11-2017	Pending
18.	1641/BNK/8	29-12-2017	Pending

VII Review of pending cases against officers of CBI

- 6.18 The Commission regularly reviews cases pending against CBI officers. Pendency of cases against CBI officers reflects on the reputation and image of the country's premier investigation agency. As on 31.12.2017, 18 departmental cases against Group A officers and 11 cases against Group B and C officials were pending at various stages against CBI personnel. Details are indicated in Table 6.7.

Table 6.7
Departmental action against CBI personnel

Group A

Total Pending as on 31.12.2017	Less than 1 year	Between 1 year to 2 years	Between 2 years to 3 years	Between 3 years to 4 years	More than 4 years
18	4	3	2	1	8

Breakup of the pending cases:

(i) Inquiry in progress	7
(ii) Pending with DA (DoPT) for decision	5
(iii) Pending with DA (DoPT) for appointment of IO/PO	6
Total	18

Group B and C

Total Pending as on 31.12.2017	Less than 1 year	Between 1 year to 2 years	Between 2 years to 3 years	Between 3 years to 4 years	More than 4 years
11	2	1	2	3	3

Breakup of the pending cases:

(i) Inquiry in progress	7
(ii) Pending with DA (DoPT) for appointment of IO/PO	4
Total	11

6.19 Out of the 18 departmental proceedings pending against Group A officers of CBI, 8 proceedings are pending for over 4 years. In two cases, decision of the Disciplinary Authority is awaited in respect of officers against whom charge sheets were issued on 25.08.2011 and 26.12.2012 respectively. 4 departmental proceedings are in abeyance for administrative and legal reasons. In the remaining two cases, inquiry is in progress. Of the three departmental proceedings against Group B and C officials of CBI, one case has been kept in abeyance and inquiries are in progress in the remaining two cases. Apart from this, it is noted that in two cases where charge sheets were issued in 2016, appointment of Inquiry Officer and Presenting Officer is yet to be made. Such inordinate delays in conclusion of departmental proceedings against officers/officials of the CBI is not desirable and concerted efforts on the part of authorities concerned are required for expediting the departmental proceedings.

Disposal of disciplinary proceedings against officers/officials of CBI in 2017

- 6.20 Disciplinary proceedings were finalised against six Group A officers of CBI during the year wherein major penalties were imposed on three officers, minor penalty was imposed on one officer, recordable warning was issued to one officer and proceedings were dropped against one officer. As regards Group B and C officials, disciplinary proceedings were finalised against seven officials wherein minor penalties were imposed.

VIII Manpower

- 6.21 The total sanctioned strength of CBI as on December 31, 2017 was 7274 against which 5945 officials were in position with 1329 posts lying vacant. The vacancy position is given in Table 6.8.

Table 6.8
Overall vacancy position of CBI as on 31.12.2017

Designation of posts	Sanctioned Strength	Actual Strength	Vacancy
Executive Ranks	5000	4189	811
Law Officers	370	265	105
Technical Officers	162	69	93
Ministerial Staff	1672	1386	286
Canteen Posts	70	36	34
Grand Total	7274	5945	1329

IX Monthly review meetings with Director, CBI and review of specific cases

- 6.22 The Commission holds a review meeting with the Director, CBI every month wherein progress and pendency of PC Act cases under investigation and PC Act cases under trial are reviewed. The reasons for delay in investigations/inquiry are reviewed and likely dates for completion of investigation/inquiry are ascertained. Sanction for prosecution requests pending under PC Act for decision of competent authorities are reviewed and the Commission pursues the matter with concerned authorities for disposal of pending requests within 90 days in accordance with the directions of the Supreme Court.
- 6.23 Other issues of concern are also discussed during the monthly review meetings for exchange of ideas and finding solutions to clear bottlenecks observed in the course of investigation/inquiry. Details of certain pending cases which are specifically included in the agenda are also discussed. In addition, the Commission invites the officers at the level of Joint Director to discuss specific cases wherein the Commission, on examination of the reports of CBI, identifies certain shortcomings or advises that further investigation be conducted. A few such cases are as under:

- (i) The Commission had brought a complaint by a whistle blower against a multi-national company which allegedly availed excise/income-tax exemptions by fraudulent means to the notice of CBI who had registered a Preliminary Enquiry (PE) in the matter. Though the company is not a Government entity, it was desired to get the matter inquired into for unearthing any corrupt practices on the part of Government officials. The Commission had advised CBI to pursue the matter with Customs Department to obtain pending reports for further investigation. The case resulted in registration of a PE and inquiry is under progress.
- (ii) CBI had registered a PE in 2014 against a Deputy Conservator of a Port Trust and others on the allegation that during the period April 2013 to March 2014, the officers of the Marine Department had falsely claimed “Officer on Special Duty Allowances” and “Extra Officers Duty Allowances” by manipulating entries in the relevant log books and “Launch Deck Log” thereby obtaining huge pecuniary gain for themselves and corresponding loss to the Port Trust. Investigation by CBI had proved manipulation and irregularities had been committed over a long period of time by numerous officers. Considering the adverse administrative implications in the operational areas of the Port Trust, if such a large number of officers were to face prosecution, the CBI had closed the PE with recommendation for dealing with the officers departmentally and for bringing out clear guidelines to prevent such manipulations in future. However, the Commission advised that if clear criminality in manipulation was proved, stern action would be necessary to send the right message across and advised CBI to have a relook. Thereafter, CBI had mentioned that while irregularities committed by individuals were apparent in the case, the investigation did not reveal any criminal conspiracy. The Commission took a view that wherever prosecutable evidence was available in respect of the officers figuring in the main complaint, resorting to prosecution would be the right course of action so that a message is sent across the board to deter officials from committing such irregularities in future. CBI was advised to get the matter examined in a proper perspective.
- (iii) CBI had brought to the notice of the Commission that it was unable to proceed in a case registered by Bank Securities & Fraud Cell, New Delhi against a private company as the Court had restrained the consortium members of Banks from taking precipitative action in the case. The Commission took up the matter with the consortium of banks to expedite the process for lifting restraint orders in order to clear the way for further investigation by CBI.
- (iv) The Commission had observed that in such CBI cases where the Commission had tendered advice and a subsequent court judgment in the case was adverse, no information is available with the Commission regarding the facts of the judgement and advice of the legal counsel on the issue of filing an appeal or otherwise. CBI was

advised that the Commission may be kept informed on these aspects as it would help to look at shortcomings, if any, for appropriate remedial action.

- (v) On the request of CBI, the Commission took up with Central Registry of Securitisation Asset Reconstruction and Security Interest (CERSAI) for uploading information regarding securitised assets on their website as early as possible to prevent further transactions involving those assets.
- (vi) The Commission had come across a case where a joint surprise check was conducted in 2013 in which CPWD was assigned the work of improvement of an auditorium at Nagpur. The work involved internal and external painting of building with an estimated cost of Rs. 2,65,000/-. A self-contained note was sent to the CVO, Ministry of Urban Development with recommendation that responsible officers of CPWD may be dealt with by taking necessary departmental action and the concerned contractor may be blacklisted from the panel of CPWD. The Commission felt that taking up such cases of relatively minor nature would strain the limited resources of CBI and the various Branches/SPs need to exercise more diligence in taking up such relatively minor cases for inquiry. Necessary instructions were circulated by CBI amongst all their Branches for compliance.

X Appointments for certain posts in CBI

- 6.24 Section 26 of CVC Act, 2003 read with Section 4C of Delhi Special Police Establishment Act, 1946 provides for a Committee under the Chairmanship of the Central Vigilance Commissioner with the Vigilance Commissioners, Secretary (MHA) in the Government of India and Secretary (Personnel) in the Government of India as Members, after consulting the Director, CBI to recommend officers for appointment to the posts of the level of Superintendent of Police and above and also recommend the extension or curtailment of the tenure of such officers in the Delhi Special Police Establishment. The aforesaid Selection Committee met three times in the year 2017 and made their recommendations to the Central Government.

Lecture Series in the Commission



Shri Shiv Khera on 31.07.2017



Justice Permod Kohli, Chairman, CAT on 24.08.2017



Justice M.M.Kumar, President, NCLT on 21.09.2017



Dr. Rajiv Kumar, Vice-Chairman, Niti Aayog on 26.10.2017



Shri Radha Krishna Mathur, CIC, on 29.11.2017



Shri Ashok Arora on 29.12.2017

Glimpses of activities held during Vigilance Awareness Week 2017 across the country





Shri K.V.Chowdary, CVC delivering the SBI Inaugural Ethitalk



Release of Souvenir of Vigilance Study Circle, Mumbai



Shri K.V.Chowdary, CVC at Indian Overseas Bank

CHAPTER 7

PREVENTIVE VIGILANCE AND SYSTEMIC IMPROVEMENTS

I Background

- 7.1 Preventive Vigilance seeks to prevent occurrence of corrupt practices and misconducts by identifying and plugging vulnerable areas through systemic improvements and structural remedies. These measures fulfil the dual objective of pre-empting corrupt practices and misconducts as well as further enhance organizational efficiency. Standardization, automation, leveraging technology, reducing discretion and human interface, simplification of rules and procedures, transparency, accountability, control and supervision, training and awareness play an important role in preventive vigilance. The main objective is to ensure the prevention of an offence by identifying vulnerable areas in the organization and plugging loopholes, wherever necessary.
- 7.2 The report of Santhanam Committee recognized the importance of preventive vigilance in reducing or eliminating corruption. It was observed that unless planned preventive measures are implemented in a sustained and effective manner, corruption cannot be eliminated or even reduced significantly. The main effort for checking corruption must come from within the organisation and it is vital to have a continuous watch on sensitive spots rather than merely taking action after occurrence of an irregularity.
- 7.3 The Central Vigilance Commission has been emphasising preventive vigilance measures to tackle areas susceptible to corruption, which has led to various successful initiatives undertaken by many Ministries and CPSEs to enhance good governance. The effort of the Commission is reflected in a Report on “Initiatives in Preventive Vigilance” - second in this series, which was released by the Hon’ble Vice President of India on 30.10.2017 during the Vigilance Awareness Week, 2017. The report primarily identified leveraging information technology and automation as key intervention strategies for reducing corruption.

II Potential Areas of Corruption

- 7.4 The Commission observes that the potential areas of corruption/misconducts are generally organization/sector specific. However, there are some broad areas which need intervention in terms of preventive vigilance measures:
- (a) **Procurement:** Procurement is an area which ranges from procuring various goods and services to the successful execution of projects. In most organizations it is considered as a critical area prone to corruption.
 - (b) **Sale of goods and services:** Sale of goods and services is also prone to corruption. Allocation of scarce natural resources also come under this category.

- (c) **Human resource management:** Manipulation and corruption in management of human resources has also been seen as a common problem in most organizations. Various processes relating to recruitment, promotion, transfer and posting are prone to manipulation and give scope for corruption.
- (d) **Delivery of services to public:** Though not common to all organizations, many Government departments are involved in service delivery to citizens, and this area is considered as a major area of concern.
- (e) **Enforcement:** Due to lack of awareness, complexity and inadequate/inefficient grievance redressal mechanisms, the enforcement of laws, rules and regulations also remains an important area prone to corruption.
- f) **Sanction of Loans:** In the banking sector, sanction/enhancement of loans and adhoc facilities is an area vulnerable to corruption.

III Preventive Vigilance Measures

7.5 Though there is a scope of implementing of preventive vigilance measures in almost all operational areas of an organisation, preventive vigilance measures can broadly be categorized as the following:

- (a) **Simplification and standardisation of rules:** Simplification and standardisation of rules and procedures facilitates elimination of discretion and arbitrariness, and helps to reduce corruption. Identifying areas involving exercise of discretion which are not properly regulated by clear guidelines, as well as a complete review of existing rules and regulations needs to be undertaken to promote clarity and accountability. Similarly, simplification and standardisation of forms / applications also reduces scope for corruption.
- (b) **Leveraging Technology and Automation:** Experience suggests that technology plays an enabling and effective role in fighting corruption. E-procurements, E-payments, use of websites for dissemination of information and creating awareness, use of CCTV in places of public dealing, use of GPS enabled devices / RFIDs, computer assisted audit techniques for detecting frauds are some of the examples as to how technology provides considerable strength to the system of preventive vigilance. Automation reduces interface / interaction between public officials and the common public. It also removes a monopoly on delivery of services and reduces personal discretion of the concerned official.
- (c) **Business Process Re-engineering (BPR):** BPR is very important as it helps the organisations rethink how they fulfil their core objectives, and in the process, encourages a full-scale re-creation of processes for fulfilling the objectives of the organisation. Existing processes may be re-engineered to prevent revenue leakage as well.

- (d) **Transparency:** Transparency removes asymmetry of information between the public and public officials and thus in turn reduces corruption. For example, the website of every Department / Organisation should contain its rules & regulations, process details and procedures, contact details of concerned officials and all other information useful for common public / customers.
- (e) **Accountability:** It is very difficult to take punitive action due to lack of accountability. A system with clear accountability and assigned responsibility at each level is necessary not only for smooth functioning but also for ensuring timely and effective punitive action in case of misconduct.
- (f) **Control & Supervision:** Regular and routine inspections, surprise inspections, audit and reviews keep a check on aberrant and corrupt behaviour.
- (g) **Early detection of misconducts:** Early detection of misconducts apart from bringing to light the deficiencies of the system, will also enable recouping of losses wherever possible and facilitate prevention of further damage and financial loss.
- (h) **Time-bound and effective punitive action:** Punitive action within a short period of occurrence of the misconduct and finalisation of such cases in a time-bound manner resulting in award of exemplary and adequate punishment, deters others from committing such misconduct in future.
- (i) **Training and 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, etc., through regular training and awareness programmes. A list of Dos and 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 better preventive vigilance.
- (j) **Conducive work environment:** Conducive work environment may include drawing up a list of sensitive posts, implementing a 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. Non-provision of adequate infrastructural facilities such as accommodation, conveyance, utilities, etc. also induces corruption.

- (k) **Awareness among public:** If public is made aware of their rights, and also of the rules and regulations, then they may be able to resist unfair treatment and arbitrary exercise of power by public officials. Public Organisations should prominently display information relevant / useful to the common public on their office notice board / website.
- (l) **Inculcating ethical behaviour:** Inculcating ethical behaviour among employees and 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 intends to create such public awareness. This opportunity is utilized by all CVOs / Organisations to create awareness among public as well as among their own officials regarding the need to uphold correct values.
- (m) **Whistle Blower mechanism:** The Commission encourages all organisations to establish whistle blower mechanisms as a method of identifying corrupt practices and as a means to achieve improvement of systems within an organisation.

7.6 During its various meetings with Chief Vigilance Officers in central government and the public sector organizations in 2017, the Commission emphasized the need to take appropriate steps to prevent misconducts and irregularities in a holistic manner. To give a fillip to the work of preventive vigilance, the Commission has set up a Preventive Vigilance Cell in the Central Vigilance Commission which will work in coordination with various departments for improving existing systems or creating better mechanisms so that irregularities may be prevented from happening. Many organizations have either revised their Manuals or are in the process of doing so and are also introducing standard operating procedures wherever they did not exist in the past. Due to constant monitoring, organizations are now in the process of identifying areas prone to corruption and making efforts to minimise the scope of corrupt practices. The Commission feels that the work being done by the organizations would serve as a valuable guide for others to plan suitable intervention strategies in their organizations and therefore these initiatives should be shared and disseminated to minimise corruption in the interest of good governance.

IV Systemic Improvements by Select Organizations

7.7 In continuation of the effort of the Commission to share and disseminate the efforts being made by various organizations to minimise corruption and better governance, a report- the second such report, was released during Vigilance Awareness Week, 2017. Automation and leveraging information technology are identified as the key intervention strategies in the report. Though many departments have undertaken substantive efforts in the area of preventive vigilance, the key systemic improvement measures being undertaken by some of them as indicated in the Preventive Vigilance report of 2017 as well as from periodical reports submitted by various vigilance offices are briefly touched upon below:

Delhi Metro Rail Corporation

- Issuing receipt for every purchase of token/travel card to curb overcharging issues.
- Installation of fare maps at counters for ensuring transparency.
- Deployment of TVMs (Ticket Vending Machines) to end the issue of overcharging.
- Maintaining written records of cash movement to curb misappropriation of cash.
- Tenders above Rs. Five lakhs in value being done through e-procurement.
- E-Auction module of Indian Railways being used for maintaining transparency in the sale of scrap material in DMRC.
- E-recruitment initiatives being taken at all levels (pre-examination stage, during the selection, examination and post-examination) in order to enhance transparency, objectivity and credibility of the recruitment process.
- CCTVs installed in various ticketing areas.

National Highway Authority of India

- Extensive use of Information Technology Tools (IT Tools) and e-governance.
- Cash reward scheme for providing information related to irregularities in work contracts.
- Complaints are also registered on 'Facebook' portal of the department.
- Developed 'Toll Information System'.
- Highly secured (IT enabled) e-tendering system implemented.
- Regular conduct of audit of the e-portal for vulnerability assessment, penetration testing, performance testing, security process audit etc are in place.
- Development of Project Management Information System in order to have an effective online monitoring system of projects.
- Signed memorandum with National Remote Sensing Centre for acquiring high resolution satellite imagery and use of geo-spatial technology for monitoring and managing highways. Use of Unmanned Aerial Vehicles (UAVs) have also been planned in this regard.

MMTC Limited

- E-procurement/e-tenders being adopted.
- E-auction being carried out.
- Updating of manuals has been carried out.

- Integrity pacts being signed along with signing of contracts.
- Surprise checks, periodic stock verification, CTE type checks are carried out.

Food Corporation of India

- E-tendering for all contracts with value above Rs. 2 lakhs.
- Pre-qualification conditions have been simplified to increase healthy competition.
- System Monitoring through periodical physical verification of stock.
- Concept 'Zero PV' introduced under which the stock position of the selected depot is brought to zero balance to check shortages and prevent any manipulation by the custodian of the stock.
- Installation of CCTV cameras in godowns.
- E- Payment System adopted.
- Each refraction in respect of rice has been pictorially depicted and introduced to the field functionaries of FCI and put up in public domain as well.
- Measures adopted for prevention of harassment of rice millers/food grain suppliers.
- Introduction of identity-blind/coding system for fair analysis of Quality Control (QC)/ samples of food grain.
- Acceptance note being issued online to the suppliers of food grains (Rice/Wheat/Paddy).

Central Board of Direct Taxes

- Computerization/automation of obtaining and processing of returns.
- Implemented E-tax, E-filing, E-assessment, E-appeal and E-Nivaran systems etc.
- Started Refund banker scheme (which generates information regarding tax refunds at the time of processing of returns by the Assessment Officer (AO) and online transmission the next day to refund banker i.e. SBI, CMP branch, Mumbai).
- Educating stakeholders.

Bharat Heavy Electricals Limited (BHEL)

- Integrity Pact adopted. Threshold value for tender brought down from Rs. 10 Crores to 5 Crores to increase the coverage of Integrity Pact.
- Online centralized vendor base has been developed. Reassessment carried out in respect of vendors registered for more than 5 years who have not executed any order.

- Revised works policy issued.
- On-line Complaint system introduced.
- Online Vigilance clearance system introduced.
- Digitization of BHEL land and boundaries as per revenue records carried out.

Hindustan Aeronautics Limited

- Digitization of land records and land management policy.
- Revised outsourcing policy guidelines have been issued.
- Capital assets/Machines lying unused for long period were put to use. Rejected materials identified, tested and brought to use.

Air India

- Conducted large number of surprise checks in the areas like pilferage of items meant for passengers, excess baggage, catering, and procurement of entertainment systems.
- E-payments are being made to the vendors.
- Operationalization of SAP-ERP, in order to enable quicker financial decision making and to achieve improved operational efficacies.
- Using SAP-ESS (Employees Self Service) software for making the passage requests for staff.

Jawaharlal Nehru Port Trust

- Review of procedure of disposal of scrap system to minimize errors.
- Inbuilt arrangement of issuing printed weighment receipts in the electronic system.
- No manual weighment of scrap for disposal.

Bharat Petroleum Corporation Limited

- Updation of publication on procurement of goods and services carried out.
- Web-based grievance monitoring mechanism introduced.
- E-procurement and e- disposal portals introduced.
- Obtaining signature of the bidders in integrity pact in all tenders of value over Rs. 1 crores.

Mahanadi Coalfields Ltd.

- Android based Mobile Applications have been launched.
- Digitization of land records carried out.

- 3-D TLS (Terrestrial Laser Scanning) in mine surveying introduced.
- Integrated Fuel Management System (IFMS) has been installed.

Dredging Corporation of India

- Developed a portal for submission of online floating job applications and maintaining a data base thereof.
- Recruitment of Dredge Cadets, Trainee Marine Engineers is done on the basis of marks obtained in the written test and in the interview. For reducing the scope of subjectivity, the ratio of weightage of the written test and the interview has been kept at 80:20.
- Recruitment of petty officers and some categories of crew on contract basis is done on verification of certificate of competency and experience (not on the basis of interviews).
- Adopted a well framed policy for fixation of wages in an unbiased manner for various categories of floating officers recruited on contract basis.
- Compilation of marks allotted during interview is done independently and results are declared in the website on the same day.
- As regards disposal of scrap, informing the vigilance department regarding the quantity, time and date of disposal of material in advance.

All India Council for Technical Education

- Introduction of e-governance.
- Database of Experts has been prepared and Experts are selected at random basis by the system.

Ministry of Civil Aviation

- Rotational transfer policy for sensitive posts being implemented to a large extent.
- Implementation of e-Governance in Civil Aviation (e-GCA) for grant of pilot licenses and other clearance online.
- Implementation of e-office. Efforts are on to implement e-file system completely.
- Implementation of e-payment through Public Finance Management Service.
- Introduced Citizen Charter by indicating time-line for certain specific activities like grant of approvals etc.

Oil India Ltd.

- New Procurement Manual finalized incorporating CVC's guidelines.
- Limit for Open e-tendering has been reduced to Rs. 10 lakhs from Rs. 25 lakhs.
- Recruitment of executive grade employees through Graduate Aptitude Test in Engineering (GATE) scores instead of conducting entrance exams.
- Bill Tracking system introduced.

Central Board of Excise and Customs

- Introduced a Risk Management System (RMS) so as to obviate physical inspection/examination of import and export cargo.
- Introduced E-Governance initiatives like ICEGATE (Indian Customs EDI Gateway), Indian Customs EDI System and Single Window Interface for Facilitating Trade (SWIFT).
- Introduced GST- one of the biggest tax reforms post independence thereby eliminating the multiple indirect taxes and allowing seamless movement of goods and service across the states. An upgraded hardware and software is put in place to effectively handle GST related traffic. Help lines such as Sakshamseva and GST mitra are in place to clear the doubts and to guide stakeholders of GST.
- Implemented Advanced Passenger Information System: Passenger profiling is done to target the offenders while facilitating genuine passengers.
- CCTV installed in passenger clearance areas to monitor the activities of officers.
- Mobile App with all relevant information for international travellers so that they are well informed and less vulnerable to exploitation.

State Bank of India

- Established preventive risk management cell in order to prevent and detect frauds.
- Efforts to increase communication and developing multiple channels and educating employees.
- Conduct of 'Speak-up' - A training Programme to popularize the whistle blowing mechanism.
- Introduced incentives/awards to encourage honesty and integrity to create an environment of participative vigilance.
- Creation of separate cyber fraud management cell for assessing cyber fraud risks.

Syndicate Bank

- Declaration of value statement – “Good Corporate Governance through transparency in undertaking ethical business”.
- Inclusion of Preventive Vigilance in all training programmes conducted by the Bank.
- Conduct of preventive surprise checks.
- Planned to frame a well defined procurement audit policy.
- Reduction in automatic log out time in order to avoid the scope for misuse of the system.
- Strengthening biometric authorization of functionaries.

United Bank of India

- Conduct of surprise checks.
- Flash messages on preventive measures to avert frauds issued as a ticker in CBS platform and on the intranet site of the bank.
- Conduct of vigilance awareness programs.
- In the process of making a provision of endorsement in respect of verification of KYC norms i.e. entering signatures of the officials who have checked the KYC norms.
- Use of Bio-metric password has been customized in all branches.
- System of online tracking of loan application introduced.

Canara Bank

- Identified the need to exercise caution for operators while manually keying in account number in the CTS package and that only the details available in CBS system should be taken into account.
- Examining the possibility of adding more security features in transactions and initiating steps to implement One Time Password (OTP) system.
- Appointed additional vigilance officers in circle offices.
- In the process of framing a policy in the matter of engaging concurrent auditors in the bank.

V Important General Preventive Vigilance Functions advised by the Commission

- 7.8 Keeping in view the effect of preventive vigilance measures on overall growth of an organization; the Commission has generally advised the following main preventive vigilance measures to the Chief Vigilance Officers:

- (i) To undertake study of existing procedures and practices prevailing in the Organisation with a view to identify those procedures or practices which provide a scope for corruption and require modification.
- (ii) To find out the causes of delay, the points on which delay occurs and devise suitable steps to minimize delays at different stages;
- (iii) To review the regulatory functions to see whether all of them are strictly necessary and whether the method of discharge of those functions is capable of improvement;
- (iv) To devise adequate methods to ensure that discretionary powers are not exercised arbitrarily but in a transparent and fair manner; and in accordance with laid down guidelines;
- (v) To educate the citizens about the procedures of dealing with various matters and also to simplify these as far as possible;
- (vi) To identify the areas in the Organisation which are prone to corruption and to ensure that officers of proven integrity only are posted in those areas;
- (vii) To identify sensitive posts in the Organisation and to ensure periodical rotation of staff holding sensitive posts;
- (viii) To ensure that well-defined internal processes as well as corresponding controls with clear responsibilities, for different kind of activities, are set out;
- (ix) To ensure that the Organisation has prepared manuals on important subjects such as purchases, contracts, procurement, recruitment, etc. and that these manuals are updated from time to time and conform to the guidelines issued by the Commission and the Ministries concerned;
- (x) To develop and implement an effective Whistle Blower mechanism;
- (xi) To leverage technology for making preventive vigilance function more effective;
- (xii) To ensure prompt observance of Conduct rules relating to integrity including (i) submission of statements of assets and acquisitions, gifts received and relatives employed in private firms or doing private business and (ii) to scrutinise immovable property returns and keep an eye on benami transactions;
- (xiii) To ensure observance of Vigilance Awareness Week as per directions of the Commission;
- (xiv) To scrutinise (a) Internal auditor's reports, (b) Statutory auditor's report (c) CAG audit report;
- (xv) To scrutinise inspection reports;

- (xvi) To conduct CTE type inspection in the organisation;
- (xvii) To scrutinize recruitments and
- (xviii) To disseminate good practices.

VI Systemic Improvements Suggested by the Commission in various cases

While examining vigilance cases, the Commission sometimes advises the need for systemic improvements. Some of these are as follows:

Irregularities in Import transactions

- 7.9 During examination of a case, Commission observed irregularities in import transactions such as non compliance of Know Your Customer / Anti-Money Laundering (KYC/AML) guidelines while opening of account, absence of due diligence conducted on the Indian importer as well as the overseas supplier, violation of Bank's guidelines, breaching the limit of advance remittances several times. The customer unscrupulously exploited the situation. Credit reports were obtained after remittances were effected and the customer did not submit the Bill of Entry as proof of imports. Multiple transactions were made on the same day by the customer to bypass the limit fixed by RBI for such remittances. As a systemic improvement measure, Commission advised RBI as well as DFS to issue an advisory to banks to ensure control over FOREX remittances purportedly for the purpose of imports and that the Banks should have specific Standard Operating Procedure (SOP) for this purpose and efforts made at layering of transactions repeatedly by effecting remittances below the threshold.

Discretionary, defective and restrictive clauses in bid document for engaging services of reputed training institutes for imparting induction training programme for newly recruited probationary clerks

- 7.10 On examining a complaint received in the Commission, it was observed that there were discretionary, defective and restrictive clauses in the bid document for engaging services of training institutes for imparting induction training programme for newly recruited probationary clerks. This affected the quality of training imparted. Lack of experience in the field and absence of experts attracted complaints from the participants relating to quality of the training. Commission advised bringing systemic improvement in the matter so that such things are not repeated in future tenders.

Engagement of outside agencies for verification of reports, inspection etc.

- 7.11 While examining a case, Commission observed that KYC documents, proof of income and other documents submitted by the borrower were forged. Pre-sanction survey conducted by an independent outside agency appointed by the bank was also not proper. Commission advised to take up the matter with DFS with regard to appointment of intermediaries,

verification of their reports, their responsibilities, consequences of false reports etc for the PSBs as a whole. After examining the reply of DFS, Commission observed that there is no uniformity in the banking sector on the issue and advised DFS to get an SOP prepared, if necessary, by constituting a group of 3-4 senior bankers on the appointment of outside agencies.

Sanction of loan in which security was purchased after disbursement of loan and valuation done on very high side

- 7.12 A company engaged in execution of projects in sectors like railways, aviation and irrigation was sanctioned two loans amounting to Rs.90 crores and Rs.100 crores against collateral security of a parcel of land. Properties mortgaged for one of the loans were purchased after sanction of loan and its distress sale value was shown at nearly 126 times that of the purchase value within a span of less than 10 days of the date of purchase of property. Further, change of land use certificate was issued 10 days after the date of purchase. While examining the case, Commission expressed serious concern as to how such highly inflated valuation of land was accepted by the sanctioning authority. Subsequently, when the account became Non-Performing Asset (NPA), the value of the same properties came down drastically. As a systemic improvement measure, Commission suggested DFS to issue suitable instructions to all Public Sector Banks and other financial institutions for strict implementation at their end (a) Need to put in place an appropriate system for valuation of properties offered as security, particularly that have been registered recently (b) Valuation of these properties be reckoned as per their registered price, during the first year after the registry has been made (c) Upto 6 months/1 year from the date of registry, the value of registered price may be taken as the value of the security so as to avoid acceptance of inflated values of security in case of newly purchased securities (d) Need to examine and put in place a system so that purchase of securities is not allowed after sanction of loan specifically in those cases, wherein, sanctioning authority stipulates a blanket sanction by quoting only percentage/amount of the security vis-a-vis loan amount, irrespective of the fact, whether it is a new property/agricultural property/piece of land, etc and (e) Where the sanction is primarily security oriented, the valuation reports may form part of the proposal and must be placed before the sanctioning authority.

Sanction of loans to Group concerns in Public Sector Banks

- 7.13 When loans are sanctioned to Group concerns, normally the highest sanctioning authority involved in sanctioning of limits/loans to a Group concern, should sanction the limits to the other concerns in the Group even when such credit powers relating to the entity fall within the prescribed powers of lower level sanctioning authorities. However, in some banks the above concept is not being followed and the respective credit sanctioning authorities are sanctioning limits to a borrowing unit, notwithstanding the fact that borrowing units are part of a larger Group to which the bank has exposure (i.e. loans sanctioned to various borrowing units under the Group, sanctioned by different authorities). Instances have

come to the notice of the Commission where a lower level Credit Sanctioning Committee has sanctioned loans/limits to borrowing units coming under Group concept and many irregularities have surfaced. As a systemic improvement measure, the Commission suggested that highest sanctioning authority who has sanctioned limits to one of the Group concerns, should solely be empowered to sanction loans to other borrowing units of the group concern (notwithstanding the credit sanctioning powers falling under lower authority). This will enable the lenders to have an effective control over the total exposure to the Group and avoid possible misuse of credit process by different sanctioning authorities. Commission advised DFS to issue suitable instructions to all Public Sector Banks and other financial institutions for strict implementation at their end.

Irregularities in appointment and Rotation of Surveyors at Public Sector General Insurance Companies

- 7.14 On examining various complaints received in the Commission, it was observed that there is considerable delay in settlement of claims by Public Sector General Insurance Companies. The delay was mainly due to ambiguity in appointment of Surveyors, work allotment to Surveyors and their role and responsibility towards the company and the insured. The Commission expressed its concern regarding delay in settlement of claims and appointment of Surveyors and directed GIPSA (General Insurer Public Sector Association) to formulate a policy for Surveyors' management in consultation with DFS. In this regard several rounds of meetings were held in the Commission chaired by CVC wherein CVOs, senior officials from the General Insurance Companies along with senior officials from DFS participated. After deliberations, Commission has made several suggestions for incorporation in the new Surveyors' Management Policy (SMP). The authorities are yet to issue the SMP and the same has been unduly delayed.

Advice on Process implementation issues in Central Board of Excise and Customs

- 7.15 In a case of manufacturer of Mobile Phone Batteries, LED, Charger, etc., the officers of Anti Evasion Branch of Central Excise searched the premises of the manufacturer at Delhi. On scrutiny of the records, it was found that the party was availing some duty exemptions for which it was not eligible and therefore the party was liable to pay the differential duty. On request of the party, the departmental officers collected five undated cheques for the same. The manufacturer filed a writ petition in the Hon'ble Court pleading inter-alia that the cheques were collected under force and coercion and that the department may be directed not to encash the cheques. The Hon'ble Court directed the department to conduct an inquiry in the case. On submission of the inquiry report by the department, the Hon'ble Court directed the Commission to place before it a note on what possible regulatory framework can be put in place to strengthen the vigilance system in the Ministries and Departments of government concerned with collection of indirect taxes, with particular reference to excise duty, customs duty and service tax and also to examine the inquiry report of the department for commission

of any offence punishable under PC Act, 1988. Accordingly, the Commission held meetings with the senior officers of CBEC, CBDT, VAT officers of Delhi Government and Industry representatives like ICAI & All India Federation of Tax Practitioners and heard their views on the matter. Based on these interactions, the Commission concluded that it is wholly an undesirable practice to let officers collect cheques arbitrarily without there being a determined tax liability. The situation where a cheque is collected towards satisfaction of either full or part of an existing tax liability by way of recovery is a situation different from the situation we are concerned with. While the former situation of recovery of existing demand is a legal act, the latter relating to collection of cheque of an adhoc amount towards future tax liability is an illegal act and should be viewed adversely. The Commission placed a detailed note before the Hon'ble Court. Furthermore, after examining the enquiry report of CBEC, the Commission advised CBEC to issue a suitable advisory to the officers concerned to scrupulously follow the laid down procedure and not to deviate from the same. The note submitted by the Commission was taken on record by the Hon'ble Court and based on the advisory issued by CBEC; the Hon'ble Court dismissed the writ petition and released the cheques.

The Commission has separately advised various departments to issue suitable directions to their officers and field formations not to collect cheques toward adhoc payments for potential tax liabilities on account of search, survey or other enforcement actions.

Miscellaneous

- 7.16 The Commission held a meeting with CBI officials and advised that Crime Manual/Standard Operating Procedure of the CBI should be followed in letter and spirit while conducting search and seizures of the documents as well as valuable items, proper briefing to the independent witness, proper use of brass seal and its retention. Commission also advised that details of the search and seizures should be intimated to the Head of Zone, CBI/JD concerned, etc. by the Branches.
- 7.17 Commission in a meeting held with CVO, MEA advised them to follow uniform and transparent process for awarding of contract of visa outsourcing at various Missions abroad. In response, MEA has brought out systemic change in the process of identifying suitable outsourcing company to handle consular/visa work in mission abroad in order to bring about uniformity, transparency and objectivity in the process.
- 7.18 The Commission held a meeting with CVO, OFB and CVO, DDP and advised that systemic improvements be undertaken for making realistic estimate of cost of equipment to be procured by the OFB based on market trends and consultation with other organisations to avoid the possibility of a variation between actual rates and cost estimates of equipment.
- 7.19 The Commission held a meeting with the officials of Comptroller and Auditor General of India to discuss the issue of notices being issued to the tax payers under Rule 22(3) of Central Excise Rules requiring them to be present during the course of the Audit to be conducted

by the Revenue Audit Party. The Commission suggested some preventive vigilance steps to protect public from possible harassment and corrupt practices. The office of CAG has also been advised to revisit the whole issue.

- 7.20 While advising punitive action in a case relating to Ministry of Railways, the Commission noted that extensions of time for contracts were being granted indiscriminately. There was no indication of any compensation/damages to be paid by the Contractors in the extension letters issued. The Commission noted that time is the essence of a contract. The Date of Completion (DOC) in the tender has a huge effect on the price bid by the bidders. A shorter time will certainly result into higher costs to the Government. Moreover the practice of awarding extensions result in the contractors being at the mercy of the concerned Authorities. The executive authority could easily short-close a contract after DOC, or he/she could choose to keep on extending the DOC. The executive authority has absolute discretion after the DOC has passed, and wherever absolute unbridled discretion exists, the scope for corrupt practices cannot be ruled out. Therefore, the Railway Board was advised to examine the matter of extensions granted in other cases as well to ensure that (i) uniform and sound principles are observed in order to determine grant of extension, (ii) Reasoned and speaking decisions are passed, (iii) compensation/damages are charged wherever applicable.
- 7.21 The Commission while agreeing to closure of a complaint against officials of CONCOR noted that the financial bid of a bidder who was not qualified as per technical parameters, was also opened irregularly. The Commission advised the Railway Board to advise all the Railways Authorities to ensure that commercial bids of only technically qualified bidders may be opened and that clear instructions in this regard should be incorporated in the Notice Inviting Tender.
- 7.22 In a tender related case, the Commission advised major Penalty proceedings against the Tender Accepting Authority and two members of a Tender Committee for irregular discharge of tender after vetting of commercial bids on the plea that the bidder did not meet the technical eligibility criteria. As a systemic improvement, the Commission advised that in all cases, where eligibility of bidders is to be decided on the basis of their financial/technical capability, experience, turnover etc., two-bid system (also known as two-packet system, wherein Technical Bid and Commercial Bid in separate packets are invited) should be followed irrespective of value of the tender. Presently, the rules in Railways prescribe two-bid system only in cases above certain monetary limits.
- 7.23 In a case pertaining to fraudulent indenting and receiving of medicines at a CGHS Centre detected by CBI, it was revealed that the CGHS cards of Hon'ble MPs were added in the system by Chief Medical Officer using his ID and password and the medicines indented and received were not actually demanded by nor utilised by the user. Commission advised CVO, Ministry of Health and Family Welfare to review the robustness of the system to avoid recurrence in future.

7.24 While reviewing the approval process of technical educational institutions by AICTE, it was observed that the approval is given after visiting their premises by an Expert Visit Committee. If sufficient infrastructure, faculty etc. is found available, the institute is given approval to run the courses. Complaints are received that the Expert Visit Committee gave an incorrect report or the institutions gave incorrect information to the Committee. The Commission observed that there is a need to periodically check the facilities in these institutions so as to ensure that the required infrastructure and faculty is available throughout the academic year. Commission, therefore, suggested introduction of re-visit of the institutions by AICTE to ascertain compliance of AICTE guidelines/standards so as to impart quality education to students. Commission also suggested that the reports of the re-visit should be compared with the earlier report and the outcome should be analysed. In compliance to these suggestions of Commission, AICTE has introduced random checking of the institutions with effect from academic year 2016-17 so as to ensure that the required standards are maintained by the institution. In the academic year 2016-17, the random checking of 3% institutions has been carried out by AICTE in every region. For the academic year 2017-18, the percentage of the institutions for random checking has been increased to 5%. Based on the report of the Expert Visiting Committee punitive actions like No Admission, Reduced Intake and Issuance of Warning letters are taken.

Activities held in the Central Vigilance Commission during Vigilance Awareness Week 2017



Glimpses of activities held during Vigilance Awareness Week 2017 across the country



Glimpses of activities held during Vigilance Awareness Week 2017 across the country



Photography: People & Print, Distribution at: Birla School, Delhi. Research and compilation by: Jyoti Chaudhary, Kolkata. Awareness Week, India 2017.

CHAPTER 8

PARTICIPATIVE VIGILANCE AND VIGILANCE AWARENESS WEEK

I Introduction

- 8.1 The participative vigilance strategy of the Commission is an acknowledgement of the importance of participation of people in eliminating corruption. It reaffirms the principle that without commitment and involvement of all citizens, eradication of corruption is not possible.
- 8.2 The Commission is of the view that corruption is a serious unethical practice and undermines political development, democracy, economic development and much more. In order to attain a corruption free society, all stakeholders including Government, citizens and the private sector must share responsibility in the anti-corruption efforts as well as refrain from indulging in unethical acts. Aware, active, involved and empowered public is therefore essential to any anti corruption campaign.

II Encouraging Ethical Conduct

- 8.3 The Commission is of the view that ethical conduct of the individual and the organization is a pre-requisite to sustain the fight against corruption. Combating corruption is not just a matter of making laws and creating institutions, but is deeply rooted in human values and morals of individuals. Cultivating ethical principles and moral values ought to be an essential ingredient in building our integrity system. Stigmatizing the culture of corruption, favoritism, nepotism and promoting meritocracy create a conducive social climate. If the citizen is taught to be honest and say “No to Bribe”, the “supply side” of Corruption automatically gets stifled.
- 8.4 Parents, family, peer group, teachers, educational institutions, social, intellectual and spiritual leaders, civil society, press, mass media including social media, Governmental and Non-Governmental Organizations (NGOs) etc. have a major role to play in the inculcation and dissemination of high ethical and moral values in individuals, organizations and the society at large.

III Public Participation in the Vision of a Corruption Free India

- 8.5 The Commission endeavours to promote integrity and eradicate corruption with the active support and participation of all citizens and public. Public participation plays a vital role in the fight against corruption in the following ways:
- (i) Encouraging ethical conduct of individuals and organizations.

- (ii) Educating and creating awareness about the rights and duties of the citizens, the rules, regulations, duties and responsibilities of public officials and public institutions and public awareness regarding various public welfare schemes being run by the Government.
- (iii) Acting as a watchdog through public scrutiny of the actions of public servants by exposing the wrongdoers and standing by upright and honest officials.
- (iv) Acting as a feedback channel to the public authority for redressal of grievances of the citizens.
- (v) Institutional and moral support to those fighting corruption.
- (vi) Exhorting the citizens and organisations to perform their lawful duties.
- (vii) Exhorting citizens and organisations to follow due processes.

8.6 It is the Commission's endeavor to sensitize, motivate and involve the public in the Commission's anti-corruption efforts and therefore public participation continued to remain pivotal to the observance of the Vigilance Awareness Week of 2017 on the chosen theme of **"My Vision – Corruption Free India"**. The focus of the Commission was on involving the public and especially the younger generation as flag bearers in realizing this Vision.

IV Vigilance Awareness Week

8.7 The week in which the birthday of Bharat Ratna Sardar Vallabhbhai Patel (31st October) falls is observed by the Commission as the Vigilance Awareness Week (VAW). Sardar Patel was the first Home Minister of Independent India, responsible for the integration of the country after achieving independence. He represents an ideal in the Indian tradition in the area of good governance and was a shining example of probity in public life. VAW is observed to create awareness about corruption and to publicize the menace of corruption and to emphasize its ill effects on the well being of the country. VAW is an outreach measure which aims to encourage all stake-holders to prevent and combat corruption.

8.8 During the Vigilance Awareness Week, the Commission pro-actively reaches out to the government employees as well as public at large. Every year, during the VAW, several awareness activities are organised viz., display of banners, posters etc., at prime locations. Also seminars, debates, lectures and competitions are conducted on anti-corruption topics involving the employees, private sector, youth, public and students. Print, electronic and social media too are used extensively in the awareness campaign. These activities are conducted by the offices of the Central Government, their subordinate and attached offices, PSUs, Banks, Autonomous Bodies and Institutions under Central/State Governments as well as by schools and colleges across the country.

8.9 The first Vigilance Awareness Week was observed in 2010. The themes from 2010 onwards are given below:-

- (i) 2010 – Generation of awareness and publicity against corruption
- (ii) 2011 – Participative Vigilance
- (iii) 2012 – Transparency in Public Procurement
- (iv) 2013 – Promoting Good Governance – Positive contribution of Vigilance
- (v) 2014 – Combating Corruption – Technology as an enabler
- (vi) 2015 – Preventive Vigilance as a tool of Good Governance
- (vii) 2016 – Public participation in promoting integrity and eradicating corruption

8.10 The Commission chose “**My Vision-Corruption Free India**” as the central theme for Vigilance Awareness Week, 2017.

V **Activities undertaken during VAW 2017**

8.11 Vigilance Awareness Week in the year 2017 was observed from 30th October to 4th November, 2017 on the theme of “**My Vision-Corruption Free India**”. All PSUs / Public Sector Banks / Ministries / Departments etc. were advised to conduct activities not only within their organizations but also to organize outreach activities on a large scale.

8.12 **Activities conducted within the Organization**

- (i) The observance of the Vigilance Awareness Week commenced with the public servants and others taking the Integrity Pledge on 30th October, 2017 at 11.00 a.m.
- (ii) Pamphlets and handouts on preventive vigilance activities, whistle blower mechanism and other anti-corruption measures were distributed.
- (iii) Workshops and sensitization programmes were organized for employees and other stake holders on policies, procedures and preventive vigilance measures.
- (iv) Special issue of journals and newsletters were published on vigilance matters, systemic improvements and good practices for wider dissemination and awareness.
- (v) Various competitions such as debates, quiz etc. were held for the employees and their families on issues relating to anti-corruption.
- (vi) Content was uploaded on website for dissemination of employees and customer oriented information and avenues were made available for grievance redressal.

8.13 **Outreach Activities**

The Commission is committed to promote active participation of individuals and groups outside the public sector in the prevention of and fight against corruption and to raise public awareness regarding the causes and gravity of and the threat posed by corruption. The

thrust during Vigilance Awareness Week had been on outreach activities which included publicizing the Integrity e-Pledge and conducting Awareness Gram Sabhas and Awareness Campaigns in schools and colleges.

8.14 Integrity e-Pledge

- (i) In line with the theme this year and in order to foster probity and integrity in public life, the Commission decided to have a common Integrity Pledge during VAW 2017 for citizens as well as public servants. The Integrity e-Pledge can be taken online on the portal <https://pledge.cvc.nic.in>. Various Ministries / Departments / Organisations have also provided a hyperlink on their respective websites / intranet to elicit wider participation.
- (ii) By taking the Integrity e-Pledge, citizens commit to uphold highest standards of honesty and integrity; to follow probity and rule of law in all walks of life; to neither take nor offer bribe; to perform all tasks with honesty and transparency; to act in public interest; and to report incidents of corruption to appropriate authority. Similarly, by taking the Integrity e-Pledge, organizations viz., corporate / entities / firms etc., reaffirm their commitment to eradicate corruption; to uphold highest standards of integrity; to neither offer nor accept bribe; to follow good corporate governance based on transparency, accountability and fairness; to adhere to relevant laws, rules and compliance mechanisms; to adopt a code of ethics for all its employees; to sensitise their employees of laws and regulations; to provide grievance redressal and Whistle Blower mechanisms; and to protect the rights and interests of stakeholders and the society at large. On taking the pledge, citizens and organizations can download the 'Certificate of Commitment' issued in their name.
- (iii) During the VAW, customers and public were encouraged to express their support to the cause of reducing corruption. Several nationalized banks sent SMS messages on the VAW theme and publicized the Integrity e-Pledge on the screenshots of their ATM network. As on 31.12.2017 around 47 lakh citizens and around 65000 organisations have taken the pledge.

8.15 Awareness Gram Sabhas

All organisations particularly the Public-Sector Banks were advised to organize the “Awareness Gram Sabhas” for dissemination of awareness and to sensitise citizens on the ill-effects of corruption. Each bank branch was requested to conduct at least two such Gram Sabhas. During VAW 2017, 67131 Gram Sabhas were held during which the following activities were organized:

- (i) Participants were informed about the Integrity Pledge and the same was also administered to the participants.

- (ii) Talks highlighting ill effects of corruption were held and the pamphlets on the same were distributed.
- (iii) Melas, evening choupals, nukkad nataks, screening of films, street plays were organised creating awareness about “My Vision: Corruption Free India”.

8.16 Awareness Campaign in Schools and Colleges

- (i) Organizations and their field units and formations were requested to reach out to students in at least 2 schools and 3 colleges to generate healthy discussion on corruption. In this regard, various activities such as lectures, panel discussions, debates, quiz, essay writing, slogans/elocution/cartoon/poster competitions on moral values, ethics, good governance practices etc. were organized. Over 15000 schools and 3200 colleges participated in over 600 cities / towns across the country reaching out to more than 14,70,000 students and youth. Prizes were distributed to exhort young minds to inculcate in themselves moral values, honesty, integrity and probity.
- (ii) To sustain the activities conducted in schools and colleges and to ensure that ethical values were ingrained permanently in the minds of youth **‘Integrity Clubs’ in schools and colleges**, were established .

8.17 Other Activities

- (i) Customer grievance redressal camps were held for citizens/ customers/ vendors / contractors, etc. by organisations having customer oriented services / activities. Such camps were held not only at headquarters but also at all appropriate field offices across the country.
- (ii) Participation of Non-Government Organisations, private sector, trade unions, professional associations, service organisations were ensured by conducting seminars/ workshops/skits/street plays/walkathons/marathons/cyclothons, human chains etc.
- (iii) The Commission’s social media accounts on Facebook and Twitter were effectively used for participation and spreading awareness to a wider audience across the country. Many organizations extensively used bulk SMS/E-mail, Whatsapp, electronic, print and social media for spreading awareness.
- (iv) Print and electronic media was also used extensively for spreading awareness, CVC, VCs and senior officers of the Commission participated in several panel discussions / talk shows etc. on anti-corruption issues which were broadcast in Hindi, English and Regional Languages on DD/AIR across the country. Details of some of these are as follows:
 - As a prelude to the VAW, the Commission organized a press conference on 26th October, 2017, which was widely attended by representatives of the print and electronic media.

- During Vigilance Awareness Week, a panel discussion featuring the Central Vigilance Commissioner, former Solicitor General; President, CII & former Secretary (DoPT) with about 100 school/college students was telecast on 28.10.2017 on DD National as curtain raiser.
 - Interviews of Sh. K.V. Chowdhary, CVC and Dr. T.M. Bhasin, VC were telecast on DD National and Regional DD channels.
 - Interviews of CVOs and other officers of the Commission were telecast on regional channels and broadcast on AIR.
 - Celebrity endorsements of the Integrity Pledge by Ms. Bachhendri Pal, Mountaineer and Sh. Chetan Sharma, Ex-Cricketer were broadcast on AIR.
 - Messages on VAW theme were scrolled in Hindi and English languages on DD.
 - There was regular television coverage of various events organized during the awareness week in various cities and towns and many public events were covered by the electronic media.
- (v) Vigilance Study Circles also participated actively in the outreach activities.
- (vi) Department of Posts undertook a special drive in connection with VAW-2017 from 23rd October to 10th November 2017.
- (vii) Several officers of the Commission delivered lectures and attended the events conducted as part of VAW by different government organisations / CPSUs / Banks etc.

VI Inaugural Function of the Vigilance Awareness Week

- 8.18 The Inaugural function was held on 30th October, 2017 at Vigyan Bhawan and it was an occasion for the entire vigilance community and all stakeholders to reiterate the ideals of eradication of corruption and for promoting greater integrity in public life. The Hon'ble Vice President of India was the Chief Guest for the Inaugural Function, which formally commenced the public awareness campaign. Dr Jitendra Singh, Hon'ble Minister of State for Personnel, Public Grievances and Pensions and Shri P.K. Sinha, the Cabinet Secretary were distinguished guests at the function, which was also attended by senior serving and retired functionaries of various constitutional and statutory bodies, senior officers and CVOs of various Ministries, Departments and other Central Government Organisations, Central Public Sector Enterprises, representatives of Professional Associations, Trade and Industry Associations, NGOs, Vendors and Contractors for Central Government Organisations, Principals and Heads of Educational Institutions as well as students.
- 8.19 The function was preceded by Shri K.V.Chowdary, Central Vigilance Commissioner, Shri Rajiv, Vigilance Commissioner and Dr. T.M. Bhasin, Vigilance Commissioner administering the Integrity Pledge to all public servants. This pledge was telecast live on Doordarshan and was also webcast live to enable all public servants working in the Ministries/Departments/

Central Public Sector Enterprises/Public Sector Banks and all other Organizations and their field units to simultaneously take the pledge.

- 8.20 A photo presentation on the highlights of the Vigilance Awareness Week celebrations held across towns and villages in 2016 was made on the occasion.
- 8.21 Shri Rajiv, Vigilance Commissioner, in his welcome address spoke of the achievements of the Central Vigilance Commission over the past year and the implementation of the multi pronged strategy.
- 8.22 Shri K.V. Chowdary, Central Vigilance Commissioner gave an overview of various activities undertaken in vigilance by different organizations and of the work done by the Central Vigilance Commission in recent times. He spelt out some current initiatives undertaken by the Commission, including current initiatives in Preventive Vigilance, the e-learning modules, the question bank scheme, the Vigilance Excellence Awards and the outreach activity undertaken by the Commission in towns and villages across India. The success of the e-Pledge initiative was also highlighted by him.
- 8.23 This was followed by the screening of a short film on vigilance titled “The rise of a Corruption Free India” during the function. The film highlighted the multi-pronged strategy of the Commission and captured some of the good practices adopted as part of punitive, preventive and participative vigilance.
- 8.24 Dr Jitendra Singh, Hon’ ble Minister of State for Personnel, Pensions and Public Grievances, in his address, highlighted the maximum governance, minimum government motto of the government and spoke at length on his government’s policy of zero tolerance towards corruption. He also explained the ‘sankalp se siddhi tak’ vision and roadmap of the government for the future.
- 8.25 The Hon’ ble Vice President of India gave away the Vigilance Excellence Awards for good work done by officers and organizations in the field of punitive, preventive and participative vigilance.
- 8.26 A booklet on “Preventive Vigilance Initiatives” was released by the Hon’ble Vice President and the e-Learning project was also formally inaugurated at the event.
- 8.27 In his keynote address, the Hon’ble Vice President spoke about significance of corruption free India and how this was necessary in contemporary times. He spoke of the need for inculcating moral values and praised the setting up of Integrity Clubs to do so. Initiatives such as Jan Dhan Yojana, Aadhar, Mobile telephony and the initiatives of Digital India were necessary to transform India in future. He said that all citizens, government as well as political leadership of the country would have to work in concert in order to eradicate corruption.
- 8.28 Dr T.M. Bhasin, Vigilance Commissioner delivered the vote of thanks for the function.

VII Vigilance Excellence Awards 2017

8.29 To recognise the reforms and good work done by CVOs and management in the field of punitive, preventive and participative vigilance, Vigilance Excellence Awards were instituted by the Commission in three categories, for the CVOs/Vigilance functionaries of CPSEs, PSBs & PSICs for Ministries/ Departments/Others, and for management in recognition of exceptional work done for creating overall environment of transparency and integrity for outstanding, excellent and significant achievements.

Awards given during the Vigilance Awareness Week 2017 were the following :

- (i) Vigilance Innovation category : Sh. Munnawar Khursheed, CVO Mahanadi Coalfields Limited (Outstanding), Sh. C.V. Venkatesh, CVO, Central Bank of India and Sh. Deepak Bartaria, ED Vigilance, SAIL (Excellent), Sh. Prateek Goswami, CVO, Nuclear Power Corporation of India Limited (Significant).
- (ii) Excellence in Investigation category : Sh. U. Krishna Murty CVO, Hindustan Petroleum Corporation Limited (Outstanding), Sh. Prashant Kumar, AGM (Vigilance) and Sh. Vikash Kumar, Senior Manager Vigilance, Steel Authority of India, Ranchi unit (Excellent) , Sh. Rakesh Khanna, CVO IFCI Ltd (Significant).
- (iii) Vigilance Awareness Initiatives category : Sh. Suresh Kumar Parida, CVO Indian Bank (Outstanding), Sh. Suneet Kumar Mathur, CVO IDBI Bank (Excellent), Smt Supriya Jaiswal, ex CVO MECON (Significant).
- (iv) Timely Completion of Disciplinary Proceedings category : Sh. S.K Nagpal CVO, Punjab National Bank (Outstanding), Sh. V. Sundaresan, CVO Andhra Bank (Excellent).
- (v) Best Institutional Practice to Fight Corruption category (for management) : Mahanadi Coalfields Limited (Outstanding), Bharat Electronics Limited (Excellent).
- (vi) IT Initiative for Transparency in the Organization category (for management) : Ministry of Railways (Outstanding), Department of Telecommunications (Excellent), Indian Bank (Significant).

Central Vigilance Commission Induction Training Course for Chief Vigilance Officers





Training Programme at the International Anti-Corruption Academy (IACA)
at Vienna, Austria

CHAPTER 9

KNOWLEDGE MANAGEMENT AND CAPACITY BUILDING

I Background

- 9.1 The Commission is assisted in the implementation of its mandate by Chief Vigilance Officers posted in various departments and central public sector enterprises, public sector banks and insurance companies. CVOs are appointed for a period of three years which is extendable by another two years (subject to fulfillment of certain conditions) in the Central Public Sector Enterprises. Part time CVOs are appointed in the Central Government Ministries and Departments. The appointment of CVOs is a continuous process and each year fresh appointments are made to fill vacancies that arise on completion of tenure of the incumbent CVO. In this background training and capacity building of the vigilance administration acquires great significance and needs to be taken up on a continuous basis.
- 9.2 Training plays a vital role in ensuring that officers and staff are equipped with the right kind of skills, knowledge and abilities to perform their assigned tasks and contribute to the efficiency and effectiveness of the organizations. Training is equally important for development of one's attitude towards work and life by acquiring additional knowledge which enhances our confidence in every aspect of life. Hence, considering the importance of training, the Commission has adopted a systematic training policy from the year 2015 and seeks to achieve the goal of capacity building with a view to bridge competency gaps of the officers through training, both domestic and foreign.
- 9.3 As per the Training Policy, opportunities for training are made available to officers posted in the Central Vigilance Commission, Chief Vigilance Officers and vigilance functionaries. To reinforce the importance of vigilance as a tool for good governance, officers working not only in vigilance but other departments of the CPSEs, Public Sector Banks/Insurance Companies and other organizations are also nominated for select training programmes. Induction training is being imparted to newly appointed CVOs which provides them suitable and required inputs relating to the statutory rules and regulations in the area of vigilance and equips them to discharge their functions efficiently. Besides induction trainings, short-term thematic trainings and refresher courses are also being organized to build professional competencies, and to inculcate personal attributes by exposing the officers to courses on leadership development, stress management, ethics and values in public governance.
- 9.4 In 2017, the Commission continued and enhanced the training initiative launched in 2016 in terms of providing training at international institutes of repute to its officers, CVOs and others within the framework of the training policy. As CVOs and officers working in the Commission needed specialized vigilance related training and exposure to international best practices to update and upgrade their skills and knowledge, such customized vigilance related trainings organized by the Commission are an important step for capacity building of officers. The

Commission has organized two international trainings in 2017 which have exposed officers to a whole gamut of anti corruption strategies and international best practices and have helped to widen their world view.

- 9.5 The details of various domestic and international training programmes organized by the Commission are given below:

II Domestic Training Programmes

- 9.6 As the newly appointed CVOs come from various backgrounds and services some perhaps working in vigilance administration for the very first time, there is a need to impart in-depth training in important aspects of vigilance administration. Towards this end the Commission has organized an induction training programme for a duration of two weeks for the newly appointed CVOs at Sardar Vallabhbhai Patel National Police Academy (SVP NPA), Hyderabad from 16th to 27th January, 2017 in which 28 officers have been trained. The course provided an opportunity to the newly appointed CVOs to get in depth knowledge on the role and functions of the Central Vigilance Commission and its field arms i.e. the CVOs. The programme also equipped the CVOs to discharge their function effectively by giving a suitable over-view of the relevant statutory provisions such as the CVC Act, the PC Act, Conduct Rules and Conduct Discipline and Appeal (CDA) Rules. Further, the participants also got hands on training on drafting of the investigation reports and charge sheets through practical sessions with actual case study material. Taking into account the feedback received, a second induction training programme for two weeks duration was conducted at Institute of Secretariat Training & Management (ISTM), Delhi from 11th to 22nd September for 25 participants. Additional areas / topics covered during this training included cyber security and gender sensitisation and proceedings in cases of sexual harassment at the workplace.
- 9.7 An Advanced Training Programme at the National Police Academy, Hyderabad for a duration of three days was conducted from 21st to 23rd August, 2017. The training programme was attended by 29 officers nominated by the Commission and comprising CVOs of various Govt. Organisation and PSEs, as well as officers from the Commission. The training focused primarily on vigilance investigation including investigation of Disproportionate Assets cases, Prosecution cases and Forensic Accounting etc. Beyond that topics like drafting of charge sheets, Penalty and Appellate orders, CTE inspection, fraud investigation, conducting of departmental inquiries, monitoring, expeditious finalization and improving quality of report, etc. were also covered and lectures imparted by eminent speakers from the Anti-Corruption Branch of CBI and experts in the field of forensic accounting.
- 9.8 A specialized training programme for 22 CVOs from Public Sector Banks was organized at the Gujarat Forensic Sciences University (GFSU) from 28th August to 01st September, 2017. Given the scale and complexity of issues faced by banking sector it is important to train and upgrade skills of officers in this sector. The training covered important and relevant areas such

as “Cyber Security”, “Investigation of Net-Banking Frauds/ATM Frauds”, “Latest Trends in Banking Frauds & its Investigation” , Forensic Audit, etc. They were also made aware of the latest technologies which play a vital role in the banking sector.

- 9.9 Apart from the training imparted to CVOs and Vigilance Functionaries of various Ministries/ PSUs/Banks, the Commission also organizes training for its own staff in order to widen their knowledge and skill base and enhance their learning. In this context, the Commission is nominating its officers and staff for the open training programmes offered by National Productivity Council (NPC), ISTM etc. During 2017 two officers were nominated for the residential programme conducted by NPC on “Good Governance & Transparency through RTI” from 5th June to 9th June, 2017. As the programme was found to be useful another batch of two officers were nominated to participate in a similar programme from 13th to 17th Nov, 2017. Further, Commission’s staff also attended training programmes like “MS-Word”, “Purchase Management in Government”, “MS-Excel”, “MS-Excel (Advanced)” scheduled as per the ISTM Training Calendar 2017-18 at ISTM, Delhi.

III International Training Programmes

- 9.10 A twelve day customized vigilance training programme at the International Anti-Corruption Academy (IACA) at Vienna, Austria was organised from 20th to 31st March, 2017 for 20 participants including nine CVOs, five officers from the Commission , one officer from DoPT and five officers from Ministry of Railways. The two week training has given exposure to the officers to international best practices, anti-corruption laws under the UN, OECD & EU and initiatives taken by countries like USA, UK and South Korea to combat corruption. In view of its excellent course content and feedback, a similar training programme was organized from 13th to 24th November, 2017 for 25 participants which included officers from CBDT, CBEC, CBI, DoPT, CVOs of PSE/Public Sector Banks and officers from the Commission. In all, 45 officers participated in the training at IACA during the year 2017 and had the benefit of the sessions taken by experts from all over the world.

IV Lecture Series

- 9.11 The Commission, as part of its Knowledge Management drive, has initiated a Lecture Series, inviting eminent speakers to deliver a lecture every month. The initiative started in November 2015, has had the benevolence of eminent persons such as Shri Mukul Rohtagi, former Learned AG, Shri Bibek Debroy, Member NITI Aayog, Shri Shashi Kant Sharma, former C&AG, Shri Ranjit Kumar, former SG, Dr. Arvind Subramanian, CEA and Shri Arvind Panagariya, former Vice Chairman, NITI Aayog among many others. The lecture series provides valuable exposure to the officers of the Commission, Chief Vigilance Officers and others posted in the government organisations. The lectures are also webcast through live feed by NIC to a wider audience all over India. A chronological list of the lectures delivered by the eminent speakers in 2017 is as given below:

Sr.No.	Lecture Series	Dates
1	Justice B S Chauhan, Chairman, Law Commission of India on “ Fair Investigation & Trial and Disciplinary Proceedings ”	20.01.2017
2	Prof. Ashish Nanda, Director, Indian Institute of Management, Ahmadabad on “ Rights and Responsibilities of the Public Official ”.	16.02.2017
3	Dr. Y. V. Reddy, Former Governor Reserve Bank of India on “ State and Market in India ”.	22.03.2017
4	Ms. Anita Kapur, Member, Competition Appellate Tribunal on “ Tax Regime for Countering Corruption ”	26.04.2017
5	Dr. Jitendra Singh, Minister of State(PP) on “ Government’s Recent Initiatives to Curb Corruption ”	09.05.2017
6	Dr. Nasim Zaidi, Chief Election Commissioner on “ Political Finance & Some Implications ”	29.06.2017
7	Shri Shiv Khera on “ Winners Don’t Do Different Things, They Do Things Differently ”	31.07.2017
8	Justice Permod Kohli, Chairman, Central Administrative Tribunal on “ Scope of Judicial Scrutiny in Departmental Proceedings and Principles of Natural Justice ”	24.08.2017
9	Hon’ble Justice M.M. Kumar, President, NCLT on “ Rule of Law: Achievements and Its Trivialization ”	21.09.2017
10	Dr. Rajiv Kumar, Vice Chairman, NITI Aayog on “ India@2022 ”	26.10.2017
11	Shri Radha Krishna Mathur, Chief Information Commissioner, CIC on “ RTI Act for Transparency and Accountability ”	29.11.2017
12	Shri Ashok Arora, Author & Motivational Speaker on “ Making Life Musical for Professional Excellence ”	29.12.2017

V Internship Scheme

- 9.12 An internship scheme was launched by the Commission in 2016, with the objective of (i) motivating young academic talent to be associated with the Commission’s work for mutual benefit, (ii) to give the young interns exposure to the Commission’s functioning and the vigilance issues and to seek their contribution in generating policy inputs such as data analysis, briefing reports, policy papers etc and (iii) to obtain a fresh perspective of young talent and their work which will contribute to better policy formulation. In 2017, the two interns selected have completed their internship and submitted their reports on topics / areas identified by the Commission.
- 9.13 In addition, the officers of the Commission, CVC and VCs spoke at several training programmes organized by various organizations.

Glimpses of activities held during Vigilance Awareness Week 2017 across the country



Glimpses of activities held during Vigilance Awareness Week 2017 across the country



APPENDIX

Appendix I

(Para 1.21)

Group wise Staff Strength and related information, as on 31.12.2017 in CVC

	Group 'A'	Group 'B'	Group 'C' (Other than Multi Tasking Staff)	Group 'C' (Multi Tasking Staff)	Total
Sanctioned strength	54	98	71	73	296
Officials in position	46	86	41	67	240
Percentage Vacancy	14.81	12.24	42.25	8.21	18.91

Appendix II

(Para 2.25)

Organisation-wise details of prosecution sanctioned and penalty imposed during 2017 in respect of cases where Commission's Advice was obtained

Sl. No.	Name of the Department/ Organisation	Prosecution	Major Penalty	Minor Penalty	Administrative Action
1	Air India	0	1	0	2
2	Airports Authority of India	0	2	1	7
3	All India Council for Technical Education	0	1	0	0
4	All India Institute of Medical Sciences	0	0	1	0
5	Allahabad Bank	0	5	3	0
6	Andhra Bank	0	7	5	3
7	Archeological Survey of India	0	0	1	0
8	Bank of Baroda	2	9	13	0
9	Bank of India	1	48	0	2
10	Bank of Maharashtra	1	10	16	1
11	Bhakra Beas Management Board	0	0	3	0
12	Bharat Coking Coal Ltd.	0	8	0	0
13	Bharat Electronics Ltd.	0	0	0	3
14	Bharat Heavy Electricals Ltd.	5	7	1	0
15	Bharat Petroleum Corporation Ltd.	0	5	0	0
16	Bharat Sanchar Nigam Ltd.	1	2	1	0
17	Border Roads Development Board	2	3	1	1
18	Brahmaputra Board	0	1	0	0
19	Bridge & Roof Co. Ltd.	0	0	5	0
20	Bureau of Indian Standards	0	3	4	0
21	Canara Bank	6	21	8	6
22	Cement Corporation of India Ltd.	0	5	8	0

Sl. No.	Name of the Department/ Organisation	Prosecution	Major Penalty	Minor Penalty	Administrative Action
23	Central Bank of India	2	39	13	1
24	Central Board of Direct Taxes	0	8	1	0
25	Central Board of Excise & Customs	4	148	26	1
26	Central Coalfields Ltd.	0	2	5	0
27	Central Public Works Department	0	4	9	12
28	Central Reserve Police Force	0	1	4	0
29	Chennai Petroleum Corporation Ltd.	0	0	2	1
30	Chennai Port Trust	0	2	0	0
31	Coal India Ltd.	0	15	3	0
32	Comptroller and Auditor General of India	0	1	0	0
33	Corporation Bank	1	22	3	0
34	Cotton Corporation of India	0	0	0	1
35	Council of Scientific and Industrial Research	0	2	1	0
36	Damodar Valley Corporation	0	0	2	0
37	Delhi Development Authority	0	24	1	1
38	Delhi Jal Board	3	5	5	1
39	Delhi Transco Ltd./IPGCL	0	5	3	2
40	Delhi Transport Corporation	0	3	0	0
41	Delhi Urban Shelter Improvement Board	0	19	0	1
42	Dena Bank	1	23	29	1
43	Department of Agriculture, Cooperation & Farmer's Welfare	2	1	0	0
44	Department of Atomic Energy	1	0	0	1
45	Department of Company Affairs	1	2	0	1
46	Department of Defence Production and Supplies	0	4	1	30

Sl. No.	Name of the Department/ Organisation	Prosecution	Major Penalty	Minor Penalty	Administrative Action
47	Department of Economic Affairs	0	0	2	2
48	Department of Fertilizers	0	1	0	0
49	Department of Financial Services	0	2	0	0
50	Department of Heavy Industry	0	0	14	1
51	Department of Industrial Policy and Promotion	1	0	0	0
52	Department of Posts	9	7	1	0
53	Department of Revenue	1	0	0	0
54	Department of Science & Technology	0	6	0	0
55	Department of Space	1	0	0	0
56	Department of Telecommunications	2	115	20	7
57	Eastern Coalfields Ltd.	0	0	0	1
58	Employees' Provident Fund Organisation	1	26	7	0
59	Ennore Port Trust	0	0	1	0
60	Govt. of NCT of Delhi	3	8	2	1
61	Hindustan Aeronautics Ltd.	0	9	6	0
62	Hindustan Copper Ltd.	0	14	3	0
63	Hindustan Petroleum Corporation Ltd.	0	3	3	1
64	HMT Ltd.	0	0	1	0
65	Housing and Urban Development Corporation Ltd.	0	0	5	2
66	India Tourism Development Corporation Ltd.	0	11	9	23
67	Indian Bank	0	21	2	0
68	Indian Council of Agricultural Research	0	10	5	0
69	Indian Council of Medical Research	0	0	2	0

Sl. No.	Name of the Department/ Organisation	Prosecution	Major Penalty	Minor Penalty	Administrative Action
70	Indian Institute of Technology, Kanpur	2	0	0	0
71	Indian Oil Corporation Ltd.	0	9	12	8
72	Indian Overseas Bank	2	69	10	16
73	Indian Railway Catering and Tourism Corporation	0	0	0	1
74	Indian Rare Earths Ltd.	0	2	6	0
75	Industrial Development Bank of India Ltd.	0	5	7	0
76	Institute of Physics	0	1	0	0
77	Instrumentation Ltd.	0	3	1	0
78	Jawaharlal Nehru Port Trust	0	2	0	0
79	Kendriya Vidyalaya Sangathan	1	6	0	0
80	Khadi and Village Industries Commission	0	3	0	0
81	Kolkata Port Trust	0	3	3	1
82	Life Insurance Corporation of India	5	9	6	8
83	Madras Fertilizers Ltd.	0	0	1	0
84	Mangalore Refineries and Petrochemicals Ltd.	0	0	3	0
85	Mazagon Dock Ltd.	0	1	0	0
86	Medical Council of India	0	2	0	0
87	Ministry of Housing and Urban Affairs	0	9	7	32
88	Ministry of Ayush	0	2	0	0
89	Ministry of Civil Aviation	0	4	3	0
90	Ministry of Coal	2	1	0	3
91	Ministry of Commerce	3	1	0	0
92	Ministry of Culture	0	2	0	0
93	Ministry of Defence	16	14	2	1

Sl. No.	Name of the Department/ Organisation	Prosecution	Major Penalty	Minor Penalty	Administrative Action
94	Ministry of Disinvestment	1	0	0	0
95	Ministry of Electronics and Information Technology	1	0	9	0
96	Ministry of Environment, Forests & Climate Change	4	0	0	0
97	Ministry of External Affairs	0	4	2	0
98	Ministry of Health & Family Welfare	4	4	1	0
99	Ministry of Home Affairs	0	6	1	0
100	Ministry of Human Resource Development	4	3	0	0
101	Ministry of Information & Broadcasting	0	1	0	0
102	Ministry of Labour & Employment	5	1	0	0
103	Ministry of Mines	0	2	0	0
104	Ministry of New and Renewable Energy	0	1	0	0
105	Ministry of Personnel, Public Grievances and Pensions	4	0	0	0
106	Ministry of Petroleum and Natural Gas	0	3	7	5
107	Ministry of Railways	21	154	184	133
108	Ministry of Shipping	0	3	2	0
109	Ministry of Steel	0	0	1	0
110	Ministry of Textiles	0	1	1	0
111	Mormugao Port Trust	0	1	0	0
112	Mumbai Port Trust	0	1	0	0
113	Municipal Corporation of East Delhi	0	4	4	0
114	Municipal Corporation of North Delhi	0	25	8	3
115	Municipal Corporation of South Delhi	0	3	3	2

Sl. No.	Name of the Department/ Organisation	Prosecution	Major Penalty	Minor Penalty	Administrative Action
116	National Buildings Construction Corporation Ltd.	0	3	0	0
117	National Highways Authority of India	0	3	3	9
118	National Hydro-Electric Power Corporation Ltd.	0	0	4	0
119	National Insurance Co. Ltd.	0	1	0	0
120	National Open School	0	1	0	0
121	National Power Training Institute	0	0	2	2
122	National Small Industries Corporation Ltd.	0	0	1	0
123	National Textile Corporation Ltd.	0	0	0	1
124	National Thermal Power Corporation Ltd.	0	1	1	0
125	New Delhi Municipal Council	0	1	2	0
126	Neyveli Lignite Corporation Ltd.	0	0	2	0
127	North Eastern Hills University	1	0	0	0
128	Northern Coalfields Ltd.	0	12	3	1
129	Nuclear Power Corporation of India Ltd.	0	2	0	5
130	Oil and Natural Gas Corporation	0	2	5	2
131	Oil India Ltd.	0	0	0	1
132	Ordnance Factory Board	0	6	0	0
133	Oriental Bank of Commerce	1	19	2	3
134	Oriental Insurance Co. Ltd.	0	21	4	1
135	Pawan Hans Helicopters Ltd.	0	3	2	0
136	Power Grid Corporation of India Ltd.	15	7	6	0
137	Prasar Bharati	0	1	0	1
138	Punjab & Sind Bank	0	5	3	0

Sl. No.	Name of the Department/ Organisation	Prosecution	Major Penalty	Minor Penalty	Administrative Action
139	Punjab National Bank	2	39	21	0
140	Rail India Technical & Economic Services Ltd.	0	1	1	4
141	Rail Tel Corporation of India Ltd.	0	0	2	0
142	Rashtriya Ispat Nigam Ltd.	0	0	0	1
143	Rashtriya Sanskrit Sansthan	0	1	0	0
144	Registrar General of India	0	0	1	0
145	Satluj Jal Vidut Nigam Ltd.	0	0	0	1
146	South Eastern Coalfields Ltd.	0	4	0	0
147	State Bank of India	1	79	86	7
148	Steel Authority of India Ltd.	0	0	4	0
149	Syndicate Bank	0	28	53	21
150	Telecommunication Consultants India Ltd.	2	0	0	0
151	The New India Assurance Co.Ltd.	0	1	0	0
152	The State Trading Corporation of India Ltd.	0	6	0	0
153	UCO Bank	0	33	15	0
154	Union Bank of India	0	25	2	1
155	United Bank of India	3	2	13	0
156	United India Insurance Co.Ltd.	0	8	2	0
157	University Grants Commission	1	0	0	0
158	Vijaya Bank	0	5	2	0
159	Western Coalfields Ltd.	0	12	12	0
	Total	152	1398	800	391

Appendix III-A (i)

(Para 3.9)

Details of Complaints sent by CVC including Whistle Blower complaints in 2017

Sl. No	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
1	Agriculture	75	46	29	19
2	Atomic Energy	17	6	11	0
3	Banks	830	729	101	36
4	Chemical & Petrochemicals	1	1	0	0
5	Civil Aviation	37	18	19	12
6	Coal	63	57	6	0
7	Commerce	22	9	13	12
8	CBEC	28	20	8	3
9	Defence	127	78	49	42
10	DOPT	50	10	40	20
11	Earth & Sciences	25	7	18	13
12	Environment & Forests	135	23	112	50
13	Fertilizers	7	7	0	0
14	Finance	101	70	31	16
15	Food & Consumer Affairs	14	6	8	7
16	Govt. of NCT of Delhi	160	29	131	119
17	Health & Family Welfare	58	18	40	27
18	Heavy Industry	50	32	18	15
19	Human Resource Development	380	222	158	137
20	CBDT	82	29	53	48

Sl. No	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
21	Information & Broadcasting	52	40	12	12
22	Insurance	89	18	71	6
23	Labour	215	212	3	2
24	*Local Bodies Except G.N.C.T.D.	165	109	56	43
25	MHA	98	88	10	6
26	Mines	20	15	5	5
27	Ministry of Ayush	53	18	35	7
28	Ministry of Corporate Affairs	9	3	6	5
29	Ministry of Culture	43	9	34	32
30	Ministry of External Affairs	12	4	8	8
31	Ministry of Minority Affairs	5	1	4	3
32	Ministry of Statistics and Programme Implementation	1	0	1	1
33	Ministry of Textiles	54	27	27	27
34	Ministry of Micro Small & Medium Enterprises	13	12	1	1
35	Niti Aayog	0	0	0	0
36	Non Conventional Energy Sources	4	3	1	1
37	Petroleum	116	76	40	27
38	Pharmaceuticals	0	0	0	0
39	Posts	4	2	2	0
40	Power	71	36	35	20

Sl. No	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
41	Railways	99	50	49	12
42	Road Transport & Highways	32	11	21	16
43	Rural Development	14	2	12	12
44	Science & Technology	124	85	39	14
45	Shipping	87	40	47	28
46	Social Justice & Empowerment	7	5	2	2
47	Steel	61	43	18	10
48	Telecommunications	121	114	7	5
49	Tourism	11	2	9	6
50	Union Territory other than Delhi	26	21	5	0
51	#Urban Affairs	844	536	308	207
52	Water Resources	37	7	30	28
53	Youth Affairs & Sports	46	35	11	0
54	Miscellaneous	8	3	5	5
	Total	4803	3044	1759	1127

* includes DSIDC, DJB, DTTDC, DTC, DUSIB, IPGCL, North, East & South MCD and NDMC.

includes CPWD, DDA, DMRC, DUAC, Hindustan Prefab Ltd., HUDCO, Ministry of Housing & Urban Affairs, NBCC and NCR Planning Board.

Note : The data is based on the Annual Reports submitted by the CVOs.

Appendix III-A (ii)

(Para 3.9)

Details of Complaints regarding other employees dealt with by CVOs in 2017

Sl. No	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
1	Agriculture	181	101	80	61
2	Atomic Energy	106	27	79	2
3	Banks	7188	6512	676	261
4	Chemical & Petrochemicals	31	26	5	3
5	Civil Aviation	284	229	55	31
6	Coal	869	730	139	20
7	Commerce	166	80	86	45
8	CBEC	1166	742	424	302
9	Defence	555	430	125	27
10	DOPT	201	74	127	104
11	Earth & Sciences	45	24	21	10
12	Environment & Forests	200	110	90	55
13	Fertilizers	121	78	43	27
14	Finance	442	387	55	27
15	Food & Consumer Affairs	1648	1207	441	248
16	Govt. of NCT of Delhi	6659	5746	913	160
17	Health & Family Welfare	722	573	149	47
18	Heavy Industry	389	312	77	35
19	Human Resource Development	548	281	267	95
20	CBDT	2648	1300	1348	981

Sl. No	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
21	Information & Broadcasting	553	324	229	166
22	Insurance	1228	1006	222	31
23	Labour	1098	1034	64	50
24	*Local Bodies Except G.N.C.T.D.	8078	3707	4371	2864
25	MHA	564	382	182	68
26	Mines	87	75	12	5
27	Ministry of Ayush	56	32	24	7
28	Ministry of Corporate Affairs	104	50	54	38
29	Ministry of Culture	70	56	14	12
30	Ministry of External Affairs	216	72	144	91
31	Ministry of Minority Affairs	2	0	2	0
32	Ministry of Statistics and Programme Implementation	88	45	43	15
33	Ministry of Textiles	177	124	53	39
34	Ministry of Micro Small & Medium Enterprises	182	169	13	2
35	Niti Aayog	10	10	0	0
36	Non Conventional Energy Sources	35	21	14	6
37	Petroleum	2597	2021	576	415
38	Pharmaceuticals	9	7	2	2
39	Posts	190	109	81	22
40	Power	354	226	128	65

Sl. No	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
41	Railways	11990	9525	2465	1025
42	Road Transport & Highways	104	26	78	73
43	Rural Development	52	3	49	44
44	Science & Technology	637	465	172	68
45	Shipping	349	243	106	47
46	Social Justice & Empowerment	28	11	17	5
47	Steel	1309	1101	208	16
48	Telecommunications	735	692	43	18
49	Tourism	22	6	16	2
50	Union Territory other than Delhi	196	164	32	0
51	# Urban Affairs	1894	924	970	185
52	Water Resources	78	25	53	30
53	Youth Affairs & Sports	232	146	86	41
54	Miscellaneous	50	26	24	18
	Total	57543	41796	15747	8011

* includes DSIDC, DJB, DTTDC, DTC, DUSIB, IPGCL, North, East & South MCD and NDMC.

includes CPWD, DDA, DMRC, DUAC, Hindustan Prefab Ltd., HUDCO, Ministry of Housing & Urban Affairs, NBCC and NCR Planning Board.

Note : The data is based on the Annual Reports submitted by the CVOs.

Appendix III-A (iii)

(Para 3.9)

Details of Complaints of all Category of employees in 2017

Sl. No	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
1	Agriculture	256	147	109	80
2	Atomic Energy	123	33	90	2
3	Banks	8018	7241	777	297
4	Chemical & Petrochemicals	32	27	5	3
5	Civil Aviation	321	247	74	43
6	Coal	932	787	145	20
7	Commerce	188	89	99	57
8	CBEC	1194	762	432	305
9	Defence	682	508	174	69
10	DOPT	251	84	167	124
11	Earth & Sciences	70	31	39	23
12	Environment & Forests	335	133	202	105
13	Fertilizers	128	85	43	27
14	Finance	543	457	86	43
15	Food & Consumer Affairs	1662	1213	449	255
16	Govt. of NCT of Delhi	6819	5775	1044	279
17	Health & Family Welfare	780	591	189	74
18	Heavy Industry	439	344	95	50
19	Human Resource Development	928	503	425	232
20	CBDT	2730	1329	1401	1029

Sl. No	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
21	Information & Broadcasting	605	364	241	178
22	Insurance	1317	1024	293	37
23	Labour	1313	1246	67	52
24	*Local Bodies Except G.N.C.T.D.	8243	3816	4427	2907
25	MHA	662	470	192	74
26	Mines	107	90	17	10
27	Ministry of Ayush	109	50	59	14
28	Ministry of Corporate Affairs	113	53	60	43
29	Ministry of Culture	113	65	48	44
30	Ministry of External Affairs	228	76	152	99
31	Ministry of Minority Affairs	7	1	6	3
32	Ministry of Statistics and Programme Implementation	89	45	44	16
33	Ministry of Textiles	231	151	80	66
34	Ministry of Micro Small & Medium Enterprises	195	181	14	3
35	Niti Aayog	10	10	0	0
36	Non Conventional Energy Sources	39	24	15	7
37	Petroleum	2713	2097	616	442
38	Pharmaceuticals	9	7	2	2
39	Posts	194	111	83	22
40	Power	425	262	163	85
41	Railways	12089	9575	2514	1037

Sl. No	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
42	Road Transport & Highways	136	37	99	89
43	Rural Development	66	5	61	56
44	Science & Technology	761	550	211	82
45	Shipping	436	283	153	75
46	Social Justice & Empowerment	35	16	19	7
47	Steel	1370	1144	226	26
48	Telecommunications	856	806	50	23
49	Tourism	33	8	25	8
50	Union Territory other than Delhi	222	185	37	0
51	# Urban Affairs	2738	1460	1278	392
52	Water Resources	115	32	83	58
53	Youth Affairs & Sports	278	181	97	41
54	Miscellaneous	58	29	29	23
	Total	62346	44840	17506	9138

* includes DSIDC, DJB, DTTDC, DTC, DUSIB, IPGCL, North, East & South MCD and NDMC.

includes CPWD, DDA, DMRC, DUAC, Hindustan Prefab Ltd., HUDCO, Ministry of Housing & Urban Affairs, NBCC and NCR Planning Board.

Note : The data is based on the Annual Reports submitted by the CVOs.

Appendix III-B

(Para 3.11)

Details of Departmental Inquiries against officers in 2017 (Under CVC Jurisdiction)

Sl. No	Department/Sector	B/F from previous years & initiated during 2017	Disposal	Pending	Pending for more than 6 months
1	Agriculture	17	0	17	15
2	Atomic Energy	29	8	21	10
3	Banks	646	392	254	115
4	Chemical & Petrochemicals	0	0	0	0
5	Civil Aviation	35	15	20	7
6	Coal	44	21	23	15
7	Commerce	68	11	57	46
8	CBEC	343	186	157	128
9	Defence	168	37	131	105
10	DOPT	53	6	47	44
11	Earth & Sciences	1	1	0	0
12	Environment & Forests	2	0	2	2
13	Fertilizers	12	2	10	5
14	Finance	12	0	12	10
15	Food & Consumer Affairs	18	4	14	17
16	Govt. of NCT of Delhi	37	9	28	24
17	Health & Family Welfare	39	5	34	27
18	Heavy Industry	14	0	14	13
19	Human Resource Development	20	4	16	16

Sl. No	Department/Sector	B/F from previous years & initiated during 2017	Disposal	Pending	Pending for more than 6 months
20	CBDT	209	27	182	164
21	Information & Broadcasting	21	3	18	16
22	Insurance	34	8	26	9
23	Labour	67	29	38	36
24	*Local Bodies Except G.N.C.T.D.	36	10	26	18
25	MHA	61	11	50	41
26	Mines	20	18	2	1
27	Ministry of Ayush	21	3	18	20
28	Ministry of Corporate Affairs	9	2	7	7
29	Ministry of Culture	8	2	6	6
30	Ministry of External Affairs	0	0	0	0
31	Ministry of Minority Affairs	0	0	0	0
32	Ministry of Statistics and Programme Implementation	0	0	0	0
33	Ministry of Textiles	5	1	4	4
34	Ministry of Micro Small & Medium Enterprises	21	3	18	12
35	Niti Aayog	0	0	0	0
36	Non Conventional Energy Sources	2	0	2	2
37	Petroleum	91	39	52	17
38	Pharmaceuticals	0	0	0	0
39	Posts	46	4	42	42
40	Power	33	4	29	21

Sl. No	Department/Sector	B/F from previous years & initiated during 2017	Disposal	Pending	Pending for more than 6 months
41	Railways	273	138	135	102
42	Road Transport & Highways	7	1	6	5
43	Rural Development	0	0	0	0
44	Science & Technology	82	23	59	57
45	Shipping	64	21	43	36
46	Social Justice & Empowerment	3	3	0	0
47	Steel	10	7	3	3
48	Telecommunications	224	75	149	102
49	Tourism	21	10	11	11
50	Union Territory other than Delhi	0	0	0	0
51	#Urban Affairs	117	28	89	81
52	Water Resources	34	19	15	15
53	Youth Affairs & Sports	4	1	3	2
54	Miscellaneous	3	0	3	3
	Total	3084	1191	1893	1432

* includes DSIDC, DJB, DTTDC, DTC, DUSIB, IPGCL, North, East & South MCD and NDMC.

includes CPWD, DDA, DMRC, DUAC, Hindustan Prefab Ltd., HUDCO, Ministry of Housing & Urban Affairs, NBCC and NCR Planning Board.

Note : The data is based on the Annual Reports submitted by the CVOs.

Appendix III-C

(Para 3.11)

Details of Departmental Inquiries against other employees in 2017

Sl. No	Department/Sector	B/F from previous years & initiated during 2017	Disposal	Pending	Pending for more than 6 months
1	Agriculture	118	44	74	59
2	Atomic Energy	20	6	14	14
3	Banks	3683	2351	1332	319
4	Chemical & Petrochemicals	14	10	4	3
5	Civil Aviation	96	47	49	39
6	Coal	220	44	176	27
7	Commerce	99	42	57	50
8	CBEC	848	562	286	223
9	Defence	176	86	90	75
10	DOPT	50	9	41	38
11	Earth & Sciences	0	0	0	0
12	Environment & Forests	1	1	0	0
13	Fertilizers	46	14	32	27
14	Finance	20	3	17	16
15	Food & Consumer Affairs	266	128	138	108
16	Govt. of NCT of Delhi	212	48	164	102
17	Health & Family Welfare	143	57	86	59
18	Heavy Industry	35	19	16	3
19	Human Resource Development	25	3	22	14
20	CBDT	197	2	195	186

Sl. No	Department/Sector	B/F from previous years & initiated during 2017	Disposal	Pending	Pending for more than 6 months
21	Information & Broadcasting	45	6	39	36
22	Insurance	398	145	253	123
23	Labour	293	99	194	149
24	*Local Bodies Except G.N.C.T.D.	373	141	232	180
25	MHA	187	52	135	103
26	Mines	40	27	13	10
27	Ministry of Ayush	7	2	5	1
28	Ministry of Corporate Affairs	1	0	1	1
29	Ministry of Culture	0	0	0	0
30	Ministry of External Affairs	5	5	0	0
31	Ministry of Minority Affairs	0	0	0	0
32	Ministry of Statistics and Programme Implementation	49	5	44	40
33	Ministry of Textiles	85	34	51	42
34	Ministry of Micro Small & Medium Enterprises	38	9	29	23
35	Niti Aayog	1	0	1	1
36	Non Conventional Energy Sources	1	0	1	0
37	Petroleum	217	111	106	55
38	Pharmaceuticals	3	1	2	2
39	Posts	35	11	24	24
40	Power	87	47	40	17
41	Railways	1232	776	456	295

Sl. No	Department/Sector	B/F from previous years & initiated during 2017	Disposal	Pending	Pending for more than 6 months
42	Road Transport & Highways	0	0	0	0
43	Rural Development	0	0	0	0
44	Science & Technology	56	20	36	24
45	Shipping	165	96	69	42
46	Social Justice & Empowerment	9	4	5	4
47	Steel	50	28	22	14
48	Telecommunications	314	146	168	118
49	Tourism	10	6	4	21
50	Union Territory other than Delhi	54	12	42	13
51	#Urban Affairs	34	13	21	16
52	Water Resources	18	7	11	11
53	Youth Affairs & Sports	10	0	10	6
54	Miscellaneous	37	16	21	14
	Total	10123	5295	4828	2747

* includes DSIDC, DJB, DTTDC, DTC, DUSIB, IPGCL, North, East & South MCD and NDMC.

includes CPWD, DDA, DMRC, DUAC, Hindustan Prefab Ltd., HUDCO, Ministry of Housing & Urban Affairs, NBCC and NCR Planning Board.

Note : The data is based on the Annual Reports submitted by the CVOs.

Appendix III-D

(Para 3.16)

Details of Prosecution Sanctions for all categories in 2017

Sl. No	Department/Sector	Total cases for sanction	Disposal		Pending	Pending for more than 6 months
			Sanctioned	Refused		
1	Agriculture	1	1	0	0	0
2	Atomic Energy	0	0	0	0	0
3	Banks	119	41	45	33	0
4	Chemical & Petrochemicals	2	2	0	0	0
5	Civil Aviation	2	2	0	0	0
6	Coal	17	16	0	1	0
7	Commerce	15	15	0	0	0
8	CBEC	9	6	1	2	2
9	Defence	46	27	0	19	1
10	DOPT	2	2	0	0	0
11	Earth & Sciences	0	0	0	0	0
12	Environment & Forests	7	4	0	3	0
13	Fertilizers	0	0	0	0	0
14	Finance	6	2	0	4	0
15	Food & Consumer Affairs	16	13	0	3	0
16	Govt. of NCT of Delhi	21	11	0	10	0
17	Health & Family Welfare	11	7	1	3	0
18	Heavy Industry	2	2	0	0	0
19	Human Resource Development	1	1	0	0	1
20	CBDT	1	1	0	0	0

Sl. No	Department/Sector	Total cases for sanction	Disposal		Pending	Pending for more than 6 months
			Sanctioned	Refused		
21	Information & Broadcasting	0	0	0	0	0
22	Insurance	32	23	9	0	0
23	Labour	11	9	0	2	0
24	*Local Bodies Except G.N.C.T.D.	10	5	1	4	0
25	MHA	12	10	1	1	0
26	Mines	1	1	0	0	0
27	Ministry of Ayush	0	0	0	0	0
28	Ministry of Corporate Affairs	2	2	0	0	0
29	Ministry of Culture	0	0	0	0	0
30	Ministry of External Affairs	0	0	0	0	0
31	Ministry of Minority Affairs	0	0	0	0	0
32	Ministry of Statistics and Programme Implementation	0	0	0	0	0
33	Ministry of Textiles	6	6	0	0	0
34	Ministry of Micro Small & Medium Enterprises	9	9	0	0	0
35	Niti Aayog	0	0	0	0	0
36	Non Conventional Energy Sources	1	0	1	0	0
37	Petroleum	8	8	0	0	1
38	Pharmaceuticals	1	1	0	0	0
39	Posts	7	7	0	0	0
40	Power	21	15	1	5	0

Sl. No	Department/Sector	Total cases for sanction	Disposal		Pending	Pending for more than 6 months
			Sanctioned	Refused		
41	Railways	38	31	2	5	0
42	Road Transport & Highways	0	0	0	0	0
43	Rural Development	0	0	0	0	0
44	Science & Technology	3	3	0	0	1
45	Shipping	0	0	0	0	0
46	Social Justice & Empowerment	0	0	0	0	0
47	Steel	15	15	0	0	0
48	Telecommunications	11	10	0	1	0
49	Tourism	0	0	0	0	0
50	Union Territory other than Delhi	19	7	2	10	0
51	#Urban Affairs	5	5	0	0	0
52	Water Resources	0	0	0	0	0
53	Youth Affairs & Sports	0	0	0	0	0
54	Miscellaneous	1	0	0	1	1
	Total	491	320	64	107	7

* includes DSIDC, DJB, DTTDC, DTC, DUSIB, IPGCL, North, East & South MCD and NDMC.

includes CPWD, DDA, DMRC, DUAC, Hindustan Prefab Ltd., HUDCO, Ministry of Housing & Urban Affairs, NBCC and NCR Planning Board.

Note : The data is based on the Annual Reports submitted by the CVOs.

Appendix III-E

(Para 3.15)

Details of punishment awarded (all categories) in Minor Penalty Proceedings in 2017

Sl. No	Department/Sector	Reduction to lower stage	Postponement/ with holding of increment	Recovery from pay	With holding of promotion	Censure/ Warning	No Action	Total
1	Agriculture	0	1	0	0	1	0	2
2	Atomic Energy	0	6	0	0	357	0	363
3	Banks	632	88	62	1	658	42	1483
4	Chemical & Petrochemicals	0	0	1	0	0	1	2
5	Civil Aviation	0	2	0	0	20	0	22
6	Coal	0	18	0	0	87	13	118
7	Commerce	1	1	0	0	7	1	10
8	CBEC	2	0	4	0	15	17	38
9	Defence	2	14	7	0	101	35	159
10	DOPT	0	1	0	0	5	1	7
11	Earth & Sciences	0	0	0	0	0	0	0
12	Environment & Forests	0	0	0	0	0	0	0
13	Fertilizers	1	0	0	0	6	0	7
14	Finance	0	0	0	0	1	2	3
15	Food & Consumer Affairs	114	46	1315	0	237	115	1827
16	Govt. of NCT of Delhi	5	0	0	0	1	1	7
17	Health & Family Welfare	1	3	0	0	1	2	7
18	Heavy Industry	0	8	0	0	23	0	31
19	Human Resource Development	0	1	0	0	0	0	1
20	CBDT	1	2	0	0	3	2	8

Sl. No	Department/Sector	Reduction to lower stage	Postponement/ with holding of increment	Recovery from pay	With holding of promotion	Censure/ Warning	No Action	Total
21	Information & Broadcasting	1	0	0	0	4	0	5
22	Insurance	23	6	3	29	201	49	311
23	Labour	1	5	1	1	2	4	14
24	*Local Bodies Except G.N.C.T.D.	25	16	15	7	117	137	317
25	MHA	2	0	0	1	3	1	7
26	Mines	0	1	0	0	10	3	14
27	Ministry of Ayush	0	0	0	0	2	1	3
28	Ministry of Corporate Affairs	0	0	0	0	1	0	1
29	Ministry of Culture	0	0	0	0	0	0	0
30	Ministry of External Affairs	3	0	0	0	0	0	3
31	Ministry of Minority Affairs	0	0	0	0	0	0	0
32	Ministry of Statistics and Programme Implementation	0	0	0	0	3	27	30
33	Ministry of Textiles	0	3	1	0	4	2	10
34	Ministry of Micro Small & Medium Enterprises	0	0	0	0	1	0	1
35	Niti Aayog	0	0	0	0	0	0	0
36	Non Conventional Energy Sources	0	0	0	0	0	0	0
37	Petroleum	7	4	5	1	92	13	122
38	Pharmaceuticals	0	0	0	0	0	0	0
39	Posts	187	789	237	29	535	24	1801
40	Power	18	9	5	2	22	7	63

Sl. No	Department/Sector	Reduction to lower stage	Postponement/with holding of increment	Recovery from pay	With holding of promotion	Censure/Warning	No Action	Total
41	Railways	481	2323	2	27	1816	52	4701
42	Road Transport & Highways	0	0	0	0	0	0	0
43	Rural Development	0	0	0	0	0	0	0
44	Science & Technology	0	0	0	0	10	12	22
45	Shipping	0	7	0	0	3	0	10
46	Social Justice & Empowerment	0	0	0	0	2	0	2
47	Steel	6	3	0	0	24	0	33
48	Telecommunications	31	59	1	1	113	24	229
49	Tourism	3	0	0	0	7	0	10
50	Union Territory other than Delhi	0	2	2	0	7	0	11
51	#Urban Affairs	19	5	0	0	14	5	43
52	Water Resources	0	0	0	0	0	0	0
53	Youth Affairs & Sports	0	0	0	0	3	0	3
54	Miscellaneous	2	2	0	0	2	0	6
	Total	1568	3425	1661	99	4521	593	11867

* includes DSIDC, DJB, DTTDC, DTC, DUSIB, IPGCL, North, East & South MCD and NDMC.

includes CPWD, DDA, DMRC, DUAC, Hindustan Prefab Ltd., HUDCO, Ministry of Housing & Urban Affairs, NBCC and NCR Planning Board.

Note : The data is based on the Annual Reports submitted by the CVOs.

Appendix III-F

(Para 3.15)

Details of punishments awarded (all categories) in Major Penalty Proceedings in 2017

Sl. No	Department/Sector	Cut in pension	Dismissal/ Removal/ Compulsory Retirement	Reduction to lower time scale/ rank	Other Major Penalties	Minor Penalties other than Censure/ Warning	Censure/ Warning	No Action	Total
1	Agriculture	5	2	2	10	6	5	13	43
2	Atomic Energy	0	0	6	0	0	0	0	6
3	Banks	80	570	812	1016	101	64	78	2721
4	Chemical & Petrochemicals	0	2	0	0	0	0	3	5
5	Civil Aviation	0	0	21	3	2	7	5	38
6	Coal	0	27	68	114	11	13	9	242
7	Commerce	0	15	3	9	1	2	14	44
8	CBEC	19	13	85	25	4	18	85	249
9	Defence	11	18	20	18	8	14	34	123
10	DOPT	2	1	1	0	3	1	0	8
11	Earth & Sciences	0	0	0	0	0	0	1	1
12	Environment & Forests	0	0	0	0	0	0	0	0
13	Fertilizers	0	0	2	1	0	4	1	8
14	Finance	0	1	1	0	0	0	0	2
15	Food & Consumer Affairs	0	28	48	2	92	12	19	201
16	Govt. of NCT of Delhi	11	3	26	0	0	3	1	44
17	Health & Family Welfare	1	10	19	0	1	3	14	48
18	Heavy Industry	0	1	5	0	3	14	0	23
19	Human Resource Development	1	3	0	0	0	0	2	6

Sl. No	Department/Sector	Cut in pension	Dismissal/ Removal/ Compulsory Retirement	Reduction to lower time scale/ rank	Other Major Penalties	Minor Penalties other than Censure/ Warning	Censure/ Warning	No Action	Total
20	CBDT	12	10	2	1	2	4	20	51
21	Information & Broadcasting	1	2	4	0	0	0	2	9
22	Insurance	10	36	104	15	11	12	13	201
23	Labour	5	8	16	15	22	11	50	127
24	*Local Bodies Except G.N.C.T.D.	27	142	76	63	25	37	151	521
25	MHA	9	13	9	5	0	4	13	53
26	Mines	0	0	0	24	0	2	2	28
27	Ministry of Ayush	0	2	0	0	0	0	4	6
28	Ministry of Corporate Affairs	2	0	0	0	0	0	0	2
29	Ministry of Culture	1	0	1	0	0	0	0	2
30	Ministry of External Affairs	1	8	2	0	0	0	0	11
31	Ministry of Minority Affairs	0	0	0	0	0	0	0	0
32	Ministry of Statistics and Programme Implementation	1	3	0	2	0	0	0	6
33	Ministry of Textiles	1	2	3	0	1	15	6	28
34	Ministry of Micro Small & Medium Enterprises	2	5	1	0	0	0	1	9
35	Niti Aayog	0	0	0	0	0	0	1	1
36	Non Conventional Energy Sources	0	0	0	0	0	0	0	0
37	Petroleum	1	7	21	18	12	10	15	84
38	Pharmaceuticals	0	1	0	0	0	0	0	1
39	Posts	24	53	97	27	50	31	8	290

Sl. No	Department/Sector	Cut in pension	Dismissal/ Removal/ Compulsory Retirement	Reduction to lower time scale/ rank	Other Major Penalties	Minor Penalties other than Censure/ Warning	Censure/ Warning	No Action	Total
40	Power	0	3	13	2	2	0	13	33
41	Railways	20	133	891	4	111	20	40	1219
42	Road Transport & Highways	0	0	0	0	0	0	0	0
43	Rural Development	0	0	0	0	0	0	0	0
44	Science & Technology	1	9	3	0	0	4	6	23
45	Shipping	4	7	6	7	13	4	11	52
46	Social Justice & Empowerment	0	1	0	0	0	0	0	1
47	Steel	5	0	15	2	0	1	2	25
48	Telecommunications	34	35	89	9	36	27	86	316
49	Tourism	0	0	9	0	2	3	2	16
50	Union Territory other than Delhi	0	0	1	1	2	2	8	14
51	#Urban Affairs	26	1	25	0	2	3	3	60
52	Water Resources	1	2	2	1	0	0	2	8
53	Youth Affairs & Sports	0	0	0	0	0	0	0	0
54	Miscellaneous	0	0	5	0	2	2	0	9
	Total	318	1177	2514	1394	525	352	738	7018

* includes DSIDC, DJB, DTTDC, DTC, DUSIB, IPGCL, North, East & South MCD and NDMC.

includes CPWD, DDA, DMRC, DUAC, Hindustan Prefab Ltd., HUDCO, Ministry of Housing & Urban Affairs, NBCC and NCR Planning Board.

Note : The data is based on the Annual Reports submitted by the CVOs.

Appendix III-G

(Para 3.14)

List of Organisations from whom Annual Report for the year 2017 was received

Sl. No.	Organisation Name
1.	Air India
2.	Airports Authority of India
3.	Ali Yavar Jung National Institute for Hearing Handicapped
4.	All India Council For Technical Education
5.	All India Institute of Medical Sciences
6.	Allahabad Bank
7.	Andaman & Nicobar Administration
8.	Andhra Bank
9.	Andrew Yule & Company Ltd.
10.	Artificial Limbs Manufacturing Corporation Ltd.
11.	Balmer Lawrie & Company Ltd.
12.	Bank of India
13.	Bank of Baroda
14.	Bank of Maharashtra
15.	Bengal Chemicals & Pharmaceuticals Ltd.
16.	Bhakra Beas Management Board
17.	Bharat Broadband Network Ltd.
18.	Bharat Coking Coal Ltd.
19.	Bharat Dynamics Ltd.
20.	Bharat Earth Movers Ltd.
21.	Bharat Electronics Ltd.
22.	Bharat Heavy Electricals Ltd.
23.	Bharat Petroleum Corporation Ltd.

Sl. No.	Organisation Name
24.	Bharat Pumps & Compressors Ltd.
25.	Bharat Sanchar Nigam Ltd.
26.	Bhartiya Reserve Bank Note Mudran Pvt. Ltd.
27.	Bird Group of Companies
28.	Board of Apprenticeship Training, Bombay
29.	Board of Apprenticeship Training, Kanpur
30.	Board of Practical Training
31.	Border Security Force
32.	Brahmaputra Board
33.	Brahmaputra Valley Fertilizer Corporation Ltd.
34.	Braithwaite & Co.Ltd.
35.	Bridge & Roof Co. (India) Ltd.
36.	Bureau of Indian Standards
37.	Burn Standard Co. Ltd.
38.	Cabinet Secretariat
39.	Canara Bank
40.	Cement Corporation of India Ltd
41.	Central Bank of India
42.	Central Board of Direct Taxes
43.	Central Board of Excise & Customs
44.	Central Board of Secondary Education
45.	Central Bureau of Investigation
46.	Central Coalfields Ltd.

Sl. No.	Organisation Name
47.	Central Cottage Industries Corporation Of India Ltd.
48.	Central Council For Research in Ayurveda & Siddha
49.	Central Council For Research in Homeopathy
50.	Central Council For Research in Unani Medicine
51.	Central Council of Homoeopathy
52.	Central Council of Indian Medicine
53.	Central Electricity Authority
54.	Central Electronics Ltd.
55.	Central Industrial Security Force
56.	Central Institute of Plastics Engineering and Technology
57.	Central Institute of Tool Design
58.	Central Manufacturing Technology Institute
59.	Central Mines Planning & Design Institute Limited
60.	Central Pollution Control Board
61.	Central Power Research Institute
62.	Central Public Works Department
63.	Central Pulps & Paper Research Institute
64.	Central Reserve Police Force
65.	Central Silk Board
66.	Central Tool Room & Training Centre, Jalandhar
67.	Central Tool Room & Training Centre, Bhubaneswar

Sl. No.	Organisation Name
68.	Central Tool Room, Ludhiana
69.	Central University of Kerala
70.	Central Wakf Council
71.	Central Warehousing Corporation Ltd.
72.	Centre for Development of Advanced Computing, Pune
73.	Centre for Development of Telematics
74.	Chandigarh Administration
75.	Chennai Petroleum Corporation Ltd.
76.	Chennai Port Trust
77.	Coal India Ltd.
78.	Cochin Port Trust
79.	Cochin Shipyard Ltd.
80.	Coconut Development Board
81.	Coir Board
82.	Commissioner for Linguistic Minorities of India
83.	Container Corporation of India
84.	Corporation Bank
85.	Cotton Corporation of India
86.	Council of Scientific & Industrial Research
87.	Damodar Valley Corporation
88.	Dattopant Thengadi National Board for Workers Education And Development
89.	Dedicated Freight Corridor Corporation of India Ltd
90.	Defence Accounts Department (C.G.D.A.)

Sl. No.	Organisation Name
91.	Delhi Development Authority
92.	Delhi Jal Board
93.	Delhi Metro Rail Corporation Ltd.
94.	Delhi State Industrial and Infrastructure Development Corporation Ltd.
95.	Delhi Tourism And Transportation Development Corporation Limited
96.	Delhi Transco Ltd.
97.	Delhi Transport Corporation
98.	Delhi Urban Art Commission
99.	Delhi Urban Shelter Improvement Board
100.	Dena Bank
101.	Department of Animal Husbandry, Dairying & Fisheries
102.	Department of Administrative Reforms and Public Grievances
103.	Department of Agriculture & Cooperation
104.	Department of Atomic Energy
105.	Department of Ayurveda, Yoga & Naturopathy, Unani, Siddha and Homeopathy (AYUSH)
106.	Department of Bio-Technology
107.	Department of Chemicals & Petrochemicals
108.	Department of Consumer Affairs
109.	Department of Defence Production and Supplies
110.	Department of Economic Affairs (Finance)

Sl. No.	Organisation Name
111.	Department of Expenditure
112.	Department of Fertilizers
113.	Department of Financial Services
114.	Department of Food and Public Distribution
115.	Department of Food Processing Industries
116.	Department of Health and Family Welfare
117.	Department of Heavy Industry
118.	Department of Higher Education
119.	Department of Industrial Policy and Promotion.
120.	Department of Investment and Public Asset Management (DIPAM)
121.	Department of Legal Affairs & Legislative Department
122.	Department of Personnel & Training
123.	Department of Pharmaceuticals
124.	Department of Posts
125.	Department of Public Enterprises
126.	Department of Revenue
127.	Department of Science and Technology
128.	Department of Scientific & Industrial Research
129.	Department of Shipping
130.	Department of Space
131.	Department of Supply
132.	Department of Telecommunications
133.	Directorate General Of Civil Aviation

Sl. No.	Organisation Name
134.	Directorate General of Commercial Intelligence and Statistics
135.	DOEACC Society
136.	Dredging Corporation of India Ltd.
137.	Eastern Coalfields Ltd.
138.	Educational Consultants India Ltd.
139.	Electronics Corporation of India Ltd
140.	Employees' Provident Fund Organisation
141.	Employees' State Insurance Corporation
142.	Engineering Projects India Ltd.
143.	Engineers India Ltd.
144.	ERNET India
145.	Exim Bank of India
146.	Export Inspection Council of India
147.	Exports Credit Guarantee Corporation Ltd.
148.	FCI Aravali Gypsum and Minerals India Limited
149.	Ferro Scrap Nigam Limited
150.	Fertilizer & Chemicals Travancore Ltd
151.	Fertilizer Corporation of India Ltd
152.	Film and TV Institute of India
153.	Food Corporation of India
154.	Garden Reach Shipbuilders & Engineers Ltd.
155.	Gas Authority of India Ltd.
156.	General Insurance Corporation Of India
157.	Geological Survey of India

Sl. No.	Organisation Name
158.	Goa Shipyard Ltd.
159.	Govt. of N. C. T of Delhi
160.	Handicrafts & Handlooms Export Corporation of India Ltd.
161.	Heavy Engineering Corporation Ltd.
162.	Hindustan Aeronautics Ltd.
163.	Hindustan Antibiotics Ltd.
164.	Hindustan Copper Ltd.
165.	Hindustan Fertilizer Corporation Ltd.
166.	Hindustan Insecticides Ltd.
167.	Hindustan Organic Chemicals Ltd.
168.	Hindustan Paper Corporation Ltd.
169.	Hindustan Petroleum Corporation Ltd.
170.	Hindustan Photo-Films Manufacturing Co. Ltd
171.	Hindustan Prefab Ltd.
172.	Hindustan Salts Ltd.
173.	Hindustan Shipyard Ltd.
174.	Hindustan Steel Works Construction Ltd.
175.	HMT Ltd
176.	Hospital Services Consultancy Corporation (India) Ltd.
177.	Housing & Urban Development Corporation Ltd.
178.	I.D.P.L.
179.	IIM Ahmedabad
180.	IIT, Chennai
181.	IIT, Mumbai
182.	India Tourism Development Corporation Ltd.

Sl. No.	Organisation Name
183.	India Trade Promotion Organisation
184.	Indian Bank
185.	Indian Council of Agricultural Research
186.	Indian Council of Forestry Research and Education
187.	Indian Council of Medical Research
188.	Indian Grain Storage Management and Research Institute
189.	Indian Infrastructure Finance Co. Ltd.
190.	Indian Institute of Information Technology and Manufacturing, Kancheepuram
191.	Indian Institute of Management, Indore
192.	Indian Institute of Packaging, Bombay
193.	Indian Oil Corporation Ltd.
194.	Indian Overseas Bank
195.	Indian Plywood Industries Research and Training Institute
196.	Indian Railway Catering and Tourism Corporation Ltd.
197.	Indian Railway Finance Corporation Ltd.
198.	Indian Rare Earths Ltd.
199.	Indian Renewable Energy Development Agency Ltd.
200.	Indian Telephone Industries Ltd.
201.	Indo Tibetan Border Police (ITBP)
202.	Indraprastha Power Generation Corporation Limited

Sl. No.	Organisation Name
203.	Industrial Development Bank of India
204.	Industrial Finance Corporation of India Ltd.
205.	Institute of Mathematical Sciences (IMS)
206.	Institute of Physics
207.	Instrumentation Ltd.
208.	Insurance Regulatory Development Authority
209.	Intelligence Bureau (IB)
210.	International Institute for Population Sciences
211.	IRCON International Ltd.
212.	Jamia Millia Islamia
213.	Jawaharlal Nehru Port Trust
214.	Jawaharlal Nehru University
215.	Jute Corporation of India Limited
216.	Kamarajar Port Limited
217.	Kandla Port Trust
218.	Karnataka Antibiotics & Pharmaceuticals Ltd.
219.	Kendriya Bhandar
220.	Kendriya Vidyalaya Sangathan
221.	Khadi & Village Industries Commission
222.	Kolkata Port Trust
223.	Konkan Railway Corporation Ltd.
224.	Kudremukh Iron & Ore Co.Ltd.
225.	L.R.S. Institute of Tuberculosis and Respiratory Diseases

Sl. No.	Organisation Name
226.	Lakshmibai National University of Physical Education
227.	Life Insurance Corporation of India
228.	M.C.D. East Delhi
229.	M.C.D. North Delhi
230.	M.C.D. South Delhi
231.	M.M.T.C. Ltd.
232.	Madras Fertilizers Ltd.
233.	Mahanadi Coalfields Limited
234.	Mahanagar Telephone Nigam Limited
235.	Mangalore Refineries & Petrochemicals Ltd.
236.	Manganese Ore India Ltd.
237.	Marine Products Export Dev. Authority
238.	Maulana Azad Education Foundation, New Delhi
239.	Maulana Azad National Academy For Skills (MANAS)
240.	Mazagon Dock Ltd.
241.	MECON Ltd.
242.	Medical Council of India
243.	Metal Scrap Trade Corporation
244.	Mineral Exploration Corporation Ltd.
245.	Ministry of Civil Aviation
246.	Ministry of Coal
247.	Ministry of Commerce And Industry
248.	Ministry of Corporate Affairs
249.	Ministry of Culture

Sl. No.	Organisation Name
250.	Ministry of Defence
251.	Ministry of Development of North Eastern Region
252.	Ministry of Earth Sciences
253.	Ministry of Environment, Forests & Climate Change
254.	Ministry of External Affairs
255.	Ministry of Home Affairs
256.	Ministry of Housing & Urban Affairs
257.	Ministry of Information & Broadcasting
258.	Ministry of Labour & Employment
259.	Ministry of Micro, Small & Medium Enterprises
260.	Ministry of Mines
261.	Ministry of Minority Affairs
262.	Ministry of New And Renewable Energy
263.	Ministry of Petroleum & Natural Gas
264.	Ministry of Planning & Programme Implementation
265.	Ministry of Power
266.	Ministry of Railways
267.	Ministry of Road Transport & Highways
268.	Ministry of Rural Development
269.	Ministry of Social Justice & Empowerment
270.	Ministry of Statistics and Programme Implementation
271.	Ministry of Steel

Sl. No.	Organisation Name
272.	Ministry of Textiles
273.	Ministry of Tourism
274.	Ministry of Tribal Affairs
275.	Ministry of Water Resources
276.	Ministry of Youth Affairs & Sports
277.	Mishra Dhatu Nigam Ltd.
278.	Mormugao Port Trust
279.	Mumbai Port Trust
280.	Mumbai Rail Vikas Corporation
281.	Narmada Control Authority
282.	National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED)
283.	National Aluminium Co. Ltd.
284.	National Bank for Agriculture and Rural Development
285.	National Buildings Construction Corporation Ltd.
286.	National Commission for Minorities
287.	National Cooperative Agriculture And Rural Development Banks Federation
288.	National Cooperative Consumers' Federation of India
289.	National Council for Cement And Building Materials
290.	National Council of Science Museums
291.	National Dairy Development Board
292.	National Fertilizers Ltd.
293.	National Handicapped Finance and Development Corporation

Sl. No.	Organisation Name
294.	National Highways Authority of India
295.	National Horticulture Board
296.	National Housing Bank
297.	National Hydro-Electric Power Corporation Ltd.
298.	National Institute for Locomotor Disabilities (Divyangjan)
299.	National Institute of Agriculture Extension Management
300.	National Institute of Design, Ahmedabad
301.	National Institute of Fashion Technology
302.	National Institute of Health & Family Welfare
303.	National Institute of Ocean Technology
304.	National Institute of Open Schooling
305.	National Institute of Plant Genome Research
306.	National Institute of Technology
307.	National Insurance Co. Ltd.
308.	National Intelligence Grid (NATGRID)
309.	National Jute Manufactures Corporation Ltd.
310.	National Mineral Development Corporation Limited.
311.	National Minorities Development & Finance Corporation
312.	National Power Training Institute
313.	National Projects Construction Corporation Limited.

Sl. No.	Organisation Name
314.	National Research Development Corporation
315.	National Scheduled Castes Finance Development Corporation
316.	National Security Guard
317.	National Seeds Corporation Ltd.
318.	National Small Industries Corporation Ltd.
319.	National Textiles Corporation Limited
320.	National Thermal Power Corporation Limited.
321.	National Water Development Agency
322.	Navodaya Vidyalaya Samiti
323.	NCR Planning Board
324.	NEPA Ltd.
325.	New Delhi Municipal Council (NDMC)
326.	New India Assurance Co. Ltd.
327.	New Mangalore Port Trust.
328.	Neyveli Lignite Corporation Ltd
329.	Niti Aayog
330.	North Eastern Electric Power Corporation
331.	Northern Coalfields Ltd.
332.	Nuclear Power Corporation of India Ltd.
333.	Numaligarh Refinery Limited
334.	Office of the Development Commissioner (MSME)
335.	Office of the Coal Mines Provident Fund Commissioner

Sl. No.	Organisation Name
336.	Oil & Natural Gas Corporation Limited
337.	Oil India Ltd.
338.	Ordnance Factory Board
339.	Oriental Bank of Commerce
340.	Oriental Insurance Co. Ltd.
341.	Paradip Port Trust
342.	Pasteur Institute of India
343.	Pawan Hans Helicopters Ltd.
344.	Pharmacopoeial Laboratory for Indian Medicine
345.	Postgraduate Institute of Medical Education & Research, Chandigarh
346.	Power Finance Corporation Ltd.
347.	Power Grid Corporation of India Ltd.
348.	Prasar Bharti
349.	Projects & Development India Ltd
350.	Projects & Equipment Corporation of India Ltd
351.	Pt. Deendayal Upadhyaya Institute for the Physically Handicapped
352.	Punjab & Sind Bank
353.	Punjab National Bank
354.	Rail India Technical & Economic Services Ltd.
355.	Rail Tel Corporation of India Ltd.
356.	Rail Vikas Nigam Limited
357.	Rajasthan Electronics and Instruments Limited, Jaipur

Sl. No.	Organisation Name
358.	Rashtriya Chemicals & Fertilizers Ltd.
359.	Rashtriya Ispat Nigam Limited
360.	Rashtriya Sanskrit Sansthan
361.	Repatriates Cooperative Finance & Development Bank Ltd.
362.	Reserve Bank of India
363.	Rubber Board
364.	Rural Electrification Corporation Ltd
365.	Sahitya Akademi
366.	Sashastra Seema Bal
367.	Satluj Jal Vidyut Nigam Limited
368.	Satyajit Ray Film and Television Institute
369.	Scooters India Ltd
370.	Security And Exchange Board of India
371.	Security Printing & Minting Corporation of India Ltd.
372.	Shipping Corporation of India Ltd.
373.	Shri Lal Bahadur Shastri Rashtriya Sanskrit Vidyapeeth
374.	Small Industries Development Bank of India
375.	Software Technology Parks of India
376.	Solar Energy Corporation of India
377.	South Eastern Coalfields Ltd.
378.	Spices Board
379.	Sports Authority of India

Sl. No.	Organisation Name
380.	State Bank of India
381.	State Trading Corporation of India Limited.
382.	Steel Authority of India Ltd.
383.	Swami Vivekanand National Institute of Rehabilitation Training and Research
384.	Syndicate Bank
385.	Tea Board
386.	Tehri Hydro Development Corporation
387.	Telecommunication Consultants India Ltd.
388.	Textiles Committee
389.	Tobacco Board
390.	UCO Bank
391.	Union Bank of India
392.	United Bank of India
393.	United India Insurance Co. Ltd.
394.	University Grants Commission
395.	Uranium Corporation of India Ltd.
396.	V.O.Chidambaranar Port Trust
397.	Victoria Memorial Hall
398.	Vijaya Bank
399.	Visakhapatnam Port Trust
400.	Water & Power Consultancy Services Limited
401.	Western Coalfields Ltd.
402.	Wildlife Institute of India

Appendix IV

(Para 3.10)

Organization-wise list of complaints referred by Commission and pending with CVOs for Inquiry and Report as on 31.12.2017

Sl. No.	Name of the Department/Organization	Complaints pending for investigation		
		Upto one year	Between one-three years	More than three years
1	Air India	0	1	0
2	Airports Authority of India	2	0	0
3	Aligarh Muslim University	0	0	1
4	All India Institute of Medical Sciences	0	0	1
5	Andaman & Nicobar Administration	0	2	1
6	Bank of Baroda	0	0	1
7	Bank of Maharashtra	0	1	0
8	Bharat Coking Coal Ltd.	2	0	0
9	Bharat Heavy Electricals Ltd.	0	0	2
10	Bharat Immunologicals and Biologicals Corporation Ltd.	0	0	1
11	Bharat Petroleum Corporation Ltd.	0	0	1
12	Bharat Sanchar Nigam Ltd.	1	0	0
13	Border Roads Development Board	0	0	3
14	Brahmaputra Board	0	0	1
15	Canara Bank	1	0	0
16	Cement Corporation of India Ltd.	1	0	0
17	Central Bank of India	0	0	5
18	Central Board of Direct Taxes	10	6	2
19	Central Board of Excise & Customs	5	2	0
20	Central Bureau of Investigation	3	4	0
21	Central Coalfields Ltd.	1	0	0
22	Central Public Works Department	0	0	1
23	Chandigarh Administration	0	1	2
24	Chennai Port Trust	2	1	0

Sl. No.	Name of the Department/Organization	Complaints pending for investigation		
		Upto one year	Between one-three years	More than three years
25	Coal India Ltd.	0	0	1
26	Council of Scientific & Industrial Research	2	1	0
27	Dadra & Nagar Haveli Administration	0	1	3
28	Daman & Diu Admn.	0	1	3
29	Delhi Development Authority	0	0	4
30	Delhi Jal Board	0	0	2
31	Delhi Police	0	0	1
32	Department of Agriculture, Cooperation & Farmer's Welfare	1	0	1
33	Department of Animal Husbandry Dairying & Fisheries	0	1	1
34	Department of Atomic Energy	1	1	0
35	Department of Chemicals & Petrochemicals	1	0	1
36	Department of Company Affairs	1	1	0
37	Department of Defence Production and Supplies	0	0	2
38	Department of Disability Affairs	1	0	4
39	Department of Economic Affairs	1	3	1
40	Department of Expenditure	1	0	0
41	Department of Fertilizers	0	0	1
42	Department of Financial Services	2	1	4
43	Department of Food & Public Distribution	1	0	0
44	Department of Industrial Policy & Promotion	0	1	1
45	Department of Ocean Development	0	0	3
46	Department of Pharmaceuticals	0	0	2
47	Department of Posts	2	0	0
48	Department of Revenue	3	1	0
49	Department of Science and Technology	2	1	2
50	Department of Scientific & Industrial Research	0	0	1

Sl. No.	Name of the Department/Organization	Complaints pending for investigation		
		Upto one year	Between one-three years	More than three years
51	Department of Secondary and Higher Education & D/o Elementary Education And Literacy	6	4	28
52	Department of Space	0	0	2
53	Development of North Eastern Region	0	0	1
54	Eastern Coalfields Ltd.	0	0	1
55	Educational Consultants India Ltd.	0	0	1
56	Employees' Provident Fund Organisation	0	1	2
57	Engineers India Ltd.	1	0	1
58	Exim Bank of India	2	0	0
59	Export Inspection Council of India	1	0	0
60	Food Corporation of India	0	0	1
61	Gas Authority of India Ltd.	0	0	1
62	Government of National Capital Territory of Delhi	2	6	49
63	Government of Puducherry	1	0	2
64	Hindustan Petroleum Corporation Ltd.	0	0	2
65	Hindustan Shipyard Ltd.	1	0	0
66	Hindustan Vegetable Oils Corporation Ltd.	0	0	1
67	HMT Ltd.	0	0	1
68	IIT, Delhi	0	0	1
69	IIT, Roorkee	0	0	1
70	Indian Bank	1	0	0
71	Indian Council of Agricultural Research	0	0	7
72	Indian Council of Medical Research	1	0	0
73	Indian Oil Corporation Ltd.	1	0	2
74	Indian Overseas Bank	0	1	0
75	Indira Gandhi National Open University	0	0	3
76	Jamia Millia Islamia	0	0	1
77	Jawaharlal Nehru Port Trust	1	0	0

Sl. No.	Name of the Department/Organization	Complaints pending for investigation		
		Upto one year	Between one-three years	More than three years
78	Jawaharlal Nehru University	0	0	1
79	Kendriya Vidyalaya Sangathan	0	0	1
80	Khadi & Village Industries Commission	0	1	0
81	Life Insurance Corporation of India	2	0	1
82	Medical Council of India	1	0	0
83	Ministry of Civil Aviation	4	0	0
84	Ministry of Coal	0	0	3
85	Ministry of Commerce	0	0	2
86	Ministry of Culture	0	1	5
87	Ministry of Defence	0	10	4
88	Ministry of Earth Sciences	0	1	0
89	Ministry of Environment Forests & Climate Change	0	0	5
90	Ministry of Health & Family Welfare	4	3	7
91	Ministry of Home Affairs	2	2	1
92	Ministry of Housing and Urban Affairs	0	0	4
93	Ministry of Information & Broadcasting	0	1	4
94	Ministry of Mines	1	0	1
95	Ministry of Parliamentary Affairs	0	0	1
96	Ministry of Personnel, Public Grievances and Pensions	1	0	2
97	Ministry of Petroleum & Natural Gas	2	0	6
98	Ministry of Power	0	0	2
99	Ministry of Railways	34	6	0
100	Ministry of Road Transport & Highways	0	0	1
101	Ministry of Rural Development	0	0	1
102	Ministry of Shipping	3	0	0
103	Ministry of Small Scale Industry and Agro & Rural Industries	0	2	1
104	Ministry of Social Justice & Empowerment	0	0	1

Sl. No.	Name of the Department/Organization	Complaints pending for investigation		
		Upto one year	Between one-three years	More than three years
105	Ministry of Statistics and Programme Implementation	0	0	1
106	Ministry of Steel	1	1	0
107	Ministry of Textiles	0	3	3
108	Ministry of Tourism	1	1	0
109	Ministry of Tribal Affairs	0	1	1
110	Ministry of Urban Development	0	2	4
111	Ministry of Water Resources, River Development & Ganga Rejuvenation	0	1	5
112	Ministry of Women & Child Development	0	0	1
113	Ministry of Youth Affairs & Sports	0	0	1
114	MMTC Ltd.	0	0	1
115	Mormugao Port Trust	1	0	0
116	Municipal Corporation of East Delhi	0	1	2
117	Municipal Corporation of North Delhi	1	2	6
118	Municipal Corporation of South Delhi	0	2	3
119	National Agricultural Cooperative Marketing Federation of India	0	0	1
120	National Bank of Agriculture and Rural Development (NABARD)	0	0	1
121	National Board of Examinations	0	0	1
122	National Highways Authority of India	2	1	0
123	National Institute of Educational Planning & Administration	0	0	1
124	National Institute of Technology, Jamshedpur	0	0	1
125	National Productivity Council	0	0	1
126	Navodaya Vidyalaya Samiti	0	0	4
127	New Delhi Municipal Council	1	2	2
128	Northern Coalfields Ltd.	0	0	3
129	Nuclear Power Corporation of India Ltd.	0	0	1
130	Oil & Natural Gas Corporation Ltd.	3	0	1

Sl. No.	Name of the Department/Organization	Complaints pending for investigation		
		Upto one year	Between one-three years	More than three years
131	Prasar Bharati	0	0	1
132	Punjab National Bank	0	0	1
133	Rashtriya Ispat Nigam Ltd.	0	0	1
134	Rural Electrification Corporation Ltd.	0	0	1
135	Satluj Jal Vidut Nigam Ltd.	1	0	0
136	Securities and Exchange Board of India	3	1	0
137	Security Printing and Minting Corporation of India Ltd.	2	0	0
138	Shipping Corporation of India	1	0	0
139	State Bank of India	1	0	3
140	Steel Authority of India Ltd.	1	0	1
141	Syndicate Bank	2	0	0
142	The State Trading Corporation of India Ltd.	0	0	1
143	Triveni Structurals Ltd.	0	0	1
144	Union Bank of India	3	0	2
145	United Bank of India	0	1	0
146	University Grants Commission	1	0	0
147	University of Delhi	0	0	1
148	Vijaya Bank	0	0	1
149	Western Coalfields Ltd.	0	0	1
	Total	144	89	282

Appendix V

(Para 3.12)

Organisation wise list of first and second stage advices pending for implementation of Commission's advice

Sl. No	Name of Department/Organisation	No. of cases pending implementation of Commission's advice for more than six months	
		First Stage Advice	Second Stage Advice
1	Air India	5	0
2	Airports Authority of India	3	0
3	Allahabad Bank	6	0
4	Andaman & Nicobar Administration	22	10
5	Andhra Bank	1	0
6	Archaeological Survey of India	1	0
7	Artificial Limbs Manufacturing Corporation Ltd.	1	0
8	Balmer Lawrie & Co. Ltd.	2	0
9	Bank of India	5	0
10	Bank of Maharashtra	4	0
11	Betwa River Board	1	0
12	Bhakra Beas Management Board	1	0
13	Bharat Bhari Udyog Nigam Ltd.	1	0
14	Bharat Coking Coal Ltd.	5	11
15	Bharat Heavy Electricals Ltd.	3	3
16	Bharat Immunology and Biologicals Corporation Ltd.	0	3
17	Bharat Petroleum Corporation Ltd.	1	0
18	Bharat Sanchar Nigam Ltd.	8	0
19	Bharat Wagon and Engineering Company Ltd.	1	0

Sl. No	Name of Department/Organisation	No. of cases pending implementation of Commission's advice for more than six months	
		First Stage Advice	Second Stage Advice
20	Brahmaputra Board	2	0
21	British India Corporation Ltd.	1	0
22	Cement Corporation of India	1	0
23	Central Bank of India	1	0
24	Central Board of Direct Taxes	22	5
25	Central Board of Excise & Customs	47	41
26	Central Board of Secondary Education	1	0
27	Central Board of Workers Education	1	0
28	Central Bureau of Investigation	25	1
29	Central Coalfields Ltd.	2	0
30	Central Council for Research in Ayurveda & Siddha	1	2
31	Central Public Works Department	0	2
32	Central Reserve Police Force	1	2
33	Central Social Welfare Board	1	0
34	Chandigarh Administration	2	1
35	Chennai Petrochemicals Ltd.	0	2
36	Chennai Port Trust	3	0
37	Coal India Ltd.	6	1
38	Coffee Board	1	1
39	Coir Board	1	0
40	Comptroller and Auditor General of India	7	0
41	Controller General of Accounts	1	1
42	Controller General of Defence Accounts	10	1

Sl. No	Name of Department/Organisation	No. of cases pending implementation of Commission's advice for more than six months	
		First Stage Advice	Second Stage Advice
43	Cotton Corporation of India	1	0
44	Council for Advancement of People's Action and Rural Technology	0	1
45	Council of Scientific and Industrial Research	3	6
46	Daman & Diu Administration & Dadra Nagar Haveli Administration	24	9
47	Damodar Valley Corporation	1	0
48	Delhi Development Authority	5	0
49	Delhi Jal Board	5	0
50	Delhi Transco Limited/ Indraprastha Power Generation Co. Ltd	3	0
51	Delhi Urban Shelter Improvement Board	7	0
52	Department of Science & Technology	1	1
53	Department of Agriculture Research and Education	0	1
54	Department of Agriculture, Cooperation & Farmer's Welfare	3	0
55	Department of Animal Husbandry Dairying & Fisheries	1	0
56	Department of Atomic Energy	1	0
57	Department of Chemicals & Petrochemicals	4	0
58	Department of Commerce (Supply Division)	1	1
59	Department of Company Affairs	2	0
60	Department of Consumer Affairs	1	0
61	Department of Disability Affairs	2	1
62	Department of Economic Affairs	2	2

Sl. No	Name of Department/Organisation	No. of cases pending implementation of Commission's advice for more than six months	
		First Stage Advice	Second Stage Advice
63	Department of Expenditure	1	0
64	Department of Fertilizers	10	0
65	Department of Financial Services	3	0
66	Department of Heavy Industry	5	0
67	Department of Industrial Policy & Promotion	12	2
68	Department of Legal Affairs	0	1
69	Department of Pharmaceuticals	1	0
70	Department of Posts	5	0
71	Department of Revenue	0	2
72	Department of Scientific and Industrial Research	1	0
73	Department of Space	0	1
74	Department of Sugar and Edible Oils	1	0
75	Department of Telecommunications	4	7
76	DSIIDC	1	0
77	Eastern Coalfields Ltd.	6	1
78	Employees' Provident Fund Organisation	5	3
79	Employees' State Insurance Corporation	1	0
80	Exim Bank of India	2	0
81	Export Inspection Council of India	3	0
82	Fertilisers and Chemicals Travancore Ltd.	3	0
83	Gas Authority of India Ltd.	1	0
84	Geological Survey of India	1	0
85	Govt. of NCT of Delhi	15	3
86	Govt. of Puducherry	23	2

Sl. No	Name of Department/Organisation	No. of cases pending implementation of Commission's advice for more than six months	
		First Stage Advice	Second Stage Advice
87	Handicrafts and Handlooms Export Corporation of India	0	1
88	Hindustan Antibiotics Ltd.	1	1
89	Hindustan Copper Ltd.	1	1
90	Hindustan Fertilizers Corporation Ltd.	0	4
91	Hindustan Organic Chemicals Ltd.	0	1
92	Hindustan Petroleum Corporation Ltd.	1	0
93	Hindustan Salts Ltd.	0	1
94	Hindustan Vegetable Oils Corporation Ltd.	1	0
95	Hindustan Zinc Ltd.	1	0
96	HLL Lifecare Ltd.	1	0
97	IIT, Kanpur	1	0
98	IIT, Kharagpur	1	1
99	India Tourism Development Corporation	1	0
100	India Trade Promotion Organisation	3	0
101	Indian Bank	1	0
102	Indian Council of Agricultural Research	8	3
103	Indian Drugs & Pharmaceuticals Ltd.	0	2
104	Indian Oil Corporation Ltd.	2	2
105	Indian Overseas Bank	1	0
106	Indian Railways Catering and Tourism Corporation Ltd.	1	0
107	Indira Gandhi National Open University	1	0
108	Indira Gandhi Rashtriya Manav Sangrahalaya	8	0
109	Industrial Development Bank of India	1	0

Sl. No	Name of Department/Organisation	No. of cases pending implementation of Commission's advice for more than six months	
		First Stage Advice	Second Stage Advice
110	Instrumentation Ltd.	2	0
111	Intelligence Bureau	0	1
112	Kandla Port Trust	2	0
113	Kendriya Vidyalaya Sangathan	7	1
114	Khadi and Village Industries Commission	8	1
115	Kolkata Port Trust	2	0
116	Krishak Bharat Cooperatives Ltd.	2	0
117	Lakshadweep Administration	7	0
118	Life Insurance Corporation of India	2	0
119	Mahanadi Coalfields Ltd.	2	0
120	MECON Ltd.	2	0
121	Medical Council of India	4	0
122	Ministry of Ayush	1	4
123	Ministry for Development of North Eastern Region	2	0
124	Ministry of Civil Aviation	1	0
125	Ministry of Coal	7	1
126	Ministry of Commerce	5	1
127	Ministry of Consumer Affairs, Food & Public Distribution	1	0
128	Ministry of Culture	2	1
129	Ministry of Defence	6	2
130	Ministry of Earth Sciences	0	1
131	Ministry of Electronics and Information Technology	4	0

Sl. No	Name of Department/Organisation	No. of cases pending implementation of Commission's advice for more than six months	
		First Stage Advice	Second Stage Advice
132	Ministry of Environment, Forests & Climate Change	3	0
133	Ministry of External Affairs	4	0
134	Ministry of Health & Family Welfare	3	1
135	Ministry of Home Affairs	18	6
136	Ministry of Housing and Urban Affairs	24	0
137	Ministry of Human Resource Development	7	4
138	Ministry of Information & Broadcasting	7	1
139	Ministry of Information Technology	2	0
140	Ministry of Labour & Employment	1	0
141	Ministry of Micro, Small & Medium Enterprises	8	5
142	Ministry of Mines	2	3
143	Ministry of Personnel, Public Grievances and Pensions	34	12
144	Ministry of Petroleum & Natural Gas	5	0
145	Ministry of Power	2	2
146	Ministry of Railways	102	24
147	Ministry of Road Transport & Highways	1	0
148	Ministry of Rural Development	1	0
149	Ministry of Shipping	9	0
150	Ministry of Skill Development and Entrepreneurship	1	0
151	Ministry of Statistics and Programme Implementation	3	1
152	Ministry of Steel	4	1
153	Ministry of Textiles	6	8

Sl. No	Name of Department/Organisation	No. of cases pending implementation of Commission's advice for more than six months	
		First Stage Advice	Second Stage Advice
154	Ministry of Tourism	1	1
155	Ministry of Tribal Affairs	1	0
156	Ministry of Water Resources, River Development & Ganga Rejuvenation	2	0
157	Ministry of Youth Affairs & Sports	3	0
158	MMTC	1	1
159	Mumbai Port Trust	1	0
160	Municipal Corporation of East Delhi	1	0
161	Municipal Corporation of North Delhi	4	0
162	Municipal Corporation of South Delhi	5	2
163	NABARD	2	0
164	NALCO Ltd.	4	0
165	Narmada Control Authority	1	0
166	National Agricultural Cooperative Marketing Federation	2	0
167	National Board of Examinations	1	0
168	National Cooperative Consumers Federation of India Ltd.	3	4
169	National Cooperative Development Corporation	1	0
170	National Highways Authority of India	21	0
171	National Hydro-Electric Power Corporation Ltd.	1	0
172	National Institute of Electronics & Information Technology	1	0
173	National Institute of Fashion Technology	1	0
174	National Insurance Company Ltd.	2	0
175	National Mineral Development Corporation	1	0

Sl. No	Name of Department/Organisation	No. of cases pending implementation of Commission's advice for more than six months	
		First Stage Advice	Second Stage Advice
176	National Projects Construction Corporation	0	4
177	National Remote Sensing Agency	0	2
178	National SC & ST Finance & Development Corporation	1	0
179	National Thermal Power Corporation Ltd.	1	0
180	Navodaya Vidyalaya Samiti	3	0
181	Nehru Yuvak Kendra Sangathan	6	0
182	NEPA Ltd.	2	0
183	New Delhi Municipal Council	5	0
184	Nuclear Power Corporation of India Ltd.	1	1
185	Office of Development Commissioner, Ministry of Micro, Small & Medium Enterprises	0	4
186	Oil India Ltd.	7	6
187	Oriental Bank of Commerce	1	0
188	Paradip Port Trust	1	1
189	Pawan Hans Helicopters Ltd.	1	0
190	PGIMER, Chandigarh	2	0
191	Power Grid Corporation of India	2	0
192	Prasar Bharati	23	3
193	Projects and Equipment Corporation of India	2	0
194	Pyrites Phosphates & Chemicals Ltd.	0	3
195	Rashtriya Ispat Nigam Ltd	1	0
196	Sashastra Seema Bal	0	1
197	Satluj Jal Vidyut Nigam Ltd.	1	0
198	Scooters India Ltd	1	0

Sl. No	Name of Department/Organisation	No. of cases pending implementation of Commission's advice for more than six months	
		First Stage Advice	Second Stage Advice
199	Security Printing and Minting Corporation of India Ltd.	1	0
200	Semi-Conductor Complex Ltd.	1	0
201	Shipping Corporation of India Ltd.	1	0
202	Small Industries Development Bank of India	1	0
203	Software Technology Parks of India	0	1
204	South Eastern Coalfields Limited	1	0
205	Sponge Iron India Ltd.	1	0
206	Staff Selection Commission	1	0
207	State Bank of India	12	2
208	Steel Authority of India Ltd.	2	2
209	Tata Memorial Centre	0	1
210	Tea Trading Corporation Ltd.	0	1
211	The State Trading Corporation of India Ltd.	1	0
212	Tribal Cooperative Marketing Development Federation	1	0
213	UCO Bank	3	0
214	University Grants Commission	1	0
215	University of Delhi	1	1
216	Visakhapatnam Port Trust	4	0
217	Western Coalfields Ltd.	2	0
	Total	885	270

Appendix-VI

(Para 5.9)

Some prima facie irregularities observed in course of Intensive Examinations and scrutiny of various procurement cases during the year:

- i) An organisation under the Ministry of Agriculture invited a tender for design, supply & labour job for installation, testing and commissioning of 20 MT per day milk powder plant and allied equipment, at an estimated cost of Rs. 15.50 crore. The tender was awarded to a JV of M/s ABC and M/s XYZ at cost of Rs 11.98 crore. M/s ABC was to contribute design expertise to the JV, as designing capability was an essential qualification.

However, M/s ABC decided not work in JV with M/s XYZ, after signing of the agreement. Subsequently, M/s XYZ requested the organisation to allow them to change their JV partner. This was allowed and a different firm (M/s PQR) became the design partner of M/s XYZ at the post-award stage.

In this case, the successful offer was from a JV, a distinct legal entity, and one of the JV partners decided not to honour its contractual obligation. This called for suitable action as per the terms and conditions of the contract. Substitution of a new JV partner and thereby allowing an altogether a different legal entity, who was not one of the bidders to do the work, was not proper especially when M/s PQR did not even participate in the tender and their credentials were not even verified by the tendering authority.

The case has been referred for the comments of the organisation.

- ii) In a tender for indoor / outdoor electrification, estimated at Rs 41.92 crore and awarded at Rs 43.99 crore, mobilization advance of Rs 3.20 crore approximately was paid to the contractor. Recovery of advance was not made as per terms of the contract linked to milestones. This is in violation of extant guidelines on the subject. Till the date of inspection (21st August 2017), an amount of Rs 1.12 crore only was recovered. Penal Interest of Rs 44 lakh, due from the contractor, was waived by the Director (Finance), which is prima-facie inappropriate. An advance of Rs 2.07 crore (64.84% of total advance) overdue was yet to be recovered.

The matter has been referred to the organisation for its response.

- iii) One PSU invited a tender for design, engineering, supply, transportation, handling, storage at site, erection, testing and commissioning of electrical equipment, accessories and associated civil work required for setting up a 33 KV outdoor sub-station near 220 KV grid.

On opening of the bids, price quote of one of the bidders, M/s ABC, was found tampered. The original quote of Rs.11,56,11,786/- was changed to Rs. 10,13,79,310/-. The matter was examined by internal vigilance and it concluded that the bid was changed before the due date and time; seals on the envelopes of other bids were found tampered; role of M/s ABC,

in connivance with some officials of the PSU, was suspected. The tender was subsequently discharged.

In spite of the alleged misconduct of the firm in manipulating the documents, no action was initiated and M/s ABC was even allowed to take part in the second call of tender.

The matter has been referred to the organisation and reply is awaited.

- iv) In a PSU Bank, a tender for selection of IT vendor for implementation of Core Banking Solution (CBS) on ASP (Application Service Provider) model was floated and awarded at Rs 835 crore (approx).

Tenders were invited from OEMs only. There was discrepancy in the last date for submission of bids, as per NIT published in the newspaper and in the corrigendum issued after the pre bid meeting and in the website of the organisation. All these showed different dates. As per the eligibility criteria mentioned in RFP, the bidder should have been an OEM of the CBS application / solution proposed. The scope of work mainly comprised of IT implementation including hardware, software (for other business, technical and network security solutions), ATMs (hardware and infrastructure). For this type of project, System Integrator appeared to be more suitable than OEM of the CBS application and so, the eligibility appeared to be restrictive and inappropriate in nature. The technical evaluation criteria were not transparent and fair, as they did not include relevant parameters for assessment of eligibility and it failed to bring out their relative weightage in the scheme of marking.

A total number of 104 branches and 108 ATMs were in operation; however no audit / inspection, to check quantity, quality of hardware, software, networking architecture of data centers and data recovery units etc., was carried out by the Bank till the date of intensive examination. There was a gap of almost 13 months between the date of signing Master Service Agreement and Service Level Agreement and this resulted in an opportunity to the vendor to act as per its own convenience and comfort.

Fees for card management services and back office services were not part of the tender documents and were added in the agreement, on a later date, in a non-transparent and non-competitive manner, resulting in undue benefit to the vendor. It was noted that the vendor failed to make full supply of hardware and software, as per the terms and conditions of the contract, affecting bank's business adversely.

The Report has been referred to the Bank for its comments.

- v) In a case related to procurement of fertilizer for kharif season through western ports, by a leading PSU, two tenders were floated in the months of June and July. The tenders were discharged as they were not found viable on account of poor profit margin estimates. Subsequently, a proposal was prepared and processed to procure the fertilizer on nomination

basis citing cost-effectiveness and urgency. The PSU entered into an MOU with a private firm, on nomination basis, for the said procurement.

In course of inquiry, it was noted that the tender committee (dealing with the July tender) and the PSU Management were aware of the downward trend in domestic and international prices of fertilizer, at that time. There was adequate availability of fertilizer with the northern states of U.P, M.P, Rajasthan, Haryana etc. and thus there was no immediate urgency to procure on nomination basis.

The selection of the entity for supplying fertilizer through PSU marketing network was not done through a transparent process with due diligence and as per the standard procedure. The marketing department did not present a fair comparison of profitability estimates in respect of direct import and procurement from the domestic firm. They erred in taking the historical prices for estimating the cost of imports, instead of considering the current prices. This resulted in a decision in favour of the firm.

As per the conditions of MOU, there was a provision of pre-dispatch quality testing of the material. However, no such testing / inspection of material was carried out, resulting in short supply and poor quality. This adversely affected the brand image of the PSU. The PSU, further, suffered losses on account of high inventory carrying cost too, as huge stock remained unsold and additional expenditure was to be incurred to overcome the situation. The PSU also failed to exercise due diligence by not incorporating penal clauses in the MoU for substandard quality and not providing safeguards in the event of adverse price variations.

Suitable disciplinary action has been advised against the concerned officials.

- vi) A leading PSU initiated a project for expansion of its steel plant capacity by installation of additional plant facilities at an estimated cost of Rs 8692 crore (based on June 2005 prices). Administrative approval of Ministry was accorded with direction that expansion works be completed within 48 months i.e. by Oct 2009. Later on, the estimate was revised to about Rs 14000 crore (based on Dec 2015 prices).

Considering the abnormal time and cost overrun, CTEO had undertaken examination of a component of the project in Oct. 2017 when the work was still in progress. Following irregularities were observed:-

- a) for engagement of consultancy services for 'Engineering & Project Management', original estimate was of Rs 220 crore. Subsequently, estimate was revised to Rs 332.60 crore without valid justification on record. But, in fact, the consultant was appointed for Rs 273 crore;
- b) there was no system in place to assess or monitor the performance of consultant and this resulted in significant departure from the milestones, set as per time schedule and as agreed in the contract agreement by the consultant;

- c) the scope of work and role of the consultant were not linked with payment terms in the contract;
- d) the contract for consultancy services did not incorporate penal clauses to cover failure of the consultant at any stage, including delays attributable to the consultant;
- e) project implementation schedule did not indicate permissible time limits for each of the important activities to arrest time overruns. This led to poor planning and supervision by the consultant;
- f) LD / penalties were not imposed on the consultant for delays / poor performance in services.

The case has been referred to the PSU for its comments.

vii) A case of national and international trading business, by a CPSU, was examined by CTEO. Following serious irregularities were observed:-

- a) there were tripartite MoUs, amongst the PSU, its business associates and the foreign /domestic suppliers. Payment was guaranteed by the PSU, on behalf of a business associate, to be made to the supplier through Letter of Credit (LC). LCs were opened repeatedly, at short intervals, in spite of the fact that huge amounts were outstanding and due against the earlier LCs issued on behalf of the business associates;
- b) proposals for fresh LCs were initiated despite the fact that business associates were continuously defaulting and their MoUs had already expired;
- c) valid securities were not obtained from the business associates;
- d) divisions and branches were to physically undertake stock verification on regular basis. This was not ensured. About 7340 MT of HR coils was found short against one MoU.

Due to the irregularities, on the part of management/ officials, the CPSU suffered a loss of about Rs 3057 crore.

Commission advised imposition of major penalty against the officials responsible for irregularities in the case.

viii) A contract for appointment of a contract manufacture of Single Super Phosphate (SSP) fertiliser by a PSU was examined. The PSU suffered financial loss due to following irregularities in the tendering process:-

- a) violation of tender terms and conditions by the successful bidder by not submitting Performance Guarantee of Rs. one crore. The employer relaxed this condition after placement of work order.

- b) the company did not exercise effective monitoring over the firm engaged for correctly accounting for the raw materials issued by the company for production of SSP. This resulted loss of Rs 4.85 crore to the company.
- c) the company entered into tripartite agreement with the firm and its bank; the firm was extended financial assistance by the company and the bank and they were to recover their dues out of the subsidy amount, to be received by the firm from the Department of Fertiliser (DoF) and monthly receivables against the SSP conversion charges. The plant and machinery of the firm was not in good condition and suffered frequent break downs. The firm could not produce required quantity of SSP leading to inadequate recovery.
- d) Due to the tripartite agreement, the company suffered loss of Rs. 6.30 crore in bailing out the firm from obligation to the bank and Rs. 3.63 crore towards non receipt of the subsidy from DoF.

Considering the gravity of irregularities in the contract, Commission advised initiation of penalty proceedings against officials responsible and appropriate action for recovery of loss from the firm.

- ix) In work of a Bank for development of residential flats costing Rs280 crore, use of river sand of a particular area was prescribed. However, during execution of the work, different kind of sand of lower cost was allowed to be used. On raising the issue in the intensive examination report, the bank has agreed for recovery of undue financial benefit of Rs.30 lacs from the contractor. Apart from this, the flats constructed were also found to be smaller in size than specified in the tender/contract leading to undue financial benefit to the contractor. Quality of Reinforced Cement Concrete (RCC) work was also found sub-standard to the extent that RCC columns & beams were substantially bulged. Recovery towards difference in cost of sand has since been affected.

The other issues are being pursued with the Bank.

- x) In a work of Wind Power Project of capacity 47.6 MW and costing around Rs 360 cr., being executed by a Power Sector PSU, following irregularities were observed:-
 - a) The experience certificate submitted by the lowest bidder in the tender for appointment of DPR consultant did not contain experience in preparation of DPR, which was a prerequisite as per the tender document. Required documents submitted by the lowest bidder in support of its credentials were in the name of another firm, claimed to be one of their divisions; however, documents establishing the relationship between the bidder and this firm were not submitted. In spite of such glaring deficiencies, their offer was accepted.
 - b) Registration of the project under Clean Development Mechanism, which was one of the major activities to be carried out by DPR consultant, was got done through another

consultancy firm. The DPR consultant had quoted Rs 40 lacs for this job, but no cost adjustment was made from their dues.

- c) In the feasibility report for this project, the consultant recommended the location for setting up this power project in the states of Gujarat, Madhya Pradesh, Rajasthan and Tamil Nadu; however during tendering process, Rajasthan and Tamil Nadu were removed from the list of recommended states and Maharashtra and Andhra Pradesh were added. Maharashtra was not recommended initially by the consultant because of problem of 'right of way' in the state. However, later Maharashtra was included in the list of states considered for setting up of the plant without any deliberation on the problem of right of way in the state. The contractor's offer for setting up of the plant in Maharashtra was accepted and eventually, the project completion was delayed on account of delay in arranging right of way by the contractor.
- d) As per work contract, Wind Electric Generators (WEGs) were to be sourced from the overseas units of M/s. ABC, the contractor for the project. However during intensive examination of the project, documents suggesting procurement of WEGs from the specified source could not be produced. Procurement of WEGs from the source other than specified in the contract has performance implication as is evident from the repeated failures of WEGs in generating power; besides possible cost implication. Actual annual energy generated from the plant in the last three years was in the range of only 3.88% to 57.14% of the Guaranteed Annual Energy generation.

The intensive examination report was sent to the PSU for comments.

- xi) In civil works contract for a hydro-power project being executed by a PSU, valuing approximately Rs 216 cr., following irregularities were observed:-
 - a) Substantial portion of work was allowed to be sub-let by the main contractor, whereas the contract did not permit the same. The credentials of the sub-contractor for such a specialized and high value contract were not assessed.
 - b) As per records of the project, the cement used in various grades of concrete was much more than the maximum permissible cement content provided in the relevant BIS Code. No record of actual cement consumption was available with the organization, raising doubt on the actual consumption of cement in the works.
 - c) As per the contract, a Bailey Bridge was to be constructed by the contractor and the components of the bridge were to be supplied by the PSU. The cost of the departmentally supplied components was to be recovered from the contractor's Running Account bills in 3 instalments. However, the recovery on account of departmentally supplied bridge component was not done as per the specified schedule and was deferred substantially resulting in undue financial benefit to the contractor.

- d) The work under this contract was on hold for approximately 6½ years; however, instead of closure, the contract was kept alive. This led to invocation of arbitration proceedings by the contractor and an award amounting to Rs16.27 cr. plus interest going in favour of the contractor; besides huge escalation payment to the contractor for the extended period.

The intensive examination report was sent to the PSU for comments.

- xii) In a work of an organization under M/o Defence for hiring of dredging services, amounting to approximately Rs 69 crores, following irregularities were observed:-

- a) A very high estimated rate of Rs 224/- per cum of dredged material was adopted, whereas during the same time, similar work was being carried out in an adjoining port at the rate of Rs 150/- per cum.
- b) Lowest bidder for this work was considered eligible in spite of it failing in submission of several mandatory documents viz. power of attorney in the name of person submitting the bid and signing the agreement, ownership/hiring arrangement of the dredgers and financial rating from one of the specified certifying agencies, alongwith their bid. The mandatory requirement of registration of firm with the said defence organization was not ensured before opening of the price bids.
- c) Finally, the contract was awarded at the rate of Rs 187/- per cum, ignoring the lower rate of Rs 150/- cum offered by the same agency for the similar work being carried out in adjoining port. The fall clause in the contract required the contractor not to charge rates higher than being charged from other agencies for the similar work during the currency of contract; this clause was not applied despite knowing the facts.
- d) Use of Water Injection Dredger (WID) was not permitted as per the bid document; but this condition was not included in the Work Order issued to the contractor. In the bid document, WID was not permitted because the dredged material was required to be disposed off at a designated location outside the dockyard boundary and the WID is not capable of the same. During execution, Contractor deployed WID; as such the contract requirement of disposing off the dredged material out of the dockyard boundary could not be complied. Payment was released to the contractor without ensuring compliance of the contract condition, resulting in undue financial benefit to the contractor.

The intensive examination report was sent to the PSU for comments.

- xiii) In a contract of a major port for the development of a cargo berth under Public Private Partnership (PPP), costing around Rs 330 cr.; following irregularities were observed:-

- a) In response to the tender enquiry, techno-commercial credentials submitted by the bidders were accepted on the basis of the certification from a Chartered Accountant.

Credentials were not independently verified from the issuing authorities. On verification of the credentials of the successful bidder i.e. the Concessionaire, the same were found to be not correct; resulting in award of the contract to an ineligible firm.

- b) The concessionaire, to whom contract was awarded, was a Consortium with a shareholding in the ratio of 74:26 among the partners. As per the Concession Agreement, the lead member should hold a minimum of 50% of shareholding of the Consortium till the second anniversary of the commercial operations of the project, however the shareholding pattern of the consortium was altered during construction phase itself leading to nil holding of the original lead member. Such alteration in the shareholding pattern of the consortium is gross violation of the Concession Agreement.
- c) As per the Concession Agreement, the date of award of concession would be reckoned only after all the conditions precedent are satisfied/mutually waived by both the Concessionaire and the Port Authorities; all such conditions were to be satisfied on or before a stipulated date. Any delay thereafter would render the defaulting party liable to pay Liquidated Damages @ 0.1% of the Performance Guarantee per day delay, subject to maximum of 5% of the Performance Guarantee amount. One of the conditions precedent was obtaining the required clearances including 'Consent to Establish (CTE)' from the State Pollution Control Board by the Concessionaire; however this consent could only be obtained by the Concessionaire after a delay of almost 15 months (against the allowed construction period of 24 months). In spite of such abnormal delay of 15 months, in a contract where construction period was only 24 months, no Liquidated Damages were imposed. On the basis of this delay, the date of award of Concession was extended by the Port Authorities, which is not justified, as the delay was purely attributed to the Concessionaire. This led to loss of revenue to the Port.
- d) As per Concession Agreement, construction activities were required to be completed within two years from the date of award. However, due to inability of the bidder, the construction work was abnormally delayed and only 90% work could be completed in a period of 60 months. This again led to huge loss of revenue to the Port. Though the delay was mainly attributed to the Concessionaire, extension of time was given without levy of LD of approximately Rs16 cr.
- e) Concessionaire was required to pay a sum of Rs 1.3 cr. to the Port Authority, on yearly basis, on account of licence fee as a consideration for use of project site and Port's assets. In case of delay, interest @ SBI Prime Lending Rate (PLR) plus 2% was to be levied. After initial payments, Concessionaire stopped making payments of the licence fee to the Port Authorities, which was found to be Rs. 9.60 cr. (approx.) and the Port Authorities failed to recover the same from the Concessionaire.

- f) Concessionaire was also required to pay a royalty on a 'Minimum Guaranteed Cargo' of 5 MT of bulk cargo per annum. Royalty was to be paid @ 52.17 % of the gross revenue chargeable from the first year of commercial operation of the berth or from the beginning of fourth year from the date of signing of Concession Agreement, whichever is earlier. The Concession Agreement explicitly forbid any relaxation on this account. In case of delay in payment of due amount of royalty, an interest @ SBI PLR plus 2% per annum was also required to be charged from the Concessionaire. The Concession Agreement was signed in September, 2010; as such the Concessionaire was liable for royalty payment since September 2014, irrespective of the fact whether the commercial operation started or not. The payable royalty amount with stipulated interest, till the date of intensive examination, worked out to be approximately Rs. 200 cr. However, so far neither the Concessionaire made any payment against the royalty nor the Port Authorities insisted for the same.

The intensive examination report was sent to the PSU for comments.

Appendix-VII

(Para 5.10)

Cases arising out of intensive examinations and taken up for detailed vigilance investigations by the respective CVO with approval of the CVC

- i) A tender for shipbuilding was awarded by a PSU, dividing works on the basis of the specific nature of the job involved (i.e. electrical/ insulation/ piping/ mechanical items), at a cost of Rs 38.82 crore. The works were awarded to seven contractors, each one undertaking a specialized job. The tender was discharged later on, citing non-satisfactory performance of the contractors, as they had quoted lower rates and were unable to complete the job.

The tender for balance works was re-invited on limited tender basis; but this time the award was made on module basis, each module comprising works of composite nature. On retendering, the tender was awarded to five bidders at an increased cost of Rs 103.13 crore. Limited tender and higher rates were justified on account of urgency to meet the deadline given by Indian Navy. Meanwhile there was a complaint in the matter. Finally the work was completed at a cost of Rs 80 crore approx.

The case has been referred to the CVO for detailed investigation.

- ii) A tender was invited by a PSU shipyard for hiring of two tugs. The tender was invited for a period of three years, extendable further by two years, with an estimated cost of Rs 37.78 crore. Tender was discharged on first call without furnishing any significant reasons.

On second call, a tug of 36 mtr was offered by M/s ABC against specified length of 30 to 35 mtr. The offer was found acceptable stating it to be a minor deviation. However, the tender was discharged again for some other reasons. On third call, M/s XYZ offered a tug of 38 mtr against the specified length of 30 to 37 mtr and the offer was not found suitable on this ground. Thus M/s XYZ, the existing contractor, was disqualified technically. This was in spite of the fact that M/s XYZ was ready to modify tug's length to 36.75 mtr if they were awarded the contract. There was subjectivity in evaluation of bids on the two occasions.

In this case decision 'to buy' or 'to hire' the tugs was also under scrutiny; it was noted that a financial justification was prepared comparing cost of tugs of different capacities to justify decision to hire compared to the decision to buy.

The case has been referred to the CVO for detailed investigation.

- iii) A case relating to procurement of life saving drugs from manufacturers / importers as per prescription of the specialist doctors in various hospitals, was taken up for scrutiny. It was noted that the prevailing system of procurement resulted in procurement of the same generic medicine under different makes / brands at different prices.

To avoid this, procurement of life saving drugs was proposed through e-tendering and same was under implementation. Meanwhile, as an interim arrangement, to bring the rates down, sealed quotations were invited from the firms which were earlier supplying life saving drugs to CGHS. It was claimed that inviting quotations reduced the expenses on purchase of life saving drugs from Rs120 crore in 2012-13 & 2013-14 to about Rs 76 crore.

However a complaint was received and scrutiny revealed following irregularities:

- a) There was no mention of the date of opening of quotations in Notice for Inviting Tender (NIT). The NIT only mentioned that the bids were to be submitted within 15 days. The bids were reportedly opened on a particular date. However many bids were received after this date as well. It appeared that some bids were opened before the due date and some of the bids were received after opening, but within the stipulated time period.
- b) The quotations were reportedly opened on Sunday, which is a holiday. This raised questions on the transparency and fairness of the process. The CVO was advised to investigate the matter and report to the Commission.
- iv) In case of a Global tender for construction of 12 off shore vessels (OSVs), at an estimated cost of Rs 736 crore, invited by a CPSU of the Oil sector, the contract was awarded to M/s ABC at Rs 534 crore, with stipulated time of delivery as Dec 2009 (i.e. 42 months).

Considering excessive time overrun in completion of the contract, the procurement case was examined by CTEO and following irregularities were observed:-

- a) Bid of M/s ABC was not technically qualified as it was not meeting all eligibility conditions notified in the NIT.
- b) Payment terms defined in the Agreement were not sufficient to protect the interest of the company. It was noted that an amount equal to about 90% of contract value was already paid to the contractor, in stages, without any Bank Guarantee for equivalent amount whereas actual work progress was found to be about 40% only. The company did/could not terminate the contract and had to bear with poor performance of M/s ABC.
- c) Only 9 vessels out of 12 were delivered up to January 2017 by the contractor. Due to the inordinate delay in delivery of the vessels, the CPSU had to hire vessels from the market, incurring a huge expenditure by way of rent payments to meet its day to day operational requirement.
- d) One vessel was with vital underperforming parameters with dead weight (safe load carrying capacity) of 1404 MT approximately, against stipulated dead weight of 1500 MT was accepted. This shortfall in dead weight was beyond the permissible grace margin i.e. 5% of guaranteed dead weight of 1500 MT (i.e. 1425 MT).

Case is under investigation by the CVO.

- v) In a work of construction of the campus of a central university, mobilization advance was stipulated to be fully recovered on reaching the stage of 80% progress or 85% of the stipulated time, whichever is earlier. However, recovery of mobilization advance could be completed one year after the stipulated date of completion only. This contract stipulated use of factory made cement concrete interlocking paver blocks; but instead of using factory made paver blocks, a mini paver block plant was allowed to be installed at site for supplying paver blocks in the work. Allowing the setting up of such paver block machine in the land provided free of cost for manufacturing and supplying paver blocks was in violation of the contract. This facilitated reduction in cost of the paver block to the contractor, besides other issues like compromise in the quality of pavers, lesser quantum of taxes as compared to factory made pavers. In addition, quantity of paver blocks to be used in the work was substantially increased, compared to provision in the contract, to the advantage of the contractor. Further unapproved brand of Un-plasticised Polyvinyl Chloride [UPVC] windows were allowed to be used without any reason, without any cost reduction as well .

The case has been taken for detailed investigation.

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Appendix-VIII

(Para 5.11)

System improvements undertaken during the year, consequent to CTEO's observations made in course of intensive examinations:

- i) In a tender for extraction & transportation of 65.54 lakh MT coal and removal of overburden (OB) of 397.34 lakh cubic meter with an estimated cost of Rs 638.21 crore, invited by a coal company, following irregularities were observed:
 - a) as per terms & conditions of the contract, for not achieving the agreed milestones due to poor performance of the contractor, the employer had not imposed applicable penalty of Rs 8.50 crore. An indicative penalty of Rs 25 lakh only was imposed for deficient performance.
 - b) stripping ratio for removal of OB was deviated by 400% from the notified value. This had scope of extending undue gains to the contractor by means of claiming 4 times more removal of OB without delivering corresponding quantity of coal.

Similar irregularities were observed in other subsidiaries also. The following remedial measures were suggested:

- the working of a company's own resources and a contractor, for carrying out similar work in the same area should be avoided. Separate agencies should work in clearly demarcated areas of operation, to avoid any malpractice or misuse of resources.
- effective monitoring of consumption of fuel should be ensured, shift-wise, vehicle-wise and operator-wise for each area of operation to realistically assess dependent factors for unreasonable specific diesel consumption.
- proper records / log book be maintained for preventive maintenance of equipment and working hours of the trip men to assess any extreme operational conditions / fatigue, etc.
- regular & timely submission of actual Specific Diesel Consumption (SDC) to Central Mine Planning & Design Institute Limited (CMPDIL) for validation, co-relation with the recommended SDC for that particular area or zone and appropriate feedback.
- Records to be maintained for productivity of the contractor, under similar conditions and compared with company's own productivity to analyze the gap in productivity, if any.

- ii) The Commission has been dealing with issues related to Core Banking Solution (CBS), Human Resource Management Systems (HRMS) and projects for development of IT infrastructure in the banking sector. Examinations by CTEO and investigation into complaints have been

carried out in some banks and activities relating to engagement of consultants, system integrator / service provider, including their eligibility conditions, bid evaluation, quality and type of hardware and software solutions provided, rate reasonableness, inadequate in-house IT skills etc. were brought under scrutiny.

Though most of the nationalized banks have already implemented IT solutions and offer communication technology based services, it is necessary to upgrade the same periodically. This requires new modules and constant upgradation of existing hardware and software, applications and operating systems. There is also a need to continuously address security issues of networking and internet / anti-fraud measures, standardize the software and hardware at different levels of hierarchy of banking operations across the banking sector.

In view of above, the Commission advised DFS to benchmark, standardize and document, information and technology related knowledge and experience, gathered so far within the banking sector for the benefit of all stakeholders. These efforts may provide a road map for undertaking various IT and communication related activities. These activities can be further customized to suit requirements of individual bank and stakeholders.

It was advised that model draft tender terms and conditions may be formalized for engagement of consultant / system integrator by the banks, for eligibility conditions and bid evaluation criteria and standard specifications for hardware, software and networking equipment, security and anti-fraud measures, various CBS modules, human resource management application etc. may be framed. Obsolescence issues may also need to be addressed.

The purpose should be to reduce dependence on external consultants and services providers and to standardize across the banking sector.

iii) In course of intensive examinations and investigations into a number of complaints, role of consultants was in focus. The Commission, taking into account the practices and procedures being followed by various organisations, advised the following measures while finalising contracts for engaging consultants:

- (a) **Framework of Instructions of GOI/Guidelines of CVC/others:** Departments/ Organizations engaging consultants should draw attention of the consultant to the relevant extant instructions of Government of India, GFR issued by Ministry of Finance, guidelines of CVC and provisions of the Procurement Manual/ Relevant instructions of the respective organizations, as applicable to the subject matter of the advice/ service to be rendered by the consultant and which require compliance.
- (b) **Accountability of the consultant and the employer/ client:** A consultant engaged by the employer has to have a certain degree of accountability for any advice and / or for any service rendered to the employer, keeping in view norms of ethical business, professionalism and the fact that such advice/ service is being rendered for a consideration as per the terms of the contract. At the same time, the employer also has to be accountable for accepting the advice and services provided by the consultant.

To ensure adequate accountability, suitable tender terms and conditions for apportioning accountability, between the employer and the consultant, need to be incorporated. There should be suitable provisions to enforce such accountability, in case of improper discharge of contractual obligations/deviant conduct by any of the parties to the contract.

- (c) **Conflict of Interest:** the consultant shall avoid any conflict of interest while discharging contractual obligations and any possible instance of conflict of interest may be brought to the prior knowledge of the employer/ client, while rendering any advice or service.

The consultant must act, at all times in the interest of the employer/ client and render any advice/ service with professional integrity. A consultant is expected to undertake an assignment/ project only in areas of its expertise and where it has capability to deliver efficient and effective advice/ services to the employer.

- (d) **Maximum Possible Use of In-house Expertise:** Before arriving at a decision to engage consultant and in matters of accepting advice/service rendered by the consultant, all organizations should in the first instance, explore the possibility of using in-house expertise. Proof checking/ peer review, in case of advice rendered by a consultant, especially in high value projects, may be advantageous.

Apart from above, following measures may be considered for better and efficient execution of consultancy contracts:

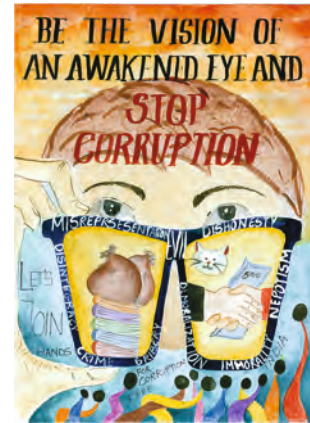
- Suitably incorporating Integrity Pact in the consultancy contracts.
- An advisory to the consultant in suitable format, to keep in view transparency, competitiveness, economy, efficiency and equal opportunity to all prospective tenders / bidders, while rendering any advice/ service to the employer/ client, in respect of matters related to selection of technology and determination of design and specifications of the subject matter, bid eligibility criteria and bid evaluation criteria, mode of tendering, tender notification etc.
- Pre-bid conferences and timely addressing of objections / queries, in appropriate manner from prospective tenders/ bidders should be implemented.
- Suitably incorporating a provision making the consultant to cooperate fully with any legitimately provided / constituted investigative body, conducting inquiry into processing or execution of the consultancy contract/ any other matter related with discharge of contractual obligations by the consultant.

- iv) In a contract related to civil work package of a thermal power plant, though milestones were defined in the contract, no penalty provision was kept for slippage of intermediate milestones. During execution, all the milestones were missed by the contractor and no action could be taken against him for want of penal provision for missing of intermediate milestones. On advice of CTEO, the organisation issued systemic improvement guidelines for provision of penalty in case of slippage of intermediate milestones in future tenders.

Glimpses of activities held during Vigilance Awareness Week 2017 across the country



What our children think...





Satarkata Bhavan, GPO Complex, INA, New Delhi
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