

ANNUAL REPORT 2016



CENTRAL VIGILANCE COMMISSION



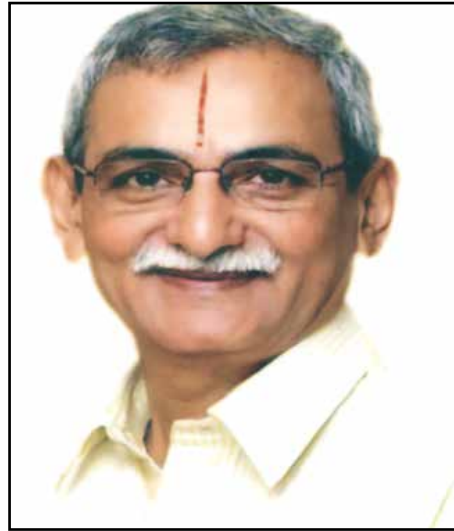
सत्यमेव जयते

ANNUAL REPORT

01.01.2016 to 31.12.2016



CENTRAL VIGILANCE COMMISSION



Shri K.V. Chowdary
Central Vigilance Commissioner



Shri Rajiv
Vigilance Commissioner



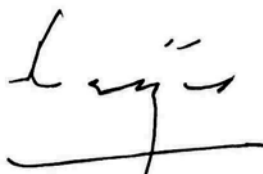
Dr. T.M. Bhasin
Vigilance Commissioner

The 53rd Annual Report of the Central Vigilance Commission is prepared under Section 14 of the CVC Act, 2003 for submission to the President of India. The report highlights the work done by the Central Vigilance Commission during the year ending 31st December, 2016 in fulfilling its mandate under the CVC Act, 2003.



(K.V. CHOWDARY)

CENTRAL VIGILANCE COMMISSIONER



(RAJIV)

VIGILANCE COMMISSIONER



(Dr. T.M. BHASIN)

VIGILANCE COMMISSIONER

New Delhi

Dated: the 30th March, 2017

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.

CONTENTS

| Chapter | Description | Pages |
|-----------------|--|-----------|
| 1 | Mandate of the Commission | 1 - 10 |
| 2 | Commission's Activities during 2016 | 13 - 30 |
| 3 | Superintendence over Vigilance Administration | 33 - 42 |
| 4 | Non-compliance of Commission's advice and other Areas of Concern | 45 - 100 |
| 5 | Chief Technical Examiner's Organization | 103 - 110 |
| 6 | Superintendence over Central Bureau of Investigation | 113 - 123 |
| 7 | Preventive Vigilance and Systemic Improvements | 127 - 141 |
| 8 | Participative Vigilance and Vigilance Awareness Week | 145 - 151 |
| 9 | Knowledge Management and Capacity Building | 153 - 157 |
| APPENDIX | | |
| I | Group-wise Staff strength and related information as on 31.12.2016 in CVC | 160 |
| II | Organisation-wise details of prosecution sanctioned and penalties imposed during 2016 where Commission's Advice was obtained | 161 - 169 |
| III | Work done by CVOs in 2016 | 170 - 192 |
| IV | Organisation-wise list of complaints referred by Commission and pending with CVOs for Inquiry and Report as on 31.12.2016 | 193 - 199 |
| V | Organisation-wise list of first and second stage advices pending for implementation of Commission's advice | 200 - 208 |
| VI | Some important irregularities observed during Intensive Examinations of various Organisations | 209 - 212 |

Valedictory Function of Vigilance Awareness Week 2016



ANNUAL REPORT 2016

AN OVERVIEW

- The Central Vigilance Commission (CVC) was established on 11th February, 1964 by a Government of India Resolution as an apex body for prevention of corruption in Central Government institutions. It functions through a well established vigilance administrative set up, guidelines and manuals.

(Para 1.2)

- The Commission was given statutory status by enactment of the CVC Act, 2003 and vested with autonomy and insulation from external influences. After the enactment of the 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. The total sanctioned staff strength of the Commission is 296. As on 31.12.2016, the total staff strength in position in the Commission was 243.

(Para 1.7 & 1.20)

- The Commission is entrusted with powers to inquire or cause inquiries, call for any information/ documents from the Central Government and exercise superintendence over the functions of CBI for offences related to Prevention of Corruption Act, 1988.

(Para 1.7)

- The Commission has been empowered through the Lokpal and Lokayuktas Act, 2013 to conduct preliminary inquiry into complaints referred by the Lokpal to it. The Act also has a provision for a Directorate of Inquiry to be set up in Commission.

(Para 1.8)

- The Whistleblowers' Protection Bill, 2011 passed by Parliament, received the assent of the President and has been enacted as Whistle Blowers Protection Act, 2011 (No. 17 of 2014).

(Para 1.11)

- All departments / organisations under the Commission's jurisdiction have vigilance units headed by Chief Vigilance Officers (CVOs). The CVOs act as an extended arm of the Commission. There are 200 posts of full time CVOs and 512 posts of part time CVOs.

(Para 1.24 & 1.25)

- The Commission believes that transparency and objectivity in governance hold the key to combating corruption. In its endeavour for ensuring transparency, fair play and objectivity in matters related to public administration, the Commission as part of a multi-pronged strategy to tackle corruption has been stressing on punitive, preventive and participative vigilance measures. The Commission has proactively reached out to Ministries, Departments and other Organisations using a variety of interventions in order to achieve these goals.

(Para 2.3)

- The Commission tendered advices in 3804 cases during the year 2016. These include Commission's advice of initiation of major penalty proceedings in 460 cases and minor penalty proceedings in 183 cases as its first stage advice. Similarly, Commission advised imposition of major penalty in 206 cases and minor penalty in 153 cases as its second stage advice.

(Paras 2.14, 2.17 & 2.18)
- The Commission recommended grant for sanction of prosecution in 62 cases involving 85 officials during 2016.

(Para 2.17)
- The Commission received 51207 complaints (including brought forward) during 2016 out of which 48764 complaints were disposed. Complaints received in the Commission are processed electronically through IT enabled core processes to ensure speed and transparency.

(Paras 2.29 & 2.40)
- The Commission accorded vigilance clearance for 395 Board Level appointments and for 2037 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, 18541 penalties, both major and minor, were imposed on all categories of public servants, as a result of punitive action during the year 2016. Major penalties were imposed against 5716 officers and minor penalties were imposed against 12825 officers.

(Para 3.8)
- During 2016, 52 cases of deviations from the prescribed procedure or of non-acceptance of Commission's advice were approved by Commission for inclusion in the Annual Report of 2016.

(Para 4.3)
- The Commission obtains data relating to Preliminary Enquiries (PEs) and Registered Cases (RCs) in the format of four templates prescribed by it from CBI every month. During 2016, the Commission held twelve monthly review meetings with CBI, wherein cases against senior officers of the Government and executives of banks / public sector enterprises were reviewed.

(Para 6.6)
- The Commission reviews the progress of cases pending for sanction of prosecution with various organisations, under the Prevention of Corruption (PC) Act, 1988. CBI reported that at the end of 2016, a total of 126 cases were pending for grant of sanction for prosecution under PC Act, 1988.

(Para 6.11)
- Chief Technical Examiner's Organisation (CTEO) undertook intensive examination of 65 procurement cases, covering 51 organisations during the year. The value of these procurement cases was over Rs.16,770 crores. Action taken on CTEO's observations resulted in a large number of systemic improvements.

(Para 5.9 & 5.12)

- The Commission has posited that preventive vigilance is a tool of management and good governance. Given the focus on systemic improvements by the Commission, several Public Sector Undertakings (PSUs) made efforts to streamline and automate processes.
(Para 7.3 & 7.8)
- The Commission, based on examination of vigilance cases, issued several important guidelines having impact on systemic improvements.
(Para 7.9)
- The Commission has been advocating transparency, equity and competitiveness in public procurements and Integrity Pact (IP) is an effort in this direction. The Commission has approved names for appointment of Independent External Monitors (IEMs) in 132 Ministries/ Departments/Organisations.
(Paras 3.22 & 3.25)
- The Central Vigilance Commission launched the Integrity Index project for public organizations which will be based on bench-marking of governance processes by internal and external stakeholders. In the first year the Integrity Index is being developed for 25 organisations.
(Para 7.10 & 7.14)
- The Commission observed Vigilance Awareness Week, 2016 from 31st October to 5th November, 2016. The theme of the Vigilance Awareness Week was “Public participation in promoting Integrity and eradicating Corruption”.
(Para 8.10)
- The Commission envisaged a concept of “Integrity Pledge” to enlist support and commitment of the citizens and organizations for upholding the highest standards of ethical conduct, honesty and integrity. The Integrity Pledge is an ongoing initiative of the Commission and over 8 lakh citizens and over 25000 organisations had taken the pledge by the end of 2016.
(Para 8.12)
- “Awareness Gram Sabhas” were organized where short plays, nukkad natak, display of posters and screening of films, etc., were made for dissemination of awareness in Gram Panchayats to sensitize citizens on the ill effects of corruption. About seventy thousand such Gram Sabhas were conducted covering a large number of citizens across the country.
(Para 8.15)
- The outreach activity focusing on inculcating greater awareness on corruption and anti-corruption measures were also held in colleges and schools including professional colleges/institutions. Activities in schools / colleges across the country in over 500 cities and towns during the week reached out to several lakh students / youth.
(Para 8.16)

- A National Seminar was organized on 7th November 2016 at Vigyan Bhavan which was followed by the valedictory function of the Vigilance Awareness Week 2016, presided by the Hon'ble Prime Minister Shri Narendra Modi Ji. In his address, the Hon'ble Prime Minister stated that a developing country like India cannot afford the luxury of corruption.

(Para 8.19 & 8.23)
- The Commission participated in various international conferences in 2016. Shri K.V. Chowdary, Central Vigilance Commissioner attended the meeting of IAACA held on 8th & 9th May, 2016 at Beijing and Tianjin, China. He also represented India at the Anti-Corruption summit held on 11-12th May, 2016 at London, United Kingdom.

(Para 2.41)
- Shri Rajiv, Vigilance Commissioner attended the meeting of IAACA held from 9th– 17th May, 2016 at Tianjin, China. He headed the delegation from India for the 7th Session of the Implementation Review Group meeting of UNCAC held at Vienna, Austria from 20th - 24th June, 2016.

(Para 2.41)
- Dr. T.M. Bhasin, Vigilance Commissioner attended the International Anti-Corruption Practitioners Conference held in Paris, France from 14th -16th June, 2016. He led the Indian delegation at the UNCAC meeting at Vienna, Austria from 14th to 18th November, 2016.

(Para 2.41)
- To reinforce the importance of vigilance as a tool for good governance and to bridge competency gap of the officers, CVOs and officers working in the Commission were nominated for induction and specialized training programmes. The Commission organized six domestic and three international trainings in 2016 which exposed officers to a whole gamut of anti corruption strategies and international best practices.

(Para 9.3 & 9.5)
- As part of the Knowledge Management efforts the monthly lectures under the “Lecture Series” continued successfully during 2016.

(Para 9.13)

Valedictory Function of Vigilance Awareness Week 2016





The Integrity Pledge is an ongoing initiative of the Commission and over 8 lakh citizens and over 25000 organisations had taken the pledge by the end of 2016.

CHAPTER 1

MANDATE OF THE COMMISSION

1.1 Central Vigilance Commission is the apex integrity institution mandated to fight corruption and to ensure integrity in administration. It is a statutory multi member body vested with the superintendence of vigilance administration in the Central Government and its organisations. The Commission is empowered to inquire or cause inquiries to be conducted 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. Besides overseeing integrity in public administration in the Central Government and its PSUS and other agencies, 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.

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 Parliament to review the existing instruments with a view to preventing corruption in 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 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), insofar 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 CBI under sub-section 1 of Section 4 of the DSPE Act, 1946. The Commission is empowered to review the progress of investigations conducted by the CBI and the progress of applications pending with the Competent Authorities for grant of sanction for prosecution for offences alleged to have been committed under the Prevention of Corruption Act, 1988. 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.

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-moto 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. 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 victimization. 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. No. 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 the Parliament and received the assent of the President on 09.05.2014. It was notified in the Gazette on 12.05.2014 as the Whistle Blowers Protection Act, 2011 (No. 17 of 2014). Under Section 1(3), 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. As on 31.12.2016, 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. The category-wise staff strength of the Commission as on 31.12.2016 and related information is at **Appendix- I**. As on 31.12.2016, when compared to the sanctioned strength, there is a shortage of 27.77% in Group 'A' posts and 28.57 % in Group 'B' posts.

- 1.21 Considering the need for manpower at the cutting edge and the increased responsibilities entrusted to the Commission, DoPT has been requested to augment the staff strength of the Commission.

VIII Technical Wing

- 1.22 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 and construction related cases. 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.

- 1.23 Considering the increased work load of CTEO over the years and the complexity of the matters involved, augmenting manpower consisting of professionals with experience and expertise in the area is felt most desirable. DoPT may look into the matter and ensure that the organisation is well staffed.

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 ably supported by 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 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 200 posts of full time CVOs and 512 posts of part time CVOs, of which 59 posts of full time CVOs are lying vacant in various Organisations. 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 and vigilance functionaries for equipping them with the latest vigilance / anti-corruption tools. 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.
- 1.27 The Commission has taken several other initiatives also for training and capacity building of All India Services and Central Services Officers posted as CVOs in Government Departments and CPSEs. Apart from the induction training of newly appointed CVOs, customized domestic and foreign training programmes are also organised for officers connected with the affairs of vigilance administration.



Proceedings of the National Seminar on the occasion of Vigilance Awareness Week

Valedictory Function of Vigilance Awareness Week, 2016



India's representation at International events in 2016



CHAPTER 2

COMMISSION'S ACTIVITIES DURING 2016

- 2.1 Corruption is one of the most damaging consequences of a poor governance system and an endangering factor derailing the goal of socio economic development. It is, therefore, necessary that multi-pronged strategies are put in place to deal with this serious, deep-rooted and complex malaise.
- 2.2 The Central Vigilance Commission has been entrusted with the task of exercising superintendence over vigilance administration and implementing Government policies against corruption. Over the years the Commission has acquired immense experience in over-seeing vigilance administration of various organisations. The Commission has been stressing on various preventive and punitive measures to mitigate the corruption levels. The Commission's role, as a probity institution, became more crucial after the judgment of Hon'ble Supreme Court in the Vineet Narain Case popularly known as Jain Hawala case. It is the endeavour of the Commission to ensure transparency and accountability in public administration. The Supreme Court of India has also reposed confidence in the independent and impartial functioning of CVC and in the recent past asked the Commission to assist the Court in monitoring investigations conducted by CBI in some important cases.

I The Multi-Pronged Strategy

- 2.3 The Commission believes that transparency and objectivity in governance hold the key to combating corruption. In its endeavour for ensuring transparency, fair play and objectivity in matters related to public administration, the Commission as part of a multi-pronged strategy to tackle corruption has been stressing on punitive, preventive and participative vigilance measures. The Commission has proactively reached out to Ministries, Departments and other Organisations using a variety of interventions in order to achieve these goals.
- 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 deters others from committing such misconduct. It tenders advice on issues referred to it by various organisations, it reviews the progress of work periodically through the mechanism of annual sectoral reviews and other meetings, it guides the Chief Executives and the CVOs of various organisations on issues pertaining to vigilance, it seeks organisational responses and suggests systems improvement in areas attracting complaints, it also summons officials for hearings on specific issues and conducts direct inquiries on specific complaints received. 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 organisations/ sectors, there are some broad areas common to all organisations, 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, transparency, accountability, regular and effective inspections, periodical rotation transfer of staff, training and awareness of public etc.

- 2.6 The Commission has been emphasising the use of technology for bringing about transparency by adopting extensive use of technological solutions for public service delivery and functional activities especially public procurements and contracts by all organisations.
- 2.7 The concept of Integrity Pact envisages an agreement between the prospective vendors / bidders and the buyers committing the persons / officials of both the parties, not to exercise any corrupt influence on any aspect of the contract. As part of this scheme, organisations are directed to appoint a panel of Independent External Monitors in order to ensure proper implementation of the Integrity Pact.
- 2.8 The Commission has decided to develop an Integrity Index based on bench marking of internal processes and controls within an organization as well as management of relationships and expectations of external stake holders.
- 2.9 Building up of awareness both among the employees and the public at large is very important in the fight against corruption. Participative vigilance has been stressed by the Commission as part of the overall strategy of holistic engagement. The outreach activity of the Vigilance Awareness Week in 2016 included widespread dissemination of the benefits of honesty and the ill effects of corruption on our national life. Organisations were advised to consider activities relevant to the theme both within their organization as well as for outreach to the public / citizens. Further, Awareness Gram Sabhas were widely organised across the country during the vigilance awareness week. Schools and colleges organised activities such as debates, elocution contests, essay writing, panel discussions, cartoon and poster making competitions on moral values, ethics, good governance practices etc. amongst youth across the country.
- 2.10 There was a felt need for initiatives and innovations of various organizations to be widely disseminated so that others also benefit from them. Therefore, initiatives on preventive vigilance of some organizations were compiled into a booklet titled 'Initiatives of Preventive Vigilance' for the benefit of the common citizen. This booklet was released by the Honourable Prime Minister in November 2016. A National Seminar was also held on the culmination of the Vigilance Awareness Week.
- 2.11 In order to foster probity and integrity in public life, the Commission had envisaged the concept of Integrity e-Pledge – one for citizens and the other for corporates / entities / firms etc. especially in the private sector to prevent and combat corruption. The Integrity e-Pledges can be taken on the portal <https://pledge.cvc.nic.in>. The Integrity e-Pledge has received good response from citizens and organisations and is an ongoing initiative.

- 2.12 Another part of the strategy emphasises 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 organised, both nationally and internationally to build professional competencies and inculcate personal attributes by exposing the officers to courses on leadership development, stress management, ethics and values in public governance. Eminent speakers are invited every month to share their views with a select audience comprising senior officials of government departments and other organisations 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 3980 cases and tendered its advice in 3804 cases in 2016. 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 2016.

Table 2.1

Number of Cases Received and Disposed during 2016

| Cases | First Stage Advice | Second Stage Advice | Reconsideration and Miscellaneous | Total |
|---------------------------|---------------------------|----------------------------|--|--------------|
| Brought Forward from 2015 | 1224 | 130 | 148 | 1502 |
| Received | 2103 | 762 | 1115 | 3980 |
| Total | 3327 | 892 | 1263 | 5482 |
| Disposed | 2088 | 692 | 1024 | 3804 |
| Carried Forward to 2017 | 1239 | 200 | 239 | 1678 |

- 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 2.1

No. of cases received in the Commission (2012-16)

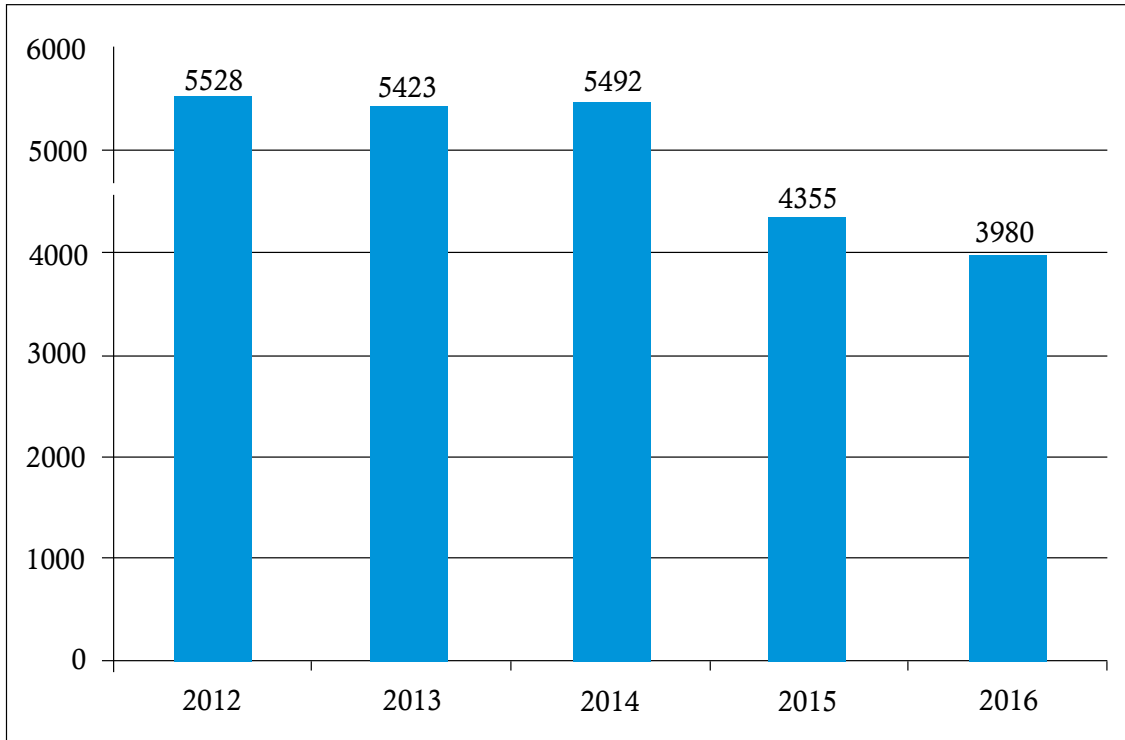
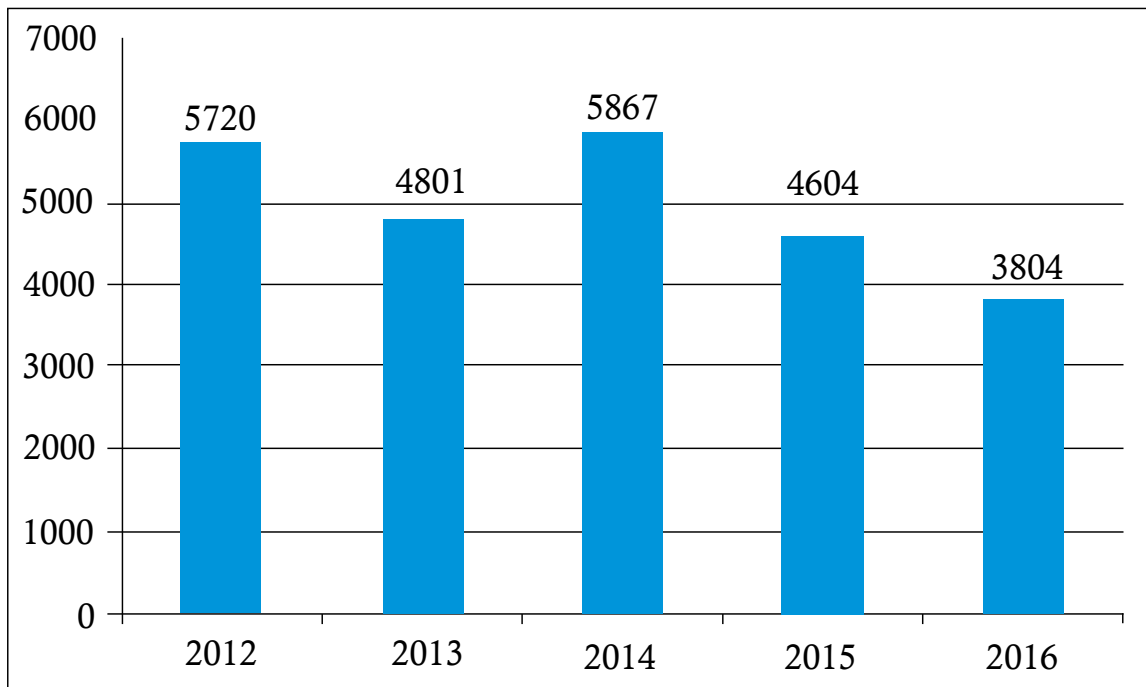


Chart 2.2

No. of cases disposed by the Commission (2012-16)



III Timeline for tendering Advice

2.16 The Commission strives to tender advices within the stipulated time period. In 2016, 48.20 percent 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 2088 cases during 2016. Out of these 2088 cases, 191 cases were based on the investigation reports of the CBI and 1897 cases were based on investigation reports of the CVOs concerned. The Commission recommended grant of sanction for prosecution in 62 cases involving 85 officials in investigation reports received from CBI and CVOs. In the cases investigated by the CBI, the Commission advised major penalty proceedings in 8.38 percent cases and minor penalty proceedings in 1.57 percent cases. In cases investigated by the CVOs concerned, the Commission advised initiation of major penalty proceedings in 23.41 percent cases and minor penalty proceedings in 9.49 percent 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.

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

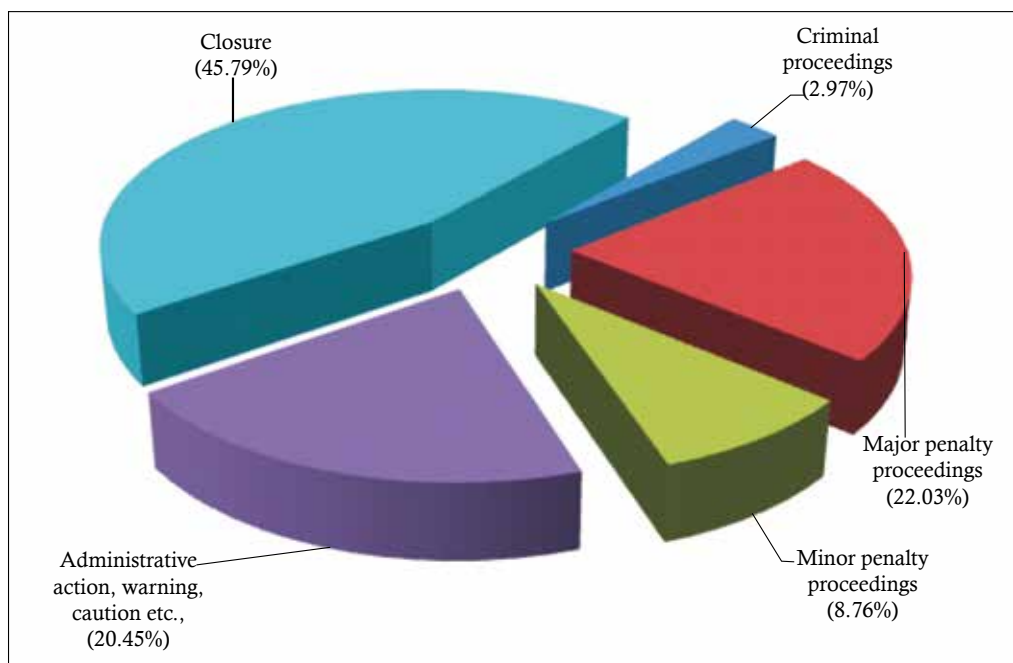
First Stage Advice during 2016

| Nature of advice | On the investigation reports of | | Total |
|--|---------------------------------|--------------|--------------|
| | CBI | CVO | |
| Criminal Proceedings | 55 (28.7%) | 7 (0.36%) | 62 (2.97%) |
| Major penalty proceedings | 16 (8.38%) | 444 (23.41%) | 460 (22.03%) |
| Minor penalty proceedings | 3 (1.57%) | 180 (9.49%) | 183 (8.76%) |
| Administrative action, warning, caution etc. | 48 (25.13%) | 379 (19.98%) | 427 (20.45%) |
| Closure | 69 (36.13%) | 887 (46.76%) | 956 (45.79%) |
| Total | 191 | 1897 | 2088 |

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 2016



V Second Stage Advice

2.18 During the year 2016, the Commission tendered second stage advice in 692 cases. The Commission while tendering its second stage advice, recommended imposition of major penalty in 206 cases (i.e., 29.77 percent of the total) and minor penalty in 153 cases (i.e., 22.11 percent of the total) during the year 2016. In 266 cases, (i.e., 38.44 percent of the total), the charges could not be proved conclusively and in 67 cases (i.e., 9.68% 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.

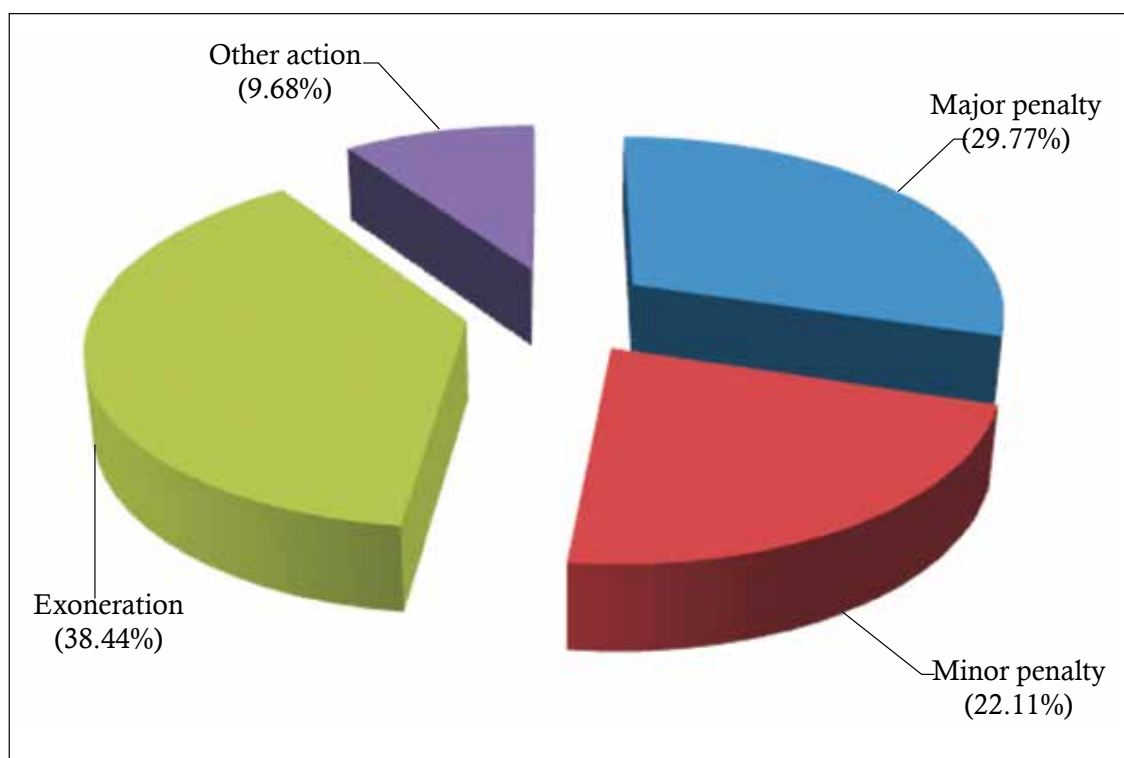
Table 2.3

Second Stage Advice during 2016

| Nature of Advice | Cases received for advice |
|------------------|---------------------------|
| Major penalty | 206 (29.77%) |
| Minor penalty | 153 (22.11%) |
| Exoneration | 266 (38.44%) |
| Other action | 67 (9.68%) |
| Total | 692 |

Chart 2.4

Nature of Second Stage Advice during 2016



VI Punishments and Prosecution

2.19 In pursuance to the Commission’s advice, the competent authorities in various organisations during 2016, issued sanction for prosecution against 154 public servants and imposed penalties on 1904 public servants and minor penalties on 1034 public servants. Tables 2.4 & 2.5 show the number of officers against whom prosecutions have been sanctioned and punishments awarded during 2012-2016. Chart 2.5 shows the nature of punishments awarded in percentage terms during 2016.

Table 2.4

No. of Prosecutions sanctioned (2012 – 16)

| Year | Prosecution sanctioned to officers |
|------|------------------------------------|
| 2012 | 199 |
| 2013 | 176 |
| 2014 | 133 |
| 2015 | 132 |
| 2016 | 154 |

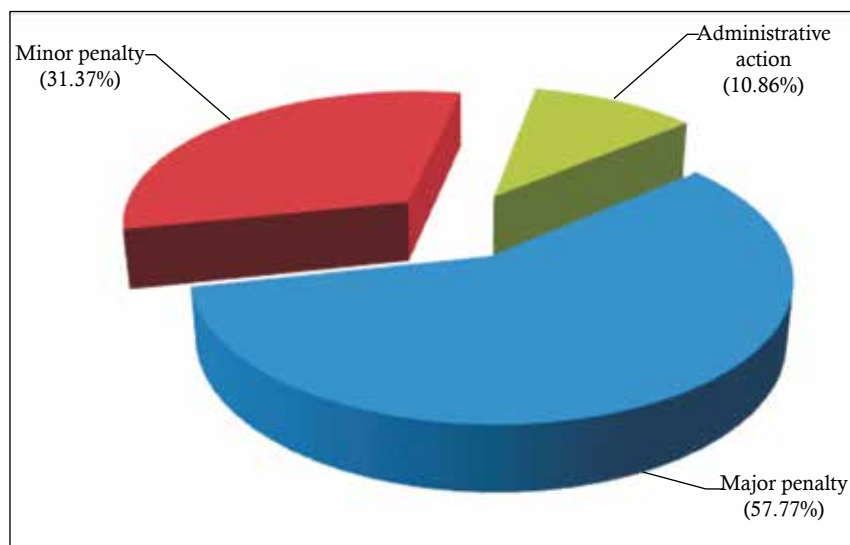
Table 2.5

No. of Punishments awarded (2012 -16)

| Year | Punishments awarded to officers | | | |
|------|---------------------------------|---------------|-----------------------|---------------------------|
| | Major penalty | Minor penalty | Administrative Action | Total Punishments awarded |
| 2012 | 1051 | 1125 | 331 | 2507 |
| 2013 | 1113 | 1141 | 426 | 2680 |
| 2014 | 863 | 838 | 443 | 2144 |
| 2015 | 1832 | 1346 | 414 | 3592 |
| 2016 | 1904 | 1034 | 358 | 3296 |

Chart 2.5

Punishments awarded to officers during 2016



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

| | |
|---------------------------------|---|
| Sanction for Prosecution | Seven IAS Officers, Ministry of Personnel, P.G & Pensions |
| | Three IPS Officers, Ministry of Home Affairs |
| | One Professor, Ministry of Health & Family Welfare |
| | One Director, Ministry of Health & Family Welfare |
| | Three Professors, Ministry of HRD |
| | One Regional Provident Fund Commissioner, EPFO |
| | One Deputy Chief Security Officer, AIIMS |

| | |
|--|--|
| Dismissal / Removal from Service | One Group General Manager, Container Corporation of India |
| | One Deputy Commissioner of Income Tax, CBDT |
| | Two Addl. Commissioners of Income Tax, CBDT |
| | One Deputy General Manager, Punjab National Bank |
| | One Chief Regional Manager, United Bank of India |
| | One Deputy General Manager, United Bank of India |
| | One Controller of Mines, Ministry of Mines |
| | One Senior Principal Scientist, CSIR |
| | One Director, Khadi Village Industries Commission |
| | One General Manager, Madras Fertilizers Ltd. |
| | One Scientist, Ministry of Textiles |
| Compulsorily Retired from Service | One General Manager, HMT Ltd. |
| | One Deputy General Manager, Central Bank of India |
| | One Deputy General Manager, State Trading Corporation of India |
| Cut in Pension | One IAS Officer, Ministry of Personnel P.G & Pension, |
| | One Commissioner, Central Board of Excise & Customs |
| | One Director, Ministry of Home Affairs, |
| | One Controller, Department of Defence Production & Supplies |
| | One Chief Engineer, Ministry of Urban Development, |
| | One Deputy Commissioner, Municipal Corporation of Delhi, |
| | Two Principal Scientists, Indian Council of Agricultural Research, |
| | One Registrar of Companies, Ministry of Corporate Affairs |
| | One Chief Signal and Telecommunication Engineer, M/o Railways |
| | One Chief Engineer, M/o Railways, |
| | One Chief Medical Superintendent, M/o Railways |
| Reduction of Pay to lower stage | One Chief Engineer, Ministry of Railways |
| | One Controller of Stores, Ministry of Railways |
| | Two Chief Personnel Officers, Ministry of Railways |
| | One Deputy Conservator of Forests, M/o Environment & Forests |
| | Two General Managers, Bank of India, |
| | Two General Managers, Dena Bank |
| | One Chief General Manager, Canara Bank |
| | Five General Managers, Industrial Development Bank of India |
| | Two General Managers, Syndicate Bank, |
| | Three General Managers, Union Bank of India |
| | One General Manager, Central Bank of India |

- 2.21 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 14 cases, Department of Telecommunications in 11 cases, Central Board of Excise & Customs in 8 cases, Ministry of Defence and Bank of Baroda in 7 cases each, Central Board of Direct Taxes, Ministry of Personnel, Public & Grievance and Pensions, Ministry of Health & Family Welfare, and MMTC in 6 cases each, and Ministry of Home Affairs, Canara Bank and Airports Authority of India in 5 cases each.
- 2.22 During the year 2016, punishments were imposed including administrative action taken against public servants by Ministry of Railways (437), Central Board of Excise & Customs (260), Department of Telecommunications (233), State Bank of India (144), Syndicate Bank (111), South Eastern Coalfields Ltd. (81), United Bank of India (75), Food Corporation of India (56), Indian Overseas Bank (55) and Union Bank of India (53).
- 2.23 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 157 officials by the disciplinary authorities in various organisations.
- 2.24 **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 2016 in cases where Commission's advice was obtained by the organisations.

VII Handling of Complaints in the Commission

- 2.25 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.
- 2.26 The Commission has laid down 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.
- 2.27 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.

- 2.28 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.
- 2.29 In the year 2016, 51207 complaints were received (including 1360 brought forward from 2015), out of which 48764 complaints were disposed off and 2443 complaints remained pending at the end of 2016. Out of these complaints, 1.11% 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.
- 2.30 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 (2012-16)

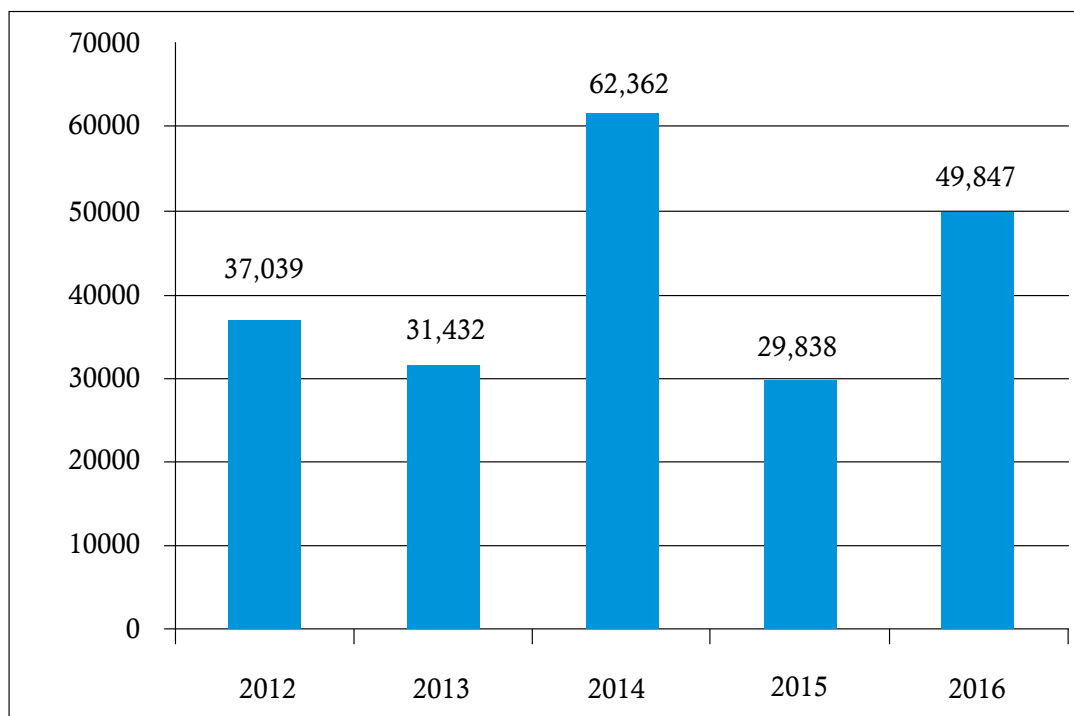
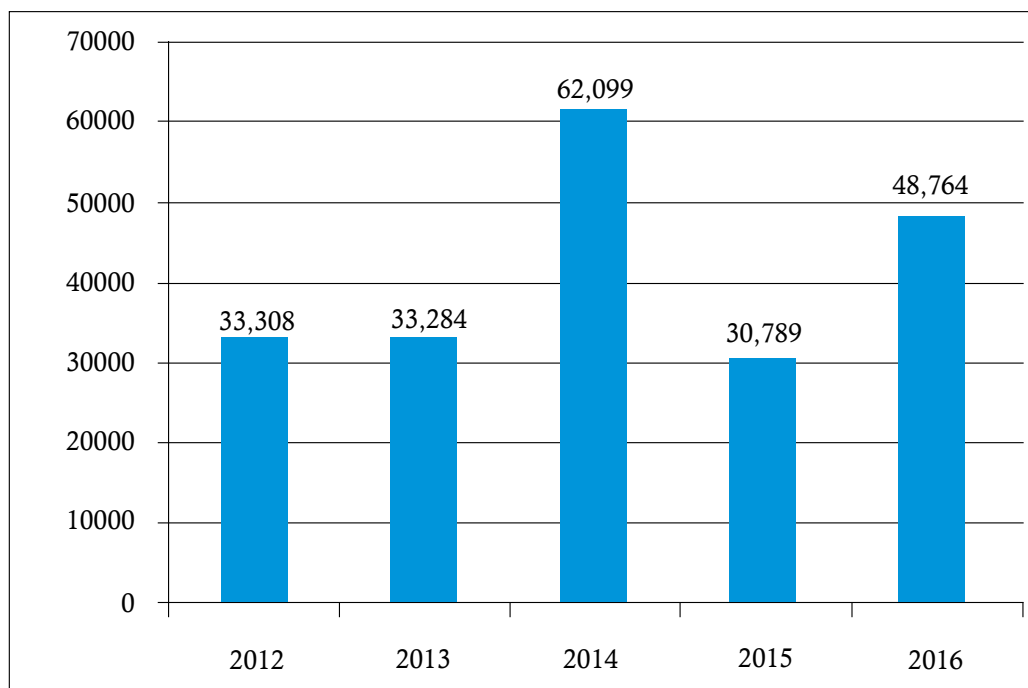


Chart 2.7

No. of complaints disposed in the Commission (2012-16)



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

Table 2.6

Complaints received and disposed in the Commission during 2016

| Complaints | Nos. |
|---|-------------|
| Number of complaints brought forward from 2015 | 1360 |
| Number of complaints received during 2016 | 49847 |
| Total number of complaints | 51207 |
| Total number of complaints disposed, of which | 48764 |
| (a) Anonymous/Pseudonymous (Filed) | 540 |
| (b) Vague/Unverifiable (Filed) | 36293 |
| (c) Officials not under CVC / Grievances (Forwarded for necessary action) | 11845 |
| (d) Sent for inquiry/ investigation to CVO/CBI | 86 |
| Number of complaints carried forwarded to 2017 | 2443 |

2.32 Charts 2.8 and 2.9 provide break-up of the nature of all the complaints received and action taken thereon in percentage terms for 2016.

Chart 2.8

Nature of complaints received during 2016

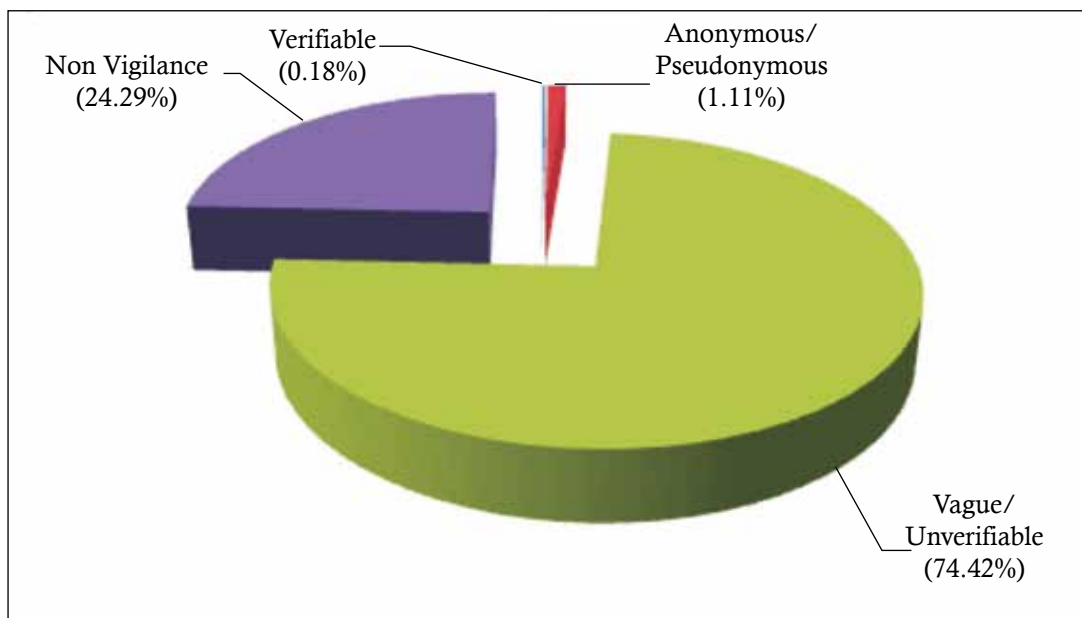
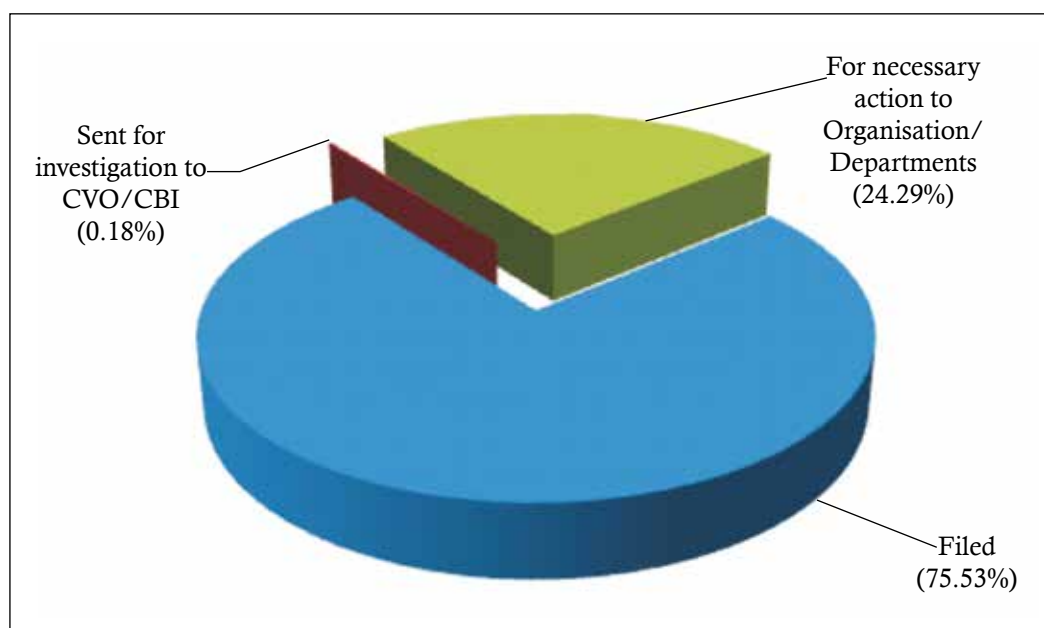


Chart 2.9

Action taken on complaints during 2016



- 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 good 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 "whistleblowers". 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 / sensitisation 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 2016, the Commission received 853 complaints (includes 32 complaints brought forward from the previous year) under PIDPI Resolution. Out of these, 91 complaints were sent to the CVOs concerned or CBI for investigation / verification of facts/comments which constitute 11.15 percent of disposed complaints and 358 (43.88 percent) of these complaints were sent for necessary action leaving a pendency of 37 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 2016

| Complaints Received and action taken | Nos. |
|---|--------------|
| Number of complaints brought forward from 2015 | 32 |
| No. of complaints received during 2016 | 821 |
| Total number of complaints | 853 |
| Total number of complaints disposed, of which | 816 |
| No. of complaints filed | 367 (44.97%) |
| Non-vigilance (Forwarded for necessary action to Organisations / Departments) | 358 (43.88%) |
| Taken up for inquiry / investigation by CVO/CBI | 91 (11.15%) |
| Carried forward to 2017 | 37 |

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 2016, vigilance clearances were processed and issued by the Commission for the Board level appointments in 395 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 2016, vigilance clearances were accorded in 2037 such cases.

X IT initiatives

2.40 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.

XI International Cooperation

2.41 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 9th Annual Conference and General Body Meeting of IAACA held on 8th & 9th May, 2016 at Beijing and Tianjin, China.
- (ii) Shri K.V. Chowdary, Central Vigilance Commissioner represented India at Anti-Corruption Summit held on 11-12th May, 2016 at London, United Kingdom.
- (iii) Shri Rajiv, Vigilance Commission attended 9th Annual Conference and General Body Meeting of IAACA held from 9th – 17th May, 2016 at Tianjin, China.
- (iv) Dr. T.M. Bhasin, Vigilance Commissioner attended the International Anti-Corruption Practitioners Conference held in Paris, France from 14th -16th June, 2016 organized by Ministry of Justice, Republic of France.
- (v) Shri Rajiv, Vigilance Commissioner headed the delegation from India for the 7th Session of the Implementation Review Group meeting of UNCAC held at Vienna, Austria from 20th – 24th June, 2016.
- (vi) Dr. T.M. Bhasin, Vigilance Commissioner led the delegation at the UNCAC meeting of State Parties to the Implementation Review Group Resumed Seventh Session and the meeting of Experts to enhance International Cooperation under UNCAC held at Vienna, Austria from 14th to 18th November, 2016. Around 180 State Parties representing various countries to the UNCAC and other NGOs, civil society etc., were present at the meeting.

XII Information Sharing and Analysis Against Corruption (ISAAC)

2.42 The Information Sharing and Analysis Against Corruption (ISAAC) is an information

sharing system developed by the Central Vigilance Commission to ensure global cooperation in checking black money and initiating anti-corruption measures. A knowledge management system, ISAAC will facilitate exchange of information about anti-corruption organisations, systems, procedures, practices and experiences among member organisations and other stakeholders across the world.

- 2.43 The purpose of ISAAC is to enable international cooperation in enforcement of anti-corruption measures and prevention of corruption and development of new approaches to tackle graft. It will also help in capacity building of anti-corruption authorities and members can share best practices being followed by them to check corruption. About 219 anti-corruption authorities across the world are part of this global online mechanism, which can be accessed at www.isaac.nic.in. The user-friendly website has data on anti-corruption practices being followed by other countries. The portal is being maintained by the CVC.

XIII Right to Information Act, 2005

- 2.44 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.

- 2.45 1755 applications (includes 112 brought forward from the previous year) were received, out of which 1593 applications were disposed off according to the provisions under the Act during 2016. Further, 298 appeal cases (includes 21 applications brought forward from the previous year) as first appeal were filed with the Appellate Authority of the Commission out of which 268 appeal cases were disposed off. Further, 240 appellants (includes 142 applications brought forward from the previous year) filed appeals before the Central Information Commission (CIC) out of which 89 appeals have been disposed off. At the end of 2016, 162 RTI applications and 30 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 2014 to 2016 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 |
|-------------|------------------------------|-----------------|---|-----------------|
| 2014 | 2427 | 2316 | 441 | 400 |
| 2015 | 2146 | 2034 | 402 | 381 |
| 2016 | 1755 | 1593 | 298 | 268 |

XIV Progressive Use of Hindi

- 2.46 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 Note, Notification, 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 in Hindi.
- 2.47 In compliance to the official language policy of the Union, during the year 2016, three Hindi workshops were conducted in the Commission in which officers of the level of Director, Section Officer and Assistant Section Officer participated. Besides, two officials were nominated for Hindi training under the Hindi Teaching Scheme.
- 2.48 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 Commissioner was circulated in the Commission on the occasion of Hindi Day and during the week Hindi Essay Competition, Debates and Poetry recitation were also organised in which prizes were distributed by the Commission to the winning participants.

Hindi week celebrations at the Central Vigilance Commission



Annual Sectoral Review Meetings held by the Commission with Chief Executives and CVOs of various Organisations in 2016



Annual Sectoral Review Meetings held by the Commission with Chief Executives and CVOs of various Organisations in 2016



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”. Section 18 of the CVC Act, 2003 also provides for the Commission to call for reports, returns and statements from the Central Government or corporations established by or under any Central Act, Government companies, societies and other local authorities owned or controlled by that Government so as to enable it to exercise general supervision over the vigilance and anti-corruption work in that Government and in the said corporations, Government companies, societies and local authorities.
- 3.2 The Chief Vigilance Officers of the concerned organisation function as an extended arm of the Commission and are mandated to exercise duties and responsibilities of vigilance administration on behalf of the Commission for effective superintendence over vigilance administration. The CVOs are expected to exercise proper check and supervision as well as to ensure compliance to set procedures and guidelines in all areas of operations at all times and their performance is constantly monitored by the Commission for their effective functioning.
- 3.3 The Commission primarily communicates with the CVOs in the matter of tendering advices, issue of guidelines/instructions 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 of the organisation concerned.

I Appointment of CVOs

- 3.4 Vigilance Division of the organisation concerned is headed by the Chief Vigilance Officer, who acts as an advisor to the Chief Executive in all matters pertaining to vigilance. He also provides a link between the organisations and the Central Vigilance Commission and also with the CBI. The Commission carries out its mandate of superintendence of vigilance administration through the CVOs. Therefore, the Commission plays a significant role in empanelment and appointment of full-time CVOs in public sector undertakings, public sector banks and insurance companies, etc. 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 far as public sector undertakings are concerned, the Commission conducts a careful scrutiny of 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. 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 done in the case of public sector undertakings is followed before deciding upon the suitability of the candidate for appointment as CVO. The Commission also approves panels furnished by Ministries/Departments/autonomous bodies, etc., for appointment of part-time CVOs in their respective organisations.

- 3.5 During the year 2016, the Commission approved the suitability of 114 officers for appointment to the post of CVOs in various organisations. Further, it has also approved names of 68 officers as full time CVOs and 95 officers for appointment as part time CVOs in various Ministries / Departments / Autonomous Bodies.

II Performance of the Chief Vigilance Officers

- 3.6 The Commission monitors the performance of the Chief Vigilance Officers through well established mechanisms like monthly reports, annual reports and reviews 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 performance of CVOs and reconcile the pending issues invariably before the annual zonal review meetings and at periodic intervals as well, either in person or through video conference. While the Commission is appreciative of the efforts made by most Chief Vigilance Officers in the efficient discharge of their duties, in some cases where the performance of Chief Vigilance Officers has been found to be wanting, the Commission has taken a serious view and directed the concerned administrative authorities for their premature repatriation to their parent cadre.
- 3.7 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 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 the works are awarded in a transparent and competitive manner. Annual reports received from 296 CVOs indicate that 175 CVOs had conducted 14035 CTE type inspections pertaining to contracts/major purchases whereas 121 CVOs had not conducted any CTE type inspection during 2016.
- 3.8 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 2016, as per information reported in their annual reports, is reflected in **Appendix III (A to F)**. List of organisations who have submitted their annual reports are at **Appendix III G**. All the select organizations have submitted their annual reports for the year 2016. During the year 2016, punitive action was taken in 18541 cases (for all categories of officers) dealt with by the CVOs. Further, major penalty was awarded in 5716 cases and minor penalty was awarded in 12825 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 | 5716 |
| Cut in pension | 300 |
| Dismissal / Removal / Compulsory Retirement | 1016 |
| Reduction to lower scale / rank | 3230 |
| Other major penalty | 1170 |
| Minor penalty | 12825 |
| Minor penalty other than Censure | 7526 |
| Censure | 5299 |

Note: The above data is based on annual reports sent by 296 number of organizations, tabulated at Appendix III G.

- 3.9 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 2016, the Commission held twelve (12) sectoral review meetings in which 82 Organisations participated covering a wide spectrum of Ministries, Departments, Public Sector Banks, Insurance Companies, Financial Institutions, Aviation, Railway, Power, Coal, Petroleum, Steel, Mines and Industry Sector PSUs, etc.
- 3.10 During the sectoral meetings, the Commission emphasized the need for expeditious conclusion of cases with particular emphasis on departmental proceedings as delays vitiate the quasi-judicial proceedings to the advantage of the accused officers. Prompt disposal of cases and imposition of penalties, where warranted, would act as a deterrent to other officers. Departments were also directed to take action to reconcile pendency data with the Commission for effective monitoring.
- 3.11 Various aspects of punitive and preventive vigilance, including systems improvement relating to vigilance administration were covered in the annual zonal review meetings. It was observed that though both CBDT and CBEC possessed strong inspection and internal audit mechanism, the performance in this regard was very perfunctory and did not identify either systemic failures in the organisation or of individual misconducts. Both departments were advised to revamp the inspection system and to ensure that checks are built into regular working mechanism to detect any wrong doings in the system.
- 3.12 In respect of public sector banks and insurance companies, the Commission emphasised the importance of due diligence and of ascertaining whether laid down norms and guidelines

have been followed or not while deciding procedural conduct of officials. The Commission recommended adequate training to the officers and staff of banks / insurance companies to bridge the knowledge gap. Insurance companies were advised to put in place proper guidelines for appointment of surveyors and allocation of work among the surveyors on the panel. It was observed that banks and insurance companies are engaging advocates, valuers, chartered accountants and other professionals with no effective systems and procedures for allocation of work among such professionals on panel basis and / or yardstick basis for measuring their performance. As it was seen that many professionals once appointed continue for an indefinite period, it was emphasised that such practices must be reviewed and adequate checks and balances must be incorporated in their appointment, assessment of performance, continuity and work allocation.

- 3.13 The Commission advised 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 clearcut mechanism for prosecution of defaulting establishments should be put in place. In respect of 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.
- 3.14 The Ministry of Food Processing Industries was advised to ensure regular inspection of projects so that grants are properly utilised in the projects. In respect of Department of Food & Public Distribution and Food Corporation of India, the Commission expressed concern about complaints regarding poor quality of food grains in the PDS system and advised for further improvement in the quality checks on food grains for public distribution and checks to prevent arbitrage.
- 3.15 The Commission expressed concern about several complaints relating to misappropriation of funds under the Sarva Shiksha Abhiyan in Maharashtra. The Commission advised Ministry of Human Resource Development for strengthening the mechanism for verifying end usage of funds allotted for MHRD projects. The Commission further suggested that cases wherein huge amount of money had been misappropriated should be handed over to CBI for investigation. The Commission also advised CBSE to take appropriate action for spreading awareness of ill effects of corruption among the students in schools during the Vigilance Awareness Week.
- 3.16 In the annual zonal review meeting related to local bodies and Ministry of Urban Development, the Commission expressed concern over the huge pendency of vigilance complaints and desired that the administrative authorities must take timely decisions and matters / action on Commission's advice may not be kept pending for long. The Commission also emphasised the need for digitisation of land and property records.
- 3.17 While reviewing the performance of CVOs under Department of Heavy Industry, the Commission stressed the need for laying down Standard Operating Procedures (SOP) for handling legal issues in the organisations. The Commission advised that greater focus is necessary on complaints being directly received by the Department for prompt disposal.

- 3.18 In the sectoral review meeting with the Coal industry, the Commission desired that all organisations under the Ministry of Coal may make a concerted effort to bring awareness amongst the public on the corrupt practices and the ways to deal with the supply side of corruption. It was informed that the Commission had envisaged a concept of Integrity Pledge for the public as well as the corporates and hence the various PSUs can take forward the movement.
- 3.19 Apart from stock-taking of vigilance activities in the annual sectoral review meetings, the Commission also appreciated the efforts of CVOs, wherever due, in carrying out their functions in an effective manner. The Commission noted the progress made in technology upgradation by Ministry of Labour & Employment, especially allocation of Aadhaar based Universal Access Numbers aimed at eliminating multiple accounts of subscribers of Employees' Provident Fund accounts. The Commission appreciated the systems improvement made by Railways, particularly the use of technology by implementing e-ticketing and installation of CCTVs. In the Annual Sectoral Review Meeting with the Coal Sector, the Commission complemented the Ministry of Railways and Coal and all its PSUs for undertaking various steps in reducing the pendency in the past year due to which visible benefits had been achieved and turnaround time for cases had been reduced. The initiatives by the coal sector in updation of land records, etc., were worth emulating in other sectors also.

III Pendency with the CVOs

- 3.20 The Commission reviews the status of complaints, cases as well as departmental inquiries pending in the various organisations as periodic monitoring is an effective tool for facilitating timely finalisation of investigation into complaints and completion of disciplinary proceedings. At the close of the year 2016, a total of 16048 complaints were pending with the CVOs concerned for investigation, out of which 8660 complaints were pending beyond a period of six months. The complaints forwarded by the Commission, including complaints received under the Whistle Blower Resolution, mainly relating to officers under the Commission's jurisdiction, were 4811 out of which 1317 were still pending at the close of the year 2016. The number of departmental inquiries pending with the inquiry authorities was 1763 in respect of officers falling within the jurisdiction of the CVC and 4521 in respect of officers outside its jurisdiction.
- 3.21 It has been the endeavour of the Commission to accelerate the process of investigation of complaints and finalisation of disciplinary proceedings. In pursuance of this objective, the Commission periodically takes stock of the progress made in conclusion of vigilance cases and periodical reminders are issued to the concerned disciplinary authorities where undue delays are noticed. In appropriate cases, the Commission even summons the Head of the organisation concerned along with the CVO to ascertain the reasons of delay and to chart a roadmap for finalisation of such cases expeditiously. In this context, a committee had been constituted by the Central Vigilance Commission on 09.09.2016 for a study of existing patterns of progress of disciplinary proceedings and suggestions for remedial action to ensure expedition conclusion of the proceedings. The Committee undertook a sample study of about 107 completed cases and submitted its report on 26.10.2016. The main finding of the Committee was that in disposal of a disciplinary case, overall average time taken was

approximately 92 months against the prescribed period of 21.5 months, i.e., average delay in a case is 70.9 months (approx. 6 years). Out of the total period, a period of nearly 50 months was consumed before issuance of a charge sheet and 42 months subsequent to the issue of charge sheet. A similar study was also undertaken in July 2015 and it was found at that time that the average time taken was approximately 110 months with average delay in the conclusion of a disciplinary case being 92 months (approximately 8.5 years). While the delays have comparatively reduced, there is still much room for further improvement and the Commission has been urging the CVOs to monitor the disciplinary proceedings with a view to cut delays. Needless to emphasise, it is imperative that investigations / disciplinary proceedings are taken to their logical conclusion expeditiously to ensure prompt penalisation of delinquent officials and exoneration of such officials who were found without blemish.

IV Guidelines/Instructions issued by the Commission during 2016

(i) Timely completion of disciplinary proceedings / departmental inquiry proceedings—improving vigilance administration (Circular No. 000-VGL-18 dated 18.01.2016)

The Commission has noted with serious concern that the administrative authorities are not adhering to the time schedules prescribed for completion of disciplinary proceedings. It was noticed that while the average time taken by the administrative authorities in finalisation of disciplinary proceedings is more than 2 years, the maximum time taken in a particular case was eight years and at least in 22% cases, the inquiry took more than two years. The Commission also invited attention to the judgement dated 16.12.2015 by the Hon'ble Supreme Court in Civil Appeal No. 958 of 2010 Prem Nath Bali Vs Registrar, High Court of Delhi and another wherein the delay in handling of disciplinary cases has been viewed adversely. The suggested time limits for conducting departmental inquiries had been prescribed by the Commission for various stages vide its circular No. 8(1)(g)99(3) dated 3.3.1999 which was annexed to this circular for ready reference. Timely completion of departmental inquiry / departmental proceedings is the prime responsibility of the Disciplinary Authority. Therefore, the disciplinary authorities in each Ministry / Department / Organisation may regularly monitor the progress of inquiry on regular basis and ensure that the inquiry / departmental proceedings are completed within the time-limit prescribed as laid down by Hon'ble Supreme Court in the above cited case. The CVO concerned would assist the disciplinary authority in monitoring the progress of departmental proceedings. The Commission may recommend adverse action against the concerned disciplinary / administrative authority who is found responsible for any unexplained delay observed in any case. In appropriate cases wherein the IO delays the proceedings, the DA may not hesitate to take necessary and appropriate action against the IO.

(ii) Action on anonymous / pseudonymous complaints (Circular No. 98/DSP/9(Part 2) dated 7.3.2016)

The Commission had been receiving references from Departments / Organisations seeking clarification on the action to be taken on anonymous / pseudonymous complaints

which were acted upon and at different stages of process including under disciplinary proceedings before issuance of CVC's circular No. 7/11/2014 dated 25.11.2014 on the captioned subject. A few court decisions arising out of the Commission's guidelines issued earlier on the subject were also brought to the notice of the Commission. After considering details of the various court orders / judgements, the Commission obtained the opinion of the Ld. Attorney General as the issues involved interpretation of substantial questions of law. Based on the opinion furnished by Ld. AG, the following clarifications were issued:

- (a) No action should be taken on anonymous / pseudonymous complaints in line with the Commission's present instructions dated 25th November 2014 and such complaints should be filed.
- (b) However, where the action was initiated on anonymous / pseudonymous complaints prior to the issue of CVC's circular dated 29.6.1999 and was pending as on 29.6.1999, it can be pursued further to its logical end.
- (c) Where action was initiated on anonymous / pseudonymous complaints between the period 11.10.2002 and 25.11.2004 with prior concurrence of CVC but is pending, further action is permissible on such complaints.
- (d) Material / evidence gathered during the investigation/verification of anonymous complaints when the action was prohibited on such complaints (i.e., between 29.06.1999 & 11.10.2002) or where such enquiry was initiated without the approval of CVC, can be utilised for further initiation of disciplinary proceedings on misconducts noticed in such verification / enquiry.

All Administrative Authorities/CVOs were advised to note the above clarifications for guidance / compliance while handling and processing matters arising out of anonymous / pseudonymous complaints.

(iii) Acceptance of Bank Guarantees (BG) (Circular No. 04/03/2016 dated 4.3.2016)

The Commission observed that the practice of paper based verification of BGs followed by the organisations is not only time consuming, causing delay in acceptance / award of works or advance related payments but also its trustworthiness cannot always be ensured due to human intervention in it. In this background, the Commission advised organisations to follow IT enabled confirmation system which is swift and secured in addition to their existing paper based confirmation system. The following methods for verification may be considered by the organisations:

- (a) Getting confirmation through digitally signed secured e-mails from issuing Banks;
- (b) Online verification of company portal with user ID and password by 2nd stage authentication system generated One Time Password (OTP) on portal for reconfirmation;

- (c) E-mail confirmation followed by 2nd stage authentication by system generated SMS through registered mobile and reconfirmation through SMS to the verifying officer.

Organisations were advised to evolve their own procedure adopting any one or more of the above methods for ensuring genuineness of BGs, which is compatible with the guidelines of Banks / Reserve Bank of India.

(iv) Processing of priority cases on Fast Track basis (Circular No. 07/06/2016 dated 21.06.2016)

The Commission took a serious note of huge delays in finalisation of vigilance cases and accordingly has decided to fast track important cases for being attended on priority. The following type of cases shall be considered as Fast track cases:

- (a) Cases involving serious nature of misconduct like bribery, embezzlement of Government funds, forgery, frauds of amount exceeding Rs. 10 crores and cases of nature of scam which attracted public attention and which are likely to have deterrent or demonstrative effect on other employees / officers.
- (b) Cases referred by Supreme Court / High Courts to the Commission and being monitored by these courts and cases referred by PMO / Committee of Parliament seeking specific report / attention of the Commission.
- (c) Cases wherein retirement of the charged officer is due within next six months and in case of retired government officers within the limitation period.
- (d) Cases of Board level officers in PSUs, Public Sector Banks, Insurance companies, Autonomous Bodies etc., and of the rank of AS and above in Central Government & in All India Services.
- (e) Any other cases as may be decided by the Commission.

The Commission would therefore flag vigilance cases of each Department / Organisation identified as such for fast tracking. It will be the personal responsibility of the CVO and the Disciplinary Authority concerned to follow and adhere to the prescribed time limits as indicated in Commission's circular No. 000/VGL / 18 dated 23.05.2000 for each fast track case. CVOs would be able to see the Fast Track references in their respective accounts with "FT" flag after the file number. CVOs should, therefore, regularly login to their respective accounts under the link CVOs corner on Commission's website and take stock of the pendency so that action could be taken within the specified time limits.

(v) Criteria to be followed while examining the lapses of authorities exercising judicial or quasi-judicial functions (Circular No. 12/10/16 dated 24.10.2016)

The Commission vide its circular No.39/11/07 dated 1.11.2007 had desired that while

examining cases of officials exercising quasi-judicial functions, the criteria laid down by the Supreme Court in K.K. Dhawan's case should be kept in mind for a uniform approach in such matters. The Supreme Court in its judgement dated 12th July 2016 in R.P. Parekh case (Civil Appeal Nos. 6116-6117 of 2016) has laid down the following conditions / procedure to be followed to determine as to whether an act of a judicial officer has been actuated by an oblique motive or corrupt practice:

- (a) Since, direct evidence of corruption may not be always forthcoming in every case involving a misconduct, a wanton breach of the governing principles of law or procedure may well be indicative in a given case of a motivated, if not reckless disregard of legal principle.
- (b) In the absence of cogent explanation, it is for the disciplinary authority to determine whether a pattern has emerged on the basis of which an inference that an officer was actuated by extraneous considerations can be drawn.
- (c) The disciplinary authority has to determine whether there has emerged from the record one or more circumstances that indicate that the decision which form the basis of the charge of misconduct was not an honest exercise of judicial power.
- (d) A charge of misconduct against a judicial officer must be distinguished from a purely erroneous decision whether on law or on fact.

The Commission desired that in addition to the principles enunciated in the Commission's circular dated 1.11.2007, the aforementioned criteria in the judgment may also be kept in mind while examining alleged lapses / misconducts in respect of officials exercising quasi-judicial functions / powers. CVOs were advised to apprise all Disciplinary Authorities / Administrative Authorities in the organisations of the above principles for guidance.

V Integrity Pact

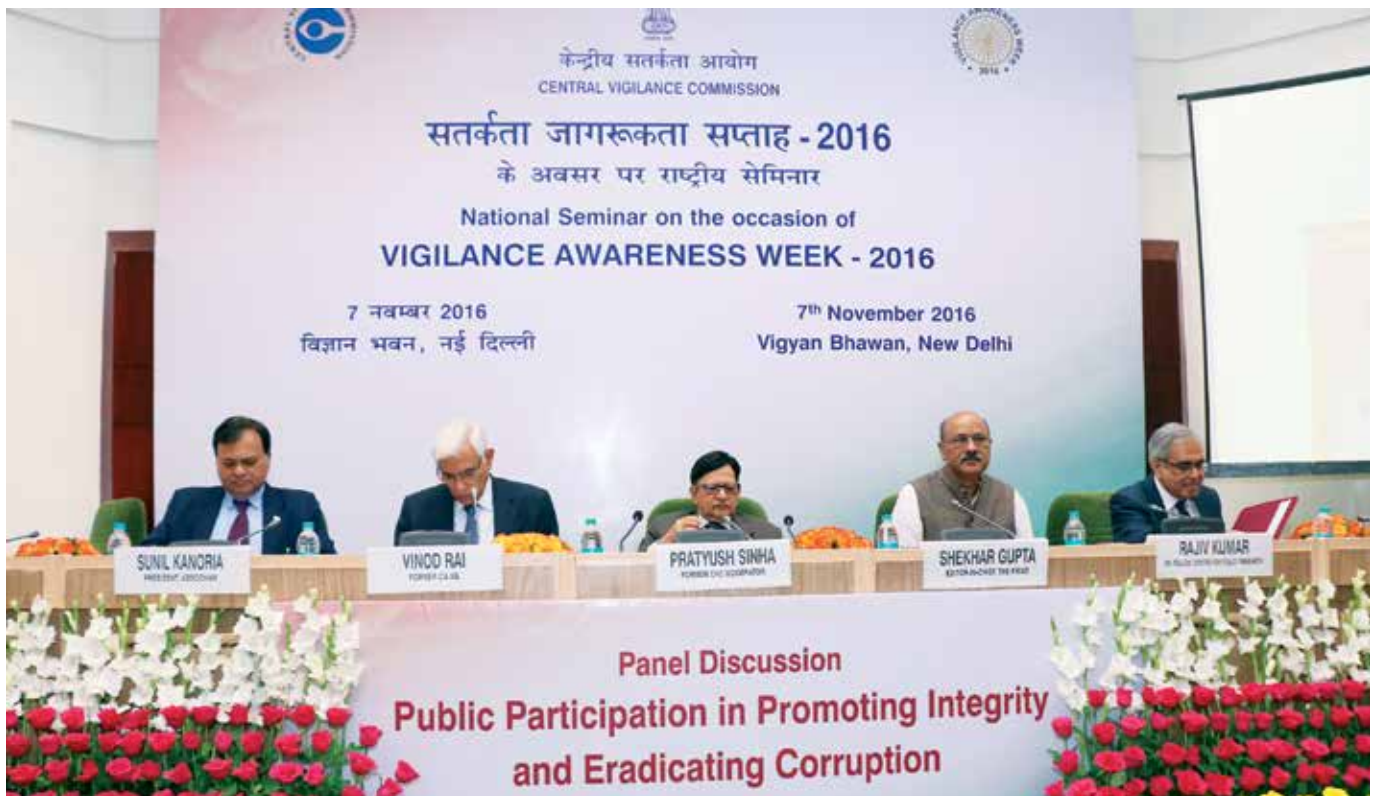
- 3.22 The Commission has been emphasising / promoting transparency and fair play in the functioning of the government organisations. As a part of systemic improvements in vigilance administration, the Commission has been advocating transparency, equity and competitiveness in public procurements also. The concept of Integrity Pact (IP) is an effort in this direction. The Commission had issued guidelines in this regard to all organisations under its advisory jurisdiction to incorporate / adopt Integrity Pact as part of tendering process in all major procurements by them voluntarily in December 2007.
- 3.23 The IP essentially envisages an agreement between the prospective vendors/bidders and the buyers committing the persons / officials of both the parties, not to exercise any corrupt influence on any aspect of the contract. Only those vendors / bidders who have entered into such an Integrity Pact with the buyer would be competent to participate in the bidding. In other words, entering into this Pact would be a preliminary qualification. The Integrity Pact in respect of a particular contract would be effective from the stage of invitation of bids till the complete execution of the contract.

- 3.24 The Commission also directed the organisations to appoint a panel of Independent External Monitors (IEMs), as envisaged in the Integrity Pact in order to ensure proper implementation of the Integrity Pact. The IEM has the power to access all project documentation and to examine any complaint received by him and is required to submit a report to the Chief Executive of the organisation, at the earliest. The IEMs are persons of high integrity and repute with experience. Their names are approved by the Commission for appointment as IEMs.
- 3.25 After issue of guidelines by the Commission, various Ministries / Departments / Organisations of Govt. of India have approached the Commission for appointment of IEMs. The Commission has approved names for appointment of IEMs in 132 Ministries/Departments/Organisations.
- 3.26 The Commission issued a “Standard Operating Procedure” (SOP) for Integrity Pact vide circular dated 18.5.2009. Further, the Commission vide circular dated 11.08.2009 clarified that review / internal assessment of the impact of IP are to be carried out on annual basis and reported to the Commission through monthly reports of CVO's. Commission reviews the status of implementation of Integrity Pact in an organisation from time to time.
- 3.27 M/o Finance, D/o Expenditure vide OM No. 14(12)/2008-E-II (A) dated 19.7.2011 has also issued circular for implementation of Integrity Pact in Ministries / Departments / Organisations. After issuance of guidelines on Integrity Pact by D/o Expenditure, it is now necessary for all Ministries / Departments and all other Organisations / Bodies of Govt. of India to implement Integrity Pact.
- 3.28 Keeping in view the increasing procurement activities, the Commission, vide circular dated 25.02.2015, has advised all Public Sector Banks / Insurance Companies / Financial Institutions to adopt and implement Integrity Pact.
- 3.29 In December 2015, the Commission appointed a Committee to review the whole scheme, its implementation and the guidelines issued in the matter, with a view to prescribing Standard Operating Procedure (SOP). The Committee under the Chairmanship of Shri P. Shankar, former Central Vigilance Commissioner reviewed the whole scheme of Integrity Pact (IP) after a study of the existing procedures and best practices available. The Report of the Committee was considered by the Commission and the SOP on IP has now been revised.

Inauguration of the National Seminar on the occasion of Vigilance Awareness Week, 2016



Panel discussions during the National Seminar on the occasion of Vigilance Awareness Week 2016



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 and also exercises superintendence over the vigilance administration of these organisations. The advice is tendered by the Commission 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 advice in majority of cases by the Disciplinary Authorities is an indication of the objectivity and fairness of the Commission's advice.

However, it remains a matter of concern that in some cases of officers covered under 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 advices tendered by the Commission have been diluted considerably without approaching the Commission for reconsideration of its advice, as per extant procedure.

I Cases of non-compliance and "selective approach"

- 4.2 The Commission has observed that during the year 2016, there were some significant deviations from the Commission's advice. It was noticed that a selective approach is at times adopted by Departments/Organisations as reflected in their failure to seek the Commission's advice in vigilance related matters involving those categories of officials under the Commission's jurisdiction, or their unwillingness to accept the Commission's advice against some officers. This not only affects the credibility of the vigilance administration but also weakens the organisation's objectivity and impartiality. The failure of the Department/Organisation concerned to take penal action which is proportionate to the misconduct, against delinquent officers can convey a wrong signal to the entire organisational set-up, may encourage unethical behaviour or embolden other officers also to resort to abuse of their position / powers. Whenever such cases come to the Commission's notice, its concerns are conveyed to the organisations
- 4.3 Cases of deviations from the prescribed procedure or of non-acceptance of the Commission's advice which have been approved by the Commission for inclusion in its Annual Report 2016 are given in Table 4.1 below:

Table 4.1

| Sl. No. | Department/ Organization | Commission's Advice | Action taken by the Department | Remarks |
|---------|--------------------------|--|---|----------------|
| 1 | M/o Railways | Major Penalty | Exoneration | Non-compliance |
| 2 | M/o Railways | Major Penalty | No Action | Non-compliance |
| 3 | M/o Railways | Minor Penalty | Exoneration | Non-compliance |
| 4 | M/o Railways | Minor Penalty | No Action | Non-compliance |
| 5 | M/o Railways | Major Penalty | No Action | Non-compliance |
| 6 | M/o Railways | Minor Penalty other than Censure | Censure | Non-compliance |
| 7 | M/o Railways | Minor Penalty (2 officials) | Counseling & No Action | Non-compliance |
| 8 | M/o Railways | Minor Penalty | Exoneration | Non-compliance |
| 9 | M/o Railways | Major Penalty (1 official) Minor Penalty (1 official) | No Action | Non-compliance |
| 10 | M/o Railways | Minor Penalty | No Action | Non-compliance |
| 11 | M/o Railways | Minor Penalty | Exoneration | Non-compliance |
| 12 | M/o Civil Aviation | Major Penalty | Exoneration | Non-compliance |
| 13 | M/o Civil Aviation | Major Penalty (8 officials) Minor Penalty (4 officials) | Minor Penalty (8 officials) Administrative warning (4 officials) | Non-compliance |
| 14 | M/o Civil Aviation | Minor Penalty (2 officials) | Closed the case (1 official) Recordable Warning (1 official) | Non-compliance |
| 15 | M/o Civil Aviation | Major Penalty | Minor Penalty | Non-compliance |
| 16 | M/o Civil Aviation | Major Penalty (3 officials) | Minor Penalty (3 officials) | Non-compliance |

| Sl. No. | Department/ Organization | Commission's Advice | Action taken by the Department | Remarks |
|---------|---|--|-----------------------------------|----------------|
| 17 | National Highways Authority of India M/o Road, Transport & Highway (MoRTH) | Major Penalty | Non-Recordable Warning | Non-compliance |
| 18 | National Highways Authority of India M/o Road, Transport & Highway (MoRTH) | Major Penalty | Closed the Case | Non-compliance |
| 19 | National Highways Authority of India M/o Road, Transport & Highway (MoRTH) | Major Penalty | Minor Penalty | Non-compliance |
| 20 | D/o Telecommunication | Major Penalty | Minor Penalty | Non-compliance |
| 21 | Central Bank of India | To initiate Denovo inquiry for Major Penalty Proceedings | Exoneration | Non-compliance |
| 22 | UCO Bank | Major Penalty | Censure (Minor Penalty) | Non-compliance |
| 23 | Bank of India | Major Penalty | No Action | Non-compliance |
| 24 | Bank of Baroda | Minor Penalty | Exoneration | Non-compliance |
| 25 | State Bank of Patiala | Sanction of Prosecution | Declined sanction for Prosecution | Non-compliance |
| 26 | Bank of India | Sanction of Prosecution | Declined sanction for Prosecution | Non-compliance |
| 27 | Punjab National Bank | Major Penalty | Censure (Minor Penalty) | Non-compliance |
| 28 | Central Excise & Customs | Sanction for Prosecution (17 officials) | Declined sanction for prosecution | Non-compliance |

| Sl. No. | Department/ Organization | Commission's Advice | Action taken by the Department | Remarks |
|---------|--|-----------------------------|--|----------------|
| 29 | Central Excise & Customs | Major Penalty | Penalty of cut in pension was not imposed. | Non-compliance |
| 30 | Central Excise & Customs | Major Penalty | Minor Penalty | Non-compliance |
| 31 | Central Excise & Customs | Minor Penalty | No action was taken. Case was allowed to get time barred. | Non-compliance |
| 32 | M/o Heavy Industries | Major Penalty | Appellate Authority set aside the Major Penalty imposed by DA. | Non-compliance |
| 33 | M/o Power | Major Penalty | Exoneration | Non-compliance |
| 34 | M/o Power | Minor Penalty | Exoneration | Non-compliance |
| 35 | M/o Power | Minor Penalty | Exoneration | Non-compliance |
| 36 | M/o Petroleum | Major Penalty | Exoneration | Non-compliance |
| 37 | Khadi & Village Industries Commission | Major Penalty | Warning (This is not a formal punishment) | Non-compliance |
| 38 | M/o Environment, Forests & Climate Change | Major Penalty | Exoneration | Non-compliance |
| 39 | Indian Council of Agricultural Research (ICAR) | Major Penalty | Proceedings dropped | Non-compliance |
| 40 | Indian Council of Agricultural Research (ICAR) | Major Penalty | Censure (Minor Penalty) | Non-compliance |
| 41 | Employees' Provident Fund Organization (EPFO) | Major Penalty (2 officials) | Dropped the charges | Non-compliance |

| Sl. No. | Department/ Organization | Commission's Advice | Action taken by the Department | Remarks |
|---------|---|-----------------------------|--|----------------|
| 42 | Employees' Provident Fund Organization (EPFO) | Minor Penalty | Dropped the charges | Non-compliance |
| 43 | Employees' Provident Fund Organization (EPFO) | Major Penalty | Minor Penalty | Non-compliance |
| 44 | NIT Kurukshetra | Major Penalty | Minor Penalty | Non-compliance |
| 45 | M/o Social Justice & Empowerment | Major Penalty (3 officials) | Exoneration (two officials) & Minor Penalty (one official) | Non-compliance |
| 46 | Delhi Development Authority | Major Penalty | Minor Penalty (Censure) | Non-compliance |
| 47 | Delhi Development Authority | Minor Penalty (2 officials) | Closed the Case | Non-compliance |
| 48 | Municipal Corporation of Delhi | Major Penalty | Exoneration | Non-compliance |
| 49 | Delhi Jal Board | Major Penalty | Minor Penalty (Censure) | Non-compliance |
| 50 | M/o Urban Development -CPWD | Minor Penalty | No Action | Non-compliance |
| 51 | M/o Home Affairs | Major Penalty | Dropped the Charges | Non-compliance |
| 52 | M/o Law | Major Penalty (2 officials) | Dropped the Charges | Non-compliance |

4.4 Brief details of these cases are as follows:-

Sl. No 1

Charge

Irregularities in the processing/award of tenders such as, issuing limited tender enquiry for identical items during the same period, failing to maintain consistency and uniformity in the panel of firms

selected for the tender enquiry, deliberately splitting the tender for same item to bring the purchase value within the direct acceptance power of Deputy Chief Materials Manager (Dy. CMM). He approved invitation of tenders for specific make/brand which otherwise would require a valid Proprietary Article Certificate (PAC) by competent authority. He accepted a model other than what was specified in the tender document, and passed over a lower offer on flimsy grounds and caused unreasonable and unexplainable delay in finalising of tender.

Advice

The Commission advised imposition of a suitable major penalty on the officer (Dy. CMM) on 05.12.2014 as Second Stage Advice (SSA). On being approached for second stage reconsideration, the Commission reiterated its Second Stage Advice on 24-25.05.2016.

Brief

Based on a complaint three tender case files relating to procurement of non stock item “Electric Total Station” were scrutinised and irregularities were found. It was noticed that LT panel even for identical items for all three tenders were different thus indicating lack of standardisation of approved panel. The Dy. CMM had committed following irregularities:-

- (i) Deliberate splitting of tenders to bring the purchase proposals within the direct acceptance power for Dy. CMM;
- (ii) Unreasonable/unexplainable delays in finalizing the tenders;
- (iii) Making mention of specific make/model without PAC;
- (iv) Acceptance of model other than specified in the tender document; and
- (v) Bypassing offer of L-1 in one case of flimsy grounds.

Outcome

The Commission has observed that after considering the Inquiry Officer (IO)’s report, Advisor (Vig.), RB and Board (MM) have recommended for imposing major penalty at the SSA which was also accepted by the Commission and accordingly the Commission had advised imposition of suitable major penalty on Dy. CMM. Subsequently, Board (MM) has substantially reopened the issues raised on the IO’s report and after discussing each article of charge as well as the report of IO, disagreed with the IO and recommended to process the disagreement memo. Finally, Dy. CMM was exonerated of the charges leveled against him vide order dated 17.8.2016

Sl. No. 2

Charge

Irregularities in the tendering process for provision of various types of covers for air conditioning system of AC coaches wherein Senior Divisional Electrical Engineer/(Sr. DEE) was Tender Accepting Authority (TAA) in the case. Various short comings and procedural lapses were noted in the processing of this tender, like obtaining budgetary offer for arriving at advertised cost even before deciding the

technical specifications; exclusion of some clauses approved in the technical specifications from the advertised tender document; not defining what would be considered a reputed manufacturer etc. The Sr. DEE was charged with failing to point out aforesaid irregularities to subordinates, discharging the tender arbitrarily and not going for retendering as per CVC guidelines. As TAA he did not agree with the recommendation of the Tender Committee (TC) to award the tender to L2 (second lowest) bidder and referred the case back to the TC to explore possibility of reduction in rate. The TC again recommended acceptance of offer of L2 tenderer without negotiation stating that reputed manufacturer has not been defined in the tender and the rates offered by first lowest cannot be treated as a benchmark as that offer is not as per tender specifications.

Advice

The Commission advised initiation of minor penalty proceedings on 25.11.2014. On consideration of the representation of the Charged Officer (CO) on the charge memorandum, the Disciplinary Authority (DA) decided to drop the charges against Sr. DEE. DA observed that the charged officer has discharged the tender after due application of mind and in the process also complied with CVC guidelines. DA has also observed that procedural lapses of his subordinates were duly addressed when they came to his notice at the time of acceptance of TC recommendations. Commission advised suitable minor penalty on the then Sr. DEE on 23.08.2016 as SSA in view of the fact that procedural lapses had been committed in the tender process.

Brief

While working as Sr. DEE failed to point to his subordinate that the budgetary offers collected for the purpose of estimation were deficient / devoid of technical specifications of FRP material (including thickness of FRP sheets). The technical specification of the work was made after vetting of the estimate by associate finance. There was no co-relation between the estimated cost i.e. the advertised cost of the tender and technical specifications of the work.

Outcome

The Disciplinary Authority (DA) did not implement the Commission's advice and decided vide note dated 24.09.2016 that "no action" is merited in this case citing the same grounds on the basis of which DA had taken a tentative decision while referring the matter for Second Stage Advice of the Commission..

Sl. No 3

Charge

Irregularities in execution of work of supply of machine crushed stone ballast of railway track work wherein responsible railway engineering official accepted inferior quality of machine crushed stone ballast which was to be supplied in the unit of Senior Section Engineer /PWAY (SSE) of N.W. Railways. The sample of ballast collected during joint vigilance check failed to meet the prescribed physical properties value in 'Impact' & 'Abrasion' test and variation/deficiencies in gradation value beyond standard prescribed limit.



Advice

The Commission advised initiation of minor penalty proceedings (other than Censure and Withholding of Privilege Passes and PTOs) on 27.01.2015 as First Stage Advice (FSA). The DA however intended to disagree with the FSA and exonerate the officer from all charges inter alia stating that the officer is a young officer and this was his first posting on completion of training after joining Railways. Therefore any disciplinary action for which he is not responsible will have adverse effect on his morale and working. On being approached for reconsideration, the Commission reiterated its First Stage Advice on 09.12.2015 in view of the fact that explanation with regard to the discrepancies in gradation of ballast is not satisfactory. It was also observed that there is no evidence to believe that weighment of samples during vigilance check were erroneous/unreliable; further Railway Board Vigilance did not highlight any new fact that may warrant reconsideration of Commissions First Stage Advice.

Brief

The Assistant Divisional Engineer (ADEN/AWR) in the execution of work for supply of machine crushed stone ballast for railway track, committed following irregularities:-

- (i) He accepted inferior quality of ballast as the sample collected during joint vigilance check, failed to meet the prescribed physical properties value i.e. in 'impact' and 'abrasion'.
- (ii) He accepted inferior quality of ballast which failed in gradation test and passed oversized machine crushed stone ballast.

The above irregularities were based on preventive check conducted by Railway Vigilance.

Outcome

In disagreement with the Commission's advice of minor penalty (other than Censure and Withholding of Privilege Passes and PTOs) the Disciplinary Authority (GM/NWR), after considering the representation of the Charged Officer on the minor penalty charge sheet and relevant records of the case, exonerated the then ADEN from the charges leveled against him. The DA has found that ballast is a heterogeneous material and minor variations cannot be construed as an attempt to give financial benefit to the contractor. DA noted that in the sieve analysis only one stack was found to have marginal variation and it cannot be said that ballast was substandard on the basis of this; there was no shortage found in the quantity of ballast measured and there is no ground to believe that the Charged Officer had mala fide intentions. The Commission had after due consideration of the explanation of the charged officer, tentative views of DA and other facts, reiterated its First Stage Advice of minor penalty (other than Censure and Withholding of Privilege Passes / PTOs).

Sl. No. 4

Charge

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

Advice

The Commission advised initiation of minor penalty proceedings against the Chief Project Manager (CPM) (Accepting Authority) among others on 05.05.2015 as First Stage Advice. On being approached for reconsideration, the Commission reiterated its First Stage Advice on 25.05.2016.

Brief

Advertisement for engagement of retired employees to the vacant posts was given without mentioning the eligibility criteria which has resulted in engagement of a non-technical person to a technical post of Senior Section Engineer (Elect.). No reasons have been recorded by the selection committee as to why 18 out of 24 applicants were declared ineligible for the advertised posts. The selection committee of three members did not exercise due diligence and recommended for appointment to a technical post an applicant who had applied for a non-technical post. The CPM being the Accepting Authority did not apply his mind and accepted the recommendation of the selection committee without any examination at his level. The irregularity in appointing a non technical person to a technical post indicates that the process was not transparent and casts doubt on the integrity of the process. The stand taken by Railways that there was no financial loss is not correct since by appointing a non technical person to a technical post the Railways suffered a loss as he did not have the requisite qualifications for which he was being paid honorarium by the Railways.

Outcome

In disagreement with the Commission's advise the Disciplinary Authority (Board (ML)) has found that no terms and conditions described in Railway Board letter dated 27.09.2012 were violated while re-engaging the retired Railway staff by the CPM and that there was no mala fide/vigilance angle in the case. Therefore the DA did not implement the Commission's advice and decided that 'No Action' is warranted against the CPM vide speaking Order dated 20.06.2016. The Commission while reiterating the First Stage Advice of minor penalty in respect of the CPM had observed that the role and responsibility of the selection committee and the Accepting Authority (CPM) were clearly brought out while tendering First Stage Advice i.e. financial loss, lack of transparency in the process, lack of due diligence by selection committee, lack of application of mind by CPM. The Commission has decided to treat this as a case of non implementation of its advice.

SI No. 5

Charge

Irregularities in award of contract of Blocking Diodes to a local dealer instead of a genuine manufacturer. Due diligence was not observed in scrutinising the offer of a dealer posing as the authorised agent of a nonexistent OEM. The authorisation certificate given was non tender specific, more than one and a half years old and had conveniently quoted consignee inspection to avoid material procedure inherent in third party inspection like RITES. The Technical Authority was aware of the fact that the dealer had enclosed the non tender specific authorisation certificate and deviated from the tender stipulated inspection clause which is a must in case of such a safety/critical item like Blocking Diode.



Advice

The Commission advised initiation of major penalty proceedings against the then Deputy Chief Electrical Engineer (Dy. CEE) on 24.11.2014 as First Stage Advice. The Commission observed that it has been proved beyond doubt that the authorisation produced by the firm was not valid as the company which had issued the letter had closed down. The authorisation letter was not specific to the tender and had the Dy. CEE tried to contact the OEM it would have been revealed that the company had closed down. DA was of the view that Dy. CEE has given due consideration to all relevant issues before giving technical suitability, including pointing out the fact that authorisation is not tender specific and inspection clause is not as per tender requirement etc. The action of verification of details by contacting firm was to be done by the store officer and for this Dy. CEE cannot be held responsible. On being approached for reconsideration, the Commission reiterated its First Stage Advice on 13.02.2015.

Brief

While working as Dy. CEE, he certified the technical suitability of an authorized dealer whose Principal was nonexistent and who had deviated from the tender inspection clause. He further gave his technical suitability in ambiguous term by indicating that the offer was suitable subject to acceptance of RITES Inspection.

Outcome

The Disciplinary Authority Board (ML) did not implement the Commission's advice and decided vide note dated 14.06.2016 that "no action" should be taken against the then Dy. CEE.

Sl. No. 6

Charge

It was proposed to provide solar panels in twenty Level Crossing (LC) gates on Southern Railway. Board guidelines exist for provision of solar based lighting system. Based on sanctioned estimate a tender was floated however it was found that estimate was prepared without considering the actual requirement of site. Further provision of 1KW solar panels as an alternate source was in contrast to Railway Boards guidelines. The SSE failed to assess the power requirement for the LC Gates and highlight the relevant Railway Board guideline while preparing the Divisional Works Program (DWP) proposal. This resulted in significant cost difference of Rs 23.33 lakhs which was unnecessary expenditure for Railways installing 1KW solar panel at 20 locations instead of 74w solar panel suggested by Railway Board.

Advice

The Commission had advised penalty proceedings with a view to impose minor penalty other than Censure on 07.01.2016 as its First Stage Advice.

Brief

This is a preventive check case conducted by Railway Vigilance for the works pertaining to the provision

of solar panel in LC gates, wherein SSE has failed to assess the power requirement for the LC gates to decide on the capacity of the solar panel required and highlight the relevant Railway Board guideline for electrification of LC gate, while preparing the DWP proposal. The Commission after considering the overall circumstances of the case including irregularities that occurred, had tendered the above advice.

Outcome

The Disciplinary Authority (SDEE/G) did not implement the Commission's advice and imposed a minor penalty of "Censure" on 27.01.2016. DA accepted the explanation offered by the SSE that the capacity of the solar plant is based on the number of units it is able to generate and the fact that the power shut down in Tamil Nadu was actually on higher side.

SI No. 7

Charge

Not following the guidelines of Railway Board contained in letter No.2005/RS (G)/779/13 dated 04.07.2006 in purchase of 351 nos. of UPS systems for Unreserved Ticketing System (UTS).

Advice

The Commission advised initiation of minor penalty proceedings against the Chief Materials Manager (CMM/M) and the then CMM/S on 31.03.2016 as First Stage Advice. It was observed that the selection of L19 appears unfair and not transparent because L2 firm was not considered and poor performance of L19 was not taken cognisance of. The inspection of only L19 was done just after placement of requisition for procuring UPS and the three RC holders which had earlier experience with NFR for UPS supply were declared to be having poor performance, in spite of the fact that no such records existed on file. While forwarding the case to the Commission for reconsideration, Board (MM) inter alia stated that he has found no wrong doing on the part of CMM/M and there has been no loss to the Railways. However for failure to record reasons for ignoring the offer of complainant (L 2) CMM/M may be counselled. In respect of CMM/S, Board (MM) stated that since there is no procedural lapse, no action is warranted against him. On the reconsideration proposal the Commission has observed that no significant fact warranting reconsideration of the Commission's advice has been indicated or put forth by Railway Board Vigilance. The Commission therefore reiterated its 1st stage advice on 27.05.2016.

Brief

- (i) For procurement of 351 Nos. "1KVA on line UPS System under DGS&D rate contract through COS/NFR vide SO No.4035139205015 dated 13.08.2014 the entire exercise had been carried out without following proper norms as applicable as per Railway Board's letter No.2005/RS (G)/779/13 dated 04.07.2006.
- (ii) The complainant is also a DGS&D rate contract holder and in course of finalizing the case they had been by-passed and order placed on another vendor at higher rate causing extra expenditure of Rs.11,84,790/-.



Outcome

The Disciplinary Authority (Board (MM)) did not implement the Commission's advice and on 16.06.2016 decided to 'counsel' the then CMM/M for his failure to record reasons for ignoring the lower offer. The DA decided on "No action" against the then CMM/S who was the original authority entrusted to decide the tender and who collected feedback regarding performance of the firm.

Sl. No. 8

Charge

Harassment of a supplier of IRCTC by terminating his contract on invalid grounds which were not based on facts by Joint General Manager (JGM), and non-payment of the supplier's bills and refund of security deposit/earnest money.

Advice

The Commission advised levy of minor penalty (other than Censure and Withholding of Privilege Passes/PTOs) against the then JGM, IRCTC as First Stage Advice on 16.5.2012. On being approached for reconsideration of First Stage Advice in January 2016, Commission agreed with the recommendation of CVO IRCTC and reiterated its First Stage Advice for minor penalty (other than Censure and Withholding of Privilege Passes/PTOs) on 30.08.2016.

Brief

The then JGM, IRCTC was responsible for cancelling the contract citing reasons which were not found to be based on facts. After termination of the contract the same item was purchased at higher price incurring financial loss to IRCTC. Therefore the supplier was harassed by not only terminating the contract but also by not making payment to him for his dues and making deductions from his bills by manipulating the calculation and fabricating contradictory charges.

Outcome

The Disciplinary Authority (GM/NWR) did not implement the Commission's reconsidered advice and passed speaking order after taking into account relevant records including defense of the then JGM, IRCTC. The DA found that the JGM IRCTC had taken action for terminating the contract with the supplier on noticing discrepancies and with approval of competent authority; that there was no loss to the company as specifications were revised based on requirements and that the withholding of payment of the supplier being the normal practice was done to safeguard the interest of the company. The DA exonerated him from the charges leveled against him.

Sl. No. 9

Charge

Irregularities in introduction of Auto Janitor Hygiene & Odour Control System and Burst Automatic Odour System.

Advice

The Commission advised initiation of major penalty proceedings against the then Director Mechanical Engineering (DME) and minor penalty proceedings against the then Executive Director Mechanical Engineering (EDME) as First Stage Advice on 21.08.2013. On being approached for reconsideration, the Commission on 10.02.2015 reiterated its First Stage Advice in respect of the then Director Mechanical Engineering (DME) Coaching observing that no new evidence has been produced and initiation of major penalty proceedings against DME had been advised after deliberation on this case by the full Commission. Therefore there is no ground for reconsideration of the Commission. In respect of the then EDME it was conveyed to Railway Board that the reconsideration case cannot be considered as the Disciplinary Authority (i.e. Chairman, Railway Board) was in agreement with the advice of the Commission.

Brief

The case relates to irregularities in introduction of Auto Janitor Hygiene and Odour Control System and Micro Burst Automatic Odour System and purchase of the same at higher rates causing loss to Railways. It was observed that on the basis of the directions of the then Member Mechanical on 24.04.2003, circular dated 01.05.2003 was issued and there is no record/justification or noting in file leading to a decision in the matter. Auto Janitor Hygiene & Odour Control system and Burst Automatic Odour System were proprietary products of a private firm. The letter issued on 01.05.2003 states that these products were tried out in Western, Southern and Central Railways and good feedback was received. However, no documents relating to trial of these products on the said Railways and the feedback, was available on file. The exclusion of the name of the OEM, from the draft which was seen by the then MM and marked down by the then EDME to DME was also noticed.

The Commission also noticed that subsequently on a copy of the earlier letter dated 01.05.2003, the then MM had issued instructions to reiterate the same and to cover prestigious trains like Rajdhani and Shatabdis. The then EDME had asked the DME/Coaching to reiterate the same pursuant to the directions of the then MM. Accordingly, the DME/Coaching issued another letter dated 16.12.2003.

Commission considered the views of Railway Board/Vigilance, Member Mechanical and Chairman, Railway Board and after detailed deliberations was of the view that the then MM was responsible by his actions/directions for introduction of new products which led to purchase of the Odour Control Systems by the Railways at exorbitant rates up to 10 times of the landed cost. Commission also noted that due to these instructions issued to the Zonal Railways, no proper price could be determined, the competition were restricted and the suppliers had charged exorbitant rates. Commission further observed that the then MM was responsible for reiterating the instructions dated 01.05.2003 and enlarging the scope of the items to cover all coaches of prestigious trains including Rajdhani and Shatabdi Express trains.

As regards, the role of DME, the Commission noted that initiation of major penalty proceedings was recommended against the officers by Railway Board initially. Commission noted the lapses committed by the officers as stated and considering especially the omission of the name of the OEM from the final letter a serious irregularity, resolved that initiation of Major Penalty Proceedings are warranted in respect of DME.

In so far as the then EDME, the Commission noted that he had seen and transmitted the instructions of the then Member Mechanical on both occasions, had seen the drafts put up by the DME and was aware of the instructions of Member Mechanical. Being a senior officer in the hierarchy, he cannot absolve himself of responsibility. Therefore looking at his role, the Commission was of the considered view that initiation of minor penalty proceedings are called for in respect of the then EDME.

Outcome

The Disciplinary Authority i.e. Railway Board did not implement the Commission's advice and decided that no action should be taken against the then DME and the then EDME respectively.

SI No.10

Charge

Irregularities in the processing/award of tender to ineligible agency. The main issue in the case is that L 1 was not eligible to participate in the tender, that Tender Committee (TC) members have not properly examined the certificate for eligibility regarding criterion of having completed at least one similar single work for a minimum value of 35% of the annual value of the advertised tender in the last three years. The TC tried to get the credentials submitted by the firm verified in a routine manner by sending a letter. The TC failed to notice that the total value of the contract was not mentioned and also no reference to any specific contract/work order against which the certificate was issued, was made. As a matter of prudence the TC should have insisted upon the contract document to establish meeting of qualifying criterion.

Advice

The Commission advised initiation of minor penalty proceedings for levy of a penalty other than Censure against seven officers i.e. three DMEs, two DEEs and two DFMs on 16.05.2014 as First Stage Advice. The main thrust of the Railways while approaching the Commission for reconsideration, was that the TC members had shown remarkable degree of maturity and transparency in handling such a controversial issue and hence the Commission's conclusion that TC had acted without proper verification, is not correct. Railways also argued that TC had evaluated the bids in a transparent and unbiased manner and carried out all reasonable due diligence before making its recommendation. The Commission finding that Railways has not adduced any new facts, reiterated its First Stage Advice on 13.02.2015.

Brief

The members of both the Tender Committee (Technical and Financial) and TAA had blatantly ignored the material fact that L1 to whom the contract was awarded, was not eligible for participating in the tender process on the date of opening of the technical bids. L1 had submitted its eligibility certificate after opening of the technical bids and the same was accepted by the Tender Committee. Thus L1 should have been declared ineligible straightway, but this was not done by the Tender Committee. Further Tender Committee had arrived at a conclusion that the allegations made in a complaint against L1 are not substantiated without properly verifying the same.

Outcome

The Disciplinary Authority i.e. Board (MM, ML and FC) did not implement the Commission's advice and decided that "no action" should be taken against all the seven officers.

Sl. No. 11

Charge

Irregular payment of Rs.41, 26,500/- to the contractor in violation of the special conditions of the contract & specifications for non schedule items by CE(C). The main allegation is that Chief Engineer (Construction) approved the proposal for payment of balance 25% under an item before launching of span in contravention of special conditions and specifications of a contract which inter alia stipulates that balance 25% shall be released after successful launching of each span on bridge.

Advice

The Commission advised initiation of minor penalty proceedings against the CE(C) on 13.05.2015 as First Stage Advice. On being approached for reconsideration, the Commission observed that no new facts had been furnished by Railway Board while forwarding the case to the Commission with recommendation of 'no action' against the officer. The Commission reiterated its First Stage Advice on 5.7.2016

Brief

Irregular payment of Rs.41, 26,500/- to the contractor was made before actual execution of work on ground as per contract conditions i.e. payment was made on 21.03.2013 whereas spans of steel girders were launched on 24.09.2013.

Outcome

The Disciplinary Authority (Board (ME)) has mentioned a few mitigating circumstances in the case such as that the contractor not only supplied all the components of girders but also assembled them before 19.3.2013; the balance 25% payment made has avoided litigation and claims on account of delayed payments on account of railways; no irregularity in the case which speaks of any mala fide on part of CE(C). There was also no loss to Railways nor did any undue benefit get extended to the contractor. The DA did not implement the Commission's advice and exonerated the then CE vide Order dated 11.08.2016.

Sl. No.12

Charge

Irregularities in awarding contract for Cockpit Crew Transportation in Air India. The GM had processed an interim contract for providing full fledged service to cockpit crew transportation and the contract was awarded to a private company. It was regularized on nomination basis for a period of 3 years with the approval of the then CMD. The rules and regulations of the company governing tender procedures, CVC guidelines and circulars regarding tender procedures and award of contract on nomination basis were not followed in the award of contract.



Advice

The Commission has advised initiation of major penalty proceedings against the then GM in First Stage Advice vide its OM dated 30.07.2014. On the recommendation of the Inquiry Officer (IO), the department referred the case with the recommendation of DA to exonerate the CO. The Commission advised imposition of major penalty for the reason that the process of award of contract to the private company showed blatant violation of rules, regulations and procedures and bypassing of prescribed channels for processing. The CO did not get the matter processed through the concerned departments. Commission advised imposition of major penalty in Second Stage Advice vide its OM dated 02.06.2016.

Brief

The GM terminated the extended contract of the existing service provider and awarded the contract to another private company for an interim period of three months initially on nomination basis at a higher rate. The interim contract was subsequently extended for three years after obtaining approval of CMD and ignoring the objections of Finance. CVC guidelines were disregarded in so far as approval of Air India Board was required to be taken in case of contract on nomination basis.

Outcome

In disagreement with the Commission's advice, Disciplinary Authority has exonerated the officer where the Commission advised major penalty against the CO. The Disciplinary Authority (DA), stated that in another case major penalty has been imposed on the CO where his passage benefits have been withheld for life time and there is no other punishment that can be levied on a retired official other than withdrawal of post retirement benefits i.e. passages and/or medical benefit. The CMD also has expressed the view that it would not be proper to always assign mala fide to such acts of tendering without detailed appreciation of circumstances. The DA has exonerated the CO deviating from the Commission's advice. The Commission has treated this case as a case of non-implementation of its advice

Sl. No.13

Charge

One GM along with tender opening committee awarded the work to an agency which was not the lowest bidder and thus deviated from CVC guidelines for awarding the contract to L-1 bidder.

Advice

While referring the case to the Commission the department had observed that there was gross negligence on part of officers involved in the tendering process and the CVC guidelines on fair and impartial tendering and not awarding tender to L 1 bidder were violated during the process.

The Commission observed that by relaxing the eligibility criteria for experience, fair opportunity was not given to the bidders. Moreover by not disclosing the actual quantity AAI was deprived of the benefit of quantity discount. The Commission further observed that financial concurrence was declined without verifying the terms and conditions of tender document. The irregularities appeared

to be deliberate and done with mala fide. According the Commission in disagreement with the DA has advised initiation of major penalty proceedings against one GM, two Jt. GMs, one DGM, three AGMs and one Sr. Manager and initiation of minor penalty proceedings against two Jt. GMs, one DGM and one Manager vide its OM dated 19.09.2014. On the departments reconsideration request also the Commission reiterated its First Stage Advice. The DA has issued minor penalty charge sheets against the advice of Commission.

Brief

The case relates to irregularities committed by AAI officials in tendering procedures of an AMC contract for EPABX at the Northern Region Headquarters Office. The actual quantities of supplying and laying the ARC cables were not mentioned in the BOQ of the Tender which resulted in reduction of the estimated cost and therefore the eligibility criteria for experience was relaxed. As a result fair opportunity was not given to the bidders. Moreover, by not disclosing the actual quantity, AAI was deprived of the quantity discounts to the supply component of the cables. Along with this allegation there are other allegations related to irregularities in drafting of NIT, evaluation of financial bids etc. also.

Outcome

In disagreement with the Commission's advice, Disciplinary Authority has imposed minor penalty against officers where the Commission advised for major penalty and administrative warning/ Government displeasure upon the COs where the Commission was of the opinion to impose minor penalty.

The Department has issued penalty orders without complying with the reconsidered advice of the Commission. The Disciplinary Authority was of the view that investigation in this case had shown that there was no mala fide. The DA further stated that irregularities in award of contract happened due to lack of clarity in procedure to be followed as per CVC guidelines.

The Commission has treated this case as non-implementation of its advice. This matter has also been intimated to the Secretary, Ministry of Civil Aviation for the appropriate action and DoP&T has also been informed.

Sl.No. 14

Charge

Wrong processing of an application for grant of Private Pilot License (PPL) and Commercial Pilot License, by accepting flying hours of USA for issuance of Commercial Pilot License in India.

Advice

The Commission advised initiation of minor penalty proceedings in agreement with the recommendation of the DA against one Director and one Jt. DGCA, vide its OM dated 06.08.2013 as they were held responsible for violating relevant provisions of Aircraft Rules in extending undue favour. The department referred the case for reconsideration of the Commission's First Stage Advice of



minor penalty proceedings based on the reason that no violation of any regulatory provision, in what so ever manner, had taken place and therefore, no tenable ground existed for issue of charge sheet. The Commission reiterated the earlier advice of minor penalty proceeding vide its OM dated 29.09.2014 observing that the then Director and the then Jt. DGCA were found responsible in irregular issue of Private Pilot License (PPL) and Commercial Pilot License(CPL) in violation of laid down norms and conditions.

Brief

Investigation was carried out on receipt of source information regarding complaints against issue of Indian CPL to a pilot on the basis of flying hours training done in USA. It was found that rules for grant of CPL were violated in so far as condition of flying hours outside DGCA jurisdiction was wrongly accepted by the officers. Further the flying hours training done in USA was not certified by the competent authority in that country.

Outcome

The Disciplinary Authority did not accept the Commissions advice and referred the matter to DoP&T. The DoP&T agreed with the advice of the Commission and did not agree with the views of DA i.e. Hon'ble Minister of Civil Aviation. The DA did not accept the views of DoP&T and closed the case of Jt. DGCA and issued recordable warning to the Director. The final decision of the Disciplinary Authority is at variance with the reconsidered advice of the Commission as well as the decision of DoP&T. The Commission reported the matter to DoP&T for such action as deemed fit. The Commission has also treated this case as non-implementation of its advice.

Sl.No.15

Charge

Irregularities in screening of in flight entertainment programmes and its double billing by the service provider/ private company.

Advice

The Commission in agreement with the DA tendered First Stage Advice of major penalty proceedings against the concerned GM. The department had forwarded the case for Second Stage Advice with the recommendation of minor penalty. Based on the IO report the Commission in its Second Stage Advice, recommended imposition of major penalty on the then GM

Brief

The system of supply of short programmes for in-flight entertainment and invoicing of the same by a service provider was enquired into Vigilance department of AI. The service provider was initially appointed for in flight entertainment for three years to supply short video programmes for the main screen. Subsequently with introduction of AVOD system, the earlier agreement was extended to AVOD system also. It was found that there was a shortfall in hours of programming and there was also double billing by the service provider. It was also proved during enquiry that service provider

had committed frequent copyright violations. It was found that the invoices were certified by the GM despite irregularities in invoices which were quite obvious and could have been easily detected, causing loss to Air India of Rs.14077817/-. On account of this department had recommended major penalty proceedings and forwarded the case to the Commission. On examination Commission advised initiation of major penalty proceedings against the GM, vide OM dated 14.3.2011 and also referred the case to CBI for further investigation vide OM dated 16.3.2011. CBI on conclusion of investigation also recommended initiation of major penalty proceedings.

Outcome

Commission had advised major penalty action against the Charged Officer (CO) but the DA has ordered withholding of passage benefit for a period of 5 years which is a minor penalty. DA reasoned that CO had retired from services of the Company in 2011 and had already suffered mentally and financially. On being asked for reasons for non-acceptance of Commissions advice, the CVO responded without giving any satisfactory reasons to the Commission by stating that the withholding of passage facility for five years (minor penalty as per CDA Rules) is like a major penalty. Commission observed that this is a clear case of defiance of Commissions advice and deliberate misreporting by a CVO which is not expected and should not be condoned. The Commission advised a recordable warning against the CVO. Thus the final decision of the Disciplinary Authority is at variance with the tentative decision at the stage of seeking Second Stage Advice of the Commission.

The Commission has treated this case as one of non-implementation of its advice.

Sl.No.16

Charge

Irregularities in tender for Common Contact Centre (CCC) project floated by NACIL in September 2008 including acts of omission and commission in formulation of RFP and evaluation of bids of vendors.

Advice

The Commission advised disciplinary action against fourteen officials including initiation of major penalty proceedings on three Executive Directors i.e. ED (MMD), ED (Commercial Project) and ED (Fin.) vide its OM dated 19.11.2010.

Brief

The then ED (Commercial), the then ED (Finance) and the then ED (MMD) had committed irregularities in the tender for Common Contract Centre (CCC) project floated by NACIL. The irregularities committed by them were: floating tender in a restrictive manner, non-evaluation of bid of a firm as per PQ criteria, awarding contract with electrifying speed etc. While executing the agreement with the firm some of the clauses of the RFP were amended/ modified to the advantage of the vendor.

Outcome

Against the advice of the Commission for major penalty proceedings, the Disciplinary Authority has imposed minor penalty on the three EDs. The final decision of the Disciplinary Authority is at variance



with the First Stage Advice of the Commission and was taken by DA without making a reference to the Commission for reconsideration or Second Stage Advice. The Commission has treated this case as one of non-implementation of its advice.

Sl. No. 17

Charge

Irregularities in a NHAI, BOT contract of Mumbai-Nasik Highway estimated for Rs 579 crores relating to improper approval of change in scope, allowing commercial operation in violation of agreement, issuing provisional completion which resulted in collection of toll fee by the contractor in violation of contract condition etc.

Advice

The Commission had advised initiation of major penalty proceeding against one CGM vide its OM dated 08.02.2013. The department referred the case to the Commission for the reconsideration of its First Stage Advice with a recommendation of warning against the CO. The Commission reiterated its earlier advice on 14.08.2015 as there was no new fact.

Brief

The work relates to improvement, operation, maintenance, rehabilitation and strengthening of the existing two lane road and widening it to four lane divided highway of a section of NH 3 in the State of Maharashtra on BOT basis. The lapses committed by the delinquent officials included change of scope, exclusion for same works, issuing provisional completion certificate in violation of provision of agreement, communication of approval without proper approval of competent authority and failure to obtain undertaking from the contract management.

Outcome

In disagreement with the Commission's advice, Disciplinary Authority has imposed non-recordable warning against officer whereas the Commission had advised major penalty proceedings against the CO. DA was of the view that the role of the CO was only recommendatory and no mala fide is attributed. Further that this case was examined earlier in NHAI and the then Chairman NHAI recommended warning not meant to be a minor penalty. Disciplinary Authority has taken the decision to issue a 'non-recordable warning' to the CO.

The Commission has treated this case as one of non-implementation of its advice.

Sl.No.18

Charge

Grant of Cargo Berth to contractor without approval of the Board and Government & allowing out-of-turn berthing to a few vessels through dishonest means in Kandla Port Trust.

Advice

The Commission has advised initiation of major penalty against then Chairman, Kandla Port Trust (KPT) vide its OM dated 01.12.2010. Subsequently, the M/o Shipping requested the Commission for reconsideration of its advice on 29.09.2011, 09.09.2015 and on 06.04.2016 (three occasions). However, the Commission reiterated its advice on all the three occasions vide its OM dated 03.01.2012, dtd.28.01.2016 and dated 22.06.2016.

Brief

A case was registered by the CBI alleging grant of 129.9 m of Cargo Berth No. 12 without approval of the Board and Government and allowing out-of-turn berthing to a few vessels through dishonest means. After completion of investigation, the CBI recommended RDA for major penalty against the then Chairman of Kandla Port Trust amongst others. Based on the above reason, the Commission in agreement with CBI had advised initiation of major penalty proceedings against the COs on 1.12.2010. The department had referred the case for the reconsideration of the Commission's First Stage Advice without any justification / new facts, therefore, the Commission had reiterated the earlier advice on 3.1.2012. In response to the afore mentioned advice of the Commission, the Ministry vide its O.M. dated 14.12.2016 intimated that in the instant matter there has been neither mala fide on the part of the official concerned nor any loss of revenue to the port, hence the Disciplinary Authority has not accepted the advice of the Commission for initiating RDA for major penalty against the then Chairman, KPT and has decided to close the case.

Outcome

In disagreement with the Commission's advice, Disciplinary Authority has decided to close the case against the CO.

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

Sl. No.19

Charge

Alleged irregularities in the contract committed by one DGM (Tech), then Project Director, PIU, Hyderabad. The officer working as Project Director in PIU, NHAI, Hyderabad had committed irregularities viz (a) issuing seven recommendatory letters to an Oil PSU for release of Bitumen and LDO on credit basis to a contractor for Civil contract of four laning of Nagpur-Hyderabad section and of Hyderabad-Bangalore section of NH 7, NS-23(AP) (b) recommending to a nationalized bank to discount Rs 75 Lakhs to the current account of the firm pending payment of bill of Rs 1,00,68,160 and failing to intimating the bank about earlier payment of Rs 50 lakhs already made to contractor and (c) recommending to Divisional consumer sales manager, of an Oil PSU for supply of 500 MT of Bitumen and 72 KL of LDO to the contractor.

Advice

The Commission in agreement with the DA had advised initiation of major penalty proceedings vide its OM dated 10.06.2005.

Brief

The financial irregularities in the case were enquired into and the charges were found to be proved by the IO. The Commission had advised major penalty action against the CO in the First Stage Advice. The officer had acted beyond his delegated powers in making recommendations in favour of a private firm. The charges levelled against the CO were found proved by DA who was of the view that the acts of omission and commission were against the financial interest of NHAI putting the Authority to unnecessary obligation and causing the Authority to be involved in unnecessary litigation and violation of provisions of NHAI regulations. DA imposed minor penalty on the CO.

Outcome

The penalty imposed on the CO is at variance with the First Stage Advice of the Commission. Commission was neither asked for the reconsideration nor consulted by the DA for the Second Stage Advice and minor penalty was imposed on the CO on 11.08.2010. On appeal the Appellate Authority has modified the minor penalty of reduction of pay by one stage in the current pay scale for one year without cumulative effect” to withholding one increment for one year without cumulative effect” without giving any reasons. The Appeal dated 18.9.2010 has been decided after about 6 years on 25.7.2016. The Commission has treated this case as non-implementation of its advice

Sl. No 20

Charge

Misleading statements to TCIL / TTL Board in respect of saleable rights clause of TTL factory land and BSNL order for supply of 24F OFC thus causing a huge loss.

Advice

The Commission advised initiation of major penalty proceedings against the then MD, Tamilnadu Telecom Ltd. (retired as ED, TCIL).

Brief

Case furnished by TCIL revealed that the said ED had failed to perform his duty, due to negligence, by not bringing the saleable rights clause in the deed of land to the knowledge of TTL/TCIL Board which was accepted by him in his reply to the issues raised. Further, he submitted compliance to all technical specification required by the client and failed to mention the deviation to the specification in the bid submitted and also failed to take the approval of the client before manufacturing the cable with deviated specification. Hence, the Commission, in disagreement with TCIL, advised initiation of major penalty proceedings against the ED. TCIL without consulting the Commission in the second stage, issued final order in respect of the ED and imposed the penalty of ‘Censure’, which is a minor penalty.

Outcome

Deviating from Commission’s advice, the DA, without seeking Second Stage Advice of the Commission, imposed minor penalty on the ED. This has been treated as a case of non implementation of Commission’s First stage Advice.

Sl. No 21

Charge

Case relates to lapses allegedly committed by an officer of the rank of Chief General Manager of Central Bank of India while handling the borrowal accounts of two private limited companies.

Advice

Commission advised the Bank to initiate Major Penalty Proceedings against the officer and to invoke Reg.20(3)(iii) of Officers Service Regulations (OSR). While seeking Commission's 2nd stage advice, the DA had recommended "Exoneration" of the officer. In the inquiry IO had held all the charges against the officer as "Not Proved". However, CVO did not concur with the findings of the IO and DA and recommended for de novo inquiry in the case.

As holding fresh inquiry was entirely a prerogative of the DA, Commission advised CVO to suggest to the DA to initiate inquiry de novo and to appoint a new IO/PO.

Brief

The officer was found accountable for certain lapses in appraising and processing certain credit proposals and placing the same before the sanctioning authority in his capacity as the head of the Credit Deptt., Central office. These lapses were detected in the course of examination of staff accountability in case of accounts of the two companies.

Outcome

The DA declined to initiate de novo inquiry and appoint a new IO/PO. The DA exonerated the officer. Commission decided to treat the case as a deviation from its advice and include the same in the Annual Report of the Commission.

Sl. No.22

Charge

Case relates to irregularities in the matter of sanction, enhancement and disbursement of various limits to various accounts.

Advice

Commission had tendered First Stage Advice to initiate major penalty proceedings against an officer of UCO Bank.

Brief

It was alleged that the officer sanctioned a number of limits/loans to various borrowers without properly observing the bank's lending norms. The loan applications of the borrowers were processed without verifying their antecedents which not only facilitated the borrower to avail the loans from the bank by producing fake documents but also to defraud the bank.



Outcome

The DA accepted the IO's findings, who held all the three charges as proved and imposed a penalty of 'Censure' on the officer, without seeking Second Stage Advice from the Commission. Commission decided to treat the case as a deviation from Commission's advice` and include the same in the Annual Report of the Commission.

Sl. No.23

Charge

Case relates to irregularities in loan account of a private company sanctioned by Cathedral Branch, Chennai Zone.

Advice

Commission had tendered First Stage Advice to initiate major penalty proceedings against two senior officers of Bank of India under Pension Regulations.

Brief

It was alleged that the Chief Manager recommended TOL of Rs. 1 crore in August, 2011 which was sanctioned by General Manager on 08.08.2011, despite continuing unsatisfactory conduct of the account.

Outcome

No action was initiated by the bank despite FSA being conveyed/approved by the Commission well within the limitation period. It was observed that there was laxity on the part of Vigilance/other officials as it appears that they were waiting for the period of 4 years to lapse before initiating action. Commission decided to treat the case as a deviation from its advice and include the same in the Annual Report of the Commission.

Sl. No.24

Charge

Matter pertains to Ballard Estate branch of Bank of Baroda relating to 10 fraudulent car loan accounts sanctioned during the year 2012, with many irregularities.

Advice

Commission had advised initiation of Minor Penalty Proceedings against the officer concerned.

Brief

It was alleged that the officer processed two car loan proposals, without adhering to pre-sanction guidelines to ensure identity and employment of borrowers, income proof etc.

Outcome

Deviating from Commission's advice, the DA exonerated the officer, from the charges levelled without seeking SSA and sought post-facto approval. The matter was treated as a case of non compliance with the procedure by the Commission.

Sl. No. 25

Charge

The matter relates to irregularities in sanctioning and disbursement of credit facilities to some private limited companies by the officers of State Bank of Patiala.

Advice

Commission had concurred with the recommendations of CBI and advised grant of sanction for prosecution in respect of an officer of the rank of Asst. General Manager. The matter on subsequent reference was considered by the Commission and the earlier advice for grant of sanction for prosecution against the officer, was reiterated.

Brief

The fraud was committed by the officer using different ways which started with the opening of one fictitious current account, two fictitious term loan accounts and one fictitious cash credit account in a series at different points of time. These accounts were initially opened in some fictitious name and later on names were changed with the name of existing customers. The term loans opened fraudulently were disbursed in full.

Outcome

The DA declined to grant sanction for prosecution repeatedly. As such, the Commission decided to treat this as a case of non-compliance with the advice of the Commission and include the same in the Annual Report of the Commission.

Sl. No.26

Charge

Matter pertains to New Delhi Overseas Branch of the Bank of India related to account of a private company.

Advice

Commission had advised grant of sanction for prosecution against a Senior Manager of Bank of India.

Brief

It was alleged that the officer concerned made a false proposal by abusing his official position as public servant for enhancement of credit facilities to the company in conspiracy with the accused persons. Based on these false reports, a memorandum for sanction of credit facilities to the company was



prepared and submitted by the officer. Despite a large number of lapses in the compliance of terms of sanction, a false Credit Process Audit report without any adverse remarks was submitted. The terms and conditions were not complied with and funds were released to the company without compliance of terms of sanction.

The matter was again submitted by Disciplinary Authority for reconsideration. Commission reiterated its earlier advice for grant of sanction of prosecution against the officer. Thereafter, DA took up the case with DFS with a view to decline sanction for prosecution. The recommendation of DA was declined by DFS also.

Outcome

The DA declined to accord sanction for prosecution against the officer despite contrary advice by both CVC & DFS. The Commission, therefore, decided to treat the case as a deviation from its advice and include the same in the Annual Report of the Commission.

Sl No. 27

Charge

Matter relates to irregularities in the account of a Delhi based private company approved by Branch Office, Alaknanda.

Advice

The Commission in agreement with the DA/CVO advised initiation of Major penalty proceedings against an officer of the rank of Asst. General Manager.

Brief

The inquiry officer, in his report held 7 charges as 'proved' and 7 charges as 'partly proved' and the remaining 4 charges as 'not proved'. Taking into account the seriousness and the gravity of charges proved during the inquiry, the Commission at the time of Second Stage Advice in disagreement with CVO & DA, advised imposition of a suitable major penalty on the Asst. General Manager.

Outcome

The Appellate Authority modified the major penalty to minor penalty of 'Censure' under Regulation 4 (a) of PNB Officer Employee (D&A) Regulations, 1977. The Commission decided to treat the case as a deviation from its advice and include the same in the Annual Report of the Commission.

Sl. No. 28

Charge

Case relates to period of 2009-2011, wherein one firm of Chennai colluded with public servants of the Customs Department and the Office of Assistant Drug Controller, Customs House Agents in the import of Drugs from China vide 160 Bills of entry valued at Rs.20,00,00,000/- without obtaining

valid Registration Certificate and License for the said Imports from the Drug Controller. The importer willfully evaded payment of Rs.1,26,60,000/- towards mandatory Registration Fee and License Fee.

Advice

CBI registered 4 RC's vide RC27 (A)/2013, RC28(A)/2013, RC29(A)/2013 and RC30(A)/2013 and requested sanction for prosecution of customs officials of Airport and Air-cargo, Chennai for their alleged role in irregularities in ADC clearance in many of the bill of entries. Department had recommended RDA for major penalty proceedings only while not recommending for sanction of Prosecution. Commission had advised Prosecution as well as RDA of Major Penalty Proceeding against 17 officials in agreement with the recommendation of the Expert Committee.

Brief

CBI's investigation brought out that ADC NOC (Assistant Drug Controller No Objection Certificate) was mandatory requirement in respect of all Drug consignments and NOC was mandatory in respect of other dual use drugs. Lapses on part of Customs officials seem to be more grave as they were solely responsible for clearance of the consignment especially in case of RMS (Risk Management System) facilitated bill of entries where there was no assessment or examination. In the instant case most of the bills of entry have been found to be RMS (Risk Management System) facilitated. The matter was referred to Committee of Expert as there was difference of opinion. The Expert Committee observed that the Customs officials have grossly failed in their duty by not checking ADC Clearance on the Bills of Entries as well as in the system. Further, the fact that CBI could not locate most of the documents even after elaborate search, indicate that these documents were deliberately misplaced and this cannot happen without involvement of Custom officials which is another grave misconduct on the part of the Customs officials. In view of the above, Expert Committee was of the opinion that there are sufficient grounds for grant of prosecution sanction as well as RDA for major penalty against 19 officials (22 prosecution cases as three officials are figuring in more than one case).

Outcome

Department has informed that the case was referred to DOPT as DA disagreed with the advice of Commission for Prosecution of 17 officials. DOPT also agreed with the views of CBEC to decline sanction for Prosecution against 17 officials of Customs. Accordingly, DA refused to grant of sanction for Prosecution in the aforesaid 4 RC's.

Commission has decided to include this case in the Annual Report as a case of non implementation of Commission's advice.

Sl. No. 29

Charge

Case relates to serious irregularities committed by one official of Central Excise, Bombay, who had antedated the adjudication order in the proceedings against a firm, initiated on the ground of evasion of duty worth Rs. 2.09 crores.



Advice

In the instant matter, the IO has held 4 articles of charge as Proved and one Article of Charge as Not Proved. The Commission in agreement with the Department, advised imposition of Major Penalty on the official.

Brief

The DGAE had registered a case of evasion of Excise Duty against a firm, in which a show cause Notice demanding duty of Rs. 1.72 crores, during the period from 16.11.1991 to 17.02.1993 was issued by CCE-I, Bombay-II Collectorate, on 13.08.1993. The case was sent for adjudication to the charged officer. During the pendency of adjudication, on the basis of some information followed by investigations by DGAE against this party, a number of documents including photocopies of 29 original GPIs and hand written chits etc. were recovered. This additional fresh evidence not only provided substantial support in proving the earlier evasion of Rs.1.72 crore but also indicated that the total duty evaded by the factory during the period between 26.11.91 to 17.2.93 was Rs. 2.09 crores. After discussions held with Collector-I, Bombay-II by the officers of the DGAE, it was decided to issue an addendum to the Show Cause Notice dated 13.08.93. Accordingly, the matter has been brought to the notice of the Collector-II with the request for keeping the adjudication relating to SCN dated 13.8.93 pending till the issue of a fresh/supplementary Show Cause Notice. There appears to be enough evidence on records to indicate that in pursuance of the request made by the DGAE, the adjudication was kept pending till May, 95. However, an order No.48/95 was issued by the charged officer on 31.5.95 showing that the same had infact been passed on 9.12.94. Commission had advised initiation of Major Penalty against the official.

Outcome

DA had approved imposition of a Penalty of 10% cut in pension in January, 2010 in accordance with Commission's Second Stage Advice. CBEC submitted that this case could not be referred to UPSC for their consultation as part of documents were destroyed in a fire incident and special committee opined that the file cannot be reconstructed. In view of this, CBEC recommended that no action is possible against the said officer at this stage even though DA had already approved imposition of penalty of 10% cut in pension.

The Commission has decided to include this case in its Annual Report as a case of non implementation of Commission's advice.

Sl. No. 30

Charge

Case relates to seizure of Indian Currency of Rs.36,800/- , Foreign Currency Notes of various denominations and other valuable goods from the almira of customs officials which were found in custom notified area at Airport during joint Surprise Check(JSC) by CBI and ACB, Hyderabad. These materials were allegedly collected from passengers in the arrival area for showing official favour with an ulterior motive by abusing the official position of concerned accused Customs officials.

Advice

The Department approached the Commission seeking Second Stage Advice in respect of two officers recommending imposition of minor penalty on both of them. However, the Commission advised imposition of Major Penalty on these officers. On a request for reconsideration of the Second Stage Advice in respect of one of these two officers, Commission, in agreement with the CVO, advised imposition of minor penalty.

Brief

It was alleged that unauthorised amounts of foreign currency notes and imported liquor was found in his almirah, key of which was in his possession.

Outcome

The DA imposed major penalty on the officer against whom Commission had advised imposition of major penalty. However Appellate Authority modified the penalty from major to “Censure”. CBEC has informed that the Appellate Authority modified the order of DA in case of this officer on the ground of uniformity in quantum of punishment under identical circumstances. It is however seen that Department had not approached the Commission for reconsideration of its 2nd stage advice in this case.

The Commission has decided to include this case in the Annual Report as a case of non implementation of Commission’s advice.

Sl.No.31

Charge

Case relates to excess payment of Duty Entitlement Pass Book (DEPB) credit by Directorate General of Foreign Trade (DGFT) to a firm in New Delhi, over and above the permissible Business Commission of 12.5% on the FOB (Free on Board) value of the exports made through Inland Container Depot (ICD), Tirupur by the firm during the year, 2003.

Advice

Commission had advised initiation of Minor Penalty proceedings other than Censure against three customs officer involving Dy. Commissioner, Asstt. Commissioner and Inspector. Commission also advised major penalty proceedings against two DGFT (Directorate General of Foreign Trade) officials. Commission advised CBEC to ensure better understanding and co-ordination in the working among the officials of CBEC, RBI and DGFT.

Brief

It was alleged that one of the accused officer was working as Assistant Commissioner, Inland Container Depot (ICD), Tirupur during 2003-2004 and was responsible for countersigning the DEPB licenses after verification and for issue of Telegraphic Release Advise (TRA) for the Duty Credit transferred to the port of Import.



Outcome

Commission's First Stage Advice was tendered on 23.05.2007 for initiation of minor penalty proceedings. Department's charge sheet dated 27.02.2009 was quashed by CAT on technical ground and Department could not issue fresh charge sheet till the retirement of the accused on 30.01.2014. The disciplinary action against the retired officer was not feasible under CCS (Pension) Rules, 1972, as the incident had taken place in 2003.

The Commission has noted the laxity of the department and decided to include this case in the Annual Report as a case of non implementation of Commission's advice.

The Commission has noted the laxity of the Department and to include this case in the Annual Report as a case of non implementation of Commission's advice.

Sl.No 32

Charge

A case was received from BHEL pertaining to irregularities in execution of civil and structural package of Coal Handling Plant of NTPC-Tamil Nadu Energy Company Limited (NTECL) Vallur Project by BHEL, ISG, Bangalore. Alleged irregularities in execution of civil and structural package of coal handling plant of NTECL by ISG, Bangalore included gross negligence in preparation of estimates, not resorting to open tender, rejection of registered contractors arbitrarily without following BHEL guidelines, not ensuring proper/sufficient security amount from contractors bill in lieu of steel given, direct payment of a huge amount of Rs 6 crores to the firm which was not in line with practice adopted in BHEL. BHEL sought Commission's First Stage Advice in respect of 16 officials including GM (CHP & AHP), ISG.

Brief

This case arose from the complaint against, ED, ISG, BHEL regarding misappropriation of funds relating to grant of undue favour to a particular firm for executing the Vallur Project. CVO, BHEL proposed initiation of major penalty proceedings against GM. (CHP & AHP), ISG. The Commission agreed with the proposal of CVO for initiation of major penalty proceedings against GM(CHP & AHP), ISG for gross negligence in discharge of duties. He was responsible for various lapses like arbitrary selection of non registered contractors; he also jeopardised the interest of the organisation by not ensuring timely recovery of dues and caused loss to the company. However, CMD, BHEL proposed initiation of minor penalty proceedings in his case

Advice

The Commission advised initiation of major penalty proceedings, against GM(CHP & AHP), ISG, BHEL who was responsible for various irregularities. After due inquiry DA had imposed major penalty on the charged officer which was in line with Commission's First Stage Advice. However the charged officer appealed against the order of the DA.

Outcome

Vide letter dated 08.03.2016, BHEL intimated that the Appellate Authority i.e., the Board of Directors of BHEL have set aside the major penalty imposed by DA in the case of GM (CHP & AHP), ISG. The DA was of the view that the CO had not played any role in the approval of note for supply of steel. However in subsequent notes to which CO had concurred made no mention as to whether any delay is attributable to the contractor. The CO had not complied with the requirement of clause 31 of Works Policy. The Board after deliberating the various issues in the case in detail was of the view that the GM. (CHP & AHP), ISG concurred his notes based on the original approval of the ED of the unit duly concurred by the Head of Finance and omissions to mention “no delay” on the notes is only a procedural lapse of the requirement of Works Policy and a lenient view needs to be taken in the case. Board allowed the appeal preferred by the charged officer and set aside the penalty imposed by the DA.

The Commission observed that the Appeal in the case was filed belatedly without any discussion on the issue. The Appellate Authority did not disagree with the misconduct, loss to Company etc. but still allowed the appeal. The Commission has treated the case as a deviation from its advice.

Sl.No.33

Charge

A case was received from Damodar Valley Corporation pertaining to work of Coal Handling Turnkey Package for Majia Thermal Power Station Phase – II, where serious irregularities were observed like short listing of firms done in a non-transparent manner and the contract having been finalised at an exorbitant price without proper justification.

Advice

The Commission advised initiation of major penalty against Dy. CE (Mech.), who was the member of the Tender Committee, which evaluated the work of Coal Handling Turnkey Package for Majia Thermal Power Station Phase – II. Commission observed that he failed to evaluate the bids for MTPS properly which led to rejection of the bid of a potential bidder at the initial stage itself, thereby restricting the competition and for defective preparation of reasonableness of costs leading to favouring the L1 bidder.

The Commission advised imposition major penalty against Dy. CE (Mech.) in its Second Stage Advice as the improper justification to show that L1 bid is acceptable points to malafide intent.

Brief

The case originated out of an Intensive Examination by CTEO of the Commission, which had observed that Tender Committee members had prepared the effect of various price components without proper application of mind, and based on flawed basic inputs. The tendering procedure was not transparent and as per CVC guidelines

Outcome

Damodar Valley Corporation has informed that IO's report along with CVC's recommendations were



examined and having considered all extenuating and mitigating factors and circumstances, CMD was of the considered opinion that C.O. could not be held responsible for his action as a member of sub-committee of tender evaluation and end of justice would be served by issuing a caution memo to the CO to be careful in future and exonerating the CO from all the charges.

The Commission has treated the orders of DA for exoneration of charged officer from all the charges as a case of deviation.

Sl.No.34

Charge

A case was received from PGCIL related to irregularities in construction works for Extension of 400/220 KV Kishenpur Substation including transformer under augmentation of transmission capacity. The charge against the GM was that he did not take the quality aspect of the construction seriously in the case of above work. His lack of devotion to duty provided ample opportunities to the contractor/sub contractor for executing sub standard civil work which resulted into wrongful gain to them and undue loss to PGCIL.

Brief

This case arose from a surprise inspection conducted by PGCIL Vigilance Unit on source information regarding alleged irregularities in the work of extension of 400/220 KV Kishenganj Substation including transformer for augmentation of transmission capacity. The irregularities found during inspection were mainly that majority of RCC columns for supporting radiators of the transformer and fire fighting system were found tilted; fire walls were also found tilted and bulging; quality of RCC work was very poor; casting of RCC work was found to be non standard etc.

Advice

The Commission advised initiation of minor penalty proceedings against the General Manager, considering all aspects of the case, as being General Manager, he was responsible for proper coordination and monitoring of the quantity and quality of work carried out under him, which he failed to do.

Outcome

PGCIL has informed that DA has exonerated the officer of the charges. It was observed from the DA's order in this regard that DA after considering the representation of the GM had come to the conclusion that the subletting of the work was done before he was entrusted with the subject work in addition to his normal work, he did point out lacunae in quality of work during review, he was stationed away from the place of work and maintaining quality and measurement was to be looked after by officials at site. He countersigned 2 running account bills for payment purposes as the value was beyond the power of officials at site.

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

Sl.No.35

Charge

A case was received from PGCIL pertaining to construction of 765 KV D/C Tuticorin-Salem Transmission Line (Part – I), where serious irregularities were observed like fake test result certificates, failure of concrete core in comprehensive strength, embezzlement of cement and execution of foundations of lesser dimensions.

Brief

This case arose from the inspection of entire transmission link contract which had deficiency with respect to specifications and thereby recovery from the contractor to the tune of Rs.538.66 lakhs for the foundation casted has to be effected. The irregularities detected in the project were that the contractor had sublet the casting work of foundations without approval of PGCIL. Foundations were wrongly classified as wet in many cases even though the soil was dry. Test result certificates in 67 cases were found to be fake. There were discrepancies in the issue and consumption of cement and inferior quality of material was used in many foundations. There were discrepancies in the dimensions of the foundation vis-a-vis the drawings.

Advice

The Commission advised initiation of minor penalty proceedings against GM (Engg.), who was a Technical Member of a Committee which made the recommendations.

Outcome

Vide letter dated 01.04.2017, PGCIL has informed that since the Committee's role was of a recommendatory nature only and they were free to express their point of view, and especially in view of the fact that no mala fide is alleged against GM (Engg.), it would be unjustified to penalise the committee member, who has expressed his technical views. Further, the recommendations of the Committee have not been acted upon and no loss whatsoever has occurred to the organisation as a result of the recommendations of this Committee. Therefore, DA was inclined to take a lenient view in this matter and exonerate him of the charges.

The Commission observed that GM (Engg.) was the member of a Committee which recommended 20 N/square mm compressive strength in lieu of 26 N/square mm and failed to perform his assigned task with due diligence. The CVO recommended for minor penalty proceedings. However, the DA was in favour of exoneration as no compromise on safety and security of the facility has been done.

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

Sl.No.36

Charge

Irregularities in award of high value tender for improvement in Safety Management System at Gujarat Refinery on nomination basis which had a financial implication of Rs 2.5 crores.



Advice

The Commission in agreement with the recommendation of CVO, had advised initiation of major penalty proceedings / corporate displeasure against 7 officials of IOCL in its first stage observing that principle of equity was not followed by IOCL officials while awarding the work to the company on nomination basis and rates were justified with respect to other specialized jobs. The Commission reiterated its original advice in its reconsidered advice.

Brief

This case arose from scrutiny of the high value contract file of job award to a company on nomination basis. Lapses had been noted in respect of officials who proposed / concurred / accepted the justification for appointing the company on nomination basis in Gujarat Refinery. IOCL intimated that the Chairman, IOCL had decided to close the case against 7 officers of the IOCL. CMD had found that there was no need for action against any officer in the subject case since they seemed to have done their job in a fair and transparent manner in the best interest of the organisation. The DA decided to disagree with the Commission's advice for major penalty and passed the final order for closure of the case.

Outcome

The Commission considered that the views of CMD that awarding contract to the company on single tender basis was a next phase of the contract which was awarded in 2006 to the same company was found neither factually correct nor proper because the contract which was awarded in 2006 to the company approved by Contract Committee (Sub-committee of Board) only for Phase-I for Mathura, Haldia and Gujarat Refineries, having financial implication of Rs.2.05 crores.

The Commission has treated the case as non-implementation of its advice.

Sl.No 37

Charge

The case pertains to irregularities / procedural violations, favouritism, corruption in the recruitment of LDCs/Stenos at Central Office, Khadi & Village Industries Commission (KVIC) during the year 2011.

Advice

Commission, in agreement with DA & CVO, had advised initiation of major penalty proceedings against Jt. CEO, the then Dy. CEO and Chairman, Departmental Staff Selection Committee (DSSC)-II and 5 other officers/officials.

Brief

The case arose from a complaint received in Vigilance Directorate of KVIC alleging various irregularities/ procedural violations, favouritism, corruption in the recruitment of LDCs/Stenos at Central Office, KVIC during the year 2011. A preliminary enquiry was conducted by a team of Vigilance officials of KVIC.

KVIC, vide their letter dated 01.06.2016, sought Commission's First Stage Advice in respect of 06 officials including Dy. CEO & Chairman, DSSC-II (ret'd. on 30.6.2016) recommending major penalty proceedings against them. Lapses were attributed against the delinquent officers/officials at the various stages in process of selection of candidates. Dy. CEO & Chairman, DSSC-II was considered responsible and accountable for preparing merit list/rank list as per the marks awarded to individual candidates. Commission vide its OM dated 23.06.2016 advised initiation major penalty proceedings against all the 6 officers/officials in agreement with the recommendation of KVIC.

KVIC, vide their letter dt. 5.7.2016, intimated that the Competent Authority i.e. the Commission (KVIC) had decided to issue Warning Memo to Dy. CEO as after examination of the case, the Competent Authority was of the opinion that Dy. CEO as Chairman of the Department Staff Selection Committee (DSSC) could not be held responsible for the manipulation in totaling of the marks and that he had not committed any malafide act to warrant disciplinary proceedings.

Outcome

Commission examined the decision of the KVIC. Commission observed that matter regarding initiation of major penalty proceedings against the delinquent officers/officials was placed before the Disciplinary Authority i.e. the Commission (KVIC), in its meeting held on 26.05.2016 which was duly approved for further action. It was also observed that the Commission (KVIC) held its next meeting on 30.06.2016 i.e. the date on which Dy.CEO & Chairman, DSSC-II was to superannuate. The Commission (KVIC) overturned its earlier decision, withdrew its earlier reference for First Stage Advice against Dy.CEO & Chairman, DSSC-II and decided to issue 'Warning' against him.

The Central Vigilance Commission observed that laid down procedure of consultation was not followed and that the DA did not give detailed reasons why it made a volte-face within 30 days in the case of Dy.CEO & Chairman, DSSC-II (they recommended major penalty proceedings on 01.06.2016). The decision of the Commission was communicated to the CEO, KVIC, CVO, KVIC and was also brought to the notice of Cabinet Secretariat and Secretary, M/o Micro, Small & Medium Enterprises.

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

Sl.No.38

Charge

Director, Rain Forest Research Institute (RFRI), Jorhat, Assam, was alleged to have committed financial irregularities, administrative anomalies, misuse of office property etc.

Advice

M/o EF&CC initiated major penalty proceedings without consulting Commission. Commission noted the position on 16.08.2007.

Brief

Commission had advised the Ministry to investigate a complaint on alleged financial irregularities



committed by Director, RFRI and submit a report. ICFRE investigated the allegations and found that some of the allegations are prima facie established against the Director. The allegations were related to misappropriation of government money by the Director of the Institute. ICFRE had placed the Director, RFRI under suspension and major penalty proceedings were initiated in May, 2006 without consulting the Commission even though the officer was within the jurisdiction of the Commission. The matter regarding non consultation by the Ministry was noted by the Commission and Ministry was advised to approach the Commission for Second Stage Advice.

Outcome

The Competent Authority exonerated the officer and repatriated him to his parent department without seeking Commission's Second Stage Advice.

Sl.No. 39

Charge

The case is against a Director of one of the Institutes of ICAR regarding purchase of articles from a firm without inviting tender and awarding civil works to firms at inflated rates by ignoring the lowest bidder.

Advice

Commission advised initiation of major penalty proceedings against the Charged Officer. Accordingly, ICAR initiated major penalty proceedings against the Charged Officer.

Brief

While functioning as Director the Charged Officer approved purchase of Lab Tables worth Rs. 47 Lakhs in an irregular manner. Neither tender was invited nor any purchase procedure was followed in the procurement of the said goods. As a result, the Lab Tables were purchased in gross violation of the procurement norms. The Charged Officer also approved several civil works contracts in an irregular manner by deliberately splitting them. In some of the contracts the lowest bids were rejected arbitrarily.

In view of the gravity of the charges framed against the officer his tenure was curtailed and he was repatriated to his parent department in the State Government. Accordingly, his case was forwarded to the University of the State Government to take appropriate action.

Outcome

Despite having a vigilance case at the time of his repatriation, the Charged Officer was elevated to a higher post.

The department set up a two member Committee to enquire into allegation against him. On conclusion of the enquiry, the department decided to drop the major penalty proceedings against him.

The case has been treated as non-implementation of Commission's First Stage Advice.

Sl.No.40

Charge

The matter is regarding complaint against a Sr. Farm Manager in respect of irregularities pertaining to tree cutting, land development work, annual rate contract for printing, construction work, labour contract, purchase of tractor, demurrage charges etc.

Advice

Commission advised imposition of major penalty on the Sr. Farm Manager, IGFRI in the second stage.

Brief

While working as Sr. Farm Manager, the Charged Officer did not maintain the Tree Register. He indulged in unauthorized cutting of trees in IGFRI, Jhansi which caused financial loss to the Council as no revenue was generated in respect of the unauthorized cutting of trees.

IO in his findings held the charges as partially proved to the extent that there had been lapse on the part of CO to the extent that the charged officer did not ensure maintenance of basic records such as tree register, GFR Form 17 & 18 so that there could have been clarity about the process of auction and revenue collected.

Outcome

Department deviated from Commission's 2nd Stage Advice, and the Disciplinary Authority i.e. DG, ICAR imposed a penalty of "Censure" on the charged officer.

Sl. No.41

Charge

The case is against a Section Supervisor and a UDC of RO, Kanpur for harassing and blackmailing the complainant for settling the death claim of his wife. Commission advised initiation of major penalty proceedings against the Section Supervisor and the UDC.

Brief

The Section Supervisor failed to follow Para 70 of the EPF Scheme, 1952 in the matter of dues of a deceased member which caused delay in the settlement. He issued irregular instructions as a cover for his disreputable activities, recommended return of claim forms for invalid reasons and proposed settlement on basis of a photocopy of a succession certificate that did not exist. He also falsified facts, misrepresented details and used false documents as genuine. He further induced and persuaded beneficiaries to part with money for doing a simple official act in the garb of helping them under the cover of grossly mis-applied legal provisions which caused monetary loss to PF Claimant.

The UDC dealt with the death claim of the deceased member in an unreasonable and grossly inappropriate manner, attempting to use false documents, taking money from the deceased's family in the garb of assisting them and thus caused them undue harassment.



Outcome

The Competent Authority i.e. the M/o L&E deviated from Commission's First Stage Advice and dropped the charges against both the officials without seeking Commission's 2nd stage advice.

Sl.No 42

Charge

RPFC-I violated the GFR provisions in execution of purchase and roof treatment work of RO Building and Staff Quarters at RO, Kolkata.

Advice

Commission had advised initiation of minor penalty proceedings against RPFC-I. After examining the defence submission of RPFC-I and the entire case records, EPFO forwarded the case for Second Stage Advice recommending dropping of charges against the RPFC-I. Commission reiterated its First Stage Advice for initiation of minor penalty proceedings against RPFC-I.

Brief

RPFC-I while working as RPFC II (Admn.) at RO, Kolkata during the year 2005-06 was found to have committed several irregularities which indicated negligence, recklessness and lack of devotion to duty while awarding the work contract for roof treatment of office building and staff quarters and purchase of computer tables and chairs for the CCPS Centre of RO, Kolkata.

Outcome

The Chairman, CBT, EPF being the Disciplinary Authority dropped the charges against RPFC-I, EPFO without consulting Commission and deviated from Commission's advice for initiation of minor penalty proceedings.

Sl. No.43

Charge

The matter pertains to allotment of PF code number with criminal conspiracy with private contractors on the basis of fake and forged papers in Regional Office by the Enforcement Officer.

Advice

Commission advised imposition of major penalty on the Enforcement Officer during Second Stage Advice.

Brief

Enforcement Officer while posted at Regional Office during the year 2009-10 recommended coverage of contractor establishment without proper and thorough verification of records, in spite of categorical office order to confirm the genuineness of documents, employee contribution, etc. during pre-coverage

and post coverage inspections. He submitted favourable reports in respect of three firms as a result of which EPF Code Numbers were allotted to these establishments on the basis of such fake / forged Work Orders & Labour License.

Outcome

Deviating from Commission's Second Stage Advice for imposition of major penalty, the Disciplinary Authority i.e. CPFC imposed minor penalty of barring one increment without cumulative effect upon the Enforcement Officer which is a deviation from the Commission's advice of imposition of major penalty.

Sl.No 44

Charge

The matter is regarding complaint against two Professors for awarding less marks on the answer book of a student in the examination deliberately and demanding and accepting the bribe from the student for increasing marks in that subject.

Advice

The Commission, in agreement with the CVO, had advised initiation of major penalty proceedings against both the Professors.

Brief

A complaint was made by a student alleging that a Professor demanded bribe from him in connivance with another Professor with a promise to award more marks in a particular subject. On receipt of the complaint of the student, the department deputed a vigilance team who caught one of the Professors red handed accepting bribe. The Commission, in agreement with the CVO, had advised initiation of major penalty proceedings against both the Professors.

Outcome

In this case Commission was not consulted during the second stage. The Disciplinary Authority imposed major penalty on one of the Professors, but imposed minor penalty in respect of the other Professor and thus deviated from the Commission's First Stage Advice.

Sl.No 45

Charge

The matter is regarding irregularities in the release of grants-in-aid to the NGOs under the Scheme for Persons with Disabilities.

Advice

The Commission treated the case against four officials as a composite case and advised initiation of major penalty proceedings against them.

Brief

The case relates to release of grants-in-aid to the NGOs under aforesaid scheme to promote voluntary action for persons with disabilities. Internal Finance Division (IFD) had concurred the proposals to release the grants and sanction letters to this effect were issued and also Demand Drafts were dispatched without complying with some conditions such as showing them the inspection report of National Institute for the Mentally Handicapped (NIMH), showing the document regarding title to land, getting the approval of the competent authority, etc. In the instant case, approval of the competent authority was not obtained even as ex-post facto sanction.

Outcome

The Department did not consult the Commission for its Second Stage Advice in respect of all the officials. The action in respect of one official was in line with the Commission's First Stage Advice. The department initiated minor penalty proceedings in respect of two other officials against the Commission's advice of major penalty proceedings and subsequently dropped the charge without consulting the Commission. In respect of the fourth official, the department imposed minor penalty against the Commission's advice of major penalty proceedings without consulting the Commission.

Sl. No 46

Charge

The charge against an officer of DDA was that (i) the bills for payment of watch & ward service charges were without any valid sanction and in violation of E.M.'s Circular No. EM. 3(21)86 dated 16.2.88, as there was no provision of watch & ward service charges in the A/A and E/S of these works; (ii) the proposed payment of watch & ward service charges were without the issuance of budget slips for the above works in violation of Circular No. 19 dated 19.6.95 issued by CAO/DDA; (iii) the payment of watch and ward service charges were for the period prior to 02.5.97 when E.M. Circular No. 474 dated 8.11.95 was in force wherein no payment for watch and ward service charges was admissible.

Advice

The Commission had advised initiation of major penalty proceedings against the said officer.

Brief

In a matter involving wrongful processing and sanction of payment for watch and ward works that too even for the period prior to the drawal of the supplementary agreement, a major penalty proceedings was initiated against the officer on the advice of the Commission. The Disciplinary Authority vide order dated 10.04.2008 imposed a penalty of "reduction of pay by two stages in the pay scale held by him for a period of two years with cumulative effect and he will not earn increment during the penalty period and the penalty will have the effect of postponing his future increments". The Charged officer preferred an appeal before the VC/DDA on 28.05.2008 which was rejected on 01.04.2009.

The Charged officer filed a review petition with Hon'ble LG, Delhi, who being the Revising Authority reduced the penalty to "Censure". The Commission noted the view taken by the Revising Authority as

a case of deviation to be included in annual report as the Revised order was without any new material and evidence not considered earlier.

Outcome

The order to impose a penalty of 'Censure' upon the officer, passed by Hon'ble LG was noted by the Commission as a deviation to be included in the Annual Report.

Sl.No 47

Charge

The charge against two officers of DDA was that they had committed gross misconduct and showed undue favour to a private school in New Delhi in the matter of allotment of land in utter violation of rules and regulations prescribed by DDA.

Advice

The Commission had advised initiation of minor penalty proceedings against the said officers.

Brief

In a matter of allotment of land to the school in utter violation of rules and regulations prescribed by DDA, the two officers of DDA committed gross misconduct and showed undue favour to the school. After examining the case the Commission advised initiation of minor penalty proceedings against both the charged officer. On pursuing the matter with CVO, DDA, it was informed that the case was ordered to be closed by the then VC, DDA vide order dated 17.07.2014. However, in view of the Commission's advice dated 04.09.2014, matter was placed before the CVO and VC, DDA on 26.09.2014 but the order of the VC, DDA to close the case were kept intact.

The Commission observed that the CBI's investigation report had indicted the officers. Consequent upon investigation by CBI the allotment of land and consequential loss to Govt. was averted. Commission advised minor penalty proceedings against the officials on 04.09.2014. The closure of the case on 17.07.2014 by the VC, DDA without consulting the Commission was inappropriate. If on consideration of the advice of Commission it was decided to close the case, the laid down procedure required consultation with Commission. However, this procedure was not followed. The Commission has noted the deliberate act of DDA in not complying with the advice of the Commission and not following the laid down procedure as a case of deviation.

Outcome

The order to close the case by VC, DDA and concurrence of same by the Hon'ble LG has been noted by the Commission as a deviation to be included in the Annual Report.

Sl.No 48

Charge

The following charges were levelled against an officer of DUSIB under Govt. of National Capital Territory, Delhi :-



- (a) In connivance with private persons failed to check the records of L&E Deptt.,
- (b) Failed to confirm the ownership record before allotting alternative sites which resulted in excessive allotment over and above actual eligibility,
- (c) Failed to check whether dues were paid by the owner.
- (d) Failed to reflect in the allotment letter regarding allotment of the sites on temporary basis for two years as mentioned in resolution passed by Standing Committee vide Item no. 81 dated 7.7.2004.
- (e) Failed to take appropriate action to get the site vacated which was allotted on temporary basis for two years.

Advice

The Commission had advised initiation of major penalty proceedings against the officer.

Brief

An investigation was carried out in the above mentioned charges and the Inquiry Officer held the charges as not proved. The Disciplinary Authority, DUSIB accepted the inquiry report and forwarded the matter for Second Stage Advice of the Commission. The Commission after examination of inquiry report and note of vigilance unit of DUSIB, observed that the Inquiry Officer failed to analyze the charges levelled against the officer. The officer was working in the field and was required to ensure that more than three to four times of the actual area is not allotted in an altogether different area of Lajpat Nagar-II from earlier sites of Old Delhi Railway Station. It was also observed that these allottees were depositing different rates of license fee for the site at Old Delhi Railway Station which indicates that size under their possession were not the same wherein sites of same size were allotted to them in Lajpat Nagar-II.

The Commission therefore, advised the DUSIB to get a fresh inquiry conducted through North MCD and matter resubmitted to the Commission on receipt of IO report for tendering Second Stage Advice. The DA, DUSIB 'exonerated' the officer from the charges levelled against him without obtaining Second Stage Advice of the Commission.

Outcome

The order of the DA, DUSIB to exonerate the officer from the charges levelled against him has been noted by the Commission as a case of deviation.

Sl.No 49

Charge

The charge against an Assistant Engineer of DJB was that he as Zonal Engineer in charge of the area, failed to conduct any test check of complaint register maintained at Naharpur Village and thereby failed to supervise the work of his subordinates, failed to send a report of the accident to his senior

officer and LWO and he also failed to ensure compliance of instructions by the staff working under his control, which resulted in an avoidable accident which caused death of an official.

Advice

The Commission had advised initiation of major penalty proceedings against the concerned Assistant Engineer, DJB.

Brief

An investigation was carried out in the matter of death of the official, while cleaning of sewer line in Chandni Market Naharpur Village, Rohini Zone and it was observed that the concerned officials failed to adhere to various instructions issued by Member/senior officers of DJB from time to time. Accordingly, the Disciplinary Authority took a view to initiate major penalty proceedings against the officials found responsible. The Commission agreed with the recommendation of DJB. An inquiry was conducted and IO held two charges out of three as proved. The Disciplinary Authority awarded the penalty of stoppage of five increments without cumulative effect without seeking Commission's Second Stage Advice. Subsequently, the penalty was revised to "Censure" on the plea that the Charged Officer was due for retirement on attaining the age of superannuation. The Disciplinary Authority thus revised his own penalty orders without having the power to do so and without consulting the Commission.

Outcome

The order to impose a penalty of 'Censure' upon the Assistant Engineer, DJB passed by DA, DJB has been noted as a case of deviation from the Commission's advice.

Sl.No 50

Charge:

Irregularities in purchase of electrical items, stationery and other general items, in CPWD at exorbitant rates.

Advice

The Commission advised initiation of minor penalty proceedings against Assistant Engineer of CPWD on 30.01.2012.

Brief

In the quotations called for supply of material, provision for Performance Guarantee and EMD was not mentioned as per requirement of CPWD Manual. The officer noted on the comparative statement that rates are found reasonable without checking of reasonability of rates prevailing in the market and effective price list. As a result, Supply Order was issued at rates higher than Maximum Retail Price.

Outcome

MoUD presented the case as a “fait accompli” a year after the officer retired on 31.01.2015 informing that Commission’s advice could not be implemented on account of non-traceability of records, which were finally traced on 20.04.2015 after the officer retired from service. This case has been noted as a case of non implementation of Commission’s advice.

Sl.No 51

Charges

A Deputy Commandant (DC), CRPF consequent upon her transfer from Guwahati to Pinjore, submitted her transfer TA/DA claiming cost of transportation of personal effects amounting to Rs. 24500/- by producing fake consignment note in the name of a private firm. Her personal effects/ household goods were actually brought to her Government Residence at Pinjore from Guwahati by CRPF vehicles. Thus, the officer failed to maintain absolute integrity, devotion to duty and acted in a manner unbecoming of a Government servant in claiming transport charges and thereby violated provisions contained in CCS (Conduct) Rules, 1964.

Advice

The Commission advised initiation of major penalty proceedings in agreement with the Disciplinary Authority.

Brief

In pursuance of the advice of the Commission a Memorandum of Charge dated- 01-04-2011 was issued. The charged officer (CO) filed a petition in the High Court of J&K. The High Court issued an interim order dated 19.04.2011 keeping the Memorandum of Charge in abeyance and for not taking it into account by the DPC while considering her case for promotion. The petitioner, therefore, got promoted. Further, in SWP No. 1384/2011 filed by the CO, High Court in its order dated 29.12.2012 observed that “the memorandum so issued in view of the changing circumstances shall be open to be reconsidered by the respondent authorities so as to bring in tune with the subsequent action i.e. upgradation of APARs and the promotion sanctioned in favour of the petitioner.” Following these developments, the case was referred to the Commission by M/o Home Affairs recommending dropping of charges citing various reasons such as the driver of the CRPF vehicle which allegedly transported the goods of CO has denied doing so, contradictions in the reports of SSP, Ghaziabad etc. The Commission vide its OM dated 19.11.2014 advised M/o Home Affairs to confirm the facts through further preliminary inquiry and to decide the disciplinary proceedings.

M/o Home Affairs, however, reiterated its earlier stand and sent proposal seeking Second Stage Advice of the Commission for dropping of charges. MHA stated that the CO had filed a Contempt Petition for non-implementation of order dated 29.12.2012 of the High Court and that this order could only be implemented by dropping the charges and closing the case against her. The Commission vide its OM dated 11.12.2015 advised that the charges be tried on merits and taken to their logical conclusion. The Commission observed that if the order of the High Court to grant promotion by granting stay of charge-sheet and thereafter withdrawal of the charge-sheet as promotion has already been granted, is

accepted it would set a wrong precedent and that the order of the Ld. Single Judge should have been appealed against. The settled law is that the Courts normally do not intervene in pending disciplinary proceedings. The result/purpose of disciplinary proceedings is not mere stoppage of promotion. It has several other issues such as recovery of losses to the Government, impact on other officers etc. All these were ignored.

While recommending dropping of charges against Deputy Commandant, MHA had referred the case as Second Stage Advice. However, the Commission treated this as re-consideration of First Stage Advice, since an inquiry had not been conducted after issue of charge-sheet and advised that the proceedings be taken to a logical conclusion. Withdrawal of charge-sheet/dropping of charges was not permitted.

View of MHA

MHA was of the view that it was not feasible to challenge the High Court order of 29.12.2012 at a belated stage and the said order could be implemented only by dropping the charges and closing the case against Deputy Commandant. MHA conveyed that earlier it had not challenged the said order of the High Court and it was not appealed against due to reasons as under :

- The complaint based on which PE had been conducted was found to be pseudonymous.
- The vital evidence in the case was a register which contains the records of vehicle daily running account/Log Book. The said register was not available as it had got destroyed in accordance with the provisions of Temporary Records of Establishment Manual of CRPF.
- The concerned driver in his statement in PE has denied of transportation of any household goods of the CO.
- Two statements submitted by SSP Ghaziabad are at variance with each other.
- In view of special provisions for NE Regions, A&N Islands and Lakshadweep pertaining to Travelling Allowance for journey on transfer, CRPF is of the view that an employee is not required to produce receipt of the Bill for being entitled to claim.

Outcome:

CRPF dropped the charges vide order dated 04.05.2016 against the Deputy Commandant. The Commission treated the case as a deviation from the First Stage Advice of the Commission and report in detail in the Annual Report as a case of disagreement and failure of Administrative Ministry to take the case to its logical conclusion.

Sl.No 52

Charges:

Gross misconduct of Official Liquidator in complying with the orders of the Hon'ble High Court in the matter of a private firm (in provisional liquidation) for delivery of machines belonging to another private firm. The charged officer, failed to take adequate steps and also did not depute adequate



and appropriate staff to supervise the work of dismantling and handling over of the machinery and equipments belonging to a bank from the factory premises of a company.

Advice:

The Commission in disagreement with the recommendations of M/o Corporate Affairs advised imposition of suitable major penalty against Official Liquidator and Dy. Official Liquidator.

Brief:

Commission has observed that the High Court by the order dated 10.04.2003 had directed the Official Liquidator to handover to the Court Receiver to deliver to a private firm the equipment leased on rent by another private firm. The Court had observed that the equipment leased by the firm do not belong to the company in liquidation and cannot be treated as assets of the said company. Court observed that the official liquidator has, therefore, no claim over these equipments. These equipments were part of the main machinery of the company under liquidation as assembly. Perhaps, the intention of the court was not that the Official Liquidator should hand over the equipment of the firm to the court receiver on paper. The process of handing over the equipment to Court Receiver cannot be considered complete until the components are dismantled from the machinery and delivered to the firm and transported out.

The charged officer, Official Liquidator was, therefore, duty bound to ensure smooth transaction of the equipments to rightful claimant. He, being overall in-charge and head of his office, is responsible for discharge of directions given by the High Court. He has exhibited utter dereliction of his duties which led to loss of equipments worth about Rs. 50 lakhs of another company, which had also leased equipments to other company. The order of High Court cannot be interpreted to mean that the duty of Official Liquidator was over once the equipments of a company were identified and handed over to the court receiver on paper. This is also supported by the fact that he approved the proposal for deputing his staff for this purpose.

Outcome:

An order dated 21.06.2016 received from Ministry of Corporate Affairs regarding dropping of charges against the office liquidators/ Dy. Official Liquidator received in the Commission. The misconduct of official liquidator/ Dy. Official Liquidator cannot be construed as an administrative/ procedural lapse as maintained by M/o Corporate Affairs. Commission had advised imposition of a suitable major penalty against the Official Liquidator/ Dy. Official Liquidator in disagreement with the recommendation of the Disciplinary Authority for dropping of the charges. The Commission treated the case as a deviation from the advice of the Commission.

II Irregularities and Lapses

4.5 While examining cases received for advice, the Commission has noted some important irregularities/lapses ranging from a failure on part of DA to follow laid down procedures for consultation with the CVC/DoPT in cases of disagreement, to delays in seeking advice and lack of awareness/ignorance of rules and regulations in conducting disciplinary proceedings. An illustrative list of such irregularities/lapses is as under:

- (i) The cases seeking advice of the Commission are not received in the proforma prescribed by the Commission and are not accompanied with complete record.
- (ii) In some cases, specific tentative recommendations of the DA are not received. Such cases are returned to DA for needful action entailing avoidable delay.
- (iii) In another case, DA submitted the case for information and perusal of the decision without specifying whether they sought an advice or not.
- (iv) DA issued final orders without seeking advice/reconsideration of the advice of the Commission.
- (v) In some cases the Disciplinary Authority (DA) mentioned lack of awareness as the reason for not seeking advice of the Commission.
- (vi) The Department of Personnel & Training (DoPT) was not approached for resolution of difference of opinion between the Commission and the DA.
- (vii) Advice of the Commission was not sought by the concerned State Government in respect of officers who had been repatriated to the State Government even though draft charge sheet and First Stage Advice of the Commission was made available to the State Authorities.
- (viii) In one of the cases, reconsideration proposal was sent after a delay of more than 3 years and 8 months without any new fact being brought to the notice of the Commission.
- (ix) In another case, reconsideration was sought three times and still the Commission's advice was not accepted.
- (x) It was noticed in another case that the DA consulted the CMD which is not provided for in the relevant CDA Rules. Hence, DA failed to apply his mind independently.
- (xi) In another case, DA issued recordable warning after a formal inquiry. As per DoPT instructions on the subject, either the charges are to be dropped or one of the statutory penalties is to be imposed on conclusion of formal inquiry.
- (xii) In one case, the DA directly issued the charge sheet based on their investigation and findings. The lapse came to the notice of the Commission when the DA requested the Commission for appointment of Commissioner for Departmental Inquiries as IO. The DA sought ex post facto approval of the Commission.
- (xiii) A number of cases are reported from certain PSUs regarding irregularities observed in either pre-tender planning or post contract execution, which exhibit general ignorance of rules/procedures.

4.6 Irregularities and lapses were also observed by the Commission while examining cases of Public Sector Banks (PSBs)/ Public Sector Insurance Companies (PSICs). Glaring lapses were noticed where banks failed to declare accounts as fraud, or where there was complete failure

of loan review and inspection mechanism or concerned banks failed to lodge complaints with the appropriate authorities. Some of the irregularities specific to Public Sector Banks (PSBs)/ Public Sector Insurance Companies (PSICs) which are noticed by the Commission are as follows:

- (i) A foreign currency loan of USD 80 mn was sanctioned to a software product and services company by way of ECCB for part funding the acquisition cost of USD 105 mn for a 51% stake in another Singapore based company. The facility was sanctioned mainly based on track record of the parent company and on the strength of its corporate guarantee and personal guarantee of the main promoter.

A major portion of disbursement of USD 80 mn was remitted directly to the borrower and not to the seller of the shares being acquired and the account has now become Non Performing Asset.

Commission noted that:

- As to why the loan was disbursed directly to the borrower instead of to the seller of shares when there was a specific direction in the proposal for sanctioning the loan for acquisition of certain shares and to acquire controlling interest in a company of strategic importance to the existing company.
 - Borrower's contribution was not ensured.
 - Despite glaring lapses neither the account was declared as fraud nor was a complaint lodged with CBI by the Bank.
- (ii) Irregularities were observed in a public sector bank in financing 1236 alleged borrowers for establishing pisciculture ponds amounting to Rs.950 crores.

Commission noted that:

- The loans were cornered by a small number of persons called aggregators, in the names of non-existing (non genuine) borrowers and land records.
- Almost the entire portfolio appears to be fraudulent transactions as securities are not identifiable.
- Concerted recovery efforts are not evident.
- Bank was trying to enter into OTS (with the fraudsters) for principal amount, with negligible interest.
- The aggregators who were the main perpetrators of fraud have been allowed to go scot free.
- No complaint made with law enforcing authorities.

- There appears to be a total failure of loan review and inspections mechanism.
 - No action taken against erring staff till Commission rendered advice.
- (iii) In one of the branches of a public sector bank, 59 current accounts were used to remit an amount of approximately Rs.6000 crores in foreign exchange outside India as advance remittance for purported import transactions. The transactions were highly irregular and made in complete violation of established norms of the bank.

Commission noted that:

- Most of the companies on whose behalf Forex was remitted were shell companies which did not exist at the given address.
- The forex turnover of the branch was disproportionate to its normal volume of forex transactions.
- No import had taken place and more than one remittance per transaction was made on a single day, within the limits prescribed by RBI.
- The transactions were kept within the limits to avoid producing Bill of Entry and avoiding advance payment guarantee.
- No Bill of entry/s was/were submitted later.
- Suspense account was debited to provide funds to the companies for effecting remittances.
- All remittances appear to be suspected money laundering transactions.
- There was a total failure of monitoring / control functioning of the controlling office, apart from audit functioning.

Commission directed /advised :

- CBI to register the case and investigate the matter.
 - Directorate of Enforcement to take suitable steps to block the money in the overseas accounts and to repatriate the same.
 - RBI to make systemic improvements like cumulating all the forex outward remittance transactions per customer per day to arrive at a cut-off limit to avoid recurrence of similar instances in future.
 - Central Board of Excise and Customs to study the system of “online Bill of entry” filing facility and plug loop holes.
- (iv) The system of reviewing the cases of NPAs for fixing staff accountability is not being implemented in the spirit of existing instructions.

Commission noted that:

- In most of the cases the committees comprising of junior officers recommend that there is no need to look into the staff accountability and the same is accepted at the level of General Manager who themselves may have been part of the sanction process.
- In light of above, Commission called for a report from a Bank regarding the number of cases of either write off/NPA exceeding Rs.10 crores for the year 2014-15 and 2015-16.
- Expressing its concern on the high level of NPAs in Banks, Commission directed CMDs/MD&CEOs of all Public Sector Banks to submit to the Commission data of all NPA accounts with the sanctioned limit or liability of Rs.5 crores and above (whichever is higher) as on 30.09.2016, with details such as date of NPA, finalization of staff accountability etc.

(v) A company dealing in Diamonds and Jewellery was extended a loan of Rs.4000 crores by a consortium of 15 banks and another loan of Rs.2000 crores by 8 banks to another company of the same group. The companies imported gold from bullion banks. The import was backed by Stand by Letter of Credit (SBLC). The gold in the form of gold and diamond jewellery was thereafter exported to its buyers mainly in the Middle East. Earlier payments were being received and no adverse features were noticed in the functioning. The limits were being enhanced from time to time by the banks. However this was not backed by additional collaterals. The collateral available for the consolidated limits was less than 3% of the outstanding loan. Subsequently, 12 new buyers in UAE entered in the market but neither due diligence was done nor tripartite agreements entered into with the buyer and exporters to remit proceeds to the companies' bank accounts in India.

Commission noted that:

- There was default in remitting the proceeds to India and the plea taken by the buyers was that they had incurred losses.
- The bullion banks, on the basis of information with them, invoked payment of SBLC ahead of the due date as per the provisions of SBLC. The credit facilities extended to the group companies were declared NPA. The total amount declared as NPA is Rs.6100 crores approximately.
- Commission expressed its serious concern on this high value fraud and called a meeting of all the banks, CBI, Enforcement Directorate and officials of DFS to review the progress in investigation of the complaint filed with CBI & ED, recovery made by the bank so far, collateral security with Banks and conclusion of staff accountability.
- Commission observed that accountability needs to be fixed not only at the sanctioning stage but also during the operations of the account.

- After deliberations in the meeting, Commission advised the participating banks on a 15 points action agenda.
 - As the progress was tardy, Commission again convened another meeting to discuss the status of recovery, fixing responsibility of officials including Board level officials and extradition of culprits.
 - Commission directed the concerned banks to move the court with regard to attaching the residential property of the key individual of the company who had mentioned details of his property in his statement of assets and liabilities but had subsequently transferred the property to his mother's name.
- (vi) 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 in March 2015 against collateral security of parcel of lands. Both these loans were declared NPA in March 2016.

Commission noted that:

- 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 properties.
 - Further change of land use certificate was issued 10 days after the date of purchase.
 - Similar modus operandi was adopted in an earlier loan also by inflating the value of parcels of land offered as collateral security.
 - While examining the case, Commission expressed serious concern as to how the highly inflated valuation was accepted by the sanctioning authority. Subsequently, when the account became NPA, the value of the same properties came down drastically.
- (vii) A Company engaged in publications of newspaper and periodicals availed various limits from different banks and financial institutions by unauthorizedly alienating the security (current as well as fixed assets) offered to the bank. Company borrowed more than Rs.4087 crores from different banks. The company also imported raw material from overseas and a huge number of import collection bills which were unpaid were not reduced while calculating the value of stocks and thus the correct Drawing Power was not arrived at. When serious irregularities on the part of the company were coming to light through media reports, company deliberately chose to extend the financial year 2011-12 till September 2012 and as such avoided audit of their books of accounts to escape from the possible flare up of their misdeeds. Company had also submitted false and fabricated balance sheets and financials by suppressing various facts and figures with an intention to cheat the banks by availing excessive financing, diversion of funds and alienating the securities.

Commission noted that:

- A major penalty was imposed on a senior official on Commission's advice. However on an appeal, the Committee of Board of the Bank passed an order to modify the punishment to a minor penalty and suggested to seek concurrence of the Commission.
- Commission expressed its concern that it is inappropriate on the part of the committee to expect the Commission to concur in the proposal as there are no guidelines/instructions for such a reference and concurrence.
- Commission also pointed out that the constitution of the Appellate Authority, not comprising of the nominee of the RBI, as is the rule, is improper and the proceedings of the Committee cannot be held as valid. In response to the observations of the Commission, Bank confirmed that the Board level Appellate Committee has been reconstituted.

III Delays and Deficiencies

- 4.7 The Commission has been impressing upon the organisations about the need for prompt action in matters relating to vigilance. The Commission emphasises expeditious inquiry of 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 the 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.
- 4.8 The Commission, therefore, considers it imperative that instances of suspect 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.
- 4.9 The other common areas where delays have been noticed pertain to issue of charge-sheets for initiation of appropriate departmental proceedings, appointment of inquiry officers and the issue of the final orders after the completion of the disciplinary proceedings. It has also been noticed that sometimes the inquiry officers appointed by the disciplinary authorities from within the organisations to conduct oral inquiry against the charged officers, take unduly long time in conducting the inquiry. This adds to the delay in the finalisation of the vigilance cases. Commission is, therefore, of the considered view that timely and expeditious handling of the whole process of vigilance investigation and disciplinary action will actually help in preventing corruption in the organisations.
- 4.10 The Commission lays emphasis on expeditious disposal of disciplinary cases in an optimum

time frame and has noted with serious concern that the administrative authorities are not adhering to the time-schedules prescribed for completion of disciplinary proceedings.

- 4.11 The Commission endeavours to tender advice at the earliest provided that the proposal seeking advice of the Commission is submitted as per the proforma prescribed for the purpose, is complete in all respects and accompanied with all requisite documents. The concerned organisations normally take more than the prescribed time for implementation of Commission's advice. Issue of charge sheet is delayed and the delinquent officer is allowed to retire. In such cases, the misconduct gets time barred for initiation of departmental action. Issue of charge sheet for minor penalty proceedings after retirement under CCS Pension Rule becomes an infructuous exercise even if the misconduct is not time barred. Another point of concern is delay in compliance of orders of Courts. In a number of cases, the charged officers take recourse to appropriate Courts, challenging the departmental proceedings. Certain orders are passed by the competent Courts. The departments either do not appeal against the orders or fail to take action in compliance thereof. Inaction on part of the departments sometimes leads to contempt of Court.

IV Non Compliance with Commission's instruction on Anonymous and Pseudonymous petitions

- 4.12 A number of organisations still take cognisance of anonymous and pseudonymous petitions contrary to the instructions of the Commission. One of the Departments is noticed to have opened a large number of files based on anonymous and pseudonymous petitions and without the knowledge of the Commission. They approached the Commission when one of the proceedings initiated based on such petitions was quashed by a court.

V Delay in investigation of complaints

- 4.13 The Commission pays due attention to the complaints received from various sources. With the increasing levels of awareness and expectation among the public, the number of complaints being received in the Commission is rising every year. The Commission is of the view that complaints provide vital information about the systemic deficiencies in any organisation apart from alerting authorities about the instances of malpractices being indulged in by individual officers for personal gains or undue favour to some particular persons, parties etc.
- 4.14 When serious and verifiable allegations with a perceptible vigilance angle are noticed while scrutinising complaints, the Commission normally forwards such complaints to the CVOs concerned for thorough investigation and report (I&R) to the Commission. However, in cases where the Commission decides that it would not be possible for the CVOs to investigate the matter properly (e.g. where outside agencies/persons are involved over whom the CVOs have no jurisdiction/ control) the complaints are forwarded to CBI for discreet verification/ investigation.
- 4.15 The Commission has noted with concern that the competent authorities, in some cases, overtly or covertly do not process the complaints with the seriousness they deserve and as per timelines fixed by the Commission. This results in the delinquent officers sometimes retiring from service and/or the case becoming time barred. In the case of several organisations, no

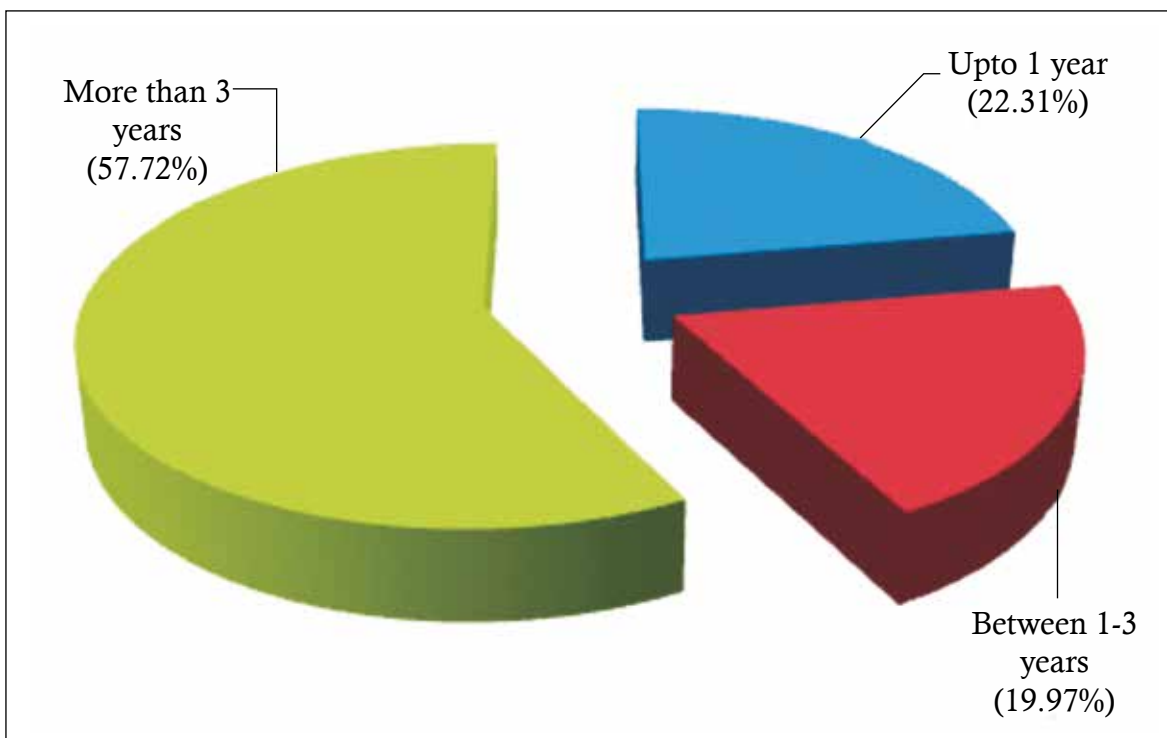
action can be initiated after retirement as per their rules. At the end of the year 2016, the Commission has noted with concern that investigation reports are awaited in 596 complaints forwarded by the Commission to the CVOs. The organisation-wise break-up of pendency is given in **Appendix-IV**. Table 4.2 and Chart 4.1 below provide the details regarding pendency in submission of investigation reports during 2015 and 2016.

Table 4.2

Complaints pending for Inquiry and Report

| Year | Upto 1 year | Between 1-3 years | More than 3 years |
|------|-------------|-------------------|-------------------|
| 2015 | 152 | 409 | 579 |
| 2016 | 133 | 119 | 344 |

Chart 4.1



Some of the organisations where considerably large number of complaints are pending for inquiry and submission of report to the Commission are:

| S. No. | Organisations/Departments | No. of complaints pending reports |
|--------|--|-----------------------------------|
| 1 | Government of NCT of Delhi | 65 |
| 2 | D/o Secondary and Higher Education & D/o Elementary Education and Literacy | 37 |

| S. No. | Organisations/Departments | No. of complaints pending reports |
|--------|---|-----------------------------------|
| 3 | Ministry of Defence | 27 |
| 4 | Central Board of Direct Taxes | 26 |
| 5 | Ministry of Railways | 26 |
| 6 | Municipal Corporation of South Delhi | 18 |
| 7 | Municipal Corporation of North Delhi | 15 |
| 8 | Delhi Development Authority | 14 |
| 9 | Ministry of Health & Family Welfare | 12 |
| 10 | Department of Financial Services | 11 |
| 11 | Indian Council of Agricultural Research | 10 |

VI Delay in implementation of the Commission's advice

4.16 At the end of the year 2016, the Commission noted that as many as 871 cases were pending for over six months for implementation of Commission's First Stage Advice. During the same period, 226 cases were pending for implementation of Second Stage Advice of the Commission beyond six months. The organisation-wise details of these cases are given in **Appendix-V**. Some of the organisations where a large number of cases have been considerably delayed are as follows:

Table 4.3

Delay in implementation of the Commission's advice for over six months

| Sl. No. | Name of the organisation | First stage advice | Second stage advice |
|---------|--------------------------------------|--------------------|---------------------|
| 1 | Ministry of Railways | 127 | 19 |
| 2 | Central Board of Excise & Customs | 49 | 26 |
| 3 | Ministry of Personnel P.G & Pensions | 27 | 12 |
| 4 | Central Board of Direct Taxes | 28 | 4 |
| 5 | Daman Diu & Dadra Nagar Haveli Admn. | 23 | 9 |
| 6 | Andaman & Nicobar Admn. | 21 | 10 |

| Sl. No. | Name of the organisation | First stage advice | Second stage advice |
|---------|--------------------------------------|--------------------|---------------------|
| 7 | State Bank of India | 27 | 2 |
| 8 | Ministry of Home Affairs | 19 | 6 |
| 9 | Central Bureau of Investigation | 23 | 1 |
| 10 | Govt. Of NCT Delhi | 16 | 6 |
| 11 | National Highways Authority of India | 21 | 1 |
| 12 | UCO Bank | 21 | 0 |
| 13 | Govt. Of Puducherry | 17 | 2 |
| 14 | Ministry of Defence | 15 | 3 |
| 15 | Ministry of Health & Family Welfare | 11 | 5 |



Commission's outreach to Industry Associations

Lecture Series in the Commission



Shri Shashi Kant Sharma, CAG of India on 27.1.2016



Shri Ranjit Kumar, Solicitor General of India on 19.02.2016



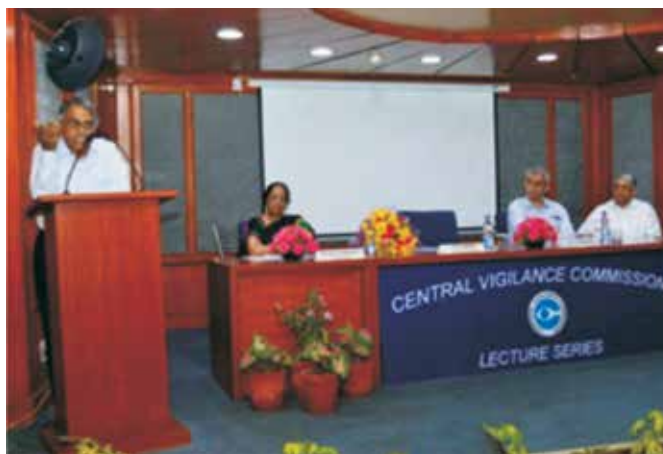
Shri Arvind Subramanian, Chief Economic Adviser on 21.03.2016



Shri Arvind Panagariya, Vice Chairman, NitiAayog on 26.04.2016



Dr. J M Vyas, DG, Gujarat Forensic Sciences University on 27.05.2016



Shri P.K.Sinha, Cabinet Secretary, addressing the gathering on 27.06.2016

Intensive Examination by CTEO



CHAPTER 5

CHIEF TECHNICAL EXAMINER'S ORGANISATION

I Background

- 5.1 The Chief Technical Examiner's 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 Urban Development. The mandate of the Chief Technical Examiner's Organisation was to conduct concurrent 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 is funded from the public exchequer.
- 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 undertaken by different agencies within the jurisdiction of the Commission, to advise the Commission on specific references involving substantial technical issues and other related matters periodically referred to it, 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, and as part of preventive vigilance and system improvement CTEs / TEs participate in workshops and seminars on issues related to public procurement.

- 5.6 Excerpts on CTEO's working from 76th Report, Demand for Grants (2015-16) of the Ministry of Personnel, Public Grievances and Pensions are as follows:

“The Committee commends the work of the CTEO which helped in saving of resources and recommends that avenues may be explored on how the CTEO can be provided with the desired manpower as soon as possible. The nature of graft and corruption is becoming highly complex and appropriate analysis can only be carried out with the help of professionals with experience and expertise in the area. The DoPT must look into the matter expeditiously and ensure that the organisation is well staffed. Sufficient Budgetary allocations should be made to ensure that the organisation can attract the right personnel and is able to create required support infrastructure to investigate complaints. The organisation may also explore the possibility of taking professionals on deputations or on contract.”

(Reference: Para 4.20, PP 53 of 76th Report, Demand for Grants (2015-16) of the Ministry of Personnel, Public Grievances and Pensions).

- 5.7 In compliance to the recommendations of the Committee, a proposal for upgradation and augmentation of the existing manpower in the CTEO is under consideration by the Commission and implementation of an internet based Management Information System has been taken up. After upgradation, the next step would be to broad base technical expertise available with the CTEO.

II Intensive Examinations of Procurement Cases

- 5.8 Selection of procurement cases for intensive examination is primarily based on inputs such as 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 details pertaining to different type of procurement cases, completed or on-going every quarter, 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 for electrical, mechanical works, maintenance and service contracts, manpower supply and consultancy contracts, Rs. 50 lakh and above for medical equipment, Rs. 10 lakh for horticulture works and four largest value contracts for supply of medicines. During the year, 260 organisations submitted their QPRs.
- 5.9 CTEO undertook intensive examination of sixty five procurement cases, covering fifty one organizations during the year. The value of these procurement cases was over Rs. 16,770 crore. The number of intensive examinations is summarised below in Table 5.1.

Table 5.1

Intensive Examinations conducted by CTEO during the year 2016

| Organization | No. of Organisations | No. of Intensive Examinations |
|--|-----------------------------|--------------------------------------|
| Government Departments | 14 | 20 |
| Banks / Insurance Companies & Financial Institutions | 03 | 03 |
| Public Sector Undertakings, Autonomous Bodies, etc. | 34 | 42 |
| Total | 51 | 65 |

- 5.10 Some of the organizations where intensive examination was undertaken in the year 2016, are Ministry of Road Transport & Highways (MoRT&H), Central Public Works Department (CPWD), Defence Research Development Organisation (DRDO), Delhi Jal Board (DJB), Indian Railways (IR), Employees' State Insurance Corporation (ESIC), Airport Authority of India (AAI), Steel Authority of India Ltd. (SAIL), Hindustan Aeronautics Ltd. (HAL), Kamarajar Port Limited (KPL), Indian Railway Catering and Tourism Corporation Ltd. (IRCTC), Municipal Corporation of Delhi (MCD), Dedicated Freight Corridor Corporation of India Ltd. (DFCCIL), National Highways Authority of India (NHAI), Delhi Metro Rail Corporation Ltd. (DMRC), Rail India Technical and Economic Services (RITES), Oil and Natural Gas Corporation (ONGC), Vikram Sarabhai Space Centre (VSCC), Reserve Bank of India (RBI), Syndicate Bank etc.
- 5.11 On completion of intensive examination of the selected procurement cases examination reports are prepared. Deviations from GFR, policies of Government of India, laid down guidelines of the Commission as well as the procurement manual of the organisation are brought to the notice of the concerned procurement agency. Issues related to lack of transparency, efficiency, fair and equal treatment of bidders in the procurement process, over-payments, quality deficiencies, time and cost overruns, non-adherence to public procurement procedures and tax avoidance, etc. are raised as a result of intensive examinations.
- 5.12 Examination reports are forwarded to the concerned head of the organisation and the respective CVO for comments. The Commission may subsequently refer cases involving grave vigilance angle with involvement of non-government officials as well as 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 fixing of responsibility. Twelve 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. 185 crore was also made by various procuring agencies from the defaulting contractors after such deficiencies were pointed out.

Some important irregularities observed during the Intensive Examinations are at **Appendix-VI**.

- 5.13 While examining vigilance cases, various branches of the Commission at times refer issues related to contracts and procurements to the CTEO for technical inputs and advice. During the year, CTEO furnished advice in 713 such vigilance / complaint cases, referred to it by the Commission.
- 5.14 The Commission entrusts departmental inquiries against senior officials to the Commissioners of Departmental Inquiries and sometimes to the TEs. During 2016, inquiries in 10 cases were conducted by the TEs on being appointed as Inquiry Officers by the Commission.
- 5.15 The CVOs have also been advised to undertake CTE type examinations of procurement cases, in their respective jurisdiction, and they regularly report the outcome to the Commission. As reported by the CVOs, 131 organisations conducted 10,380 inspections of contracts and major purchases / CTE type examination, leading to recovery of Rs. 175.64 crore and 307 vigilance cases.

III System Improvements arising out of CTEO Examinations during 2016

- 5.16 As a result of observations made by CTEO in the course of the intensive examinations, a number of system 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 these system improvements are as under:
- (i) In a works contract, being executed by a Public Sector Undertaking (PSU) and having estimated cost of Rs. 310 crore, earnest money deposit (EMD) of Rs. 2 lakh was stipulated. For a work of such a high value, this amount appeared to be very low and not adequate to ensure earnestness of the bidder towards its offer within the validity period. In the same work, the estimate was found highly inflated by adding inadmissible components and veracity of the credentials submitted by the bidders was not checked. On raising the issues by CTEO, the organisation issued systemic improvement guidelines for modification in the EMD provisions, preparing estimates considering factors specific to the site conditions and ensuring veracity of the credentials submitted by the bidders.
 - (ii) During intensive examination of a housing project, it was noticed that in architectural/ structural consultancy contract, no provision of professional liability insurance was kept. Such insurance is desirable to safeguard the interest of organization against design deficiency / failure of the consultant. In addition, no provision for deduction of security deposit was made from bills of consultant so as to safeguard department interest against failure on the part of the consultant to meet contractual obligations. The Department accepted CTEO's observations and agreed to make provision of professional liability insurance in future architectural / structural consultancy contract. In addition, they agreed to incorporate an appropriate provision in the contract for making deduction on account of security deposit from bills of the contractor.

- (iii) In selection of a consultant for a housing project of a Central Corporation, the work was awarded to the bidder at its quoted rate, acquiring highest marks in technical evaluation of bids. As such, purely quality based selection methodology was adopted for evaluation of bids instead of two-bid / Quality-cum- Cost Based Selection (QCBS) system. The nature of work did not warrant use of such selection methodology, as per Ministry of Finance guidelines. On raising this issue with the organisation, they agreed for evaluation of bids for selection of consultant through QCBS system in future.
- (iv) In a tender for a railway tunnel project undertaken by a central PSU, a stipulation of deployment of one project manager, a civil engineer with relevant experience, was made in the tender; with recovery @ Rs. 1 lakh per month in case of default. The contractor deployed a mining engineer for entire duration of the project and the recovery @ Rs. 1 lakh per month, as stipulated, was made. On raising this issue with the department, it reviewed the stipulation of such recovery rate and agreed to keep it @ Rs. 7 lakh per month, in view of actual cost of deploying an engineer.

IV Cases arising out of Intensive Examinations

5.17 Some cases which were taken up for detailed vigilance investigations with the approval of the Commission as a result of intensive examinations are given below:

- (i) In a works contract related to construction of Main Power Block for a Thermal Power Plant, valuing around Rs. 230 crore and executed by a PSU, the prescribed tender conditions provided for structural steel of 'SAIL' make only, use of re-rolled steel was not permitted. Intensive examination at the work site revealed that the contractor was subsequently permitted to use re-rolled steel, which was available at cheaper rates, on the ground that SAIL steel was not available in the market. Alternative steel of similar quality sourced from other primary suppliers was not considered as an option. The contractor used more than 2500 MT of re-rolled steel in the work which was permitted without any corresponding reduction in rates due to its cheaper price. CTEO advised recovery of Rs. 158 lakh from the contractor. In the same contract, despite a delay in implementation of eight months on account of established default of the contractor, no levy for compensation was imposed on the contractor in terms of the stipulated provisions of the contract. The case is under detailed investigation by the CVO.
- (ii) In a works contract of construction of a power plant carried out by a PSU, valued at Rs. 58 crore approximately, implementation was delayed by more than 6 years. This delay was attributed to reasons like non supply of drawings and other technical details required to facilitate execution of the contractual work. The time overrun not only delayed productive use of the asset being created, but also had related project cost overruns. The matter is under investigation to fix responsibility and to assess the financial implications of the time overrun.

- (iii) In a PSU under a Government department, a work of design, fabrication, supply, erection and commissioning of 2 boiler systems of 18 tph capacity each, amounting to Rs. 10 crore was taken up by replacing the existing two boilers of 33.5 tph capacity each. The work of installation of new boilers was not required as the existing two boilers of 33.5 tph capacity could have been put to productive use as they were working satisfactorily with regular maintenance. It was also pointed out that a consultancy was awarded for the same work to a firm which was subsequently withdrawn from this firm and awarded to another firm at a cost which was Rs. 1 crore higher than the quoted cost of the previous firm. The approval of the Board was taken by misrepresenting facts and it was informed that the consultancy fees awarded to the second firm was Rs. 2.43 crore against Rs. 11.16 crore quoted by the other firm. The fact that the earlier firm had asked for fee of only Rs. 1.43 crore was not brought on the record. The case is under detailed investigation by the CVO.
- (iv) In a tender related to IT procurement for a Public Sector Bank which had an estimated cost of Rs. 19 crore, a proprietary software of a particular vendor was included within the scope of the work on the ground of integration issues with the Bank's existing software. Further, the evaluation criteria was opaque and subjective in nature as the detailed technical scoring scheme and respective weightage of different attributes were not disclosed at the time of inviting bids and was framed favouring a particular vendor (the proprietary software vendor). All the bidders had to quote for the tender by procuring the proprietor's authorization along with the product rate, despite the fact that the proprietor was their direct competitor. Thus, the tender conditions were framed in a manner so as to give undue benefit to a specific vendor and the evaluation criteria was neither transparent nor disclosed at the time of bidding for the tender. The case has been referred for detailed investigation by the CVO.
- (v) In a procurement case of two Crawler Mounted Cranes of 75 MT capacity by an organization, the supplier was required to submit Security cum Performance Guarantee (SPG) within 15 days from the receipt of Purchase Order (PO) but the same was submitted six months after the issue of PO. In the meantime, no initiative was taken by the Organization regarding timely submission of SPG. Further, despite delay of more than 10 weeks in the supply of the cranes due to default of the supplier, no liquidated damages were recovered and the organization had to suffer a financial loss of about Rs. 1.87 lakh due to revision of CST. The Commission has advised initiation of minor penalty proceedings against concerned officials.
- (vi) In a works contract costing Rs. 250 crore, for the construction of a premier Medical College and Hospital building being undertaken departmentally by a Ministry, the original plan was for the foundation to be filled in since the building was to be built on a site having hilly profile. However, after the award of this work the design of the foundation was changed to a "concrete slab over columns" at the same site. This resulted in the construction of a basement of 10,000 square metres with a height of

1.4 metres which had no functional utility. Thus there was infructuous expenditure and undue benefit to a contractor. In the same work, the method of fastening the exterior stone façade cladding of the building was also altered for inadmissible reasons and this case is under detailed investigation.

- (vii) In a works contract for construction of a premier engineering institute building, costing Rs. 170 crore (approx.), a central PSU was appointed as Project Management Consultant (PMC) @ 4% of the awarded amount of the contract. In terms of the agreement, the PMC had to assist the institute in appointment of contractor, supervision of works, certification of measurements and recommendation on bills submitted by the contractor, which were to be paid by the Institute. However, at the time of appointment of contractor, the PMC insisted upon routing all works payments through the PMC, which was accepted by the Institute authorities. The methodology for running works payments for the execution of work was that the Institution received certified bills from the PMC and transferred these amounts to the PMC, which would then make payments to the works contractor. As a result, the PMC included both the PMC consultancy fees as well as the works payments routed through it as part of its gross receipts in its accounting statements. It was revealed that a similar practice was being followed by the PSU in all projects of large value. The matter is under investigation.
- (viii) In a work of maintenance of a national highway, costing Rs. 14 crore (approx.), several serious quality related irregularities were observed viz. cement concrete pavement was badly damaged within a period of ten years from its construction whereas the road was designed for a life of fifty years, earthen shoulders were not being maintained along the entire stretch of road though payments for the same were released to the contractor, repair of bituminous portion of road was not carried out as per the prescribed procedure resulting in severe deterioration, road side drains were found clogged and median plantations were improperly maintained. The Case has been referred to the concerned CVO for conducting detailed vigilance investigation.
- (ix) Intensive examination in a security printing press revealed that two five year supply contracts for patented products for security features were extended from 2009 to 2015, both with and without price negotiations. Even when negotiations took place, the reduction in prices was negligible. The process of extension did not appear to be either transparent or fair. Negotiations conducted at the time of extensions of the contracts did not split the total cost between patent fee and the product cost with a view to obtain reduction in rates. There was thus lack of clarity over estimated cost of the security features. There was a significant reduction in rates of one of the security features when this was procured by fresh competitive bidding in October 2015 in a new contract. The process of obtaining security check for shortlisted vendors reportedly took a lot of time after the opening of the bids and appeared to be selective in nature. Indigenous vendor development efforts were

also not attempted. There were many other irregularities in respect of pre-dispatch inspection, inspection by the consignee on receipt of the material, rejection of pre-paid material and effecting recoveries from the supplier, accountal and disposal of process wastage, in-process inspections, online inputs to computerised database, wastage of raw material inventory due to sudden change in currency design and features, etc. The matter was brought to the knowledge of the competent authority for system improvement and fixing responsibility for irregularities committed.

V Important initiatives taken by the CTEO

5.18 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. CTEO under the guidance of the Commission issued the following guidelines :

- (a) Guidelines to help the CVOs effectively carry out intensive examinations of various procurement contracts at their end were published in the form of a booklet 'Guidelines for Intensive Examination of Public Procurement Contracts by Chief Vigilance Officers' in 2016.
- (b) A Guideline for adopting IT enabled systems for verification and confirmation of Bank Guarantees was issued vide Circular dated 04.03.2016.
- (c) Systemic improvement guidelines on selection and employment of Consultants was prepared and communicated to all concerned with approval of the Commission.
- (d) Suggestions for inclusion of reasonable terms and conditions in the procurement tenders, ensuring appropriate risk allocation between the employer and the contractor and reduction of discretionary decision making were received from CII and other representative bodies and these are under consideration of the Commission.
- (e) The Commission has received representations from some of the PSUs regarding revision in extant guidelines on e-publishing of tenders awarded which are under consideration.

5.19 In addition, specific areas pertaining to tenders and contracting, estimation of rates, legal aspects in contracting etc. were covered in training programs and seminars organised by various organisations during the year.

* * * * *

Lecture Series in the Commission



Shri D K. Sikri, Chairperson, Competition Commission of India on 29.07.2016



Shri Vinod Rai, Chairman, Banks Board Bureau on 16.08.2016



Prof. M Sridhar Acharyulu, Information Commissioner on 30.09.2016



Shri R Chandrashekhar, President, NASSCOM 14.10.2016



Justice G. Raghuram on 22.11.2016



Justice G.S. Singvi on 20.12.2016



22nd Conference of CBI & State ACBs/Vigilance Bureaux on 17.11.2016



17th D.P. Kohli Memorial Lecture on 20.10.2016

CHAPTER 6

SUPERINTENDENCE OVER CENTRAL BUREAU OF INVESTIGATION

I Evolution of Central Bureau of Investigation

- 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 & Supply Department 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. The DSPE acquired its current name, Central Bureau of Investigation (CBI), through a Home Ministry Resolution dated 1.04.1963.
- 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, terrorism etc. Apart from this, the Hon'ble Supreme Court and the various High Courts of the country also started entrusting such 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 the Branches having local jurisdiction.
- 6.3 It was therefore decided in 1987 to constitute two investigation divisions in the CBI, namely, Anti-Corruption Division and Special Crimes Division, the latter dealing with cases of conventional crime, besides economic offences.

II Legal Provisions

- 6.4 The Honourable Supreme Court in Vineet Narain case in its judgement dated 18.12.1997 envisaged greater autonomy and objectivity in the functioning of Delhi Special Police Establishment (DSPE), popularly known as Central Bureau of Investigation (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.
- 6.5 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.

III Superintendence of CVC over CBI

6.6 The Commission obtains data related to Preliminary Enquiries (PEs) and Registered Cases (RCs) in the format of four templates prescribed by it from CBI every month. The data includes enquiries / cases registered during the month, details of accused, gist of allegations, mode of disposal, reasons for closure, present status including age-wise pendency, etc. This is in addition to the inputs provided by CBI for the monthly review meeting taken by the Commission with the Director, CBI and other officials of CBI. The Commission, if it so considers appropriate, selects cases of grave or serious nature in addition to the category of important and long pending cases and conducts in-depth review of the progress of investigations, every quarter or so. The Commission seeks any other specific data as may be required from time to time from CBI for exercising its statutory role under Section 8 of the CVC Act, 2003. During 2016, the Commission held twelve monthly review meetings with CBI, wherein cases against senior officers of the Government and executives of banks / public sector enterprises were reviewed. In addition, the Commission also had meetings at appropriate level(s) for discussing/providing guidance in respect of certain specific cases.

6.7 The status of the complaints referred from the Commission to CBI for inquiry/ investigation under section 8(1)(d) of CVC Act, 2003 during 2014 and 2015, are indicated in Table 6.1.

Table 6.1

Complaints sent by the Commission to CBI and their disposal

| Year | Complaints forwarded by the CVC for verification/ Investigation/ Enquiry | Mode of Disposal out of column No. (1) | | | | |
|------|--|--|------------------------------------|--|--------------------------|-------------------------------|
| | | No of complaints resulting into RC | No of complaints resulting into PE | No of complaints ended in recommendation of RDA/ Such action deemed fit & SCN sent to department | No. of complaints Closed | Complaints Under Verification |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 2015 | 19 | 1 | 4 | 1 | 6 | 7 |
| 2016 | 11 | 4 | 2 | 1 | 0 | 4 |

6.8 The status of PC Act cases (pending under investigation) with CBI as on 31.12.2016 is as under:

Table 6.2

Status of PC Act cases with CBI on 31.12.2016

| Length of Pendency | As on 31-12-2016 |
|---|-------------------------|
| Less than one year | 462 |
| More than one year and less than 2 years | 132 |
| More than two years and less than 3 years | 43 |
| More than three years and less than 5 years | 19 |
| More than 5 years | 8 |
| TOTAL | 664 |

6.9 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 receipt of prosecution sanction from competent authorities, delay in obtaining responses to Letters Rogatory (LRs), verification of documents / title deeds, etc., in disproportionate asset cases and delay in obtaining reports from forensic laboratories, too much of workload, inadequacy of manpower, etc.

IV Delay in Trial of cases

6.10 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 (Table 6.3). Such inordinate delays in dispensation of justice 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 action as are possible to expedite the finalisation of such cases.

Table 6.3

PC Act cases pending under trial

| Length of Pendency | As on 31.12.2016 |
|--------------------------------------|-------------------------|
| Less than 3 years | 1940 |
| More than 3 years and upto 5 years | 955 |
| More than 5 years and upto 10 years | 1974 |
| More than 10 years and upto 20 years | 1424 |
| More than 20 years | 209 |
| TOTAL | 6502 |

V Prosecution against Central Government employees

6.11 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 2016, 126 cases were pending for grant of sanction for prosecution under PC Act, 1988. As per the judgement of the Hon'ble Supreme Court in Vineet Narayan's case, time limit of three months for grant of sanction for prosecution must be strictly adhered to. However, additional time of one month may be allowed where consultation is required with the Attorney General (AG) or any Law Officer in the AG's office. During 2016, the CBI had referred 638 officials of all categories in various organisations for sanction of prosecution. The number of cases pending with various organisations for granting sanction for prosecution are given below in Table 6.4.

Table 6.4

Number of cases Ministry-wise pending for sanction for prosecution

| Ministry | Cases pending as on 31.12.2015 | Cases pending as on 31.12.2016 | Cases pending for over 3 months as on 31.12.2016 | No. of officers in respect of whom sanction for prosecution is pending for over 3 months as on 31.12.2016 |
|---|--------------------------------|--------------------------------|--|---|
| 1 | 2 | 3 | 4 | 5 |
| Cabinet Secretariat | – | 1 | – | – |
| Ministry of Communications & IT (Department of Telecom) | 2 | 2 | 1 | 1 |
| Ministry of Commerce and Industry | 1 | 6 | 2 | 3 |
| Ministry of Labour and Employment | 2 | 1 | – | – |
| Ministry of Atomic Energy | 1 | 1 | 1 | 1 |
| Ministry of Chemicals & Fertilisers | – | 1 | – | – |
| Ministry of Civil Aviation | 1 | 1 | – | – |
| Ministry of Coal | – | 1 | – | – |
| Ministry of Communication (Department of Posts) | 3 | 1 | – | – |
| Ministry of Consumer Affairs and Public Distribution | 1 | – | – | – |
| Ministry of Defence | 5 | 11 | 6 | 16 |
| Ministry of Environment & Forests | – | 1 | – | – |
| Ministry of External Affairs | – | 1 | 1 | 1 |
| Ministry of Finance (Department of Financial Services) | 36 | 40 | 22 | 97 |

| Ministry | Cases pending as on 31.12.2015 | Cases pending as on 31.12.2016 | Cases pending for over 3 months as on 31.12.2016 | No. of officers in respect of whom sanction for prosecution is pending for over 3 months as on 31.12.2016 |
|---|--------------------------------|--------------------------------|--|---|
| Ministry of Finance (Customs and Central Excise) | 4 | 1 | 1 | 6 |
| Ministry of Finance (Income Tax) | 4 | 1 | – | – |
| Ministry of Food & Supply | 0 | 1 | – | – |
| Ministry of Health & Family Welfare | 5 | 7 | 5 | 5 |
| Ministry of Home Affairs | 3 | 3 | – | – |
| Ministry of Human Resource Development | 2 | – | – | – |
| Ministry of Industry | 1 | 2 | 1 | 1 |
| Ministry of Parliamentary Affairs | 1 | – | – | – |
| Ministry of Personnel, Public Grievances and Pensions | 7 | 8 | 6 | 9 |
| Ministry of Petroleum and Natural Gas | 1 | 1 | – | – |
| Ministry of Power | – | 1 | – | – |
| Ministry of Railways | 8 | 11 | 4 | 8 |
| Ministry of Rural Development | 1 | 1 | 1 | 1 |
| Ministry of Steel | 3 | 1 | – | – |
| Union Territories | 1 | 2 | 1 | 3 |
| Government of Andhra Pradesh | – | 2 | 2 | 3 |
| Government of Arunachal Pradesh | 1 | – | – | – |
| Government of Assam | – | 1 | 1 | 2 |
| Government of Bihar | 1 | – | – | – |
| Government of Chhatisgarh | 1 | 1 | 1 | 4 |
| Government of Delhi | 3 | 3 | 1 | 1 |
| Government of Jammu and Kashmir | 2 | 1 | 1 | 1 |
| Government of Jharkhand | 1 | – | – | – |
| Government of Karnataka | 2 | 2 | 2 | 9 |
| Government of Maharashtra | – | 1 | 1 | 2 |
| Government of Punjab | 1 | – | – | – |
| Government of Tamil Nadu | 1 | 1 | 1 | 2 |

| Ministry | Cases pending as on 31.12.2015 | Cases pending as on 31.12.2016 | Cases pending for over 3 months as on 31.12.2016 | No. of officers in respect of whom sanction for prosecution is pending for over 3 months as on 31.12.2016 |
|-----------------------------|--------------------------------|--------------------------------|--|---|
| Government of Uttar Pradesh | – | 6 | 3 | 8 |
| Total | 106 | 126* | 65 | 184 |

**However, only 119 cases are pending for prosecution sanction, as 7 cases are common to more than one Ministry / State Government etc.*

6.12 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 empowers 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 for expediting decision on requests for sanction of prosecution pending with them. The Commission has also emphasised 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 of 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.

6.13 The Commission had also observed that the present system for calculation of disproportionate assets was formulated several years ago when access to information was limited and the extent of disproportion had to be arrived at using cumbersome procedures and that too manually. A need was felt to improve the system for computation of disproportionate assets, including development of a software to capture all the events related to income and expenditure during the check period. The Commission has also noticed that in the present system, data available with Banks, FIU, Taxation Departments, etc., are not being mandatorily obtained and utilised for computation of disproportionate assets. The Commission had constituted a Committee on 4th January 2016 under the Chairmanship of Shri Praveen Sinha, Additional Secretary, CVC for suggesting measures to improve the system for computation of disproportionate assets and to prepare a suitable software. It comprised of the following officers from multiple departments:

- (i) Shri Ramesh Chandra, then CTE, CVC
- (ii) Smt. Shivani Singh, then Director, CVC

- (iii) Shri L.V.R. Prasad, Advisor (Banking), CVC
- (iv) Two officers nominated by CBI
- (v) Shri Jishnu Baruah, JS (Vigilance), DoPT
- (vi) Shri P.K. Tiwari, Director, Financial Intelligence Unit
- (vii) Shri Harish Kumar, Director (Inv.-I), Income Tax
- (viii) Representatives from NIC

The Committee has since submitted its recommendations which have been forwarded to concerned authorities for consideration and necessary inputs to enable the issuance of a formal instruction/guidance.

VI Review of pending cases against officers of CBI

6.14 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 31.12.2016, 41 departmental cases against Group A officers and 26 cases against Group B and C officials at various stages were pending against CBI personnel. Details are indicated in Table 6.5.

Table 6.5

Departmental action against CBI personnel

Group A

| Total pending | 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 |
|---------------|------------------|---------------------------|----------------------------|----------------------------|-------------------|
| 41 | 14 | 12 | 1 | 4 | 10 |

Breakdown of the total pending cases are:

- (i) Inquiry in progress 9
- (ii) Pending with DA (DoPT) for decision on WSD of CO 3
- (iii) Pending with DA (DoPT) for final decision 2
- (iv) Pending with DA (DoPT) for decision on representation of CO 2
- (v) Pending with DA (DoPT) for decision on representation of CO against UPSC advice 1
- (vi) WSD awaited from CO 7
- (vii) Pending with CBI branch for clarification on parawise comments on WSD 1

| | |
|---|-----------|
| (viii) Pending with CBI HO | 2 |
| (ix) Pending with DA (DoPT) for appointment of IO/PO | 2 |
| (x) Pending with CBI branches to intimate the names of IO/PO | 2 |
| (xi) Pending with DoPT for decision on parawise comments on WSD | 2 |
| (xii) Pending with CBI branch for requisite documents requested by DoPT | 1 |
| (xiii) Pending with Hon'ble High Court Lucknow Bench for decision on appeal against Hon'ble CAT order | 1 |
| (xiv) Representation of CO to the UPSC advice awaited from CO | 1 |
| (xv) Stayed by Hon'ble High Court | 1 |
| (xvi) Cases stayed by CAT | 2 |
| (xvii) Inquiry kept in abeyance | 2 |
| Total | 41 |

Group B and C

| Total pending | 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 |
|---------------|------------------|---------------------------|----------------------------|----------------------------|-------------------|
| 26 | 5 | 7 | 4 | 1 | 9 |

Breakdown of the total pending cases are:

| | |
|--------------------------------|-----------|
| (i) Inquiry in progress | 20 |
| (ii) WSD awaited from CO | 1 |
| (iii) Inquiry kept in abeyance | 2 |
| (iv) Dormant category | 3 |
| Total | 26 |

VII Activities reported by the Central Bureau of Investigation

6.15 CBI sends monthly reports of its activities to the Commission on cases registered and their disposal. A gist of CBI activities during the year 2016 is given below:

(A) Registration of cases:

6.16 1047 cases comprising 925 Regular Cases (RCs) and 122 Preliminary Enquiries (PEs) were registered during 2016 as compared to 1299 Regular Cases/Preliminary Enquiries registered by CBI in 2015. Out of the 1047 cases, 716 cases were registered in Anti-Corruption Division (ACD), 125 cases in Special Crime Division (SCD) and 206 cases in Economic Offences Division (EOD).

(B) Cases of trial and conviction:

- 6.17 During the year 2016, judgments were received in 988 court cases under trial as compared to 932 cases in 2015. Out of these 988 cases, 621 cases resulted in conviction, 274 in acquittal, 35 in discharge and 58 cases were disposed of for other reasons. The conviction rate increased slightly from 65.1% in 2015 to 66.8% in 2016. At the end of the year 2016, there were as many as 9429 Court cases pending in various Courts.

Table 6.6

Disposal of cases under PC Act during 2016

| Sl. No. | Particulars | Cases |
|---------|--|-------|
| 1 (a) | Disposal from Trial (CC wise) | 790 |
| | (i) Conviction | 503 |
| | (ii) Acquittal | 233 |
| | (iii) Discharge | 21 |
| | (iv) Otherwise disposed of | 33 |
| 1(b) | No. of Public Servants involved in cases disposed of from Trial (with breakup: Conviction / Acquittal / Discharge / Otherwise Disposed of) | 1330 |
| | (i) Conviction (No. of persons) | 595 |
| | (ii) Acquittal (No. of persons) | 513 |
| | (iii) Discharge (No. of persons) | 80 |
| | (iv) Otherwise disposed of (No. of persons) | 142 |

(C) Investigation:

- 6.18 During 2016, investigation was finalised in 881 Regular Cases (RCs) and 160 Preliminary Enquiries (PEs). 1156 RCs/PEs were under investigation/enquiry at the end of the year 2016 as against 1113 RCs/PEs under investigation/enquiry at the end of 2015. 454 cases were pending for investigation for more than one year as on 31.12.2016. Table 6.7 & 6.8 provide details about the various activities under PC Act of CBI during 2016.

Table 6.7

Cases dealt with under P.C. act during the year 2016

| Sl. No. | Particulars | Cases |
|---------|--|-------|
| 1 | Registration | 673 |
| | No. of Public Servants involved in these cases | 1316 |

| Sl. No. | Particulars | Cases |
|---------|---|-------|
| | No. of Gazetted Officers involved in these cases | 337 |
| 2 | Disposal on investigation | 594 |
| | i) Departmental Action as well as Prosecution | 184 |
| | ii) Prosecution only | 339 |
| | iii) Departmental Action only | 27 |
| | iv) Such Action | 5 |
| | v) Closed | 37 |
| | vi) Otherwise disposed of | 2 |
| 3 | Total No. of cases under investigation (as on 31.12.2016) | 664 |
| 4 | No. of pending Trials (CC wise) | 6502 |

Table 6.8

Appeal and Revisions pending in various courts as on 31.12.2016.

| | Additional Session Court | | Session Court | | High Court | | Supreme Court | | Total |
|---------------------|--------------------------|----------|---------------|-----------|------------|-------------|---------------|------------|-------------|
| | CBI | Accused | CBI | Accused | CBI | Accused | CBI | Accused | |
| Appeal (P.C. Act) | 2 | 1 | 2 | 6 | 368 | 7732 | 70 | 183 | 8364 |
| Revision (P.C. Act) | 1 | 1 | 1 | 5 | 176 | 816 | 9 | 12 | 1021 |
| Total | 3 | 2 | 3 | 11 | 544 | 8548 | 79 | 195 | 9385 |

Age wise Analysis

| Age | APPEALS | REVISIONS | TOTAL |
|-------------------|-------------|-------------|-------------|
| | PC Act | PC Act | |
| <2 years | 2622 | 592 | 3214 |
| >2 but <5 years | 2214 | 227 | 2441 |
| >5 but <10years | 2284 | 152 | 2436 |
| >10 but <15years | 831 | 41 | 872 |
| >15 but <20 years | 303 | 5 | 308 |
| >20 years | 110 | 4 | 114 |
| Total | 8364 | 1021 | 9385 |

VIII Appointment for certain posts in CBI

6.19 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 four times in the year 2016 and made their recommendations to the Central Government.

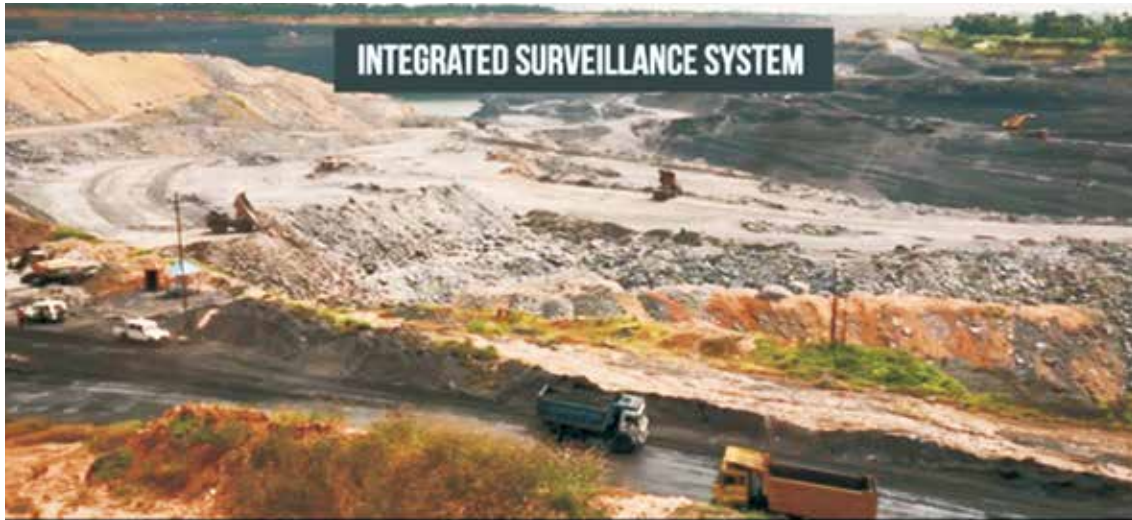
6.20 Section 4BA(3) of the Delhi Special Police Establishment Act, 1946 also provides that the Central Government shall appoint the Director of Prosecution on the recommendation of the Central Vigilance Commission. A proposal for extension in tenure of Director of Prosecution was considered by the Commission in 2016 and recommendation made to the Central Government.

* * * * *



CISF Jawans taking Integrity Pledge

System Improvements carried out by Coal India Limited



Government eProcurement System

Welcome: [kjtech.shahar@gmail.com](#) | Last login: 01-Nov-2016 11:55 AM | Server Time: 01-Nov-2016 12:00:21 | [Home](#) | [Logout](#)

Government eProcurement System

EXPERIENCE

1. FEE DETAILS → 2. END DETAILS → 3. FEE CONFIRMATION → 4. UPLOAD DOCUMENTS → 5. BID CONFIRMATION

● Bid Submission → Service Experience

Organization Chain : **Ministry of Coal**
 Tender Reference Number : **CEL/TEST/SERVICES**
 Tender ID : 2016_MoC_43242_1
 Tender Title : **TEST**
 ePublished Date & Time : **01-Nov-2016 11:40 AM**
 Bid Submission End Date & Time : **01-Nov-2016 12:40 PM**
 Annualized Value (INR): 1,00,00,000
 Required Experience Value (INR): 65,00,000
 Available Experience Value (INR): **60,75,753**

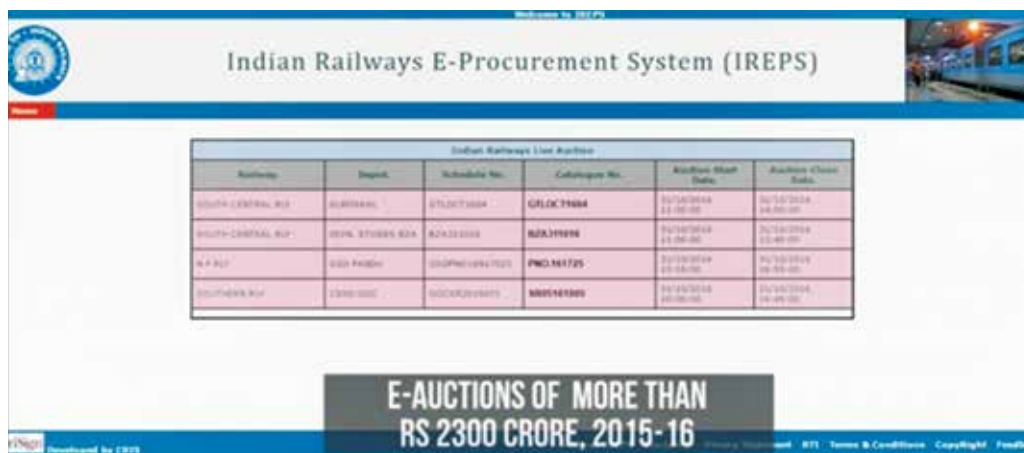
Validity period of experience
 From date : **01/11/2009**
 To date : **31/10/2016**

Your total experience value complies the required amount. Save the details and continue.

System Improvements carried out by various Organisations



Digitization of land records at Mumbai Port Trust



Indian Railways E-Procurement System (IREPS)

| Indian Railways List Auctions | | | | | |
|-------------------------------|----------------|--------------|---------------|----------------------|----------------------|
| Railways | Deptt. | Schedule No. | Catalogue No. | Auction Start Date | Auction Close Date |
| SOUTH CENTRAL RZ | ALUMINA | 07/02/2014 | GL/02/1004 | 22/03/14 11:00:00 | 24/03/14 14:00:00 |
| SOUTH CENTRAL RZ | 00% STUDBY B2A | 07/02/2014 | BZ/1/1004 | 22/03/14 11:00:00 | 24/03/14 14:00:00 |
| WZ RZ | 000 FIBRE | 00/00/000000 | FW/01/1004 | 22/03/14 11:00:00 | 24/03/14 14:00:00 |
| SOUTHERN RZ | 0000000 | 00/00/000000 | 00/01/1004 | 22/03/14 11:00:00 | 24/03/14 14:00:00 |

**E-AUCTIONS OF MORE THAN
RS 2300 CRORE, 2015-16**

E-Procurement System in Indian Railways



System improvement in Indian Oil Corporation Ltd.



Release of Booklet on Preventive Vigilance by the Hon'ble Prime Minister



Workshop on Preventive Vigilance organised by Punjab & Sind Bank



Public Procurement Summit organised by ASSOCHAM

CHAPTER 7

PREVENTIVE VIGILANCE AND SYSTEMIC IMPROVEMENTS

- 7.1 Preventive Vigilance is the adoption of a package of measures to improve systems and procedures to reduce and eliminate corruption. It is concerned with simplification of rules and regulations; standardization of procedures and processes; ensuring transparency and accountability; reducing discretion and public interface; leveraging technology; strengthening monitoring system and awareness generation. Preventive Vigilance involves systemic improvements which besides reducing corruption also leads to better operational results.
- 7.2 The importance of preventive vigilance had been recognized in the report of the Santhanam Committee way back in 1964. The Report stated that “Corruption cannot be eliminated or even significantly reduced unless preventive measures are planned and implemented in a sustained and effective manner. Preventive action must include administrative, legal, social, economic and educative measures”.
- 7.3 The Commission has worked towards taking forward the recommendations of the Santhanam Committee by emphasizing that the role of the Chief Vigilance Officers (CVOs) is predominantly preventive and therefore preventive vigilance should get adequate attention of the CVOs. The Commission has also posited that preventive vigilance is a tool of management and good governance and sought the active involvement of the management in all its initiatives from systemic improvements to awareness generation and development of an Integrity Index.

I Potential Areas of Corruption

- 7.4 Preventive vigilance is aimed at tackling the areas vulnerable to corruption within the organisation. Although potential areas of corruption are specific to organisations / sectors, there are some broad areas common to all organisations, which need special attention while putting in place a system of preventive vigilance. These relate to:
- (i) **Procurement:** Procurement is a vast area ranging from procurement of store materials & services to execution of infrastructure projects. It is one of the major corruption prone areas in all organisations.
 - (ii) **Sale of goods and services:** The disposal of goods (the reverse of procurement) and services is also a major area of corruption in some organisations. Similarly, allocation of scarce and / or precious natural resources is an area of corruption.
 - (iii) **Human resource management:** Human resource management is common to all organisations and the processes relating to recruitment, promotion, transfer and posting are prone to manipulation and corruption.
 - (iv) **Delivery of services to common public:** Although not common to all public sector organisations, major Government departments are involved in delivery of services which are a potential area of corruption.

- (v) **Enforcement:** The implementation of Acts, Rules and Regulations is also an area vulnerable to corruption mainly due to lack of awareness among citizens and ineffective grievance redressal mechanism.

II Preventive Vigilance Measures

7.5 Preventive vigilance measures can broadly be categorized as:

- (i) **Simplification and standardization of rules:** Simplification and standardization of rules and procedures results in reducing of discretion and arbitrariness. Identifying areas of discretion which are not governed by guidelines along with a review of existing rules and regulations will help to bring about clarity and accountability.
- (ii) **Leveraging technology and Automation:** Technology as an enabler for fighting corruption has been effectively demonstrated. E-procurements, E-payments, use of websites for dissemination of information and creating awareness, use of CCTV in places of public dealing, use of appropriate analytical tools, computer assisted audit techniques for detecting frauds are examples of how technology strengthens the system of preventive vigilance. Automation reduces interface / interaction between public officials and common public, thus leading to reduction in corruption.
- (iii) **Business Process Re-engineering (BPR):** BPR is very important as it helps the organisations rethink how they do their work and in the process encourages a full scale recreation of processes in order to meet the objectives of the organisation. Existing processes may be re-engineered to even prevent leakage of revenue.
- (iv) **Transparency:** Transparency removes the information gap between the public and public officials which in turn reduces corruption. The website of the department / organisation should contain rules & regulations, contact details of officials and all other information useful for common public / customers.
- (v) **Accountability:** A system with clear accountability and assigned responsibility at each level is necessary not only for smooth functioning but also for increased transparency, efficiency and for ensuring effective punitive action in case of misconduct.
- (vi) **Control & Supervision:** Regular and routine inspections, surprise inspections, audit and reviews help to keep a check on aberrant and corrupt behaviour. A structured interaction between vigilance and internal audit will enable better monitoring and also help identify potential problem areas.
- (vii) **Time-bound and effective punitive action:** Punitive action within short period of occurrence of 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.
- (viii) **Conducive work environment:** Conducive work environment for preventive vigilance may include drawing up a list of sensitive posts, rotation policy for sensitive posts,

identification of persons of doubtful integrity and keeping them away from sensitive posts / public dealing. It would be necessary also to create an environment that promotes ethical behavior. Protection to Whistle Blowers must be ensured in order to bring to light cases of corruption.

- (ix) **Training & Awareness:** Capacity building and sensitization at all levels and across all functional areas is important. Public officials should be made aware of their duties and responsibilities, code of conduct, rules and regulations through regular training and awareness programmes. A list of Dos & Don'ts for employees / officials is a simple yet effective tool. Likewise, familiarization with Standard Operating Procedures relating to different spheres of activity will enhance awareness and reduce procedural violations/ inadvertent errors arising out of a lack of awareness. Knowledge sharing initiatives such as publishing / circulating information relating to areas where fraud / misconduct has been detected and sharing information on best practices are other effective awareness generation methods for more effective preventive vigilance.
- (x) **Awareness among public:** If public is made aware of their rights, and also of the rules and regulations, then they are able to resist unfair treatment and arbitrary behaviour by public officials. Public should be encouraged to demand the services due to them and to raise their voice when their rights are denied or powers are misused by public officers. Organisations should prominently display information relevant / useful to the common public on their office notice board / website.
- (xi) **Inculcating Moral Values:** Inculcating ethical behaviour among public, particularly the younger generation is an important tool of preventive vigilance. Vigilance Awareness Week (VAW), celebrated every year during the last week of October is aimed at creating such awareness. This opportunity needs to be utilized by all CVOs / Organisations to create awareness among public as well as among its own officials regarding need for imbuing right values.

7.6 On a review of the work of Chief Vigilance Officers in Central Government and the Public Sector organizations in 2015, the Commission felt that while attention and emphasis on punitive vigilance needs to be continued, adequate attention has also to be given to preventing misconducts. The Commission therefore, decided to adopt "Preventive vigilance as a tool for good governance" as a theme for Vigilance Awareness Week 2015. Further, to give an impetus to preventive vigilance and also to gauge the extent of understanding of the term at a conceptual level and its implementation at the practical level, the Commission requested the Chief Vigilance Officers along with management to prepare a concept note on preventive vigilance including details of (a) potential areas of corruption and the adequacy of existing procedures and checks in place (b) the effectiveness of the prescribed inspections, audits reviews, other monitoring mechanism in place for preventing and detecting misconducts (c) prominent vigilance cases arising due to non compliance with rules / guidelines and / or indicative of failure of preventive vigilance and major learning's therefrom (d) existing preventive vigilance measures and (e) major system improvements proposed to be undertaken in future.

- 7.7 The thrust on preventive vigilance consolidated and strengthened the existing systems and processes and also led to some new initiatives and innovations. Concepts such as e-procurement, automation of service delivery, policy of rotation in sensitive posts etc are not new but their proper and effective implementation had to be ensured. This initiative has also led to many organizations revising their manuals and introducing standard operating procedures where they did not exist. Further, the organizations identified areas prone to corruption and made efforts to tackle them. The Commission felt that the initiatives and innovations of various organizations need to be shared so that others also benefit from them. Therefore, the concept notes on preventive vigilance of twenty organizations were compiled into a booklet titled 'Initiatives of Preventive Vigilance' for the benefit of all. This booklet was released by the Honourable Prime Minister in November 2016. A similar compilation covering an equal number of organizations is planned for the coming years as well.

III Systemic Improvements by Organisations

- 7.8 Given the focus on systemic improvements by the Commission, several PSUs, PSBs etc. made efforts to streamline processes and procedures to reduce scope for corruption. Systemic Improvements undertaken by a few select organizations in the recent past are highlighted below:

Railways:

- **Preventing manipulation in ticketing/reservation**
 - CCTVs in reservation and ticketing areas
 - Mobile numbers on Electronic Reservation Slip (ERS) tickets to identify illegal tickets
 - Restriction on pre-feeding travel details
 - Restrictions on modifications in ticket details
 - Mandatory to carry valid Identification Proof during journey
 - SMS ticketing and "Get SMS" facility
 - More stringent cancellation policy introduced
 - Bar coding and Hand Held Terminals initiated
- **E-Recruitment**
 - Assured and error free submission of applications
 - SMS/E-mail alerts to candidates at every stage
 - Multiple modes of fee payment
 - Mock Test before actual examination

- Google map links on the Admit Cards
- Biometric attendance along with Photo-capture
- Facility for review and modification of responses
- Uploading of Question papers, candidates' responses and Answer keys
- Opportunity to raise objections regarding correctness of Questions / Answer keys
- Disclosure of all relevant information in public domain
- **Transparency in supply contracts through e-procurement**
- **Transparency in sale of scrap materials through e-auctions**

Employees' Provident Fund Organization (EPFO):

- **Online Registration of Establishments (OLRE)** enables employers to apply online and upload digitally signed documents. It is integrated with e-Biz portal of Government of India for extending ease of business to employers.
- **Central Analysis and Intelligence Unit (CAIU)** has been set up which acts as the nodal agency for facilitating compliance, tracking, monitoring and initiating default control measures
- **EPFO is a member of Unified Shram Suvidha** portal of Ministry of Labour & Employment that enables data sharing among regulatory bodies leading to enhanced transparency and more effective compliance.
- **Universal Account Number (UAN)** is being issued for every contributing member of the Employees' Provident Fund with ensured portability of the account number upon change of employment of the individual member
- **Electronic Challan cum Return (ECR)** has been introduced to enable establishments to submit statutory returns online and those establishments whose bankers are State Bank of India can also make online payments facilitating real-time updating of member accounts and establishment ledgers
- **Online Transfer Claim Portal (OTCP)** has made members' claims for transfer of account necessitated by job/location change e-enabled.
- **Mobile based applications that enable**
 - Activation and access to UAN based member account by the members
 - Access to pension disbursement details by the pensioners
 - SMS based claims' payment tracking facility



- Monthly SMS alerts to all UAN holders regarding the credit of PF Contributions in their accounts

Indian Oil Corporation Ltd. (IOCL):

- **Entire Business Transactions through customized ERP Platform (SAP)**
- **Terminal Automation (Smart Terminals)** - A closed loop system with little or no manual intervention, right from placement of indents to filling of tank lorry and preparation of invoice
- **Vehicle Tracking System (VTS)** for Tank Trucks to control diversion of tank trucks for unauthorized sale/purchase and adulteration.
- **File Tracking and Bill Tracking Systems**
- **Centralised Sales Modules for LPG (Indsoft)** which covers the entire gamut of LPG distribution activities and is operated centrally
- **Mandatory uploading of dealer details annually** on Corporation website controls 'benami' operations and shifts the onus to dealers for compliance of M/o PNG/Corporation guidelines.
- **Online booking of new LPG connections** to mitigate malpractices and for the convenience of customers
- **IVRS/Web-based/Application based booking of refills**
- **Customer-friendly mobile application Fuel@IOC** which offers details of nearby Retail Outlets, their prices and facilities to customers
- **eCFS (e-Customer Feedback System)** which serves as an online complaint/grievance redressal system as well as a suggestion and appreciation portal for customers
- **ESS (Employee Self Service) portal** which covers the entire spectrum of employee interface with Management

Central Bank of India (CBI):

- **Checking of CIBIL** has been made mandatory at the time of submitting loan proposal and again at the time of disbursement
- Process of due Diligence has been made more stringent at New Business Group (NBG) level
- **Credit Monitoring Department** at all controlling offices are required to follow up for compliance of terms and conditions of sanction
- Well established **Off-site monitoring** system under which alerts are sent on different frequencies and some of the major alerts are as under :
 - Unusual growth in advances

- Use of ID of staff on leave/training (as per HRMS)
- Cash deposits exceeding Rs. 50000 in staff accounts
- Local credits in NRE accounts
- Operations in dormant accounts
- Loans granted against FDs
- **Exception Reports** pertaining to interest variations in loan accounts, debit/credit transactions in staff accounts, debit transactions in BGL accounts etc. are generated and sent to Branches.
- **SMS alerts are sent to staff** in case of disbursement in loan accounts, approval of new limits, untallied cash in the Branch and physical cash exceeding prescribed limit
- **SMS alerts are sent to customers** in case of dispatch of cheque books, change of mobile numbers, conveying thanks to introducer, debit of customer's account exceeding threshold limit and maturity of FDs.
- **Anti-Money Laundering (AML) alerts** are also generated which mainly pertain to high value cash deposits or withdrawals in a day/month, sudden increase in value of transactions, high value transactions inconsistent with profile, repeated small value transfers from unrelated parties, high value cash transactions with a country with high money laundering risk/tax havens etc.

Gas Authority of India Limited (GAIL):

- All major business transactions are performed on SAP for transparency and seamless integration of business processes
- Tendering process has been improved through implementation of e-tendering through SRM system of SAP for receipt of bids, web-hosting of tenders, online reverse auction system and tender monitoring system.
- Implementation of percentage mark-up model for tenders related to contracts of repetitive nature
- Online payment of salary and other claims of employees and e-payments to vendors
- Web enabled system for tracking of bills
- Web enabled software to track file movements and generation of exception alerts.

Bharat Dynamics Limited (BDL):

- The Recruitment Manual/Rules reviewed with an objective to ensure more fairness and transparency in the recruitment process.

- IMM Manual was revised in tune with the modern day requirements and in line with Defence Procurement Procedures/General Financial Rules with effect from 05-06-2015 and subsequent revision due in 2017, is under process.
- Works Manual was revised in tune with the modern day requirements and in line with General Financial Rules with effect from 05-06-2015 and subsequent revision is due in 2017 and it is under process.
- About 90% of the procurements (in value) are being done through e-procurement.
- All payments except cash on delivery and miscellaneous are through e-payments. About 98% of the total payments are done through e-payment.
- 12 executives working in sensitive departments were transferred during the year.

Air India (AI):

- Monetisation of properties owned by AI at various locations
- Proper use of leased properties to reduce outgo of rent, or part leasing of existing space at these properties
- SOP for handling Lost and Found items and hosting details of these items on the website
- Clear guidelines and procedures for acceptable weight deviations as declared in the airway bill and actual cargo received
- Systemic improvements for ensuring nil discrepancy in baggage handling/loading
- Streamlining the maintenance of property documents relating to erstwhile Air India and Indian Airlines to prevent unauthorized sale of Air India property. All property documents to be consolidated and centralized at one location and Estate Officer to be entrusted with all matters relating to maintenance of properties and documents etc.

Mumbai Port Trust (MPT):

- Changing Minds Program
- Responsibility Authority Matrix for officials dealing with tender from stage of estimate to final execution
- Third party monitoring of works/projects for civil works exceeding Rs.5 crore and above and for mechanical/ electrical works Rs.50 lakh and above
- Constitution of Variation Committee with an external expert to examine extra and excess works executed over and above the estimated cost and extension of time period
- E- Payments and E- Receipts

- E-Applications for Licenses/ Permits/ Document Submissions
- Mobile App for stakeholders grievances
- Confidential App for Vigilance Complaints
- Computerized Access Control System
- Digitized Land Management with GIS through outsourcing to expert Agency.
- Stakeholder satisfaction through concurrent stakeholder satisfaction index

IV Systemic Improvements as guided by the Commission

7.9 Not only did the organizations at their level focus on preventive vigilance, but the Commission based on examination of vigilance cases, during the year issued several important guidelines having an impact on systemic improvements. A few of these are highlighted here:

- (i) The Commission advised the Department of Personnel and Training to consider incorporating a suitable clause in the terms and conditions of appointment of heads of autonomous organisations to enable initiation of disciplinary action for misconduct committed during the tenure of service or office.
- (ii) The Commission also advised the Department of Financial Services to provide adequate provisions in the pension scheme for Whole Time Directors enabling initiation of punitive action within four years of demitting office or completion of tenure.
- (iii) The Commission noticed that in a large number of cases, loans are sanctioned based on fraudulent certificates or documents certified by Chartered Accountants and submitted by loan seekers, and hence requested the Institute of Chartered Accountants of India to place the details of all CAs on its website and to share the data with the Department of Financial Services and banks so that bankers can seek confirmation of the documents directly from the CAs.
- (iv) Commission noticed that a bank official had allowed huge cash withdrawal from numerous cash credit account of borrowers without verifying the purpose of such withdrawals. These withdrawals were used for payment of premium of insurance policies. The bank official was therefore instrumental in diversion of funds and canvassing which was not his role. Commission advised inter alia the issue of instructions for such verification and to examine the consequences of cross selling on Banks own functioning and to devise/draw suitable guidelines to guard against faulty policies by certain banks to cross sell products of insurance companies resulting in unethical acts.
- (v) In a case where Public Sector Insurance Companies had settled insurance claims based on survey report furnished by an unauthorized person claiming to be a surveyor, the Commission advised as system improvement, a review of the validity/correctness of the appointment/renewal of surveyors to rule out such instances.

- (vi) The Commission has advised the relevant Departments to issue suitable instructions to Central Public Sector Enterprises and Public Sector Banks to curb the practice of obtaining donation by associations formed by employees or their spouses, from contractors, vendors, customers or others having commercial relationship or official dealings with the Central Public Sector Enterprise/ Public Sector Bank.
- (vii) The Commission has come across instances of hiring of vehicles owned by relatives of Government servant or bought in their name, for operational/staff car purposes. The Commission observed that such practice tantamounts to carrying on private business by Government officers which is against Conduct Rules. On advice of the Commission, Ministry of Finance, Dept. of Revenue issued Circular No. 13011/50/2016-Vig dated 23.9.2016 issued instructions to prevent corrupt/undesirable practices in awarding contracts for hiring of vehicles to Government offices.
- (viii) The Commission has examined the matter of giving approval, extension of approval by AICTE, CBSC and MCI. The modus operandi in all these three institutions is that the intending institutes apply for affiliation of the approval and inspection team from these organizations visit the institutes and submit their reports. Based on this report, approval is granted to the Institutes. In many cases, it is seen that a favourable inspection report is submitted even if there are deficiencies in the institutes. Based on presentations by these organisations they were directed to take actions on:-
 - (a) The requirement of extension of affiliation/approval may be reviewed
 - (b) The timeline for granting approval should be declared in advance so that the applicants are not forced to run for the affiliation at start of the academic period
 - (c) There should be online system where students and teachers of the institutes can lodge complaints in case they find any deficiency in the institute.
 - (d) A system should be devised where inspecting members can be held responsible in case any shortfall is noticed.

All the three organizations are taking actions on the above issues and they are also keeping the Commission informed of the improvements brought in their organizations.

- (ix) The Commission has taken up the matter of release of grants to various NGOs and to State Governments by Ministries / Departments such as Ministry of Tribal Affairs, Ministry of Social Justice, Ministry of Women & Child Development & Ministry of Health. It was noticed that grants are not released on time or grants released to States are misutilized. The Commission advised the Ministries to submit a report on Standard Operating Procedure on dealing with release of grants, time lines for release of grants and priorities (first come first served or some other method to be followed).
- (x) The Commission while examining vigilance cases pertaining to public sector insurance companies observed that repeated complaints with regard to settlement of general insurance claims were being received. As a preventive vigilance mechanism, Commission advised the CVOs of public sector insurance companies to ensure that all

offices are geared up to handle heavy inflow of claims so as to dispose of the same in a time-bound manner as per the norms prescribed by the companies. The Commission further advised that necessary Standard Operating Procedures (SOPs) should be put in place with a specified timeline for all activities relating to settlement of claims; that appropriate guidelines for payment, rotation, work allocation, monitoring and removal of surveyors be framed; and that guidelines also be framed for “On Account Payments” etc.

- (xi) While processing vigilance cases of public sector banks involving frauds and other mistakes / misconducts, the Commission observed that bankers avail the services of professionals like Chartered Accountants, Advocates, Valuers etc. The service providers in many cases in connivance with the borrowers perpetrate frauds on the banks resulting in an alarming rise of Non-Performing Assets. These fraudulent activities of service providers include: Advocates giving clear title / non-encumbrance certificates despite defective title / property being encumbered resultantly the defective title comes to the knowledge of bankers when they try to initiate action under SARFAESI Act; Chartered Engineers give inflated valuation certificate and wrong report on quality of assets; Chartered Accountants certifying balance sheet with incorrect figures concealing relevant facts; fact that property is not capable of sale / transfer due to inability of physical identification or due to issue of undivided interest etc. The Commission further observed that the fraudulent activities get repeated in various banks but exemplary actions against the professional service providers, involved in the fraudulent acts, are not initiated. Moreover, it is also not clear as to who ensures the compliance of guidelines issued by RBI / DFS. The Commission advised streamlining of the functioning of the banks, clearly analysing the role of different agencies to ensure preventive action to avoid frauds and misconduct, identifying the gaps in the procedures laid down and filling up the same to ensure improvements in the day-to-day operations of the public sector banks. It was also decided that there would be close coordination between Central Bureau of Investigation, Enforcement Directorate, Serious Frauds Investigation Office and Central Vigilance Commission in addition to reviewing and improving upon the SARFESAI and CERSAI to more effectively deal with the fraudsters. It was also decided to take a re-look at the master circular issued by RBI on frauds and ensure that the data collected by the banks on frauds etc is used as a management tool so as to bring about a perceptible improvement in this area of concern.
- (xii) The Commission reviewed the systems in place to protect Govt. (Defence) land as a preventive Vigilance exercise in view of reports relating to officer-land mafia nexus. Although the Defence Ministry had taken a number of steps such as digitization of land records, regulated issuance of NOC for construction etc., there were still lot of loopholes which could be exploited by nefarious elements. The Commission noticed that the sale and registration of property by existing HOR is being done without NOC from Cantonment Authorities and the Registrars have not been responsive to the request of Cantonment Authorities. Commission also observed that there must be some enabling provision in the Cantonment Act not to accept such registration and if such provision does not exist, M/o Defence should work towards having such enabling provisions.

- (xiii) On the issue of unauthorized constructions in NCT of Delhi, the Commission observed that the reports are being sent by CVOs after a delay of 2-4 years and that these reports lack details in terms of when the unauthorized construction took place, whether it was in the notice of the concerned officers, the nature and outcome of action taken by them etc. The Commission emphasized the requirement of software so that construction taking place in an area during a particular period can be recorded automatically. The need for a Standard Operating Procedure (SOP) which would cover all the actions to be taken by concerned officials in a time bound manner and also include the role and responsibility of all officials so that there is no ambiguity in fixing responsibility on erring officials was also stressed by the Commission. This SOP could be made available on the portal which should also enable the lodging of complaints regarding unauthorized constructions.
- (xiv) In a case of smuggling of betel nuts in the guise of raw cashew nuts through Tuticorin Port, the importer had diverted the imported containers stated to contain cashew nuts to his premises en route from port to Container Freight Station and offloaded the smuggled betel nuts, and substituted the same with cashew nuts which were duly declared to customs in the import documents. In this process the seals of the containers were broken and replaced with fake seals. Disciplinary action was initiated against many officers but was dropped as there were certain gaps in the system due to which the case had emerged. The Commission had advised systemic improvements to avoid recurrence of such events in future. CBEC has implemented some systemic improvements such as developing a module for Radio Frequency Identification (RFID) tagging of containers and E-Sealing of Containers, affixing RFID tags which are scanned and monitored using scanners and cameras placed at various locations such as Ports, Container Freight Stations, Toll gates etc on the wind screens of trailers to ensure that the movement of the containers is tracked from end to end and there by their diversion is checked. Further, the introduction of E-Seals ensured that tampering would be easily detected, thereby eliminating the risk of unauthorized opening of containers.
- (xv) Commission observed systemic lapses during CBI investigation into case of clearing of drugs and pharmaceuticals through Chennai Customs on the basis of documents bearing stamp & number evidencing approval of the office of the Drug Controller. CBI's investigation revealed that the said stamp & number pertain to past clearances of different importers and the same were fraudulently used to clear other consignments. Commission had advised CBEC to implement systemic improvements based on which CBEC has introduced Single Window Interface for Facilitation of Trade (SWIFT) which brought on board 6 Govt. agencies including Drug Controller's Office. This is an IT based platform where the 'No Objection Certificate/ Clearance' required by the importer from various agencies are integrated into a single online form and the respective agencies communicate with Customs through this platform only. This has eliminated human interface in obtaining clearances on the hard copy of the Bills of Entry by the importer / CHA, thereby eliminating the scope for manipulation, while being a significant step for trade facilitation.

V Integrity Index

- 7.10 In line with the broader strategy and emphasis on preventive vigilance, the Commission believes that the next level of systemic change can be through the tool of Integrity Index.

The Commission had sent a proposal to the Government in December 2014 to provide necessary resources to undertake an integrity assessment initiative / study. The Ministry of Finance on considering the same in the budget for FY 2015-16 allocated Rs. 1 crore for the development of Integrity Index for Public Organisations. Initially some preliminary work related to development of an Integrity Index was done in terms of familiarisation with models and types of assessments conducted globally.

7.11 The Central Vigilance Commission decided to go in for development of the Integrity Index based on bench-marking of internal processes and controls within an organisation as well as management of relationship and expectation of outside stake holders. Through the Integrity Index it is proposed to bring out annual scores / ranking of CPSEs and Departments / Ministries of the Central Government. Accordingly, the Commission opted for a research-based approach to creating an integrity index that various organizations can use to measure themselves and which will evolve with changing needs.

7.12 The main objectives for which the Integrity Index is to be established are:

- (i) Define what constitutes Integrity of Public Organizations
- (ii) Identity the different factors of Integrity and their inter-linkages
- (iii) Create an objective and reliable tool that can measure the performance of organizations along these above factors
- (iv) Validate the findings over a period of time to improve upon the robustness of the tool that measures Integrity
- (v) Create an internal and external ecosystem that promotes working with Integrity where public organizations lead the way.

7.13 Given the highly specialised nature of the task at hand and the constraints of manpower in the Commission, it was decided to engage an academic institution/organisation as a consultant (to be appointed through an open tender process) to undertake the exercise. The scope of work for the consultant is to:

- Develop a 5 year Draft Road Map for Integrity Index and its associated ecosystem -
 - Understand the structure and development of similar exercises conducted by other Governments and Public Organizations
 - Propose a road map for the formulation, establishment and development of process, organization and structure for such measurement, advocacy and use of the scores
 - Understand the ecosystem that is necessary for long term sustenance of the measurement, up-gradation and promotion of use of the Index such that it becomes an integral part of policies and decision making
- Manage and execute the project -

- Develop reliable Integrity Index models and statistically validate the creation of such measurement instruments
- Test run the Index among a set of Public Organizations to establish its reliability and validate the model
- Conduct the first assessment to prove the validity of the Index and create a baseline measurement process
- Understand the above mentioned objectives of the exercise and propose ways and means to achieve them.

7.14 The mandate of the consultant requires it to survey and develop the Integrity Index for 25 organisations listed as under:

| Sl. No. | Sector | | Name of CPSE/Ministry/PSB etc |
|---------|-----------------------|----|-------------------------------|
| 1 | Oil and Gas | 1 | IOCL |
| | | 2 | ONGC |
| 2 | Power | 3 | NTPC |
| | | 4 | PGCIL |
| 3 | Coal | 5 | Eastern Coalfields |
| | | 6 | Western Coalfields |
| 4 | Steel | 7 | SAIL |
| 5 | Banks | 8 | PNB |
| | | 9 | Syndicate Bank |
| 6 | Transport | 10 | NHAI |
| | | 11 | Mumbai Port Trust |
| | | 12 | RVNL |
| | | 13 | M/o Railways |
| 7 | Mining | 14 | NMDC |
| | | 15 | NALCO |
| 8 | Defence | 16 | BEL |
| 9 | DHI | 17 | BHEL |
| 10 | Commerce and Textiles | 18 | CCI |
| 11 | Social Sector | 19 | FCI |
| | | 20 | EPFO |
| | | 21 | MCI |

| Sl. No. | Sector | | Name of CPSE/Ministry/PSB etc |
|---------|----------------------------------|---------|-------------------------------|
| 12 | Communication | 22 | MTNL |
| 13 | Urban Development & Local bodies | 23 & 24 | DDA and South MCD |
| 14 | Financial Sector | 25 | CBDT |

- 7.15 Based on the efficacy of the model it is intended to extend it to all other CPSEs and Central Government Departments in a phased manner.
- 7.16 IIM Ahmedabad has been appointed as the consultant for the project and the initial meeting in December 2016 saw the participation of CMDs and CVOs of the 25 selected CPSEs and Government Ministries/Departments. It is hoped that the Integrity Index will link the essential drivers of vigilance with long term profitability and sustainability of public organisations which in turn would help create and nurture a system which promotes excellence.
- 7.17 It can be said that Preventive Vigilance represents a more nuanced approach towards combating corruption with a greater emphasis on prevention and education, on generation of awareness among the people as a more effective and sustainable means of combating corruption. Accordingly the Commission is encouraging organisations to develop a sound preventive vigilance framework which would enable them to assess the risk of corruption, take steps to correct policies, procedures and systems and to strengthen their internal controls to eliminate the scope for corruption.



Nukkad Natak organised by PGCIL

Glimpses of activities held during Vigilance Awareness Week 2016 across the country



Glimpses of activities held during Vigilance Awareness Week 2016 across the country



Glimpses of activities held during Vigilance Awareness Week 2016 across the country



CHAPTER 8

PARTICIPATIVE VIGILANCE AND VIGILANCE AWARENESS WEEK

I Introduction

- 8.1 The Santhanam Committee (1962) to study important aspects on the evils of corruption in Indian society had highlighted the role of society at large in the fight against corruption in its following observations, *“In the long run, the fight against corruption will succeed only to the extent of which a favourable social climate is created. When such a climate is created and corruption becomes abhorrent to the minds of the public and the public servants and social controls become effective, other administrative, disciplinary and punitive measures may become unimportant and may be relaxed and reduced to a minimum”*. This holds true even today.

II Fundamental Duties

- 8.2 Article 51A of Indian Constitution casts certain duties on every citizen.

It shall be the duty of every citizen of India,

- (i) to abide by the Constitution and respect its ideals and institutions, the national Flag and the National Anthem;
- (ii) to cherish and follow the noble ideals which inspired our national struggle for freedom;
- (iii) to uphold and protect the sovereignty, unity and integrity of India;
- (iv) to defend the country and render national service when called upon to do so;
- (v) to promote harmony and the spirit of common brotherhood amongst all the people of India transcending religious, linguistic and regional or sectional diversities; to renounce practices derogatory to the dignity of women;
- (vi) to value and preserve the rich heritage of our composite culture;
- (vii) to protect and improve the natural environment including forests, lakes, rivers and wild life, and to have compassion for living creatures;
- (viii) to develop the scientific temper, humanism and the spirit of inquiry and reform;
- (ix) to safeguard public property and to abjure violence;
- (x) to strive towards excellence in all spheres of individual and collective activity so that the nation constantly rises to higher levels of endeavour and achievement;
- (xi) who is a parent or guardian to provide opportunities for education to his child or, as the case may be, ward between the age of six and fourteen years.

It can thus be said that it is the duty of every citizen to be honest and to oppose corruption.

III Encouraging Ethical Conduct

- 8.3 The Commission is of the view that corruption mainly includes abuse of authority and selfish exercise of power by those who hold privileged positions in public life. Hence, corruption can be linked to lack of ethical values. Combating corruption is, therefore, not just a matter of making laws and creating institutions, but is deeply rooted in human values, ethics and morality of the individuals, organisations and the society at large. Inculcating ethical and moral values in the citizen i.e. Truthfulness, Honesty, Integrity, Probity, Courage, Uprightness, Respect for and obedience to law etc., is the foundation stone of any society's fight against corruption. Stigmatising the culture of corruption, favouritism, nepotism and promoting meritocracy create a conducive social climate. Similarly, the spirit of 'consumerism' leads to avarice and craving for easy money. If the Citizen is taught to 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 Organisations (NGOs) etc. have a major role to play in the inculcation and dissemination of high ethical and moral values in individuals, organisations and the society at large.

IV Public Participation

- 8.5 Keeping in view the spirit of the Constitutional obligations and the need to encourage ethical conduct, the Commission endeavours to promote integrity and eradicate corruption which can be achieved only with the active support and participation of the citizens and other institutions. Public participation plays a vital role in the fight against corruption in the following ways :
- (i) Encouraging ethical conduct of individuals and organisations;
 - (ii) Educating and creating awareness about the rights and duties of the citizen, 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.

V Vigilance Awareness Week

- 8.6 The week in which the birthday of Bharat Ratna Sardar Vallabh Bhai Patel (31st October) falls

is observed by the Commission as 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 he was a shining example of probity in public life. VAW is observed to create awareness and to publicize the menace of corruption and to emphasize its ill effects on the well being of the country. VAW also aims to sensitise people about the adverse consequences of corruption and ways to eliminate it.

- 8.7 Central Vigilance Commission endeavours to promote integrity, transparency and accountability in public life in various ways. Observance of Vigilance Awareness Week every year is an outreach measure where the Commission pro actively reaches out to all stake holders whether Government employees or the public at large, who are encouraged to prevent and combat corruption. Every year, during the VAW, several awareness programmes / activities are organised viz., display of banners, posters etc., at prime locations, organizing seminars and inviting prominent persons from different fields to address the participants, to organize competitive debates / lectures on anti-corruption topics amongst the employees in organisations and students in the colleges /schools and distribute prizes, issuing special journals during the week, requesting the non-government organizations, institutions and service associations in the local area to participate in the Vigilance Awareness campaign, publicity of anti-corruption activities through print and electronic media etc. These are conducted by the offices of the Central Government, its subordinate and attached offices, PSUs, Banks, Autonomous Bodies and Institutions under Central/State Governments as well as by schools and colleges across the country.
- 8.8 The Commission is of the view that corruption is a serious unethical practice that undermines trust and confidence in public officials and public confidence can only be gained by promoting integrity in governance. Economic and social progress, rule of law, democratic values and a strong civil society are some of the basic prerequisites in building an integrity system in order to sustain the fight against corruption in society.
- 8.9 In order to attain a corruption free society, all stake holders including Government, citizens and the private sector must share the responsibility for creation of awareness of corruption as well as refrain from indulging in unethical acts. Aware, active, involved and empowered public is, therefore, essential to any anti-corruption campaign. Anti-corruption strategies are not simply policies that can be planned in advance and isolation, but often a set of subtler insights that can be developed only in conjunction with public participation. Combating corruption is, therefore, not just a matter of making laws and creating institutions, but is deeply rooted in human values and morals of individuals and the fight against corruption cannot be won without citizens' support, participation and active vigilance by all concerned. The Commission had, therefore, chosen "Public participation in promoting Integrity and eradicating Corruption" as the central theme for Vigilance Awareness Week, 2016.

VI Activities undertaken during VAW 2016

- 8.10 Vigilance Awareness Week in the year 2016 was observed from 31st October to 5th November, 2016 on the theme of "*Public participation in promoting Integrity and eradicating Corruption*". All

the organisations were advised to consider activities relevant to the theme both within their organization as well as for outreach to the public / citizens. The following activities were undertaken for dissemination of awareness against corruption:

- (i) The observance of the Vigilance Awareness Week commenced with the pledge by public servants in the Ministries / Departments / CPSEs / Public Sector Banks and all other Organisations on 31st October, 2016 at 11.00 a.m.
- (ii) Distribution of pamphlets, handouts on preventive vigilance activities / whistle blower mechanism and other anti-corruption measures.
- (iii) Organising workshops / sensitization programmes for employees and other stake holders on policies / procedures of the organization and preventive vigilance measures.
- (iv) Bringing out special issue of journals / newsletters on vigilance matter / systemic improvements and good practices adopted for wider dissemination and awareness.
- (v) Conducting various competitions such as debates, quiz etc. for the employees and their families on issues relating to anti-corruption;
- (vi) Using organizational website for dissemination of employees/customer oriented information and avenues available for grievance redressal.
- (vii) Displaying hoardings, banners, posters and distribution of handouts etc. at prominent locations /places in offices /field units and also at places with public interface (e.g. Branches of Banks, Petrol Pumps, Railway Stations, Airports etc.).
- (viii) Organizing customer grievance redressal camps for citizens/ customers/ vendors / contractors, etc. by organisations having customer oriented services / activities. Such camps were held by the organisations not only at headquarters but also at all appropriate field offices across the country.
- (ix) Ensuring participation of Non-Government Organisations, corporates in private sector, other institutions, service organisations and public in the local area to participate in the vigilance awareness campaigns particularly by conducting seminars / workshops / skits / street plays / walk / marathon etc. Vigilance Study Circles also ensured organizing such activities.
- (x) Using social media, electronic and print media for spreading awareness etc.

8.11 Several other activities were also introduced for wider participation and these are highlighted in the paras below.

VII Integrity e-Pledge

8.12 In line with the theme this year and in order to foster probity and integrity in public life, the Commission had launched the Integrity e-Pledge – one for citizens and the other for corporates/entities / firms etc. The Integrity e-Pledges can be taken on the portal <https://>

pledge.cvc.nic.in. All Ministries / Departments / Organisations were asked to provide a hyperlink on their respective websites / intranet to elicit wider participation. The Integrity e-Pledge has received overwhelming response from citizens and organisations. By the end of 2016, over 8 lakh citizens and over 25000 organisations had taken the pledge.

- 8.13 By taking the Integrity e-pledge, citizens commit to uphold highest standards of honesty and integrity by following probity and rule of law in all walks of life, to neither take nor offer bribe, to perform all tasks with honesty and transparency, act in public interest and report any incident of corruption to appropriate authority. Similarly, by taking the integrity pledge, organizations viz., corporate / entities / firms etc., would affirm their commitment to eradicate corruption and to uphold highest standards of integrity and good governance by promoting a culture of honesty and integrity in the conduct of their activities. Organizations would pledge to neither offer nor accept bribe, commit to good corporate governance based on transparency, accountability and fairness, adhere to relevant laws, rules and compliance mechanisms in the conduct of business, adopt a code of ethics for all its employees, sensitise their employees of laws, regulations, etc., relevant to their work for honest discharge of their duties, provide grievance redressal and Whistle Blower mechanisms for reporting grievances and fraudulent activities and protect the rights and interests of stakeholders and the society at large.
- 8.14 The Commission also provided a “*Certificate of Commitment*” to the citizens and organization who took the Integrity e-Pledge. The Commission would express its gratitude and support to the citizens and the organisations who committed themselves towards the cause of corruption.

VIII “Awareness Gram Sabhas”

8.15 In addition to the above activities, all organisations especially the Public-Sector Banks were advised to organize the “Awareness Gram Sabhas” for dissemination of awareness in Gram Panchayats to sensitise citizens on the ill-effects of corruption. Following activities were conducted during the Gram Sabhas:

- (i) E-pledge introduced by the Commission was explained to the participants and the pledge was administered en masse to the participants.
- (ii) Pamphlets were distributed.
- (iii) Talks highlighting ill effects of corruption were held.
- (iv) Melas, evening choupals, nukkad nataks, screening of films, street plays were organised bringing awareness about “Public participation in Promoting Integrity and Eradicating Corruption”.

About seventy thousand such Gram Sabhas were conducted covering a large number of citizens across the country.

IX Awareness Campaign in School/Colleges

8.16 This outreach activity focused on inculcating greater awareness about corruption and anti-

corruption measures among students / youth in colleges and schools including professional colleges / institutions across the country. E-pledge was explained and administered to the participating students. Activities on the VAW theme such as debate, slogan writing, essay writing competition, lectures, discussions and talks, poster competitions etc. were organized in school / colleges across the country. Over 4000 schools and colleges participated in over 500 cities / towns across the country reaching out to several lakh students / youth. Prizes were distributed to exhort young minds to inculcate in themselves moral values, honesty, integrity and probity.

X Other Activities undertaken

- 8.17 **Media / Doordarshan:** CVC, VCs and senior officers of the Commission had 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.
- 8.18 **Use of Social Media:** The Commission had opened social media accounts on Facebook and Twitter for participation and dissemination of Preventive Vigilance activities, reaching out to a wider audience across the country.

XI National Seminar

- 8.19 A National Seminar was organized on 7th November 2016 in Vigyan Bhavan which was followed by the Valedictory function of the Vigilance Awareness Week 2016. The National Seminar consisted of two panel discussions on issues of contemporary relevance in this field. The first panel discussion was on the theme of the Vigilance Awareness week 2016, viz. “Public participation in promoting integrity and eradicating Corruption”. The second panel discussion was on the theme of “Public Procurement”. Eminent persons were invited as panellists to share their views on these themes. The seminar and panel discussions were attended by a diverse audience comprising stakeholders from the public, employees of organizations, representatives of trade unions /service associations as well as the chief executives of various organizations / departments and other senior administrative personnel of the Government.
- 8.20 **Panel Discussion on the theme “Public participation in promoting integrity and eradicating Corruption”:** While speaking on the theme the panellists shared their views and experiences. Shri Pratyush Sinha, former CVC, who chaired the session and moderated the discussion stated that we need to create movements similar to “International Associations of Public Participation” which creates awareness in public and encourage honesty. Shri Vinod Rai, former C & AG while stressing on the need of awareness campaign and sensitising the stakeholders suggested that every authority should be made to feel as if it is in a glass house, whereby there is complete transparency and accountability. Shri Shekhar Gupta, an eminent journalist, added that corruption has many strata — from mega scams to survival corruption. He expressed that we need to simplify the systems and reduce multiplicity of authorities, work on governance, address it as a cultural problem and enhance transparency. Shri Rajiv Kumar, Senior Fellow Centre for Policy Research, stated that corruption emerges from certain factors such as scarcity, over regulations, concentration of power, incompetency and opacity in the systems. He further added that uncertainty in environment which goes against investment is the

worst form of corruption. Regulations need to be rationalised to give predictable, transparent and accessible environment. Shri Sunil Kanoria, President, ASSOCHAM, stressed on the need of participation of public through social media and empowering the institutions on local levels.

- 8.21 **Panel Discussion on the theme “Public Procurement”**: Speaking on public procurement Shri Pradeep Kumar, former CVC, who chaired the session and moderated the discussion added that corruption happens to be the biggest problem in public procurement as it distorts the market, has negative effect on the quality of the project. Shri Ashok Lavasa, Finance Secretary stated that public procurement projects the image of government, as to how transparency, rules etc. are being followed. Shri Kiran Karnik, Ex-President, NASSCOM, stated that delay in procurement and payment to vendors is a cause for concern. Shri Augustine Peter, Member, CCI advocated that competition can bring best of the system and procurement is no exception. Absence of competition will limit supply and encourage collusive bidding, bid rigging. He also stressed that the procurement officials should not be at the same place for long time. Shri Binoy Kumar, Director General, DGS&D informed that the Government has introduced an E-Market plan or GEM which is an e-procurement portal. Finally, Shri S. Bhattacharya, CMD, Coal India Limited stated that Pre NIT and Pre-Bid consultation with stakeholders is a good procurement practice. He stressed on life cycle cost analysis and Quality cum Cost Basis select of bidders in procurement process.

XII **Valedictory Function**

- 8.22 The National Seminar was followed by a Valedictory Function held in the afternoon, which was graced by the Hon’ble Prime Minister as the Chief Guest. Shri Rajiv, Vigilance Commissioner delivered the welcome speech on the occasion, followed by an overview of vigilance activities by Shri K.V. Chowdary, Central Vigilance Commissioner. An audio-visual presentation on Preventive Vigilance Initiatives was made to the Hon’ble Prime Minister which was followed by release of a Booklet on “Preventive Vigilance” which showcased various systemic improvements undertaken by some select organizations to curb corruption and create greater transparency in operations. Dr T.M. Bhasin, Vigilance Commissioner proposed the vote of thanks.
- 8.23 **The Prime Minister’s Address** : The Hon’ble Prime Minister Shri Narendra Modi ji, in his address, expressed concern over the deterioration of moral values and ethics in the society. He stated that a developing country like India cannot afford the luxury of corruption and dwelled on the need to generate awareness in the public on the negative effects of corruption. The Hon’ble Prime Minister acknowledged that technology plays a major role in bringing about transparency. He cited some instances of corruption he had come across and stressed on the need to thwart the designs of corrupt public servants who were bringing a bad name to the country. The Hon’ble Prime Minister concluded his address by appreciating the efforts of the Commission in involving public for eradicating corruption and promoting integrity.

Central Vigilance Commission Induction Training Course for Chief Vigilance Officers 07th to 10th June 2016



Fifth Anniversary Celebrations of Vigilance Study Circle Mumbai



CHAPTER 9

KNOWLEDGE MANAGEMENT AND CAPACITY BUILDING

I Background

- 9.1 The Central Vigilance Commission is the apex anti corruption body for overseeing and implementing policies relating to vigilance administration in Central Government departments and Central Public Sector Enterprises. The Commission and its Secretariat based in Delhi, is assisted in the implementation of its mandate by Chief Vigilance Officers posted in various departments and central public sector enterprises. The full time CVOs are appointed with the approval of the Appointments Committee of Cabinet (ACC) in consultation with the Commission for a period of three years extendable to five years 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 is a tool and aid for developing skills, updating / expanding the knowledge base and filling the knowledge gaps, gaining exposure to best practices, learning through knowledge and experience sharing; is a means to an end, the end being more effective vigilance administration through systemic improvements and corruption mitigation. In 2015 a Training Policy for Capacity Building in the Central Vigilance Commission was adopted 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 and Chief Vigilance Officers. To reinforce the importance of vigilance as a tool for good governance, officers working in vigilance and other departments of the CPSEs are also nominated for some of the training programmes. For newly appointed CVOs Induction Training is being imparted to provide suitable exposure to the CVOs to the statutory rules and regulations and also to empower them to discharge their functions efficiently. Besides induction trainings, short-term thematic training and refresher courses to build professional competencies, inculcate personal attributes by exposing the officers to courses on leadership development, stress management, ethics and values in public governance, etc are being provided.
- 9.4 A significant training initiative was launched by the Commission in 2016 in terms of providing training at international institutes of repute to its officers and CVOs within the framework of the training policy. As all categories of officers working in the Commission are not eligible for consideration under the DFFT scheme of DoPT, such customized vigilance related trainings organized by the Commission are an important step for capacity building of officers. The Commission has organized three international trainings in 2016 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 During the year domestic and international training programmes were organized by the Commission which included induction level training as well as customized training focused on specific areas of work relevant to vigilance / anti-corruption.

II Domestic Training Programmes

- 9.6 In the year 2016 one induction training programme was organized at the Commission's premises from 7th-10th June 2016 for newly appointed CVOs in which approximately 35 officers have been trained. The induction training was conducted over four days and guest lecturers having expertise in PC Act, Whistle Blower Protection Act, Conduct Rules, Disciplinary proceedings, E-tendering etc and officers from CBI were invited to take the sessions. Emphasis was placed on the practical aspects with case studies and experience sharing by CVOs forming an important component of the induction training. Participants have found the interactive sessions very useful. Based on the feedback of the training it is proposed to impart in-depth training in important aspects of vigilance administration like investigation, inquiry, inspection and reporting through a longer training module. Accordingly, instead of 4 days, two week induction training has been designed to be imparted for the newly appointed CVOs at the Sardar Vallabhbhai Patel National Police Academy (SVP NPA), Hyderabad in partnership with the Commission.
- 9.7 A three days Advanced Training Programme at National Police Academy, Hyderabad was conducted from 27th to 29th January, 2016. The training programme was attended by 30 officers nominated by the Commission and comprising of CVOs of various Govt. Organisation and PSUs, as well as officers from the Commission. The training focused primarily on vigilance investigation including CBI's Investigation of disproportionate assets cases, prosecution cases and forensic accounting etc. The lectures by eminent speakers from the Anti-Corruption Branch of CBI, lawyers from the Public Prosecutors office, and experts in the field of forensic accounting were organised. On the basis of the positive feedback and response received from the participants, it was decided to conduct one more training programme on similar lines. Accordingly, one more training programme was organised from 14th to 16th September, 2016 which was attended by 30 officers.
- 9.8 A specialized training programme for 20 CVOs from Public Sector Banks was organised at the Gujarat Forensic Sciences University (GFSU) from 22nd to 26th February, 2016. This was aimed at equipping the officers with necessary skills, considering the importance of forensic audit in Banks. Keeping in view the fact that Banks are passing through a difficult period due to increasing NPAs and increased frauds, such programmes are intended to assist in effective functioning in the banking sector by incorporating features relating to measures required to be taken to prevent Net Banking Frauds and methods of investigation of frauds related to Net Banking along with case studies. On the basis of positive feedback and response received from the participants, another similar training programme was organised from 8th to 12th August, 2016. Besides Banking CVOs, organizations were also requested to nominate participants from the finance wing of the organizations to train them to detect financial frauds.
- 9.9 Another customized training programme for 25 participants has been conducted at IIM Bangalore from 7th to 11th March, 2016 which had focused on topics like Policy Evaluation,

Managing Conflicts, Strategic Planning, Sensitivity to Context, Public Private Cooperation, etc. Participants in this course consisted of officers from PSUs and Government Departments like Railways, Income-tax and Customs & Excise. Training at IIM Bangalore leveraged its core competence in integrity issues related to management.

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 1st February to 12th February, 2016 for 15 participants including 10 CVOs and 5 officers from the Commission. 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 organised from 14th to 25th November, 2016. Besides the 15 officers sponsored by the Commission, the Ministry of Railways requested the Commission to include five officers from Railways in the training programme at IACA on their cost in view of their large vigilance organisation. In all, 20 officers participated in the training at IACA and benefited from the sessions taken by experts from all over the world. The group had the opportunity to visit the office of UNODC (United Nations Office on Drugs and Crime) at Vienna.

- 9.11 Another international training programme of a duration of one week has been organised from 14th to 18th March 2016 at University of California at Berkeley for 15 officers. UCB has been conducting training on Ethics and Governance for DoPT sponsored officers every year and accordingly the Commission has decided to use the expertise of UCB for a customised training for the Commission as well.

IV Workshops/Trainings conducted in the Commission

- 9.12 Besides this, a two day workshop has been conducted by Institute of Secretariat Training & Management for 25 participants of the Commission on “Noting & Drafting” from 21st to 22nd April, 2016 at the Commission. Further, another training programme on Speed Reading with Comprehension for 8 weeks once on every Friday at 04.30 p.m starting from 08.04.2016 was conducted by Delhi University for the officers of the Commission at the Commission’s premises.

V Lecture Series

- 9.13 The Commission had launched its Lecture Series in November 2015, under which one eminent speaker is invited every month to deliver a lecture. As part of the Knowledge Management efforts, the monthly lectures under the Lecture Series continued successfully during 2016. The Commission welcomes amongst the audience Secretaries to the Govt. of India, CMDs, CVOs, management representatives and officers of the Commission for these lectures. The lectures are also webcast through live feed by NIC to a wider audience all over India. A list of the lectures delivered by the eminent speakers in 2016 is as given below:

List of Lectures delivered as part of the Lecture Series during 2016

| S.No. | Speaker and Topic of Lecture | Date |
|-------|--|------------|
| 1 | Shri Shashi Kant Sharma, Comptroller and Auditor General of India on “Accountability in Public Private Partnership” | 27.01.2016 |
| 2 | Shri Ranjit Kumar, Solicitor General of India on “Sanction for Prosecution under IPC & PC Act-Role of CVC” | 19.02.2016 |
| 3 | Shri Arvind Subramanian, Chief Economic Adviser on “Economic Governance and Development” | 21.03.2016 |
| 4 | Shri Arvind Panagariya, Vice Chairman NITI Aayog on “Indian Economy:Where from and Where to” | 26.04.2016 |
| 5 | Dr. J M Vyas, Director General, Gujarat Forensic Sciences University on “Role of Forensic Science in Investigation & Vigilance” | 27.05.2016 |
| 6 | Shri P K Sinha, Cabinet Secretary on “Vigilance as a tool for Good Governance” | 27.06.2016 |
| 7 | Shri Devender K. Sikri, Chairperson, Competition Commission of India on “The Market Regulator : Exploring New Areas of Mutual Co-operation” | 29.07.2016 |
| 8 | Shri Vinod Rai, Chairman Banks Board Bureau on “Do Audit and Vigilance lead to policy paralysis in the Government” | 16.08.2016 |
| 9 | Prof. M Sridhar Acharyulu, Information Commissioner on “Criminal Justice and RTI” | 30.09.2016 |
| 10 | Shri R Chandrashekhar, President, NASSCOM on “Using Technology to Enhance Transparency, Accountability & Innovation” | 14.10.2016 |
| 11 | Justice G Raghuram, Director National Judicial Academy, India on “Exercise of Discretion by Public Authorities” | 22.11.2016 |
| 12 | Justice G S Singhvi, Chairman Competition Appellate Tribunal on “Ethics of the Constitution” | 20.12.2016 |

VI Internship Scheme

- 9.14 Central Vigilance Commission has also initiated an Internship Scheme from May 2016 onwards. The Scheme seeks to engage Indian Nationals, who are Graduate (awaiting final year results) / Post Graduate or Research Students enrolled in reputed Universities / Institutions within India or abroad and preferably studying Law, Information Technology, Master of Business Administration, Social Sciences and associated subjects, as Interns.

The interns are attached with the Commission and are expected to supplement the process of analysis within the Commission through desirable empirical data collection, data analysis and collation of in-house and other information. The Scheme has the following stated objectives:

- (a) To allow young academic talent to be associated with the Commission’s work for mutual benefit.
- (b) The Interns may benefit by getting an exposure to the Commission’s functioning and the vigilance issues involved and contribute to policy formulation of the Commission by generating policy inputs such as data analysis, briefing reports, policy papers etc.
- (c) Commission may benefit from the additional resources in the form of obtaining a fresh perspective of young talent and their work which will contribute to better policy formulation.

Under this scheme two interns completed a month long internship in July 2016. One of the interns had a legal background and the other one had a background in finance. They submitted a report on vigilance issues. It is proposed to continue with the internship scheme in future.

9.15 In addition, the officers of the Commission, CVC and VCs spoke at several training programmes organised by various organizations.



Vigilance awareness activities in the country

Activities held in the Central Vigilance Commission during Vigilance Awareness Week 2016



APPENDIX

Appendix I

(Para 1.20)

A. Group wise Staff Strength and related information, as on 31.12.2016 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 | 39 | 70 | 66 | 68 | 243 |
| Percentage vacancy | 27.77 | 28.57 | 7.04 | 6.85 | 17.90 |

B. Representation of Scheduled Castes, Scheduled Tribes and OBCs

As per the Government's policy and instructions, the Commission has been making every effort for implementing the same in respect of the posts under its administrative control. The percentage (calculated in terms of group-wise total sanctioned strength) of Scheduled Castes / Scheduled Tribes and OBCs in the various groups of posts filled / held otherwise than by deputation as on 31.12.2016 is given below in percentage :-

| | Group 'A' | Group 'B' | Group 'C' | Group 'C' (Multi Tasking Staff) |
|-----|-----------|-----------|-----------|------------------------------------|
| SC | 9.09 | 14.90 | 14.08 | 39.72 |
| ST | 9.09 | 3.40 | 4.22 | 5.47 |
| OBC | 00 | 11.49 | 18.30 | 16.43 |

Appendix II

(Para 2.24)

Organisation-wise details of prosecution sanctioned and penalties imposed during 2016 where Commission's Advice was obtained

| Sl. No. | Name of the Department/ Organisation | Prosecution | Major Penalty | Minor Penalty | Administrative Action |
|---------|---|-------------|---------------|---------------|-----------------------|
| 1 | Air India | 0 | 2 | 2 | 0 |
| 2 | Airports Authority of India | 5 | 8 | 11 | 11 |
| 3 | All India Institute of Medical Sciences | 1 | 1 | 0 | 0 |
| 4 | Allahabad Bank | 0 | 15 | 2 | 0 |
| 5 | Andhra Bank | 0 | 2 | 7 | 2 |
| 6 | Andrew Yule & Co. Ltd. | 0 | 2 | 0 | 0 |
| 7 | Balmer Lawrie & Co. Ltd. | 0 | 1 | 2 | 0 |
| 8 | Banaras Hindu University | 1 | 0 | 0 | 0 |
| 9 | Bank of Baroda | 7 | 27 | 2 | 0 |
| 10 | Bank of India | 0 | 37 | 7 | 0 |
| 11 | Bank of Maharashtra | 2 | 21 | 10 | 0 |
| 12 | Bhakra Beas Management Board | 0 | 0 | 0 | 1 |
| 13 | Bharat Coking Coal Ltd. | 0 | 11 | 4 | 0 |
| 14 | Bharat Heavy Electricals Ltd. | 0 | 9 | 21 | 9 |
| 15 | Bharat Sanchar Nigam Ltd. | 0 | 22 | 3 | 2 |
| 16 | Border Roads Development Board | 1 | 4 | 0 | 1 |
| 17 | Bridge & Roof Co. Ltd. | 0 | 2 | 1 | 2 |
| 18 | Bureau of Indian Standards | 0 | 2 | 2 | 0 |
| 19 | Cabinet Secretariat | 0 | 1 | 0 | 0 |
| 20 | Canara Bank | 5 | 33 | 15 | 4 |
| 21 | Cement Corporation of India Ltd. | 0 | 4 | 11 | 3 |
| 22 | Central Bank of India | 3 | 37 | 9 | 0 |

| Sl. No. | Name of the Department/ Organisation | Prosecution | Major Penalty | Minor Penalty | Administrative Action |
|---------|--|-------------|---------------|---------------|-----------------------|
| 23 | Central Board of Direct Taxes | 6 | 14 | 2 | 1 |
| 24 | Central Board of Excise & Customs | 8 | 221 | 34 | 5 |
| 25 | Central Board of Secondary Education | 0 | 3 | 0 | 0 |
| 26 | Central Coalfields Ltd. | 0 | 12 | 9 | 0 |
| 27 | Central Public Works Department | 0 | 1 | 8 | 23 |
| 28 | Central Reserve Police Force | 0 | 3 | 1 | 0 |
| 29 | Central Warehousing Corporation | 0 | 1 | 0 | 0 |
| 30 | Chandigarh Admn. | 0 | 1 | 0 | 7 |
| 31 | Chennai Port Trust | 1 | 5 | 4 | 0 |
| 32 | CMPDI | 0 | 0 | 3 | 0 |
| 33 | Coal India Ltd. | 0 | 8 | 7 | 3 |
| 34 | Container Corporation of India Ltd. | 0 | 1 | 0 | 0 |
| 35 | Corporation Bank | 2 | 7 | 0 | 0 |
| 36 | Council of Scientific and Industrial Research | 0 | 1 | 0 | 0 |
| 37 | Damodar Valley Corporation | 0 | 0 | 0 | 1 |
| 38 | Defence Accounts Department (CGDA) | 1 | 1 | 1 | 1 |
| 39 | Delhi Development Authority | 0 | 30 | 16 | 1 |
| 40 | Delhi Jal Board | 0 | 11 | 9 | 1 |
| 41 | Delhi Metro Rail Corporation Ltd. | 0 | 0 | 0 | 3 |
| 42 | Delhi Tourism and Transportation Development Corporation | 0 | 0 | 2 | 1 |
| 43 | Delhi Transco Limited/IPGCL | 0 | 1 | 0 | 0 |
| 44 | Delhi Transport Corporation | 0 | 1 | 0 | 0 |

| Sl. No. | Name of the Department/ Organisation | Prosecution | Major Penalty | Minor Penalty | Administrative Action |
|---------|--|-------------|---------------|---------------|-----------------------|
| 45 | Delhi Urban Shelter Improvement Board | 0 | 16 | 1 | 0 |
| 46 | Dena Bank | 0 | 34 | 10 | 0 |
| 47 | Department of Agriculture, Cooperation & Farmer's Welfare | 1 | 0 | 3 | 0 |
| 48 | Department of Chemicals & Petrochemicals | 0 | 9 | 1 | 0 |
| 49 | Department of Company Affairs | 0 | 1 | 0 | 0 |
| 50 | Department of Defence Production and Supplies | 0 | 17 | 9 | 4 |
| 51 | Department of Heavy Industry | 0 | 1 | 3 | 2 |
| 52 | Department of North Eastern Region | 0 | 0 | 4 | 0 |
| 53 | Department of Posts | 2 | 6 | 1 | 2 |
| 54 | Department of Revenue | 0 | 1 | 0 | 0 |
| 55 | Department of Science & Technology | 0 | 1 | 0 | 0 |
| 56 | Department of Secondary and Higher Education & Department of Elementary Education and Literacy | 3 | 1 | 1 | 0 |
| 57 | Department of Space | 0 | 0 | 1 | 0 |
| 58 | Department of Steel | 0 | 0 | 2 | 0 |
| 59 | Department of Telecommunications | 11 | 182 | 35 | 16 |
| 60 | DSIIDC Ltd. | 0 | 5 | 5 | 1 |
| 61 | Eastern Coalfields Ltd. | 0 | 2 | 3 | 7 |
| 62 | Employees' Provident Fund Organisation | 4 | 10 | 4 | 0 |
| 63 | Employees' State Insurance Corporation | 1 | 0 | 0 | 0 |

| Sl. No. | Name of the Department/ Organisation | Prosecution | Major Penalty | Minor Penalty | Administrative Action |
|---------|--|-------------|---------------|---------------|-----------------------|
| 64 | Engineers India Ltd. | 0 | 0 | 1 | 7 |
| 65 | Export Inspection Council of India | 0 | 1 | 0 | 0 |
| 66 | Food Corporation of India | 1 | 54 | 2 | 0 |
| 67 | Gas Authority of India Ltd. | 0 | 0 | 4 | 4 |
| 68 | Govt. of NCT of Delhi | 1 | 27 | 2 | 3 |
| 69 | Hindustan Aeronautics Ltd. | 0 | 0 | 0 | 3 |
| 70 | Hindustan Copper Ltd. | 0 | 0 | 5 | 0 |
| 71 | Hindustan Paper Corporation Ltd. | 1 | 0 | 0 | 0 |
| 72 | Hindustan Petroleum Corporation Ltd. | 0 | 0 | 1 | 0 |
| 73 | HMT Ltd. | 0 | 7 | 2 | 1 |
| 74 | Hotel Corporation of India | 0 | 2 | 5 | 0 |
| 75 | Housing and Urban Development Corporation Ltd. | 0 | 0 | 4 | 0 |
| 76 | India Tourism Development Corporation Ltd. | 0 | 9 | 8 | 9 |
| 77 | Indian Bank | 0 | 19 | 12 | 0 |
| 78 | Indian Council of Agricultural Research | 0 | 8 | 8 | 0 |
| 79 | Indian Oil Corporation Limited | 0 | 6 | 31 | 15 |
| 80 | Indian Overseas Bank | 4 | 50 | 5 | 0 |
| 81 | Indira Gandhi National Open University | 0 | 0 | 1 | 0 |
| 82 | Industrial Development Bank of India Ltd. | 0 | 23 | 10 | 0 |
| 83 | Jawaharlal Nehru Port Trust | 0 | 1 | 0 | 0 |
| 84 | Kandla Port Trust | 0 | 2 | 0 | 0 |

| Sl. No. | Name of the Department/ Organisation | Prosecution | Major Penalty | Minor Penalty | Administrative Action |
|---------|--|-------------|---------------|---------------|-----------------------|
| 85 | Kendriya Vidyalaya Sangathan | 1 | 7 | 5 | 2 |
| 86 | Khadi and Village Industries Commission | 0 | 10 | 1 | 0 |
| 87 | Kolkata Port Trust | 0 | 3 | 2 | 0 |
| 88 | Life Insurance Corporation of India | 3 | 17 | 19 | 1 |
| 89 | Madras Fertilizers Ltd. | 0 | 1 | 1 | 3 |
| 90 | Mahanadi Coalfields Ltd. | 0 | 21 | 10 | 0 |
| 91 | Mangalore Refineries and Petrochemicals Ltd. | 0 | 1 | 5 | 0 |
| 92 | Metal Scrap Trade Corporation Ltd. | 0 | 1 | 0 | 0 |
| 93 | Metallurgical Engineering Consultants India Ltd. | 0 | 0 | 0 | 1 |
| 94 | Ministry of Urban Development | 0 | 9 | 12 | 11 |
| 95 | Ministry of Ayush | 1 | 0 | 0 | 0 |
| 96 | Ministry of Civil Aviation | 0 | 2 | 4 | 3 |
| 97 | Ministry of Coal | 1 | 2 | 0 | 12 |
| 98 | Ministry of Commerce | 0 | 1 | 0 | 0 |
| 99 | Ministry of Culture | 3 | 0 | 2 | 0 |
| 100 | Ministry of Defence | 7 | 5 | 0 | 2 |
| 101 | Ministry of Electronics and Information Technology | 0 | 0 | 0 | 2 |
| 102 | Ministry of Environment and Forests | 0 | 1 | 0 | 0 |
| 103 | Ministry of External Affairs | 0 | 3 | 7 | 3 |
| 104 | Ministry of Health & Family Welfare | 6 | 0 | 0 | 5 |
| 105 | Ministry of Home Affairs | 5 | 3 | 3 | 1 |

| Sl. No. | Name of the Department/ Organisation | Prosecution | Major Penalty | Minor Penalty | Administrative Action |
|---------|--|-------------|---------------|---------------|-----------------------|
| 106 | Ministry of Information & Broadcasting | 0 | 5 | 0 | 0 |
| 107 | Ministry of Labour & Employment | 3 | 1 | 3 | 0 |
| 108 | Ministry of Mines | 0 | 1 | 2 | 1 |
| 109 | Ministry of Personnel, Public Grievances and Pensions | 6 | 0 | 0 | 0 |
| 110 | Ministry of Petroleum and Natural Gas | 0 | 0 | 6 | 1 |
| 111 | Ministry of Power | 0 | 0 | 2 | 0 |
| 112 | Ministry of Railways | 14 | 147 | 202 | 88 |
| 113 | Ministry of Rural Development | 1 | 0 | 0 | 0 |
| 114 | Ministry of Shipping | 0 | 9 | 0 | 0 |
| 115 | Ministry of Small Scale Industry and Agro & Rural Industries | 0 | 6 | 1 | 0 |
| 116 | Ministry of Statistics and Programme Implementation | 0 | 0 | 2 | 0 |
| 117 | Ministry of Textiles | 0 | 1 | 0 | 0 |
| 118 | Ministry of Youth Affairs & Sports | 1 | 0 | 0 | 0 |
| 119 | MMTC Ltd. | 6 | 0 | 6 | 0 |
| 120 | Mormugao Port Trust | 1 | 0 | 0 | 0 |
| 121 | Mumbai Port Trust | 0 | 1 | 0 | 2 |
| 122 | Municipal Corporation of South Delhi | 0 | 4 | 6 | 1 |
| 123 | Municipal Corporation of East Delhi | 0 | 1 | 4 | 2 |
| 124 | Municipal Corporation of North Delhi | 0 | 26 | 13 | 6 |
| 125 | National Bank for Agriculture & Rural Development (NABARD) | 0 | 1 | 0 | 0 |

| Sl. No. | Name of the Department/ Organisation | Prosecution | Major Penalty | Minor Penalty | Administrative Action |
|---------|--|-------------|---------------|---------------|-----------------------|
| 126 | National Buildings Construction Corporation Ltd. | 0 | 4 | 12 | 1 |
| 127 | National Hydro-Electric Power Corporation Ltd. | 0 | 0 | 4 | 2 |
| 128 | National Institute of Electronics & Information Technology | 0 | 0 | 0 | 1 |
| 129 | National Institute of Fashion Technology | 0 | 1 | 3 | 0 |
| 130 | National Insurance Co. Ltd. | 0 | 1 | 0 | 0 |
| 131 | National Open School | 0 | 0 | 1 | 0 |
| 132 | National Small Industries Corporation Ltd. | 0 | 3 | 0 | 0 |
| 133 | National Textile Corporation Ltd. | 0 | 0 | 0 | 1 |
| 134 | National Thermal Power Corporation Ltd. | 0 | 0 | 2 | 1 |
| 135 | New Delhi Municipal Council | 0 | 1 | 4 | 2 |
| 136 | Neyveli Lignite Corporation Ltd. | 0 | 2 | 7 | 3 |
| 137 | Northern Coalfields Ltd. | 0 | 1 | 5 | 3 |
| 138 | O/o Controller General of Accounts | 0 | 2 | 0 | 0 |
| 139 | Oil and Natural Gas Corporation | 0 | 1 | 4 | 4 |
| 140 | Oil India Ltd. | 0 | 0 | 4 | 8 |
| 141 | Ordnance Factory Board | 0 | 1 | 0 | 0 |
| 142 | Oriental Bank of Commerce | 1 | 39 | 10 | 0 |
| 143 | Oriental Insurance Co. Ltd. | 1 | 12 | 7 | 0 |
| 144 | P.G. Institute of Medical Education & Research, Chandigarh | 0 | 0 | 0 | 1 |
| 145 | Paradip Port Trust | 0 | 0 | 1 | 0 |

| Sl. No. | Name of the Department/ Organisation | Prosecution | Major Penalty | Minor Penalty | Administrative Action |
|---------|---|-------------|---------------|---------------|-----------------------|
| 146 | Power Grid Corporation of India Ltd. | 0 | 2 | 3 | 1 |
| 147 | Prasar Bharati | 1 | 0 | 9 | 0 |
| 148 | Punjab & Sind Bank | 0 | 4 | 2 | 0 |
| 149 | Punjab National Bank | 2 | 22 | 15 | 0 |
| 150 | Rail India Technical & Economic Services Ltd. | 1 | 0 | 0 | 0 |
| 151 | Rashtriya Chemicals & Fertilizers Ltd. | 0 | 0 | 0 | 2 |
| 152 | Rashtriya Ispat Nigam Ltd. | 0 | 1 | 4 | 0 |
| 153 | Richardson & Cruddas Ltd. | 0 | 2 | 0 | 0 |
| 154 | Satluj Jal Vidyut Nigam Ltd. | 0 | 0 | 0 | 2 |
| 155 | Security Printing and Minting Corporation of India Ltd. | 0 | 0 | 1 | 0 |
| 156 | Small Industries Development Bank of India | 0 | 0 | 7 | 0 |
| 157 | Software Technology Parks of India | 0 | 1 | 0 | 0 |
| 158 | South Eastern Coalfields Limited | 0 | 65 | 13 | 3 |
| 159 | State Bank of Bikaner & Jaipur | 0 | 16 | 6 | 1 |
| 160 | State Bank of Hyderabad | 0 | 3 | 3 | 0 |
| 161 | State Bank of India | 1 | 91 | 38 | 15 |
| 162 | State Bank of Mysore | 0 | 2 | 8 | 0 |
| 163 | State Bank of Patiala | 0 | 8 | 9 | 0 |
| 164 | State Bank of Travancore | 0 | 12 | 16 | 0 |
| 165 | State Trading Corporation of India Ltd. | 0 | 7 | 0 | 0 |
| 166 | Steel Authority of India Ltd. | 4 | 5 | 7 | 2 |
| 167 | Syndicate Bank | 3 | 82 | 29 | 0 |

| Sl. No. | Name of the Department/ Organisation | Prosecution | Major Penalty | Minor Penalty | Administrative Action |
|---------|--|-------------|---------------|---------------|-----------------------|
| 168 | Telecommunication Consultants India Ltd. | 0 | 0 | 1 | 0 |
| 169 | The New India Assurance Co. Ltd. | 0 | 0 | 1 | 0 |
| 170 | UCO Bank | 3 | 22 | 5 | 0 |
| 171 | Union Bank of India | 0 | 37 | 15 | 1 |
| 172 | United Bank of India | 4 | 38 | 37 | 0 |
| 173 | United India Insurance Co. Ltd. | 0 | 3 | 5 | 0 |
| 174 | University Grants Commission | 2 | 0 | 0 | 0 |
| 175 | Vijaya Bank | 0 | 11 | 26 | 0 |
| 176 | Visakhapatnam Port Trust | 0 | 10 | 1 | 0 |
| 177 | Western Coalfields Ltd. | 0 | 44 | 2 | 1 |
| | Total | 154 | 1904 | 1034 | 358 |

Appendix III -A(i)

(Para 3.8)

Work done by CVOs in 2016

Details of Complaints Sent by CVC including Whistle Blower.

| Sl. No. | Department/Sector | Total Received | Disposal | Pending | Pending for more than 6 months |
|---------|----------------------------|----------------|----------|---------|--------------------------------|
| 1 | Agriculture | 47 | 24 | 23 | 22 |
| 2 | Atomic Energy | 3 | 2 | 1 | 1 |
| 3 | Banks | 744 | 700 | 44 | 11 |
| 4 | Chemical & Petrochemicals | 5 | 5 | 0 | 0 |
| 5 | Civil Aviation | 58 | 35 | 23 | 15 |
| 6 | Coal | 34 | 31 | 3 | 1 |
| 7 | Commerce | 30 | 13 | 17 | 16 |
| 8 | Customs & Excise | 39 | 22 | 17 | 13 |
| 9 | Defence | 48 | 42 | 6 | 3 |
| 10 | DOPT | 28 | 16 | 12 | 9 |
| 11 | Earth & Science | 28 | 5 | 23 | 12 |
| 12 | Environment & Forests | 177 | 53 | 124 | 44 |
| 13 | Fertilizers | 13 | 11 | 2 | 2 |
| 14 | Finance | 88 | 67 | 21 | 11 |
| 15 | Food & Consumer Affairs | 14 | 4 | 10 | 8 |
| 16 | Govt. of NCT of Delhi | 40 | 19 | 21 | 21 |
| 17 | Health & Family Welfare | 57 | 27 | 30 | 24 |
| 18 | Heavy Industry | 51 | 33 | 18 | 12 |
| 19 | Human Resource Development | 641 | 393 | 248 | 32 |
| 20 | Income Tax | 82 | 15 | 67 | 52 |
| 21 | Industrial Development | 0 | 0 | 0 | 0 |
| 22 | Information & Broadcasting | 39 | 27 | 12 | 11 |

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

| Sl. No. | Department/Sector | Total Received | Disposal | Pending | Pending for more than 6 months |
|---------|---------------------------------|----------------|-------------|-------------|--------------------------------|
| 23 | Insurance | 70 | 51 | 19 | 7 |
| 24 | Labour | 1280 | 1278 | 2 | 1 |
| 25 | MHA | 156 | 49 | 107 | 106 |
| 26 | Mines | 27 | 24 | 3 | 2 |
| 27 | Ministry Of Culture | 0 | 0 | 0 | 0 |
| 28 | Ministry Of Textile | 30 | 23 | 7 | 5 |
| 29 | Non-Conventional Energy Sources | 8 | 4 | 4 | 2 |
| 30 | Petroleum | 115 | 66 | 49 | 40 |
| 31 | Posts | 11 | 10 | 1 | 1 |
| 32 | Power | 40 | 13 | 27 | 16 |
| 33 | Railways | 116 | 86 | 30 | 10 |
| 34 | Road Transport & Highways | 41 | 18 | 23 | 21 |
| 35 | Rural Development | 19 | 5 | 14 | 14 |
| 36 | Science & Technology | 182 | 89 | 93 | 38 |
| 37 | Shipping | 83 | 45 | 38 | 22 |
| 38 | Social Justice & Empowerment | 8 | 1 | 7 | 6 |
| 39 | Steel | 55 | 29 | 26 | 5 |
| 40 | Telecommunications | 29 | 25 | 4 | 3 |
| 41 | Tourism | 18 | 10 | 8 | 3 |
| 42 | Union Territory | 13 | 13 | 0 | 0 |
| 43 | Urban Affairs | 192 | 102 | 90 | 58 |
| 44 | Water Resources | 30 | 4 | 26 | 25 |
| 45 | Youth Affairs & Sports | 18 | 4 | 14 | 0 |
| 46 | Miscellaneous | 4 | 1 | 3 | 3 |
| | Total | 4811 | 3494 | 1317 | 708 |

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

Appendix III-A (ii)

Para 3.8

Work done by CVOs in 2016

Details of Complaints regarding other employees

| Sl. No. | Department/Sector | Total Received | Disposal | Pending | Pending for more than 6 months |
|---------|----------------------------|----------------|----------|---------|--------------------------------|
| 1 | Agriculture | 147 | 74 | 73 | 41 |
| 2 | Atomic Energy | 33 | 31 | 2 | 0 |
| 3 | Banks | 5274 | 4559 | 715 | 164 |
| 4 | Chemical & Petrochemicals | 27 | 14 | 13 | 7 |
| 5 | Civil Aviation | 336 | 239 | 97 | 45 |
| 6 | Coal | 725 | 669 | 56 | 19 |
| 7 | Commerce | 510 | 409 | 101 | 51 |
| 8 | Customs & Excise | 1381 | 903 | 478 | 357 |
| 9 | Defence | 641 | 618 | 23 | 6 |
| 10 | DOPT | 209 | 115 | 94 | 66 |
| 11 | Earth & Science | 33 | 8 | 25 | 12 |
| 12 | Environment & Forests | 161 | 88 | 73 | 21 |
| 13 | Fertilizers | 111 | 82 | 29 | 11 |
| 14 | Finance | 459 | 350 | 109 | 47 |
| 15 | Food & Consumer Affairs | 1654 | 903 | 751 | 479 |
| 16 | Govt. of NCT of Delhi | 929 | 540 | 389 | 228 |
| 17 | Health & Family Welfare | 514 | 366 | 148 | 102 |
| 18 | Heavy Industry | 378 | 299 | 79 | 22 |
| 19 | Human Resource Development | 482 | 253 | 229 | 57 |
| 20 | Income Tax | 2564 | 1409 | 1155 | 724 |
| 21 | Industrial Development | 63 | 63 | 0 | 0 |
| 22 | Information & Broadcasting | 685 | 433 | 252 | 164 |

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

| Sl. No. | Department/Sector | Total Received | Disposal | Pending | Pending for more than 6 months |
|---------|---------------------------------|----------------|--------------|--------------|--------------------------------|
| 23 | Insurance | 1306 | 1052 | 254 | 119 |
| 24 | Labour | 466 | 372 | 94 | 74 |
| 25 | MHA | 6357 | 2552 | 3805 | 2543 |
| 26 | Mines | 190 | 166 | 24 | 8 |
| 27 | Ministry Of Culture | 0 | 0 | 0 | 0 |
| 28 | Ministry Of Textile | 72 | 52 | 20 | 13 |
| 29 | Non-Conventional Energy Sources | 43 | 36 | 7 | 1 |
| 30 | Petroleum | 2381 | 1779 | 602 | 395 |
| 31 | Posts | 250 | 114 | 136 | 70 |
| 32 | Power | 500 | 370 | 130 | 71 |
| 33 | Railways | 11084 | 8766 | 2318 | 1044 |
| 34 | Road Transport & Highways | 136 | 42 | 94 | 89 |
| 35 | Rural Development | 52 | 5 | 47 | 42 |
| 36 | Science & Technology | 434 | 240 | 194 | 70 |
| 37 | Shipping | 396 | 304 | 92 | 48 |
| 38 | Social Justice & Empowerment | 23 | 13 | 10 | 5 |
| 39 | Steel | 1314 | 1166 | 148 | 14 |
| 40 | Telecommunications | 2364 | 2018 | 346 | 104 |
| 41 | Tourism | 22 | 17 | 5 | 2 |
| 42 | Union Territory | 179 | 163 | 16 | 0 |
| 43 | Urban Affairs | 2322 | 881 | 1441 | 598 |
| 44 | Water Resources | 67 | 47 | 20 | 12 |
| 45 | Youth Affairs & Sports | 37 | 10 | 27 | 0 |
| 46 | Miscellaneous | 24 | 14 | 10 | 7 |
| | Total | 47335 | 32604 | 14731 | 7952 |

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

Appendix III-A (iii)

(Para 3.8)

Work done by CVOs in 2016

Details of Complaints regarding all category of employees.

| Sl. No. | Department/Sector | Total Received | Disposal | Pending | Pending for more than 6 months |
|---------|----------------------------|----------------|----------|---------|--------------------------------|
| 1 | Agriculture | 194 | 98 | 96 | 63 |
| 2 | Atomic Energy | 36 | 33 | 3 | 1 |
| 3 | Banks | 6018 | 5259 | 759 | 175 |
| 4 | Chemical & Petrochemicals | 32 | 19 | 13 | 7 |
| 5 | Civil Aviation | 394 | 274 | 120 | 60 |
| 6 | Coal | 759 | 700 | 59 | 20 |
| 7 | Commerce | 540 | 422 | 118 | 67 |
| 8 | Customs & Excise | 1420 | 925 | 495 | 370 |
| 9 | Defence | 689 | 660 | 29 | 9 |
| 10 | DOPT | 237 | 131 | 106 | 75 |
| 11 | Earth & Science | 61 | 13 | 48 | 24 |
| 12 | Environment & Forests | 338 | 141 | 197 | 65 |
| 13 | Fertilizers | 124 | 93 | 31 | 13 |
| 14 | Finance | 547 | 417 | 130 | 58 |
| 15 | Food & Consumer Affairs | 1668 | 907 | 761 | 487 |
| 16 | Govt. of NCT of Delhi | 969 | 559 | 410 | 249 |
| 17 | Health & Family Welfare | 571 | 393 | 178 | 126 |
| 18 | Heavy Industry | 429 | 332 | 97 | 34 |
| 19 | Human Resource Development | 1123 | 646 | 477 | 89 |
| 20 | Income Tax | 2646 | 1424 | 1222 | 776 |
| 21 | Industrial Development | 63 | 63 | 0 | 0 |
| 22 | Information & Broadcasting | 724 | 460 | 264 | 175 |

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

| Sl. No. | Department/Sector | Total Received | Disposal | Pending | Pending for more than 6 months |
|---------|---------------------------------|----------------|--------------|--------------|--------------------------------|
| 23 | Insurance | 1376 | 1103 | 273 | 126 |
| 24 | Labour | 1746 | 1650 | 96 | 75 |
| 25 | MHA | 6513 | 2601 | 3912 | 2649 |
| 26 | Mines | 217 | 190 | 27 | 10 |
| 27 | Ministry Of Culture | 0 | 0 | 0 | 0 |
| 28 | Ministry Of Textile | 102 | 75 | 27 | 18 |
| 29 | Non-Conventional Energy Sources | 51 | 40 | 11 | 3 |
| 30 | Petroleum | 2496 | 1845 | 651 | 435 |
| 31 | Posts | 261 | 124 | 137 | 71 |
| 32 | Power | 540 | 383 | 157 | 87 |
| 33 | Railways | 11200 | 8852 | 2348 | 1054 |
| 34 | Road Transport & Highways | 177 | 60 | 117 | 110 |
| 35 | Rural Development | 71 | 10 | 61 | 56 |
| 36 | Science & Technology | 616 | 329 | 287 | 108 |
| 37 | Shipping | 479 | 349 | 130 | 70 |
| 38 | Social Justice & Empowerment | 31 | 14 | 17 | 11 |
| 39 | Steel | 1369 | 1195 | 174 | 19 |
| 40 | Telecommunications | 2393 | 2043 | 350 | 107 |
| 41 | Tourism | 40 | 27 | 13 | 5 |
| 42 | Union Territory | 192 | 176 | 16 | 0 |
| 43 | Urban Affairs | 2514 | 983 | 1531 | 656 |
| 44 | Water Resources | 97 | 51 | 46 | 37 |
| 45 | Youth Affairs & Sports | 55 | 14 | 41 | 0 |
| 46 | Miscellaneous | 28 | 15 | 13 | 10 |
| | Total | 52146 | 36098 | 16048 | 8660 |

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

Appendix III -B

(Para 3.8)

Work done by CVOs in 2016
Details on Departmental Inquiries against officers
(UNDER CVC JURISDICTION)

| Sl. No. | Department/Sector | Total Received | Disposal | Pending | Pending for more than 6 months |
|---------|----------------------------|----------------|----------|---------|--------------------------------|
| 1 | Agriculture | 9 | 1 | 8 | 8 |
| 2 | Atomic Energy | 8 | 0 | 8 | 8 |
| 3 | Banks | 1056 | 760 | 296 | 131 |
| 4 | Chemical & Petrochemicals | 0 | 0 | 0 | 0 |
| 5 | Civil Aviation | 36 | 12 | 24 | 16 |
| 6 | Coal | 64 | 36 | 28 | 18 |
| 7 | Commerce | 61 | 12 | 49 | 39 |
| 8 | Customs & Excise | 444 | 200 | 244 | 208 |
| 9 | Defence | 100 | 34 | 66 | 55 |
| 10 | DOPT | 45 | 4 | 41 | 34 |
| 11 | Earth & Science | 0 | 0 | 0 | 0 |
| 12 | Environment & Forests | 0 | 0 | 0 | 0 |
| 13 | Fertilizers | 3 | 0 | 3 | 2 |
| 14 | Finance | 16 | 1 | 15 | 11 |
| 15 | Food & Consumer Affairs | 19 | 1 | 18 | 15 |
| 16 | Govt. of NCT of Delhi | 10 | 2 | 8 | 8 |
| 17 | Health & Family Welfare | 51 | 11 | 40 | 29 |
| 18 | Heavy Industry | 20 | 7 | 13 | 6 |
| 19 | Human Resource Development | 15 | 3 | 12 | 12 |
| 20 | Income Tax | 193 | 13 | 180 | 176 |
| 21 | Industrial Development | 17 | 3 | 14 | 13 |

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

| Sl. No. | Department/Sector | Total Received | Disposal | Pending | Pending for more than 6 months |
|---------|---------------------------------|----------------|-------------|-------------|--------------------------------|
| 22 | Information & Broadcasting | 27 | 8 | 19 | 17 |
| 23 | Insurance | 22 | 11 | 11 | 8 |
| 24 | Labour | 76 | 17 | 59 | 49 |
| 25 | MHA | 34 | 5 | 29 | 27 |
| 26 | Mines | 6 | 1 | 5 | 5 |
| 27 | Ministry Of Culture | 0 | 0 | 0 | 0 |
| 28 | Ministry Of Textile | 2 | 2 | 0 | 0 |
| 29 | Non-Conventional Energy Sources | 2 | 1 | 1 | 0 |
| 30 | Petroleum | 75 | 28 | 47 | 41 |
| 31 | Posts | 23 | 1 | 22 | 22 |
| 32 | Power | 8 | 2 | 6 | 5 |
| 33 | Railways | 322 | 135 | 187 | 155 |
| 34 | Road Transport & Highways | 10 | 1 | 9 | 8 |
| 35 | Rural Development | 0 | 0 | 0 | 0 |
| 36 | Science & Technology | 41 | 3 | 38 | 38 |
| 37 | Shipping | 62 | 24 | 38 | 21 |
| 38 | Social Justice & Empowerment | 0 | 0 | 0 | 0 |
| 39 | Steel | 21 | 11 | 10 | 10 |
| 40 | Telecommunications | 159 | 56 | 103 | 98 |
| 41 | Tourism | 33 | 12 | 21 | 21 |
| 42 | Union Territory | 1 | 0 | 1 | 0 |
| 43 | Urban Affairs | 84 | 22 | 62 | 52 |
| 44 | Water Resources | 31 | 4 | 27 | 26 |
| 45 | Youth Affairs & Sports | 1 | 1 | 0 | 0 |
| 46 | Miscellaneous | 1 | 0 | 1 | 1 |
| | Total | 3208 | 1445 | 1763 | 1393 |

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

Appendix III-C

(Para 3.8)

Work done by CVOs in 2016

Details of Departmental Inquiries against other employees

| Sl. No. | Department/Sector | Total Received | Disposal | Pending | Pending for more than 6 months |
|---------|----------------------------|----------------|----------|---------|--------------------------------|
| 1 | Agriculture | 2 | 1 | 1 | 2 |
| 2 | Atomic Energy | 3 | 1 | 2 | 1 |
| 3 | Banks | 4270 | 2929 | 1341 | 426 |
| 4 | Chemical & Petrochemicals | 14 | 5 | 9 | 1 |
| 5 | Civil Aviation | 80 | 26 | 54 | 42 |
| 6 | Coal | 128 | 70 | 58 | 43 |
| 7 | Commerce | 61 | 32 | 29 | 28 |
| 8 | Customs & Excise | 968 | 355 | 613 | 523 |
| 9 | Defence | 143 | 65 | 78 | 63 |
| 10 | DOPT | 47 | 15 | 32 | 30 |
| 11 | Earth & Science | 0 | 0 | 0 | 0 |
| 12 | Environment & Forests | 0 | 0 | 0 | 0 |
| 13 | Fertilizers | 49 | 15 | 34 | 20 |
| 14 | Finance | 42 | 17 | 25 | 23 |
| 15 | Food & Consumer Affairs | 362 | 200 | 162 | 113 |
| 16 | Govt. of NCT of Delhi | 45 | 31 | 14 | 13 |
| 17 | Health & Family Welfare | 86 | 33 | 53 | 49 |
| 18 | Heavy Industry | 18 | 8 | 10 | 8 |
| 19 | Human Resource Development | 5 | 5 | 0 | 0 |
| 20 | Income Tax | 134 | 21 | 113 | 106 |
| 21 | Industrial Development | 14 | 3 | 11 | 9 |
| 22 | Information & Broadcasting | 26 | 0 | 26 | 23 |

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

| Sl. No. | Department/Sector | Total Received | Disposal | Pending | Pending for more than 6 months |
|---------|---------------------------------|----------------|-------------|-------------|--------------------------------|
| 23 | Insurance | 440 | 235 | 205 | 126 |
| 24 | Labour | 330 | 119 | 211 | 171 |
| 25 | MHA | 331 | 106 | 225 | 157 |
| 26 | Mines | 54 | 22 | 32 | 32 |
| 27 | Ministry Of Culture | 0 | 0 | 0 | 0 |
| 28 | Ministry Of Textile | 47 | 12 | 35 | 22 |
| 29 | Non-Conventional Energy Sources | 0 | 0 | 0 | 0 |
| 30 | Petroleum | 228 | 110 | 118 | 74 |
| 31 | Posts | 26 | 4 | 22 | 22 |
| 32 | Power | 86 | 48 | 38 | 17 |
| 33 | Railways | 1458 | 932 | 526 | 151 |
| 34 | Road Transport & Highways | 1 | 0 | 1 | 1 |
| 35 | Rural Development | 0 | 0 | 0 | 0 |
| 36 | Science & Technology | 50 | 7 | 43 | 37 |
| 37 | Shipping | 164 | 87 | 77 | 54 |
| 38 | Social Justice & Empowerment | 10 | 3 | 7 | 3 |
| 39 | Steel | 49 | 26 | 23 | 11 |
| 40 | Telecommunications | 549 | 320 | 229 | 172 |
| 41 | Tourism | 11 | 2 | 9 | 8 |
| 42 | Union Territory | 1 | 1 | 0 | 0 |
| 43 | Urban Affairs | 49 | 25 | 24 | 21 |
| 44 | Water Resources | 12 | 2 | 10 | 10 |
| 45 | Youth Affairs & Sports | 0 | 0 | 0 | 0 |
| 46 | Miscellaneous | 28 | 7 | 21 | 14 |
| | Total | 10421 | 5900 | 4521 | 2626 |

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

Work done by CVOs in 2016

Details of Prosecution Sanctions for all categories

| Sl. No. | Department/Sector | Total cases for sanction | Disposal | | Pending | Pending for more than 6 months |
|---------|---------------------------|--------------------------|------------|---------|---------|--------------------------------|
| | | | Sanctioned | Refused | | |
| 1 | Agriculture | 0 | 0 | 0 | 0 | 0 |
| 2 | Atomic Energy | 0 | 0 | 0 | 0 | 0 |
| 3 | Banks | 295 | 149 | 27 | 119 | 4 |
| 4 | Chemical & Petrochemicals | 0 | 0 | 0 | 0 | 0 |
| 5 | Civil Aviation | 2 | 2 | 0 | 0 | 0 |
| 6 | Coal | 8 | 8 | 0 | 0 | 0 |
| 7 | Commerce | 7 | 3 | 1 | 3 | 1 |
| 8 | Customs & Excise | 87 | 55 | 26 | 6 | 4 |
| 9 | Defence | 1 | 1 | 0 | 0 | 0 |
| 10 | DOPT | 3 | 3 | 0 | 0 | 0 |
| 11 | Earth & Science | 0 | 0 | 0 | 0 | 0 |
| 12 | Environment & Forests | 4 | 1 | 0 | 3 | 0 |
| 13 | Fertilizers | 0 | 0 | 0 | 0 | 0 |
| 14 | Finance | 2 | 1 | 0 | 1 | 0 |
| 15 | Food & Consumer Affairs | 3 | 2 | 1 | 0 | 0 |
| 16 | Govt. of NCT of Delhi | 18 | 18 | 0 | 0 | 0 |

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

| Sl. No. | Department/Sector | Total cases for sanction | Disposal | | Pending | Pending for more than 6 months |
|---------|---------------------------------|--------------------------|------------|---------|---------|--------------------------------|
| | | | Sanctioned | Refused | | |
| 17 | Health & Family Welfare | 12 | 5 | 1 | 6 | 0 |
| 18 | Heavy Industry | 11 | 8 | 2 | 1 | 0 |
| 19 | Human Resource Development | 4 | 2 | 0 | 2 | 0 |
| 20 | Income Tax | 7 | 6 | 1 | 0 | 0 |
| 21 | Industrial Development | 6 | 6 | 0 | 0 | 0 |
| 22 | Information & Broadcasting | 0 | 0 | 0 | 0 | 0 |
| 23 | Insurance | 25 | 25 | 0 | 0 | 0 |
| 24 | Labour | 15 | 14 | 0 | 1 | 0 |
| 25 | MHA | 16 | 13 | 0 | 3 | 0 |
| 26 | Mines | 1 | 1 | 0 | 0 | 0 |
| 27 | Ministry Of Culture | 0 | 0 | 0 | 0 | 0 |
| 28 | Ministry Of Textile | 6 | 6 | 0 | 0 | 0 |
| 29 | Non-Conventional Energy Sources | 1 | 0 | 1 | 0 | 0 |
| 30 | Petroleum | 17 | 6 | 10 | 1 | 0 |
| 31 | Posts | 5 | 5 | 0 | 0 | 0 |
| 32 | Power | 5 | 5 | 0 | 0 | 0 |
| 33 | Railways | 37 | 23 | 1 | 13 | 0 |
| 34 | Road Transport & Highways | 0 | 0 | 0 | 0 | 0 |
| 35 | Rural Development | 0 | 0 | 0 | 0 | 0 |

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

| Sl. No. | Department/Sector | Total cases for sanction | Disposal | | Pending | Pending for more than 6 months |
|---------|------------------------------|--------------------------|------------|-----------|------------|--------------------------------|
| | | | Sanctioned | Refused | | |
| 36 | Science & Technology | 6 | 3 | 2 | 1 | 1 |
| 37 | Shipping | 3 | 3 | 0 | 0 | 0 |
| 38 | Social Justice & Empowerment | 0 | 0 | 0 | 0 | 0 |
| 39 | Steel | 15 | 7 | 4 | 4 | 0 |
| 40 | Telecommunications | 18 | 10 | 1 | 7 | 0 |
| 41 | Tourism | 0 | 0 | 0 | 0 | 0 |
| 42 | Union Territory | 9 | 4 | 0 | 5 | 2 |
| 43 | Urban Affairs | 7 | 4 | 1 | 2 | 0 |
| 44 | Water Resources | 0 | 0 | 0 | 0 | 0 |
| 45 | Youth Affairs & Sports | 0 | 0 | 0 | 0 | 0 |
| 46 | Miscellaneous | 0 | 0 | 0 | 0 | 0 |
| | Total | 656 | 399 | 79 | 178 | 12 |

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

Appendix III-E

(Para 3.8)

Work done by CVOs in 2016

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

| 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 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2 | Atomic Energy | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 | Banks | 427 | 192 | 91 | 7 | 666 | 55 | 1438 |
| 4 | Chemical & Petrochemicals | 0 | 2 | 0 | 0 | 1 | 0 | 3 |
| 5 | Civil Aviation | 0 | 6 | 0 | 0 | 11 | 3 | 20 |
| 6 | Coal | 2 | 11 | 0 | 0 | 143 | 17 | 173 |
| 7 | Commerce | 0 | 6 | 0 | 0 | 6 | 4 | 16 |
| 8 | Customs & Excise | 1 | 9 | 7 | 0 | 25 | 16 | 58 |
| 9 | Defence | 2 | 17 | 0 | 0 | 45 | 6 | 70 |
| 10 | DOPT | 0 | 4 | 0 | 0 | 3 | 0 | 7 |
| 11 | Earth & Science | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12 | Environment & Forests | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 | Fertilizers | 0 | 1 | 0 | 0 | 1 | 0 | 2 |
| 14 | Finance | 0 | 0 | 0 | 1 | 4 | 2 | 7 |
| 15 | Food & Consumer Affairs | 107 | 44 | 2171 | 1 | 281 | 138 | 2742 |
| 16 | Govt. of NCT. Delhi | 11 | 7 | 0 | 0 | 268 | 94 | 380 |
| 17 | Health & Family Welfare | 0 | 0 | 0 | 1 | 3 | 3 | 7 |
| 18 | Heavy Industry | 0 | 11 | 1 | 0 | 34 | 8 | 54 |
| 19 | Human Resource Development | 1 | 0 | 0 | 0 | 0 | 1 | 2 |
| 20 | Income Tax | 0 | 0 | 0 | 0 | 2 | 1 | 3 |
| 21 | Industrial Development | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 22 | Information & Broadcasting | 7 | 4 | 0 | 0 | 1 | 0 | 12 |

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

| 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 |
|---------|---------------------------------|--------------------------|--|-------------------|---------------------------|-----------------|------------|--------------|
| 23 | Insurance | 103 | 39 | 3 | 0 | 263 | 4 | 412 |
| 24 | Labour | 1 | 9 | 0 | 0 | 8 | 2 | 20 |
| 25 | MHA | 2 | 17 | 12 | 0 | 39 | 56 | 126 |
| 26 | Mines | 0 | 1 | 1 | 0 | 13 | 0 | 15 |
| 27 | Ministry Of Culture | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 28 | Ministry Of Textile | 0 | 1 | 1 | 0 | 1 | 0 | 3 |
| 29 | Non-Conventional Energy Sources | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 | Petroleum | 5 | 8 | 9 | 17 | 106 | 21 | 166 |
| 31 | Posts | 33 | 104 | 39 | 1 | 113 | 10 | 300 |
| 32 | Power | 4 | 6 | 0 | 1 | 44 | 6 | 61 |
| 33 | Railways | 345 | 2820 | 4 | 44 | 2653 | 103 | 5969 |
| 34 | Road Transport & Highways | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35 | Rural Development | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 36 | Science & Technology | 0 | 0 | 0 | 0 | 1 | 1 | 2 |
| 37 | Shipping | 0 | 2 | 0 | 0 | 2 | 0 | 4 |
| 38 | Social Justice & Empowerment | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 39 | Steel | 15 | 1 | 0 | 0 | 28 | 1 | 45 |
| 40 | Telecommunications | 10 | 32 | 2 | 8 | 103 | 29 | 184 |
| 41 | Tourism | 0 | 0 | 0 | 0 | 12 | 1 | 13 |
| 42 | Union Territory | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 43 | Urban Affairs | 16 | 1 | 3 | 0 | 10 | 11 | 41 |
| 44 | Water Resources | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 45 | Youth Affairs & Sports | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 46 | Miscellaneous | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total | 1092 | 3355 | 2344 | 81 | 4890 | 593 | 12355 |

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

Work done by CVOs in 2016

Details of Punishment awarded (all categories) in cases of Major Penalty Proceedings

| 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 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| 2 | Atomic Energy | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| 3 | Banks | 76 | 588 | 1240 | 923 | 127 | 147 | 119 | 3220 |
| 4 | Chemical & Petrochemicals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | Civil Aviation | 2 | 1 | 30 | 1 | 2 | 5 | 6 | 47 |
| 6 | Coal | 1 | 16 | 153 | 29 | 11 | 30 | 35 | 275 |
| 7 | Commerce | 1 | 2 | 3 | 4 | 0 | 1 | 14 | 25 |
| 8 | Customs & Excise | 22 | 14 | 143 | 32 | 8 | 24 | 135 | 378 |
| 9 | Defence | 5 | 4 | 19 | 15 | 3 | 4 | 9 | 59 |
| 10 | DOPT | 2 | 0 | 3 | 1 | 1 | 0 | 3 | 10 |
| 11 | Earth & Science | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12 | Environment & Forests | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 | Fertilizers | 0 | 1 | 2 | 0 | 2 | 4 | 4 | 13 |
| 14 | Finance | 1 | 3 | 0 | 3 | 1 | 3 | 6 | 17 |
| 15 | Food & Consumer Affairs | 0 | 33 | 81 | 0 | 184 | 25 | 31 | 354 |
| 16 | Govt. of NCT of Delhi | 13 | 110 | 34 | 23 | 0 | 4 | 6 | 190 |
| 17 | Health & Family Welfare | 3 | 11 | 16 | 0 | 2 | 1 | 7 | 40 |
| 18 | Heavy Industry | 0 | 2 | 0 | 8 | 2 | 6 | 2 | 20 |
| 19 | Human Resource Development | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 6 |
| 20 | Income Tax | 6 | 3 | 0 | 0 | 0 | 0 | 14 | 23 |
| 21 | Industrial Development | 2 | 1 | 1 | 0 | 0 | 0 | 2 | 6 |
| 22 | Information & Broadcasting | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 |

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

| 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 |
|---------|---------------------------------|----------------|---|-------------------------------------|-----------------------|---|------------------|------------|-------------|
| 23 | Insurance | 16 | 30 | 160 | 36 | 98 | 4 | 96 | 440 |
| 24 | Labour | 13 | 9 | 21 | 18 | 34 | 28 | 29 | 152 |
| 25 | MHA | 24 | 29 | 51 | 35 | 17 | 22 | 129 | 307 |
| 26 | Mines | 0 | 1 | 2 | 0 | 5 | 2 | 0 | 10 |
| 27 | Ministry Of Culture | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 28 | Ministry Of Textile | 0 | 2 | 2 | 1 | 2 | 3 | 1 | 11 |
| 29 | Non-Conventional Energy Sources | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 | Petroleum | 0 | 7 | 18 | 7 | 12 | 14 | 19 | 77 |
| 31 | Posts | 0 | 9 | 26 | 2 | 5 | 7 | 7 | 56 |
| 32 | Power | 0 | 4 | 10 | 0 | 0 | 3 | 7 | 24 |
| 33 | Railways | 23 | 74 | 1017 | 1 | 94 | 20 | 55 | 1284 |
| 34 | Road Transport & Highways | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 35 | Rural Development | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 36 | Science & Technology | 1 | 1 | 4 | 0 | 1 | 0 | 0 | 7 |
| 37 | Shipping | 18 | 2 | 41 | 7 | 11 | 15 | 51 | 145 |
| 38 | Social Justice & Empowerment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 39 | Steel | 0 | 10 | 9 | 0 | 0 | 10 | 11 | 40 |
| 40 | Telecommunications | 58 | 45 | 108 | 21 | 26 | 17 | 101 | 376 |
| 41 | Tourism | 0 | 0 | 10 | 0 | 0 | 1 | 3 | 14 |
| 42 | Union Territory | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| 43 | Urban Affairs | 11 | 0 | 22 | 0 | 3 | 8 | 16 | 60 |
| 44 | Water Resources | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 2 |
| 45 | Youth Affairs & Sports | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 46 | Miscellaneous | 0 | 3 | 1 | 1 | 2 | 1 | 0 | 8 |
| | Total | 300 | 1016 | 3230 | 1170 | 654 | 409 | 925 | 7704 |

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

Appendix III-G

(Para 3.8)

List of Organizations from whom Annual Report for the year 2016 was received

| | | | |
|----|--|----|---|
| 1 | Air India | 24 | Bharat Pumps & Compressors Ltd. |
| 2 | Airports Authority of India | 25 | Bharat Sanchar Nigam Ltd. |
| 3 | Ali Yavar Jung National Institute of Speech and Hearing Disabilities | 26 | Bharatiya Mahila Bank |
| 4 | All India Institute of Medical Sciences | 27 | Bharatiya Nabhikiya Vidyut Nigam Ltd. |
| 5 | All India Institute of Speech and Hearing | 28 | Bharatiya Reserve Bank Note Mudran (P) Ltd. |
| 6 | Allahabad Bank | 29 | Bird Group of Companies |
| 7 | Andhra Bank | 30 | Board of Apprenticeship Training Western Region, Mumbai |
| 8 | Andrew Yule & Company Ltd. | 31 | Board of Practical Training (Eastern Region) |
| 9 | Artificial Limbs Manufacturing Corporation of India Ltd. | 32 | Border Security Force |
| 10 | Assam Rifles | 33 | Brahmaputra Valley Fertilizer Corporation Ltd. |
| 11 | Atomic Energy Education Society | 34 | Braithwaite & Co. Ltd. |
| 12 | Balmer Lawrie & Co. Ltd. | 35 | Bridge and Roof Co. (India) Ltd. |
| 13 | Bank of Baroda | 36 | Bureau of Indian Standards |
| 14 | Bank of India | 37 | Burn Standard Co. Ltd. |
| 15 | Bank of Maharashtra | 38 | Cabinet Secretariat |
| 16 | Bhakra Beas Management Board | 39 | Canara Bank |
| 17 | Bharat Broadband Network Ltd. | 40 | Cement Corporation of India Ltd. |
| 18 | Bharat Coking Coal Ltd. | 41 | Central Bank of India |
| 19 | Bharat Dynamics Limited | 42 | Central Board of Direct Taxes |
| 20 | Bharat Earth Movers Ltd. | 43 | Central Board of Excise and Customs |
| 21 | Bharat Electronics Ltd. | 44 | Central Bureau of Investigation |
| 22 | Bharat Heavy Electricals Ltd. | 45 | Central Coalfields Ltd. |
| 23 | Bharat Petroleum Corporation Ltd. | | |

| | |
|----|--|
| 46 | Central Cottage Industries Corporation of India Ltd. |
| 47 | Central Council for Research In Ayurvedic Sciences |
| 48 | Central Council for Research in Homoeopathy |
| 49 | Central Council of Homoeopathy |
| 50 | Central Council of Indian Medicine |
| 51 | Central Industrial Security Force |
| 52 | Central Institute of Hand Tools |
| 53 | Central Manufacturing Technology Institute |
| 54 | Central Mine Planning & Design Institute Ltd. |
| 55 | Central Pollution Control Board |
| 56 | Central Public Works Development |
| 57 | Central Pulp & Paper Research Institute |
| 58 | Central Reserve Police Force |
| 59 | Central University of Kerala |
| 60 | Central Warehousing Corporation |
| 61 | Centre for Development of Telematics |
| 62 | Centre for DNA Fingerprinting and Diagnostics |
| 63 | Chandigarh Administration |
| 64 | Chennai Petroleum Corporation Ltd. |
| 65 | Chennai Port Trust |
| 66 | Coal India Ltd. |
| 67 | Coal Mines Provident Fund |
| 68 | Cochin Port Trust |
| 69 | Cochin Shipyard Ltd. |

| | |
|----|---|
| 70 | Container Corporation of India Ltd. |
| 71 | Controller General of Defence Accounts |
| 72 | Corporation Bank |
| 73 | Damodar Valley Corporation |
| 74 | Dattopant Thengadi National Board for Workers Education & Development |
| 75 | Dedicated Freight Corridor Corporation of India |
| 76 | Delhi Development Authority |
| 77 | Delhi Jal Board |
| 78 | Delhi Metro Rail Corporation |
| 79 | Delhi Transco Ltd. |
| 80 | Delhi Transport Corporation |
| 81 | Delhi Urban Art Commission |
| 82 | Dena Bank |
| 83 | Department of Agriculture, Cooperation & Farmer's Welfare |
| 84 | Department of Animal Husbandry, Dairying and Fisheries |
| 85 | Department of Chemicals & Petrochemicals |
| 86 | Department of Commerce |
| 87 | Department of Commerce (Supply Division) |
| 88 | Department of Defence Production |
| 89 | Department of Economic Affairs |
| 90 | Department of Electronics & Information Technology |
| 91 | Department of Expenditure |
| 92 | Department of Food & Public Distribution |

| | |
|-----|---|
| 93 | Department of Heavy Industry |
| 94 | Department of Higher Education |
| 95 | Department of Investment & Public Asset Management |
| 96 | Department of Personnel & Training |
| 97 | Department of Posts |
| 98 | Department of Public Enterprises |
| 99 | Department of Revenue |
| 100 | Department of Rural Development |
| 101 | Department of Science and Technology |
| 102 | Department of Scientific and Industrial Research |
| 103 | Department of Scientific and Industrial Research (CSIR) |
| 104 | Department of Social Justice & Empowerment |
| 105 | Department of Space |
| 106 | Department of Telecommunications |
| 107 | Directorate General of Civil Aviation |
| 108 | Dredging Corporation of India Ltd. |
| 109 | East Delhi Municipal Corporation |
| 110 | Eastern Coalfields Ltd. |
| 111 | Electronics Corporation of India Ltd. |
| 112 | Electronics Service & Training Centre |
| 113 | Employees' Provident Fund Organisation |
| 114 | Energy Management Centre |
| 115 | Engineering Projects (India) Ltd. |
| 116 | Engineers India Ltd. |
| 117 | Export Inspection Council of India |

| | |
|-----|--|
| 118 | Export-Import Bank of India |
| 119 | FCI Aravali Gypsum & Minerals India Ltd. |
| 120 | Ferro Scrap Nigam Ltd. |
| 121 | Film and Television Institute of India |
| 122 | Food Corporation of India |
| 123 | Garden Reach Shipbuilders & Engineers Ltd. |
| 124 | GAIL (India) Ltd. |
| 125 | General Insurance Corporation of India |
| 126 | Geological Survey of India |
| 127 | Goa Shipyard Ltd. |
| 128 | Harish Chandra Research Institute |
| 129 | Heavy Engineering Corporation Ltd. |
| 130 | Hindustan Aeronautics Ltd. |
| 131 | Hindustan Antibiotics Ltd. |
| 132 | Hindustan Copper Ltd. |
| 133 | Hindustan Fertilizer Corporation Ltd. |
| 134 | Hindustan Insecticides Ltd. |
| 135 | Hindustan Organic Chemicals Ltd. |
| 136 | Hindustan Paper Corporation Ltd. |
| 137 | Hindustan Petroleum Corporation Ltd. |
| 138 | Hindustan Photo Films Manufacturing Co. Ltd. |
| 139 | Hindustan Prefab Ltd. |
| 140 | Hindustan Salts Ltd. |
| 141 | Hindustan Shipyard Ltd. |
| 142 | Hindustan Steelworks Construction Ltd. |
| 143 | HMT Ltd. |

| | |
|-----|---|
| 144 | Hooghly Dock & Port Engineers Ltd. |
| 145 | Housing & Urban Development Corporation Ltd. |
| 146 | HSCC (India) Ltd. |
| 147 | IDBI Bank |
| 148 | India Tourism Development Corporation |
| 149 | India Trade Promotion Organisation |
| 150 | Indian Bank |
| 151 | Indian Bureau of Mines |
| 152 | Indian Grain Storage Management & Research Institute |
| 153 | Indian Institute of Information Technology, Allahabad |
| 154 | Indian Institute of Management, Ahmedabad |
| 155 | Indian Institute of Packaging, Mumbai |
| 156 | Indian Maritime University |
| 157 | Indian Oil Corporation Ltd. |
| 158 | Indian Overseas Bank |
| 159 | Indian Railway Catering and Tourism Corporation Ltd. |
| 160 | Indian Rare Earths Ltd. |
| 161 | Indian Renewable Energy Development Agency Ltd. |
| 162 | Indraprastha Power Generation Co. Ltd. |
| 163 | Industrial Finance Corporation of India |
| 164 | Instrumentation Ltd. |
| 165 | IRCON International Ltd. |
| 166 | ITI Ltd. |
| 167 | Jawaharlal Nehru Port Trust |

| | |
|-----|---|
| 168 | Kamarajar Port Ltd. |
| 169 | Kandla Port Trust |
| 170 | Kendriya Bhandar |
| 171 | Kendriya Vidyalaya Sangathan |
| 172 | Khadi and Village Industries Commission |
| 173 | Kolkata Port Trust |
| 174 | Kudremukh Iron Ore Co. Ltd. |
| 175 | Life Insurance Corporation of India |
| 176 | Madras Fertilizers Ltd. |
| 177 | Mahanadi Coalfields Ltd. |
| 178 | Mahanagar Telephone Nigam Ltd. |
| 179 | Mangalore Refinery & Petrochemicals Ltd. |
| 180 | Mazagon Dock Shipbuilders Ltd. |
| 181 | MECON Ltd. |
| 182 | Mineral Exploration Corporation Ltd. |
| 183 | Ministry of AYUSH |
| 184 | Ministry of Civil Aviation |
| 185 | Ministry of Earth Sciences |
| 186 | Ministry of Environment, Forests and Climate Change |
| 187 | Ministry of Health and Family Welfare |
| 188 | Ministry of Labour & Employment |
| 189 | Ministry of Mines |
| 190 | Ministry of Minority Affairs |
| 191 | Ministry of New & Renewable Energy |
| 192 | Ministry of Petroleum & Natural Gas |
| 193 | Ministry of Railways |

| | |
|-----|---|
| 194 | Ministry of Rural Development |
| 195 | Ministry of Shipping |
| 196 | Ministry of Steel |
| 197 | Ministry of Tourism |
| 198 | Ministry of Urban Development |
| 199 | Ministry of Water Resources |
| 200 | Ministry of Youth Affairs and Sports |
| 201 | Mishra Dhatu Nigam Ltd. |
| 202 | MMTC Ltd. |
| 203 | MOIL Limited |
| 204 | Mormugao Port Trust |
| 205 | MSTC Ltd. |
| 206 | Mumbai Port Trust |
| 207 | NABARD |
| 208 | National Security Guard |
| 209 | National Housing Bank |
| 210 | National Aluminium Company Ltd. |
| 211 | National Backward Classes Finance & Development Corporation |
| 212 | National Building Construction Corporation |
| 213 | National Cooperative Consumer Federation of India Ltd. |
| 214 | National Dairy Development Board |
| 215 | National Fertilizers Ltd. |
| 216 | National Highways Authority of India |
| 217 | National Institute of Technology, Calicut |
| 218 | National Insurance Company Ltd. |

| | |
|-----|---|
| 219 | National Mineral Development Corporation Ltd. |
| 220 | National Power Training Institute |
| 221 | National Research Development Corporation |
| 222 | National Scheduled Castes Finance and Development Corporation |
| 223 | National Textile Corporation Ltd. |
| 224 | National Thermal Power Corporation Ltd. |
| 225 | National Water Development Agency |
| 226 | NEPA Ltd. |
| 227 | New Delhi Municipal Council |
| 228 | New Mangalore Port Trust |
| 229 | Neyveli Lignite Corporation Ltd. |
| 230 | NHPC Ltd. |
| 231 | North Delhi Municipal Corporation |
| 232 | North Eastern Electric Power Corporation Ltd. |
| 233 | Northern Coalfields Ltd. |
| 234 | Nuclear Power Corporation of India Ltd. |
| 235 | Numaligarh Refinery Ltd. |
| 236 | Oil & Natural Gas Corporation Ltd. |
| 237 | Oil India Ltd. |
| 238 | Ordnance Factory Board |
| 239 | Oriental Bank of Commerce |
| 240 | Paradip Port Trust |
| 241 | Pawan Hans Ltd. |
| 242 | PEC Ltd. |

| | |
|-----|---|
| 243 | Power Finance Corporation Ltd. |
| 244 | Power Grid Corporation of India Ltd. |
| 245 | Punjab & Sind Bank |
| 246 | Punjab National Bank |
| 247 | Rail Vikas Nigam Ltd. |
| 248 | RailTel Corporation of India Ltd. |
| 249 | Rajasthan Electronics & Instruments Ltd |
| 250 | Rashtriya Chemicals and Fertilizers Ltd. |
| 251 | Rashtriya Ispat Nigam Ltd. |
| 252 | REPCO Bank |
| 253 | Reserve Bank of India |
| 254 | Richardson & Cruddas Ltd. |
| 255 | RITES Ltd. |
| 256 | Rural Electrification Corporation Ltd. |
| 257 | Sashastra Seema Bal |
| 258 | Satluj Jal Vidyut Nigam Ltd. |
| 259 | Scooters India Ltd. |
| 260 | Securities and Exchange Board of India |
| 261 | Security Printing and Minting Corporation of India Ltd. |
| 262 | Small Industries Development Bank of India |
| 263 | Software Technology Parks of India |
| 264 | Solar Energy Corporation of India Ltd. |
| 265 | South Delhi Municipal Corporation |
| 266 | South Eastern Coalfields Ltd. |
| 267 | Sports Authority of India |
| 268 | State Bank of Patiala |
| 269 | State Bank of Bikaner and Jaipur |
| 270 | State Bank of Hyderabad |

| | |
|-----|--|
| 271 | State Bank of India |
| 272 | State Bank of Mysore |
| 273 | State Bank of Travancore |
| 274 | Steel Authority of India |
| 275 | Syndicate Bank |
| 276 | THDC India Ltd. |
| 277 | Telecommunications Consultants India Ltd. |
| 278 | The Braithwaite Burn and Jessop Construction Co. Ltd. |
| 279 | The Cotton Corporation of India Ltd. |
| 280 | The Fertilizers and Chemicals Travancore Ltd. |
| 281 | The Handicrafts & Handlooms Export Corporation of India Ltd. |
| 282 | The New India Assurance Co. Ltd. |
| 283 | The Oriental Insurance Company Ltd. |
| 284 | The Rubber Board |
| 285 | The Shipping Corporation of India Ltd. |
| 286 | The State Trading Corporation of India Ltd. |
| 287 | UCO Bank |
| 288 | Union Bank of India |
| 289 | United Bank of India |
| 290 | United India Insurance Co. Ltd. |
| 291 | Uranium Corporation of India Ltd. |
| 292 | V.O. Chidambaranar Port Trust |
| 293 | Victoria Memorial |
| 294 | Vijaya Bank |
| 295 | Visakhapatnam Port Trust |
| 296 | Western Coalfields Ltd. |

Appendix IV

(Para 4.15)

Organization-wise list of complaints referred by Commission and pending with CVOs for Inquiry and Report as on 31.12.2016

| 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 | 1 | 0 | 0 |
| 2 | Aligarh Muslim University | 0 | 0 | 3 |
| 3 | All India Council For Technical Education | 1 | 0 | 1 |
| 4 | All India Institute of Medical Sciences | 0 | 0 | 1 |
| 5 | Allahabad Bank | 1 | 0 | 1 |
| 6 | Andaman & Nicobar Administration | 0 | 2 | 1 |
| 7 | Bank of Baroda | 0 | 0 | 1 |
| 8 | Bank of Maharashtra | 3 | 1 | 0 |
| 9 | Bharat Heavy Electricals Ltd. | 0 | 1 | 1 |
| 10 | Bharat Immunologicals and Biologicals Corporation Ltd. | 0 | 0 | 1 |
| 11 | Bharat Petroleum Corporation Ltd. | 0 | 0 | 1 |
| 12 | Bharat Sanchar Nigam Ltd. | 2 | 2 | 0 |
| 14 | Border Roads Development Board | 0 | 0 | 6 |
| 15 | Brahmaputra Board | 0 | 0 | 1 |
| 16 | Canara Bank | 1 | 0 | 0 |
| 17 | Cement Corporation of India Ltd. | 0 | 2 | 0 |
| 18 | Central Bank of India | 0 | 0 | 5 |
| 19 | Central Board of Direct Taxes | 6 | 6 | 14 |
| 20 | Central Board of Excise & Customs | 9 | 0 | 0 |
| 21 | Central Bureau of Investigation | 1 | 3 | 0 |
| 22 | Central Public Works Department | 0 | 1 | 4 |

| Sl. No. | Name of the Department/Organization | Complaints pending for investigation | | |
|---------|---|--------------------------------------|-------------------------|-----------------------|
| | | Upto one year | Between one-three years | More Than three years |
| 23 | Central Warehousing Corporation Ltd. | 1 | 0 | 0 |
| 24 | Chandigarh Admin. | 1 | 0 | 2 |
| 25 | Chennai Port Trust | 1 | 0 | 0 |
| 26 | Coal India Ltd. | 0 | 0 | 1 |
| 27 | Cotton Corporation of India | 1 | 0 | 0 |
| 28 | Council of Scientific & Industrial Research | 2 | 0 | 0 |
| 29 | Dadra & Nagar Haveli Administration | 0 | 1 | 3 |
| 30 | Daman & Diu Admn. | 0 | 1 | 3 |
| 31 | Defence Accounts Department (CGDA) | 0 | 0 | 1 |
| 32 | Delhi Development Authority | 0 | 3 | 11 |
| 33 | Delhi Jal Board | 0 | 3 | 2 |
| 34 | Delhi Police | 0 | 0 | 1 |
| 35 | Delhi Transport Corporation | 0 | 1 | 0 |
| 36 | Department of Animal Husbandry Dairying & Fisheries | 1 | 0 | 2 |
| 37 | Department of Atomic Energy | 0 | 1 | 0 |
| 38 | Department of Chemicals & Petrochemicals | 0 | 0 | 1 |
| 39 | Department of Commerce (Supply Division) | 0 | 0 | 1 |
| 40 | Department of Company Affairs | 1 | 0 | 0 |
| 41 | Department of Defence Production and Supplies | 1 | 1 | 2 |
| 42 | Department of Disability Affairs | 0 | 1 | 3 |
| 43 | Department of Economic Affairs | 0 | 0 | 2 |
| 44 | Department of Fertilizers | 1 | 1 | 1 |
| 46 | Department of Financial Services | 4 | 4 | 3 |

| Sl. No. | Name of the Department/Organization | Complaints pending for investigation | | |
|---------|--|--------------------------------------|-------------------------|-----------------------|
| | | Upto one year | Between one-three years | More Than three years |
| 47 | Department of Food & Public Distribution | 0 | 0 | 1 |
| 48 | Department of Industrial Policy & Promotion | 1 | 0 | 1 |
| 49 | Department of Pharmaceuticals | 0 | 1 | 1 |
| 50 | Department of Posts | 0 | 1 | 0 |
| 52 | Department of Revenue | 2 | 1 | 3 |
| 53 | Department of Science and Technology | 0 | 2 | 2 |
| 54 | Department of Scientific & Industrial Research | 0 | 0 | 1 |
| 55 | Department of Secondary and Higher Education & D/o Elementary Education and Literacy | 4 | 6 | 27 |
| 56 | Department of Space | 0 | 0 | 2 |
| 57 | Development of North Eastern Region | 0 | 0 | 1 |
| 58 | Eastern Coalfields Ltd. | 0 | 1 | 0 |
| 59 | Educational Consultants India Ltd. | 0 | 0 | 1 |
| 60 | Employees' Provident Fund Organisation | 0 | 0 | 2 |
| 61 | Engineers India Ltd. | 0 | 0 | 1 |
| 62 | Food Corporation of India | 0 | 0 | 2 |
| 63 | Gas Authority of India Ltd. | 0 | 0 | 1 |
| 64 | Govt. of NCT Delhi | 4 | 15 | 46 |
| 65 | Government of Puducherry | 0 | 0 | 2 |
| 66 | Heavy Engineering Corporation Ltd. | 0 | 0 | 1 |
| 67 | Hindustan Organic Chemicals Ltd. | 0 | 0 | 1 |
| 68 | Hindustan Paper Corporation Ltd. | 1 | 0 | 0 |
| 69 | Hindustan Petroleum Corporation Ltd. | 1 | 0 | 2 |
| 70 | Hindustan Vegetable Oils Corporation Ltd. | 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 |
| 71 | HMT Ltd. | 0 | 0 | 1 |
| 72 | Housing & Urban Development Corporation Ltd. | 1 | 0 | 0 |
| 73 | IIT, Delhi | 0 | 0 | 1 |
| 74 | IIT, Roorkee | 0 | 0 | 1 |
| 75 | Indian Council of Agricultural Research | 0 | 1 | 9 |
| 76 | Indian Council of Medical Research | 0 | 0 | 1 |
| 77 | Indian Oil Corporation Ltd. | 2 | 1 | 1 |
| 78 | Indian Overseas Bank | 1 | 1 | 0 |
| 79 | Indira Gandhi National Open University | 0 | 1 | 2 |
| 80 | Industrial Development Bank of India | 1 | 0 | 0 |
| 81 | Jamia Millia Islamia | 0 | 0 | 1 |
| 82 | Jawaharlal Nehru Port Trust | 1 | 0 | 0 |
| 83 | Jawaharlal Nehru University | 0 | 0 | 1 |
| 84 | Kendriya Vidyalaya Sangathan | 1 | 0 | 1 |
| 85 | Khadi & Village Industries Commission | 0 | 1 | 0 |
| 86 | Life Insurance Corporation of India | 2 | 0 | 1 |
| 87 | Medical Council of India | 0 | 0 | 1 |
| 88 | Ministry of Civil Aviation | 0 | 0 | 1 |
| 89 | Ministry of Ayush | 0 | 0 | 1 |
| 90 | Ministry of Coal | 1 | 1 | 3 |
| 91 | Ministry of Commerce | 1 | 0 | 2 |
| 92 | Ministry of Consumer Affairs | 1 | 0 | 1 |
| 93 | Ministry of Culture | 0 | 1 | 5 |
| 94 | Ministry of Defence | 8 | 8 | 11 |
| 95 | Ministry of Earth Sciences | 0 | 1 | 0 |

| Sl. No. | Name of the Department/Organization | Complaints pending for investigation | | |
|---------|--|--------------------------------------|-------------------------|-----------------------|
| | | Upto one year | Between one-three years | More Than three years |
| 96 | Ministry of Electronics & Information Technology | 0 | 1 | 0 |
| 97 | Ministry of Environment, Forests and Climate Change | 0 | 1 | 6 |
| 98 | Ministry of External Affairs | 1 | 0 | 1 |
| 99 | Ministry of Health & Family Welfare | 0 | 3 | 9 |
| 100 | Ministry of Home Affairs | 2 | 0 | 1 |
| 101 | Ministry of Information & Broadcasting | 2 | 1 | 6 |
| 102 | Ministry of Labour & Employment | 0 | 1 | 0 |
| 103 | Ministry of Mines | 1 | 2 | 1 |
| 104 | Ministry of Parliamentary Affairs | 0 | 0 | 1 |
| 105 | Ministry of Personnel, Public Grievances and Pensions | 0 | 0 | 2 |
| 106 | Ministry of Petroleum & Natural Gas | 0 | 0 | 6 |
| 107 | Ministry of Power | 1 | 1 | 1 |
| 108 | Ministry of Railways | 22 | 1 | 3 |
| 109 | Ministry of Road Transport & Highways | 3 | 0 | 1 |
| 110 | Ministry of Rural Development | 0 | 0 | 1 |
| 111 | Ministry of Small Scale Industry and Agro & Rural Industries | 4 | 1 | 1 |
| 112 | Ministry of Social Justice & Empowerment | 0 | 0 | 1 |
| 113 | Ministry of Statistics and Programme Implementation | 0 | 0 | 1 |
| 114 | Ministry of Steel | 2 | 0 | 0 |
| 115 | Ministry of Textiles | 3 | 3 | 2 |
| 116 | Ministry of Tourism | 0 | 1 | 0 |
| 117 | Ministry of Tribal Affairs | 0 | 1 | 1 |

| Sl. No. | Name of the Department/Organization | Complaints pending for investigation | | |
|---------|---|--------------------------------------|-------------------------|-----------------------|
| | | Upto one year | Between one-three years | More Than three years |
| 118 | Ministry of Urban Development | 0 | 2 | 5 |
| 119 | Ministry of Water Resources, River Development & Ganga Rejuvenation | 0 | 1 | 5 |
| 120 | Ministry of Women & Child Development | 0 | 0 | 1 |
| 121 | Ministry of Youth Affairs & Sports | 0 | 0 | 1 |
| 122 | MMTC Ltd. | 0 | 0 | 1 |
| 123 | Municipal Corporation of North Delhi | 0 | 4 | 11 |
| 124 | Municipal Corporation of South Delhi | 0 | 5 | 13 |
| 125 | National Agricultural Cooperative Marketing Federation of India | 0 | 0 | 1 |
| 126 | National Bank of Agriculture and Rural Development (NABARD) | 0 | 0 | 1 |
| 127 | National Board of Examinations | 0 | 0 | 1 |
| 128 | National Buildings Construction Corporation Ltd. | 0 | 2 | 0 |
| 129 | National Cooperative Consumers' Federation of India | 0 | 0 | 1 |
| 130 | National Fertilizers Ltd. | 1 | 0 | 3 |
| 131 | National Highways Authority of India | 1 | 0 | 0 |
| 132 | National Institute of Educational Planning & Administration | 0 | 0 | 1 |
| 133 | National Institute of Technology, Jamshedpur | 0 | 0 | 1 |
| 134 | National Productivity Council | 0 | 0 | 1 |
| 135 | National Thermal Power Corporation Ltd. | 1 | 1 | 0 |
| 136 | Navodaya Vidyalaya Samiti | 0 | 0 | 4 |
| 137 | New Delhi Municipal Council | 1 | 0 | 2 |
| 138 | Northern Coalfields Ltd. | 1 | 0 | 3 |
| 139 | Nuclear Power Corporation of India Ltd. | 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 |
| 140 | Oil & Natural Gas Corporation Ltd. | 0 | 1 | 1 |
| 141 | Ordnance Factory Board | 0 | 2 | 0 |
| 142 | Paradip Port Trust | 1 | 0 | 0 |
| 143 | PGIMER, Chandigarh | 0 | 0 | 1 |
| 144 | Prasar Bharati | 2 | 0 | 1 |
| 145 | Prime Minister's Office | 0 | 0 | 1 |
| 146 | Punjab National Bank | 2 | 1 | 0 |
| 147 | Rashtriya Ispat Nigam Ltd. | 1 | 0 | 1 |
| 148 | Rural Electrification Corporation Ltd. | 0 | 1 | 0 |
| 149 | Satluj Jal Vidyut Nigam Ltd. | 0 | 1 | 0 |
| 150 | Securities and Exchange Board of India | 1 | 3 | 1 |
| 151 | Small Industries Development Bank of India | 0 | 0 | 1 |
| 152 | State Bank of India | 2 | 0 | 0 |
| 153 | State Bank Of Mysore | 0 | 0 | 1 |
| 154 | State Bank of Patiala | 1 | 0 | 1 |
| 155 | State Bank of Saurashtra | 0 | 0 | 1 |
| 156 | State Trading Corporation of India | 0 | 0 | 1 |
| 157 | Steel Authority of India Ltd. | 1 | 0 | 1 |
| 158 | Syndicate Bank | 1 | 0 | 0 |
| 159 | Triveni Structurals Ltd. | 0 | 0 | 1 |
| 160 | UCO Bank | 2 | 0 | 0 |
| 161 | Union Bank of India | 0 | 0 | 2 |
| 162 | United Bank of India | 1 | 0 | 0 |
| 163 | University of Delhi | 0 | 0 | 1 |
| 164 | Vijaya Bank | 0 | 0 | 1 |
| 165 | Western Coalfields Ltd. | 0 | 0 | 1 |
| | Total | 133 | 119 | 344 |

Appendix V

(Para 4.16)

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 | 4 | 1 |
| 2 | Airports Authority of India | 1 | 1 |
| 3 | All India Institute of Medical Sciences | 2 | 0 |
| 4 | Allahabad Bank | 1 | 0 |
| 5 | Andaman & Nicobar Administration | 21 | 10 |
| 6 | Archaeological Survey of India | 1 | 0 |
| 7 | Artificial Limbs Manufacturing Corporation Ltd. | 1 | 0 |
| 8 | Balmer Lawrie & Co. Ltd. | 5 | 1 |
| 9 | Bank of India | 5 | 0 |
| 10 | Bank of Maharashtra | 2 | 0 |
| 11 | Betwa River Board | 1 | 0 |
| 12 | Bhakra Beas Management Board | 1 | 0 |
| 13 | Bharat Bhari Udyog Nigam Ltd. | 0 | 1 |
| 14 | Bharat Heavy Electricals Ltd. | 0 | 1 |
| 15 | Bharat Immunology and Biologicals | 0 | 3 |
| 16 | Bharat Petroleum Corporation Ltd. | 1 | 0 |
| 17 | Bharat Sanchar Nigam Ltd. | 1 | 0 |
| 18 | Bharat Wagon and Engineering Company Ltd. | 1 | 0 |
| 19 | Brahmaputra Board | 2 | 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 | Bridge & Roof Co. (India) Ltd. | 1 | 0 |
| 21 | Cement Corporation of India | 2 | 0 |
| 22 | Central Bank of India | 11 | 0 |
| 23 | Central Board of Direct Taxes | 28 | 4 |
| 24 | Central Board of Excise & Customs | 49 | 26 |
| 25 | Central Board of Secondary Education | 1 | 0 |
| 26 | Central Bureau of Investigation | 23 | 1 |
| 27 | Central Coalfields Ltd. | 1 | 0 |
| 28 | Central Council for Research in Ayurveda & Siddha | 1 | 2 |
| 29 | Central Mine Planning and Design Institute | 1 | 0 |
| 30 | Central Public Works Department | 5 | 0 |
| 31 | Central Reserve Police Force | 3 | 3 |
| 32 | Central Social Welfare Board | 1 | 0 |
| 33 | Chandigarh Admn. | 2 | 1 |
| 34 | Chennai Port Tust | 1 | 0 |
| 35 | Coffee Board | 1 | 1 |
| 36 | Comptroller and Auditor General of India | 8 | 0 |
| 37 | Controller General of Accounts | 2 | 0 |
| 38 | Controller General of Defence Accounts | 0 | 1 |
| 39 | Corporation Bank | 0 | 2 |
| 40 | Council for Advancement of People's Action and Rural Technology | 1 | 2 |
| 41 | Council of Scientific and Industrial Research | 10 | 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 |
| 42 | Daman & Diu Administration & Dadra Nagar Haveli Administration | 23 | 9 |
| 43 | Damodar Valley Corporation | 2 | 2 |
| 44 | Defence Accounts Department | 9 | 0 |
| 45 | Delhi Development Authority | 4 | 0 |
| 46 | Delhi Jal Board | 1 | 0 |
| 47 | Delhi Transco Ltd. / Indraprastha Power Generation Co Ltd. | 6 | 5 |
| 48 | Delhi Urban Shelter Improvement Board | 9 | 4 |
| 49 | Dena Bank | 3 | 0 |
| 50 | Department of Science & Technology | 1 | 0 |
| 51 | Department of Animal Husbandry Dairying & Fisheries | 1 | 0 |
| 52 | Department of Atomic Energy | 0 | 3 |
| 53 | Department of Chemical & Petrochemicals | 3 | 0 |
| 54 | Department of Company Affairs | 3 | 0 |
| 55 | Department of Defence Production | 4 | 0 |
| 56 | Department of Disability Affairs | 1 | 0 |
| 57 | Department of Economic Affairs | 4 | 0 |
| 58 | Department of Fertilizers | 1 | 0 |
| 59 | Department of Financial Services | 9 | 0 |
| 61 | Department of Heavy Industry | 4 | 0 |
| 62 | Department of Industrial Policy | 6 | 2 |
| 63 | Department of Legal Affairs | 0 | 1 |
| 64 | Department of Pharmaceuticals | 2 | 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 |
| 65 | Department of Posts | 3 | 0 |
| 66 | Department of Revenue | 6 | 2 |
| 67 | Department of Scientific and Industrial Research | 1 | 0 |
| 68 | Department of Space | 0 | 1 |
| 69 | Department of Sugar and Edible Oils | 1 | 0 |
| 70 | Department of Supply | 4 | 1 |
| 71 | Department of Telecommunications | 4 | 2 |
| 72 | DSIIDC | 1 | 0 |
| 73 | DTTDC | 1 | 0 |
| 74 | Eastern Coalfields Ltd. | 1 | 0 |
| 75 | Employees' Provident Fund Organisation | 6 | 1 |
| 76 | Engineers India Ltd. | 1 | 0 |
| 77 | Export Inspection Council of India | 1 | 0 |
| 78 | Food Corporation of India | 3 | 0 |
| 79 | Govt. of NCT of Delhi | 16 | 6 |
| 80 | Govt. of Puducherry | 17 | 2 |
| 81 | Handicrafts and Handlooms Export Corporation of India | 0 | 1 |
| 82 | Hindustan Aeronautics Ltd. | 1 | 0 |
| 83 | Hindustan Antibiotics Ltd. | 1 | 0 |
| 84 | Hindustan Copper Ltd. | 1 | 0 |
| 85 | Hindustan Fertilizers Corporation Ltd. | 0 | 4 |
| 86 | Hindustan Petroleum Corporation Ltd. | 1 | 4 |
| 87 | Hindustan Salt Ltd. | 0 | 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 |
| 88 | Hindustan Vegetable Oils Corporation Ltd. | 2 | 0 |
| 89 | HLL Lifecare Ltd. | 1 | 0 |
| 90 | Housing and Urban Development Corporation Limited | 3 | 0 |
| 91 | IIT, Kanpur | 1 | 0 |
| 92 | IIT, Kharagpur | 1 | 0 |
| 93 | India Tourism Development Corporation | 1 | 0 |
| 94 | India Trade Promotion Organisation | 3 | 0 |
| 95 | Indian Council of Agricultural Research | 8 | 2 |
| 96 | Indian Oil Corporation Ltd. | 2 | 8 |
| 97 | Indira Gandhi National Open University | 1 | 0 |
| 98 | Indira Gandhi Rashtriya Manav Sangrahalaya | 1 | 0 |
| 99 | Industrial Financial Corporation of India | 2 | 0 |
| 100 | Instrumentation Ltd. | 1 | 0 |
| 101 | Kendriya Vidyalaya Sangathan | 9 | 1 |
| 102 | Khadi and Village Industries Commission | 7 | 1 |
| 103 | Kolkata Port Trust | 1 | 0 |
| 104 | Krishak Bharat Cooperatives Ltd. | 1 | 0 |
| 105 | Lakshadweep Admn. | 7 | 0 |
| 106 | Life Insurance Corporation of India | 1 | 0 |
| 107 | Madras Fertilizers Ltd. | 2 | 0 |
| 108 | Mangalore Refineries and Petrochemicals | 1 | 0 |
| 109 | Ministry for Development of North Eastern Region | 2 | 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 | Ministry of Ayush | 2 | 0 |
| 111 | Ministry of Civil Aviation | 1 | 2 |
| 112 | Ministry of Coal | 4 | 0 |
| 113 | Ministry of Commerce | 2 | 0 |
| 114 | Ministry of Consumer Affairs | 1 | 0 |
| 115 | Ministry of Culture | 2 | 1 |
| 116 | Ministry of Defence | 15 | 3 |
| 117 | Ministry of Earth Sciences | 0 | 2 |
| 118 | Ministry of Electronics and Information Technology | 3 | 0 |
| 119 | Ministry of Environment, Forests and Climate Change | 8 | 2 |
| 120 | Ministry of External Affairs | 4 | 0 |
| 121 | Ministry of Health & Family Welfare | 11 | 5 |
| 122 | Ministry of Home Affairs | 19 | 6 |
| 123 | Ministry of Human Resource Development | 6 | 4 |
| 124 | Ministry of Information & Broadcasting | 3 | 2 |
| 125 | Ministry of Information Technology | 2 | 0 |
| 126 | Ministry of Labour & Employment | 3 | 0 |
| 127 | Ministry of Mines | 2 | 0 |
| 128 | Ministry of Personnel, Public Grievances and Pensions | 27 | 12 |
| 129 | Ministry of Petroleum & Natural Gas | 1 | 0 |
| 130 | Ministry of Power | 1 | 0 |
| 131 | Ministry of Railways | 127 | 19 |

| 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 Road Transport & Highways | 1 | 0 |
| 133 | Ministry of Shipping | 4 | 0 |
| 134 | Ministry of Small Scale Industry | 4 | 1 |
| 135 | Ministry of Statistics and Programme Implementation | 2 | 0 |
| 136 | Ministry of Textiles | 2 | 0 |
| 137 | Ministry of Tourism | 1 | 1 |
| 138 | Ministry of Tribal Affairs | 1 | 0 |
| 139 | Ministry of Urban Development | 13 | 1 |
| 140 | Ministry of Water Resources, River Development & Ganga Rejuvenation | 2 | 0 |
| 141 | Ministry of Youth Affairs & Sports | 3 | 0 |
| 142 | MMTC Ltd. | 1 | 0 |
| 143 | Municipal Corporation of East Delhi | 5 | 0 |
| 144 | Municipal Corporation of North Delhi | 5 | 0 |
| 145 | Municipal Corporation of South Delhi | 8 | 3 |
| 146 | Narmada Control Authority | 1 | 0 |
| 147 | National Agricultural Cooperative Marketing Federation | 2 | 0 |
| 148 | National Buildings Construction Corporation Limited | 1 | 2 |
| 149 | National Cooperative Consumers Federation | 2 | 4 |
| 150 | National Cooperative Development Corporation | 1 | 0 |
| 151 | National Highways Authority of India | 21 | 1 |
| 152 | National Hydro-Electric Power Corporation Ltd. | 0 | 3 |

| 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 |
| 153 | National Institute of Electronics & Information Technology | 1 | 0 |
| 154 | National Institute of Fashion Technology | 4 | 0 |
| 155 | National Projects Construction Corporation | 1 | 3 |
| 156 | National Remote Sensing Agency | 0 | 2 |
| 157 | National SC & ST Finance & Development Corporation | 1 | 0 |
| 158 | National Small Industries Corporation Ltd. | 0 | 1 |
| 159 | Navodaya Vidyalaya Samiti | 3 | 0 |
| 160 | Nehru Yuvak Kendra Sangathan | 7 | 0 |
| 161 | New Delhi Municipal Council | 4 | 0 |
| 162 | New India Assurance Co. Ltd. | 1 | 0 |
| 163 | Neyveli Lignite Corporation Ltd. | 1 | 0 |
| 164 | Northern Coalfields Ltd. | 3 | 3 |
| 165 | Nuclear Power Corporation of India | 2 | 0 |
| 166 | Oil & Natural Gas Corporation | 4 | 1 |
| 167 | Oriental Insurance Company Ltd. | 0 | 1 |
| 168 | Paradip Port Trust | 1 | 0 |
| 169 | Pawan Hans Helicopters Ltd. | 3 | 0 |
| 170 | PGIMER, Chandigarh | 3 | 0 |
| 171 | Power Grid Corporation of India Ltd. | 3 | 0 |
| 172 | Prasar Bharati | 6 | 3 |
| 173 | Project and Equipment Corporation Ltd. | 1 | 0 |
| 174 | Rail India Technical and Economic Services | 2 | 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 |
| 175 | Railtel Corporation of India | 1 | 0 |
| 176 | Sashastra Seema Bal | 0 | 1 |
| 177 | Satluj Jal Vidyut Nigam Ltd. | 2 | 0 |
| 178 | Scooters India Ltd | 1 | 0 |
| 179 | Software Technology Parks of India | 0 | 1 |
| 180 | South Eastern Coalfields Ltd. | 1 | 0 |
| 181 | Sports Authority of India | 1 | 0 |
| 182 | Staff Selection Commission | 1 | 0 |
| 183 | State Bank of Hyderabad | 1 | 0 |
| 184 | State Bank of India | 27 | 2 |
| 185 | State Bank of Mysore | 1 | 0 |
| 186 | State Bank of Patiala | 6 | 0 |
| 187 | State Trading Corporation of India Ltd. | 0 | 4 |
| 188 | Tata Memorial Centre | 0 | 1 |
| 189 | Tea Trading Corporation Ltd. | 0 | 1 |
| 190 | Tribal Cooperative Marketing Development Federation | 0 | 1 |
| 191 | UCO Bank | 21 | 0 |
| 192 | University of Delhi | 1 | 1 |
| 193 | Visakhapatnam Port Trust | 4 | 0 |
| 194 | Western Coalfields Ltd. | 2 | 0 |
| | Total | 871 | 226 |

Some important irregularities observed during Intensive Examinations of various Organisations

- (i) In a works contract costing more than Rs. 150 crore and relating to construction of a railway line by a central PSU, tender conditions stipulated use of latest RDSO specification for earthwork in embankment and blanketing. The bids were invited in September 2010 and RDSO specifications were issued in November 2009. Even the department specification referred to adoption of latest guidelines. However, some confusion over specifications, as included in the tender conditions, led to use of specification of 2003, resulting in uneconomical design and infructuous expenditure. The quantity of blanketing material was substantially increased as layer thickness of approximately 1 to 1.3 meter was provided against the requirement of only 0.4 to 0.6 meters as per new specification. Further, works contract tax was deducted @ 2.8% of gross amount against the specified rate of 4%.

75% of the cost of various supply items was being paid as secured advance (reimbursement against the bills of the materials, already purchased by the contractor and found fit for use), as stipulated in the contract. To work out the amount payable after adjustment of price variation, only 75% of the cost of the items was taken into account, whereas as per contract full cost of the supply items against which secured advance was paid should have been taken into consideration, as they had already been purchased. This apparently led to excess payment towards escalation.

- (ii) In a works contract, relating to construction of railway line by a central PSU and costing around Rs. 1330 crore, it was observed that a JV, say 'A-B', was qualified on the basis of the credentials of work experience of agency 'B'; participation equity of 50 % each was provided for; breakup of responsibility among the JV partners was not insisted upon so as to ensure involvement of each of the partners in their respective areas of expertise. At site, minimal involvement of partner 'B' was evident, allowing majority of the work execution by agency 'A'; thus defeating the whole purpose of pre-qualification.

Further during submission of the tender the name of the manufacturer of rails was required to be mentioned by the bidder. The JV proposed brands 'X' and 'Y'. However, after the award of the work the JV requested for laying brand 'Z' rails which was allowed by the PSU despite the fact that 'Z' brand rails were not approved for use in main line by RDSO. This facilitated use of unauthorised and cheaper brand 'Z' rails in the system without mandated RDSO approval. The observations have been forwarded to the organisation for further information / clarification.

- (iii) In a bridge work costing around Rs. 987 crore being executed by a Central Government Organization, it was observed that bids were received in September 2009, technical evaluation was conducted in March 2010 and financial bids of technically eligible bidders were opened in April 2010. The tender committee recommended acceptance of the tender in May 2010.

The work was, however, awarded in November 2011 and the accepted rates were (-) 8.07%, below the estimated cost. There was no justifiable reason for such inordinate delay in award of work.

Further, the scope of work under the agreement envisaged construction of a steel bridge having 36 spans of 125 m each. However, during execution numbers of such spans were required to be increased to 41. The variation in the quantity should have been made after due adjustment of the rates, following laid down procedure. Subsequently additional payment of about Rs. 126 crore was made on account of such increased scope after negotiation and a saving of Rs. 25 lakh only was made. There was a possibility of greater savings as a result of negotiations, keeping in view the incremental quantity. Observations have been referred to the organisation for further information / clarification.

- (iv) In a JICA funded works contract costing approximately Rs. 6700 crore and being executed by a railway PSU fee for project management consultancy (PMC) was approximately 6% of the project cost, which appeared to be very high as compared to established norms for such high value projects.

Prior to selection of the agency for PMC services, a consortium of six firms was engaged as Engineering Services Consultant (ES Consultant) for pre-tender engineering and preparation of detailed estimate and tender documents. As per the contract conditions for the ES Consultant, the members of this consortium were disqualified from working in any other capacity on the same project. However, two members in the consortium for Engineering Services Consultancy contract were found to be members in the consortium for the PMC contract.

In the contract for execution of the works the size of the package was kept very large (estimated value approximately Rs. 7272 crore) and publicity was observed to be inadequate; and as a result, only two bidders (JVs) participated in the tender.

As per the loan agreement, the lead partner in any of the contracts had to be a Japanese firm only. The pre-qualification conditions resulted in pre-qualification of JV / Consortium of firms, wherein the lead partner had no relevant experience. It was found that during execution, the activities to be performed by the lead partner and the specialized agency were actually executed by non-lead partner.

The PMC modified the properties of fine aggregate having quality implication. Observations have been referred to the concerned organisation for further information / clarification.

- (v) In a works contract valuing Rs. 33 crore, being executed by a defence organisation, large variations in the proportions of ingredients of concrete mix from batch to batch and from the ratio mentioned in the design mix report were observed, indicating lack of appropriate quality control. This led to suspicion about the integrity of the cube test results entered in the cube test register.

The contract condition stipulated placement of concrete at site by a line stationary pump or by

a placer boom, whereas it was found to be difficult in view of concrete parameters stipulated in the contract. Use of the line stationary pump or a placer boom, or otherwise, was likely to have cost and quality implication.

In the same work, the contract provided water to be supplied by the department to the contractor @ Rs. 9.07 per Rs.1000/- worth of work done. The clause related to recovery from the contractor was deleted during execution of work on the pretext that the existing two bore holes in the campus were not yielding sufficient water. It resulted in undue benefit to the contractor amounting to approximately Rs. 30 lakh.

Further, as per the contract conditions the period from December to March was specified as the non-working season. As per tender conditions, the rates quoted by the tenderer for the work were keeping in view this stipulation and the tenderer was not to claim any extension of time or any extra amount on this account whatsoever. The contractor was, however, granted extension of time of 488 days, without levying any compensation from the contractor for delay on this ground. The observations have been referred to the organisation for further information / clarification.

- (vi) In a works contract, amounting to approximately Rs. 53 crore, being executed by a Central Government department, the tender was invited without obtaining clearances from local authorities / other preparatory works. After award of the contract the site could not be handed over to the contractor for approximately 22 months. The first instalment of mobilization advance of Rs. 2 crore was paid to the contractor immediately after the award of the contract and second instalment of Rs. 3 crore was paid 3 months later. On the start of work, i.e., 22 months after award, the contractor was further given T&P advance amounting to Rs. 2.5 crore in two instalments. The contractor submitted details of T&P material against the last advance, including shuttering material which was shown by him under utilization of first instalment of mobilization advance as well.

At the time of CTE inspection (more than 5 years after award of work), only 50% of the work was completed and there was hardly any scope to complete the residual work due to prevailing circumstances. An amount of approximately Rs. 3.3 crores out of the total advance granted was still lying unutilised with the contractor.

In this contract, design mix for each grade of concrete, was to be used without any admixtures / additives. The contractor had submitted design mix of M-25 & M-30 grade concrete using admixture / additive, which was approved by the department without deliberation on specific technical requirements and cost adjustment.

Further, reinforcement steel of SAIL / TATA Steel / RINL make was to be used as per the contract agreement. However, steel of diameters 8, 10, 12, 16, 20 & 25 mm of other make was allowed to be used without any assessment of financial implication. Also, the actual unit weight was observed to be less than the standard weight (in kg per metre length). Payment was made on the basis of standard weight which was a violation of the conditions of the contract. The observations have been referred to the organisation for further information/ clarification.

- (vii) In a works tender for development of residential properties at 7 different locations on design and build basis costing around Rs. 280 crore and being executed by a banking organisation, a bidder was qualified despite not having required experience of 7 years as design and build developer and experience credential of similar work of required value, as laid down in bid eligibility conditions.

Another bidder submitted work credentials older than those asked for within the required time frame and was adjudged to be eligible; no such relaxation was granted to a third bidder having experience of 6 years and 8 months as a design and build developer. Thus equal treatment to all the bidders was not ensured.

The estimated cost of work was Rs. 130 crore. At one of the sites, the L1 bidder proposed construction of only 134 flats against the stated requirement of 180 flats, also considered for the preparation of the estimate. Considering reduction in number of flats as proposed by the bidder the estimated cost worked out to be Rs. 121.75 crore only. The work was awarded at Rs. 283 crore, i.e. approximately 132.50 % above the estimated cost, apparently at a higher rate.

In the tender document, use of a particular type of sand was mentioned for works at 3 locations in one city; the L1 bidder made an alternative offer Rs. 2 crore less with a sand other than the specified one. The alternative offer was not accepted and the offer with specified sand only was accepted. During execution the specified sand was substituted with manufactured sand without any cost adjustment.

The measurements taken by CTEO showed carpet area of flats lesser than that mentioned in the tender conditions. The case has been referred to the organization for further information/clarification.

* * * * *



Satarkata Bhavan, GPO Complex, INA, New Delhi
Website : www.cvc.nic.in