

No.006/MSC/038
Government of India
Central Vigilance Commission

Satarkta Bhawan, Block 'A',
GPO Complex, INA,
New Delhi- 110 023
Dated the 01.02.2010

Office Order No. 04/02/10

Subject: Constitution of the Advisory Board on Bank, Commercial and Financial Frauds - regarding.

The Central Vigilance Commission had, after taking into account the complexities involved in decision making process in public sector banks, constituted a Central Advisory Board on Bank Frauds, on 26.2.99, which was later renamed as Advisory Board on Bank, Commercial and Financial Frauds, after its functional jurisdiction was enhanced to cover financial/commercial frauds in central public sector undertakings and financial institutions. The Board was constituted to primarily advise the CBI as to whether in a particular case, PE/RC should or should not be registered in respect of frauds in borrowal accounts, where there was a difference of opinion between the organisation concerned and the CBI.

2. On completion of the term of the existing Chairman on 30.6.2009, the Central Vigilance Commission appoints Shri Janki Ballabh, Former Vigilance Commissioner, as Chairman of Advisory Board on Bank, Commercial and Financial Frauds.

3. The tenure of the Chairman would be for a period of two years from 1.2.2010. The other terms and conditions of appointment would be as indicated in Annexure. (In case the Chairman designate is holding an office of profit/a regular appointment carrying monthly emoluments with Govt. of India, Govt. of any of the States/Union Territories of India or any other company, society and local authority owned or controlled by Govt. of India/any of the States/Union Territories of India, as on 1.2.2010, his appointment as Chairman of the Board would be considered from the date succeeding the day on which he demits the office/post which he is holding, other than the Chairman of the Board).

4. The location of the Board would continue to be at Mumbai, but the Board may, at its convenience meet anywhere in India. As in the past, the Board would form part of the organizational infrastructure of the CBI with the RBI providing the required investigative and secretarial services, along with the necessary funds.

5. The Board's jurisdiction would be confined to those cases where, in disagreement or dispute with the Bank, PSU or financial institution, the CBI desires to register an RC/PE in respect of an allegation of a fraud:

a) in a borrowal account in a public sector bank; or

b) financial or commercial frauds in a financial institution or Public Sector Undertaking.

6. Apart from the above, the Board may also advise on any other technical matter referred to it by the CBI or CVC.

7. Considering the limited number of such disputes arising annually, the Commission does not, at the moment, find it appropriate to specify the levels above which the reference could be made to the Board. Thus, CBI may refer any case to the Board where it has a difference of opinion with the organisation concerned, along the lines indicated above, irrespective of the level of the officers/officials involved in the case. It is also clarified that the advice tendered by the Board would not be binding on the CBI.

8. The nomenclature, functions, tenure, facilities, infrastructure and mechanism for consultation and secretarial assistance will be the same as indicated in the Commission's O.M. No.99/VGL/54 dated 8.8.2000.

Sd/-
(K S Ramasubban)
Secretary

Encl: as above.

To

1. The Chairman of the Advisory Board on Bank, Commercial and Financial Frauds.
2. The Director, CBI.
3. The Governor/Dy. Governor, RBI.
4. The Secretary, Financial Services, Department of Economic Affairs, Govt. of India.
5. All Chief Executives / CVOs of Public Sector Banks / Public Sector Enterprises / Financial Institutions.
6. Chairman, SCOPE.

Annexure- I

Terms of appointment of Shri Janki Ballabh, as Chairman of the Advisory Board on Bank, Commercial and Financial Frauds

1. Period

Term of appointment will be two years from 01.02.2010. (In case the Chairman designate is holding an office of profit! a regular appointment carrying monthly emoluments with Govt. of India, Govt. of any of the States/Union Territories of India or any other company, society and local authority owned or controlled by Govt. of India/any of the States/Union Territories of India, as on 01.02.2010, his appointment as Chairman of the Board would be considered from the date succeeding the day on which he demits the office/post which he is holding, other than the Chairman of the Board).

2. Honorarium

The Chairman will be entitled to an honorarium of Rs. 30,000/- (Rupees Thirty Thousand only) per month.

3. Local Transportation:-

a) For to and fro journeys between residence and the office of the Board and for other official purposes in Mumbai, Chairman choosing to avail of his own car would be paid conveyance allowance, maintenance and driver's salary as also reimbursement of the vehicle's insurance as detailed hereunder:- .

- i) Conveyance allowance equivalent to 225 litres of petrol per month.
- ii) Annual comprehensive insurance as per actuals, subject to production of documentary evidence.
- iii) Expenses towards maintenance and repair charges @ Rs. 1500/- per month.
- iv) Personal driver's allowance @ 5000/- per month.

OR

b) For to and fro journeys between residence and the office .of the Board and for other official purposes in Mumbai, Chairman choosing not to avail of his own car would be provided with a hired car subject to the overall expenditure limit of not more than Rs. 30,000/- per month.

4. Travelling and Halting allowances on Outstation Travel Business/Executive class air travel, local transport and hotel stay. .

5. Residence Telephone

Residential telephone facility will be available subject to a ceiling of 30,000 call per annum.

6. Sitting Fees Rs. 3000/- (Rupees Three Thousand) only for every meeting of the Advisory Board.
