

Annual Report 2015

Central Vigilance Commission



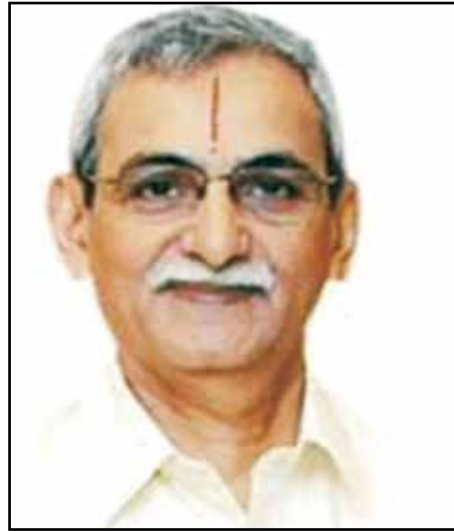
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ANNUAL REPORT

01.01.2015 to 31.12.2015



CENTRAL VIGILANCE COMMISSION



Shri K.V. Chowdary
Central Vigilance Commissioner



Shri Rajiv
Vigilance Commissioner



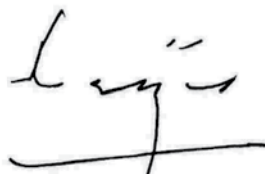
Dr. T.M.Bhasin
Vigilance Commissioner

The 52nd 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, 2015 in fulfilling its mandate under the CVC Act, 2003.



(K.V. CHOWDARY)

CENTRAL VIGILANCE COMMISSIONER



(RAJIV)

VIGILANCE COMMISSIONER



(T.M. BHASIN)

VIGILANCE COMMISSIONER

New Delhi

Dated: the 6th May, 2016

ACKNOWLEDGEMENT

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

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IMAGES – 2015



Shri K V Chowdary,
Central Vigilance Commissioner
addressing officials of Railway Board
during Vigilance Awareness Week,
2015

Shri Rajiv,
Vigilance Commissioner
at CPWD during
Vigilance Awareness Week, 2015



Dr. T.M.Bhasin,
Vigilance Commissioner
at Canara Bank during
Vigilance Awareness Week, 2015

ANNUAL REPORT 2015

An overview

- The Central Vigilance Commission (CVC) was established on 11th February in 1964 by the Government of India by a 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 1.1)
- The Commission was given statutory status by enactment of CVC Act, 2003 and vested with autonomy and insulation from external influences. After enactment of CVC Act, 2003, the Commission became a multi-member body consisting of a Central Vigilance Commissioner (Chairperson) and not more than two Vigilance Commissioners (Members), to be appointed by the President. The total sanctioned staff strength of the Commission is 296. As on 31.12.2015, there is a shortage of 25.92% in Group 'A' posts and 21.42% in Group 'B' posts.
(Paras 1.5, 1.15 & 1.16)
- The Commission is empowered 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 1.5)
- 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 1.6)
- 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 Commission's jurisdiction have vigilance units headed by Chief Vigilance Officers (CVO). The CVOs act as an extended arm of the Commission. There are 208 posts of full time CVOs and 500 posts of part time CVOs of which 74 posts of full-time CVOs are lying vacant in various CPSUs/Organisations.
(Paras 1.18 & 1.19)
- The Commission tendered advices in 4604 cases during the year 2015. These include Commission's advice of initiation of major penalty proceedings in 550 cases and minor penalty proceedings in 243 cases as its first stage advice. Similarly, Commission advised imposition of major penalty in 172 cases and minor penalty in 156 cases.
(Paras 2.5, 2.8 & 2.10)

- The Commission constituted a Committee to study the pattern of progress of complaints and disciplinary proceedings with reference to prescribed time limits, which concluded that on an average, it takes about 8 years for finalising a major vigilance case from the date of occurrence of irregularity. The detection of irregularity itself takes more than 2 years.

(Para 2.7.1)
- The Commission recommended grant of sanction for prosecution in 64 cases involving 116 officials during the year 2015.

(Para 2.9)
- In pursuance of the Commission's advice, the competent authorities granted sanction for prosecution against 132 public servants during the year 2015.

(Para 2.12)
- During the year 2015, the Commission received 32149 complaints (including brought forward) and 30789 number of complaints were disposed. Complaints received in the Commission are processed electronically through IT enabled core processes to ensure speed and transparency.

(Paras 2.24, 2.25 & 2.33)
- The Commission processed 386 references for vigilance clearance for Board level appointments and 3014 such proposals for empanelment to the post of Joint Secretary and above in the Central Government and for appointments to Statutory Posts under the Central Government.

(Para 2.32)
- Shri K.V. Chowdary, Central Vigilance Commissioner attended Sixth Session of the Conference of the State Parties to the United Nations Convention against Corruption held at St. Petersburg from 2nd to 6th November, 2015 on the issue of Public-Private Partnership and the fight against corruption. He has attended the meeting of the Executive Committee of IAACA and a meeting of BRICS during the same period.

(Para 2.34 (iv))
- The Commission observes Vigilance Awareness Week every year as an outreach measure. In the year 2015, Vigilance Awareness Week was observed from 26.10.2015 to 31.10.2015 on the theme of 'Preventive Vigilance as a tool of Good Governance'.

(Para 2.36)
- As per the Annual Reports received from CVOs, punitive action both major and minor was taken against 17172 public servants. Major penalties were imposed against 5461 officers and minor penalties were imposed against 11711 officers.

(Para 3.5)

- The Commission has been advocating transparency, equity and competitiveness in public procurements and adoption of Integrity Pact (IP) is an effort in this direction. Commission has approved names for appointment of Independent External Monitors (IEMs) in 114 Ministries/ Departments/Organisations so far under the Integrity Pact.

(Paras 3.13 to 3.19)

- The Commission reviews the progress of cases pending for sanction of prosecution under the Prevention of Corruption Act, 1988 with various organisations. CBI reported that at the end of the year 2015, requests in 102 cases were pending for grant of sanction for prosecution under PC Act, 1988.

(Para 6.5)

- The Central Vigilance Commissioner and Vigilance Commissioner have been entrusted by the Hon'ble Supreme Court in CA No.10660 of 2010 of Centre for PIL & others Vs Union of India & others on 02/02/2012 to assist the Court in monitoring the investigation being carried out in the 2G Spectrum cases. Commission submitted its observations to the court during the year.

(Paras 6.14 to 6.16)

- In the coal block allocation matters where investigations are being monitored by the Supreme Court of India, the court has directed the two Vigilance Commissioners to send observations/ suggestions to the Court in sealed cover within four weeks from the date of receipt of the compilation/reports from CBI. Commission examined and submitted its observations to the Court during the year.

(Paras 6.17 & 6.18)

- The Commission lays stress on the tools of Preventive Vigilance for reducing opportunities for corruption as they help in generating and running transparent, interactive and accountable systems.

(Paras 7.1 to 7.3)

- For addressing the training needs of the various stakeholders in vigilance administration and to equip the concerned officers with professional expertise, the Commission has put in place a training policy envisaging training in centralised training institutes of the Government of India, Indian institutions outside government purview as well as foreign institutions.

(Paras 8.1 to 8.2)



Administration of Oath to Shri K V Chowdary on 10.06.2015
as Central Vigilance Commissioner by the Hon'ble President of India



Administration of Oath to Dr. T M Bhasin as Vigilance Commissioner
on 11.06.2015 by the Central Vigilance Commissioner

CHAPTER – 1

INTRODUCTION

Central Vigilance Commission is the apex anti-corruption body vested with powers to inquire or 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, Companies, Societies and local authorities, owned or controlled by the Central Government and for overseeing and implementing policies relating to vigilance administration.

I Background

- 1.1 Central Vigilance Commission was first constituted by the Government of India through a Resolution on 11th February, 1964 as an apex body for prevention of corruption and exercising general superintendence over vigilance administration. The debate in Parliament and concern over corruption led to 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 prevent corruption in central services and 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.
- 1.2 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.
- 1.3 Subsequently, Supreme Court of India, in criminal writ petitions nos. 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.

- 1.4 Central Vigilance Commission Bill was passed by both the Houses of Parliament and received the assent of the 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

- 1.5 The Central Vigilance Commission Act, 2003 provides for constitution of 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 also empowers the Commission to exercise superintendence over the functioning of the Delhi Special Police Establishment (DSPE) now called Central Bureau of Investigation (CBI), in so far as it relates to the investigation of offences alleged to have been committed under the Prevention of Corruption Act, 1988 (49 of 1988) and to give directions to the CBI for discharging responsibility entrusted to CBI under sub-section 1 of Section 4 of the DSPE Act, 1946. The Commission is also 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. The Commission also exercises superintendence over the vigilance administration of the various Ministries/Departments/Public Sector Enterprises/ Public Sector Banks and autonomous organisations under the Central Government.
- 1.6 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 and the Commission has been empowered to conduct preliminary inquiry into complaints referred by Lokpal in respect of officers and officials of Groups 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. Further, as per mandate, the Commission is to cause further investigation into such Lokpal references in respect of Gr. 'C' & 'D' officials and decide on further course of action against them.
- 1.7 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 - section 8(1)(c);*
- *To inquire or cause an inquiry or investigation to be made into any complaint 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 by them - section 8(1)(g);*
- *Exercise superintendence over the vigilance administrations of the various Central Government Ministries, Departments and organisations of the Central Government – 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 / PSUs / 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 Vigilance Commissioner (CVC) is the Chairperson and the two Vigilance Commissioners alongwith Secretaries of M/o Home Affairs and D/o Personnel and Training are the Members of the Selection Committees, on whose recommendation the Central Government appoints officers to the posts of the level of SP and above in the CBI except Director, CBI. (section 4C of DSPE Act;)*
- *The Central Vigilance Commissioner (CVC) is the Chairperson and the two Vigilance Commissioners alongwith Secretaries of M/o Home Affairs, D/o Personnel and Training and the D/o Revenue, M/o Finance are the Members of the Selection Committees, on whose recommendation the Central Government appoints the Director of Enforcement. Further, this Committee, in consultation with the Director of Enforcement, recommends officers for appointment to the posts above the level of Deputy Director of Enforcement (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 Gr. 'A', 'B', 'C' & 'D' officials for which a Directorate of Inquiry for making preliminary inquiry is to be set up in the Commission.*

III Jurisdiction of Central Vigilance Commission

- 1.8 According to Sections 8 (1) (d) and 8 (2) (a) of the Central Vigilance Commission Act, 2003, its jurisdiction in respect of suo-motu inquiry extends to members of All India Services serving in connection with the affairs of the Union, Group 'A' level 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) 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

- 1.9 In response to a PIL, the Supreme Court directed the Central Government to devise a suitable mechanism to act on the complaints from 'Whistle Blowers' till such time a suitable legislation was enacted to that effect. Therefore, the Central Government through "Public Interest Disclosure and Protection of Informers' Resolution" (PIDPI) dated 21.4.2004 made provisions for action 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 secret the identity of the complainant 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 largely to Group 'A' officers and such level of officers is not applicable in case of Public Interest Disclosure and Protection of Informers' Resolution 2004.

- 1.9.1 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) vide its Resolution dated 14.08.2013 authorised the Chief Vigilance Officers in the Ministries/Departments as the designated authority 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.
- 1.9.2 In continuation to the above Resolution, DoPT vide its O.M. dated 16.06.2014 has prescribed the procedure for handling of complaints under PIDPI Resolution by the designated authorities in the Ministries/Departments of the Central Government.

Important Features of the “Whistle-Blowers” Resolution

- *The CVC shall, as the Designated Agency (hereinafter referred to as the Commission), 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;*
- *DoPT in August 2013, also authorised Chief Vigilance Officers of the Ministries/Departments of the Government of India as the designated authority to receive written complaints or disclosure of corruption or misuse of office;*
- *The Commission is also 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/herself has made either the details of the complaint public or disclosed his/her 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/she is being victimized due to the fact that he/she had filed a complaint or disclosure, he/she may file an application before the Commission or the designated authority seeking redress 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.*

1.10 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.

1.11 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 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).

V Commission’s Advisory Role

1.12 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.

1.13 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 initiation of criminal (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.

- 1.14 In cases where the Commission had advised initiation of major penalty proceedings as first stage advice, the cases are required to be referred to the Commission for second stage advice on conclusion of the inquiry proceedings, only in those cases where UPSC is not required to be consulted and also in cases where the disciplinary authorities propose to take any action which is at variance with the Commission's first stage advice. Further, second stage advice, is not required in cases where the Commission had advised initiation of minor penalty proceedings unless, the disciplinary authorities concerned propose not to impose any of the statutory minor penalties.

VI Present composition of the Commission

- 1.15 In terms of the CVC Act 2003, the Commission consists of a Central Vigilance Commissioner (CVC) as Chairperson and two Vigilance Commissioners (VCs) 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. During the year under report, Shri K.V. Chowdary, IRS (Retd.), was appointed by the Hon'ble President as Central Vigilance Commissioner and assumed office on 10.06.2015. Dr. T.M. Bhasin, CMD (Retd.), Indian Bank was appointed by the Hon'ble President as Vigilance Commissioner and assumed office on 11.06.2015. Shri Rajiv, IPS (Retd.) has been Vigilance Commissioner since 27.02.2014.

VII Staff Composition

- 1.16 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 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 31.12.2015 and related information is at **Appendix- I**. As on 31.12.2015, when compared to the sanctioned strength, there is a shortage of 25.92% in Group 'A' posts and 21.42 % in Group 'B' posts.
- 1.16.1 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

- 1.17 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 in procurement and construction related cases. CTEO wing also 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.

- 1.17.1 DoPT may, keeping in view the increased work load of CTEO, consider providing manpower consisting of professionals with experience and expertise in the area. DoPT may look into the matter expeditiously and ensure that the organisation is well staffed. It must be ensured that the organisation can attract the right personnel and is able to create required support infrastructure to investigate complaints.

IX Chief Vigilance Officers

- 1.18 Vigilance administration in Departments/ Organisations are 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 fulltime CVOs as well as part time CVOs.
- 1.19 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 Public Sector Enterprises, Public Sector Banks and Insurance Companies have full-time CVOs, while others have part-time CVOs. There are 208 posts of full time CVOs and 500 posts of part time CVOs, of which, 74 posts of full-time CVOs are lying vacant in various CPSUs/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.
- 1.20 During the year 2015, the Commission considered the suitability of 64 officers recommended by the administrative authorities for empanelment to the post of CVOs in different organisations and approved names of 33 officers for appointment as full time CVOs and 114 officers for appointment as part time CVOs in various Departments/Ministries/Autonomous Bodies.
- 1.21 The Commission endeavours in capacity building of CVOs and other officers engaged in vigilance activities. For this purpose, the Commission conducts induction training modules 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. CBI Training Academy at Ghaziabad also conducts

training courses for CVOs besides regular attachment programs and workshops. Officers of the Commission are also nominated / deputed to impart training courses and share their experience/expertise with CVOs, vigilance functionaries etc.

- 1.21.1 The Central Vigilance Commission has particularly started several initiatives towards 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 being undertaken towards this end for officers in the vigilance administration.
- 1.21.2 During the year 2015, a training course for newly inducted CVOs was conducted by the Commission in February, April and November, 2015, in which a total number of 73 CVOs participated. A two day's training course for vigilance officers/officials of Ministry of Human Resource Development and autonomous bodies under its control was organized from 25th – 26th February, 2015. 40 officials from CBSE, Kendriya Vidyalaya Sangathan, University Grants Commission, Indian Institute of Technology, Delhi etc., attended the program. A one day workshop for CVOs of Banking & Insurance Sector was conducted by the Commission on 7th August, 2015. The Commission dwelt on the need for strengthening the Preventive Vigilance mechanism to address the challenges being faced by financial sector.
- 1.21.3 A three days Advanced Training Programme was held at National Police Academy, Hyderabad in the month of January, 2016 for 30 officers. The focus was primarily on vigilance investigation including CBI Investigation of disproportionate assets cases, prosecution cases and forensic accounting etc. A specialized training programme for 20 banking CVOs at Gujarat Forensic Sciences University (GFSU) was organized in the month of February, 2016 which is a step forward in Banking Sector, considering the importance of forensic audit in Banks.
- 1.21.4 A twelve days customized vigilance training programme at the International Anti-Corruption Academy (IACA) at Vienna, Austria was organised in the month of February, 2016. The two week training provided exposure to international best practices, anti-corruption laws under the UN, OECD & EU and initiatives taken by countries like USA, UK and Korea to combat corruption. Also an international training programme of one week duration on "Ethics and Governance" was organized in the month of March 2016 at University of California at Berkeley (UCB) for 15 officers.
- 1.21.5 The training initiatives of the Commission include the monthly Lecture Series started in Nov 2015 under which eminent speakers are invited. The audience comprises of Secretaries to the Govt. of India, CMDs, CVOs and officers of the Commission. The lectures are webcast through live feed by NIC to a wider audience all over India. As part of the lecture series, Shri Mukul Rohatgi, Ld. Attorney General of India delivered a lecture on "The Role of CVC in the present scenario" in November, 2015 and Dr. Bibek Debroy, Member, Niti Aayog delivered a lecture on "Making Governance Effective" in December, 2015.

X Right to Information Act, 2005

- 1.22 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.

- 1.23 2146 applications (includes 111 brought forward from the previous year) were received, out of which 2034 applications were disposed off according to the provisions under the Act during the year 2015. Further, 402 appeal cases (includes 41 applications brought forward from the previous year) as first appeal were filed with the Appellate Authority of the Commission out of which 381 appeal cases were disposed off. Further, 240 appellants (includes 152 applications brought forward from the previous year) filed appeals before the Central Information Commission (CIC) out of which 98 appeals have been disposed. At the end of the year 2015, 112 RTI applications and 21 appeals to the Appellate Authority of the Commission were pending for disposal. A comparative statement showing receipt and disposal of references under RTI Act, 2005 during 2013 to 2015 is given as under:

Year	Applications received	Disposal	First appeal references received	Disposal
2013	2316	2211	496	470
2014	2427	2316	441	400
2015	2146	2034	402	381

XI Progressive Use of Hindi

- 1.24 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.
- 1.25 Meetings of the Official Language Implementation Committee of the Commission are held regularly. Special emphasis is given for Hindi training and employees were also nominated for training in Hindi typing.
- 1.26 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 in the Central Vigilance Commission



CHAPTER – 2

COMMISSION'S ACTIVITIES DURING THE YEAR 2015

- 2.1 Corruption is one of the most damaging consequences of a poor governance system and an endangering factor in derailing the goal of socio economic development of a country. It is, therefore, necessary that multi-faceted strategies are put in place to deal with this serious 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 Supreme Court judgment 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 matters of corruption.
- 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, objectivity in matters related to public administration, the Commission has been emphasising on strong internal control mechanisms and accordingly laid down guidelines based on good governance principles. The Commission has been stressing on predictive, proactive and participative vigilance measures in addition to building up public awareness to fight corruption.
- 2.4 The Commission has also 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.

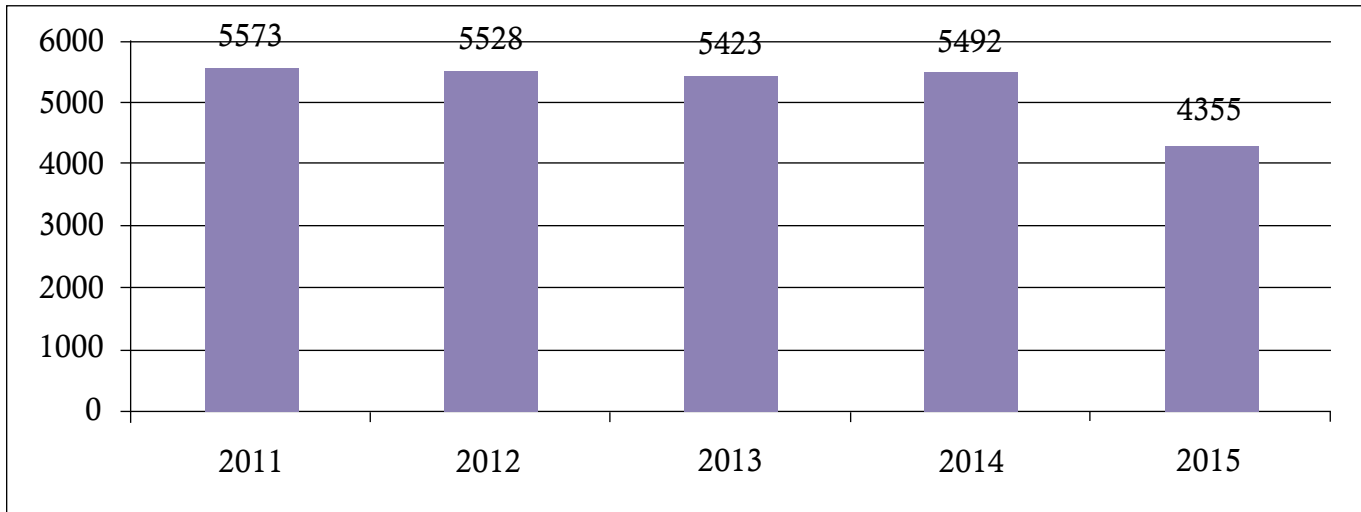
I Receipt and Disposal of Vigilance Cases

- 2.5 The Commission received 4355 cases and tendered its advice in 4604 cases in the year 2015. 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 would enable expeditious disposal by the administrative authorities. Cases disposed of by the Commission include advice tendered as first stage and second stage advice and also sanction for prosecution/reconsideration requests. Penalties were imposed on a total of 3592 officers by various organisations under the jurisdiction of Commission during 2015.

2.6 The comparative figures of cases received and disposed in the Commission during the last five years are given in Charts-1 & 2 respectively.

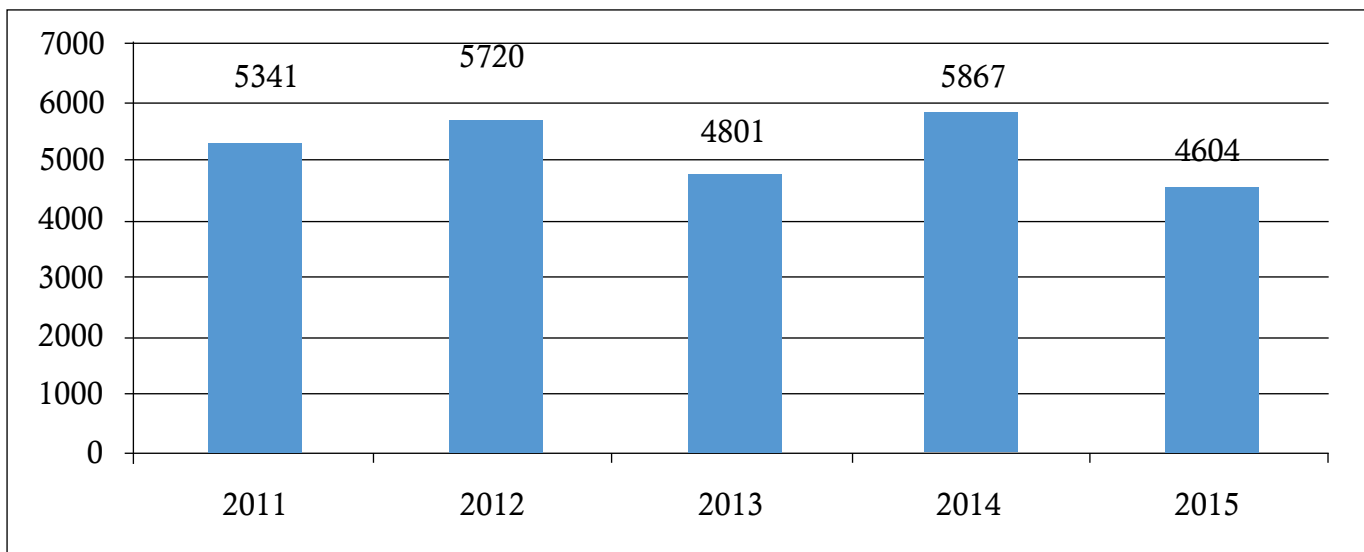
No. of cases received in the Commission

Chart-1



No. of cases disposed by the Commission

Chart-2



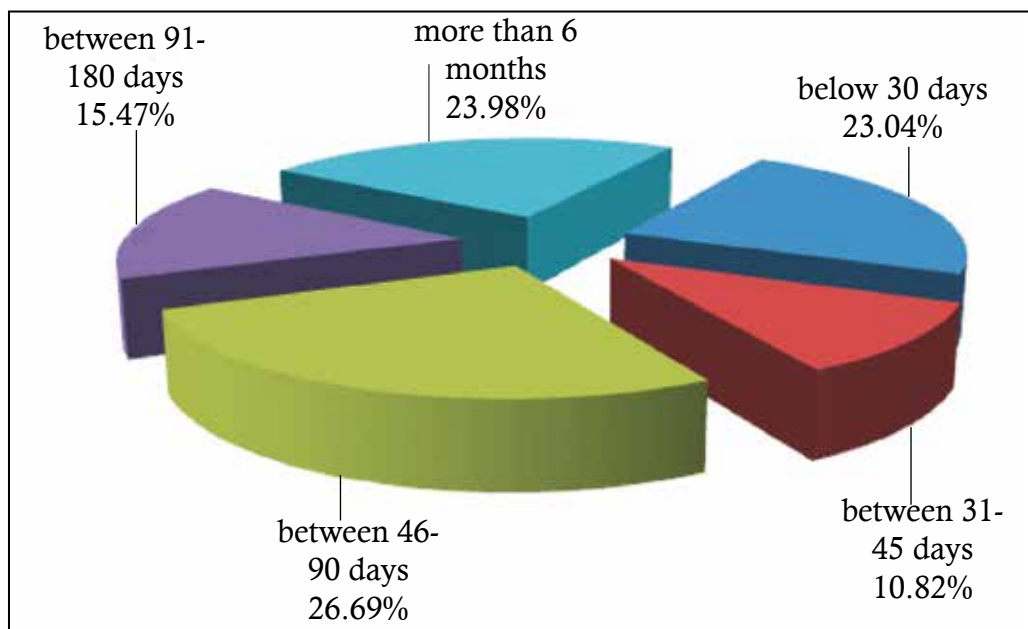
II Advice on vigilance cases by the Commission

2.7 The Commission strives to tender advices within the stipulated time period. In the year 2015, 60.55 percent of its advices were tendered within ninety days of receipt of the cases. It has been the Commission's experience that many a 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 seeking further clarifications, causing delay in tendering advice. The breakup of time taken by the Commission in tendering advice is given in Chart-3.

Time taken for giving first and second stage advice for cases in the year 2015

Chart-3



2.7.1 The Commission had constituted a Committee for ‘Study of Existing Pattern of Prolonged Disciplinary Proceedings and Suggestions for Remedial Action’ to find out the delays in various stages of disciplinary cases. The Committee concluded that on an average, it takes about 8 years for finalizing a major vigilance case from the date of occurrence of irregularity. The Committee noted that detection of irregularity and its investigation takes on an average more than 2 years each i.e., total period of more than 4 years, which is a significant portion (50%) of the entire delay period.

III First stage advice cases

2.8 The Commission tendered first stage advice in 2752 cases during the year 2015. Out of these 2752 cases, 172 cases were based on the investigation reports of the CBI and 2580 cases were based on investigation reports forwarded by the CVOs concerned. In the cases investigated by the CBI, the Commission advised launching of prosecution in 29.65 percent cases, major penalty proceedings in 14.53 percent cases and minor penalty proceedings in 4.06 percent cases. In the cases investigated by the CVOs concerned, the Commission advised initiation of major penalty proceedings in 20.35 percent cases and minor penalty proceedings in 9.15 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- 1 provides the summary of the nature of advice tendered by the Commission at first stage.

Table – 1

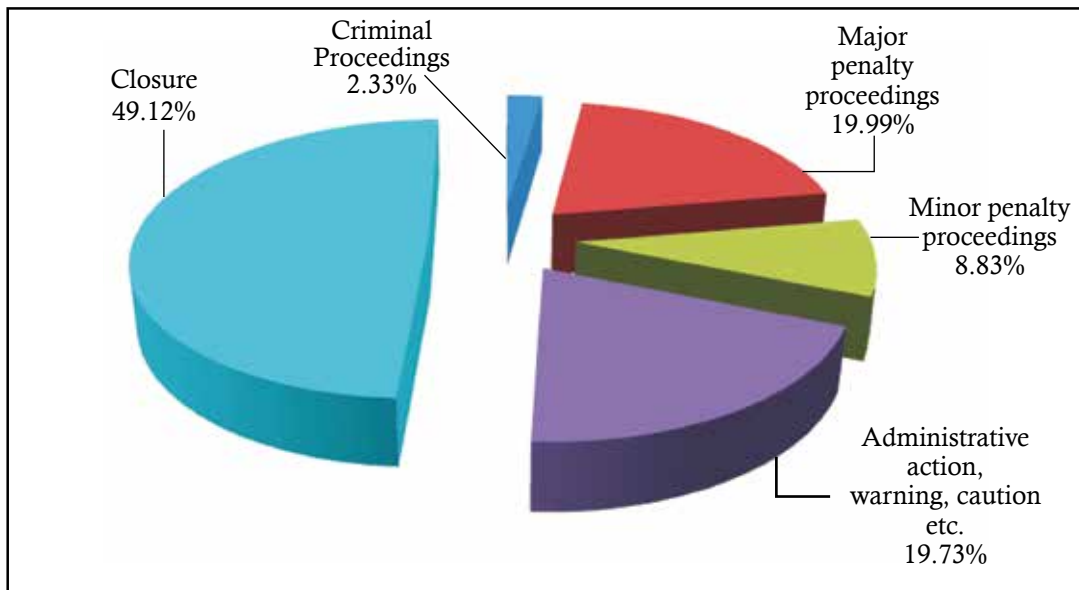
First Stage Advice Cases during 2015

Nature of advice	On the investigation reports of		Total
	CBI	CVO	
Criminal Proceedings	51	13	64
Major penalty proceedings	25	525	550
Minor penalty proceedings	7	236	243
Administrative action, warning, caution etc.	56	487	543
Closure	33	1319	1352
Total	172	2580	2752

2.9 The Commission recommended grant of sanction for prosecution in 64 cases involving 116 officials where investigation reports had been received from the CBI and the CVOs concerned during the year 2015. Chart-4 provides a summary of various types of advice tendered by the Commission at first stage in percentage terms.

First Stage Advice

Chart-4



IV Second stage advice cases

2.10 During the year 2015, the Commission tendered second stage advice in 652 cases. While the Commissioners for Departmental Inquiries (CDIs) of the Commission conducted inquiry in 9 cases, in the remaining 643 cases the inquiries were conducted by the departmental inquiry officers appointed by the respective disciplinary authorities. Table-2 provides a break-up of

the advices tendered by the Commission, during the year 2015, on the cases received from various disciplinary authorities at the second stage.

Table – 2

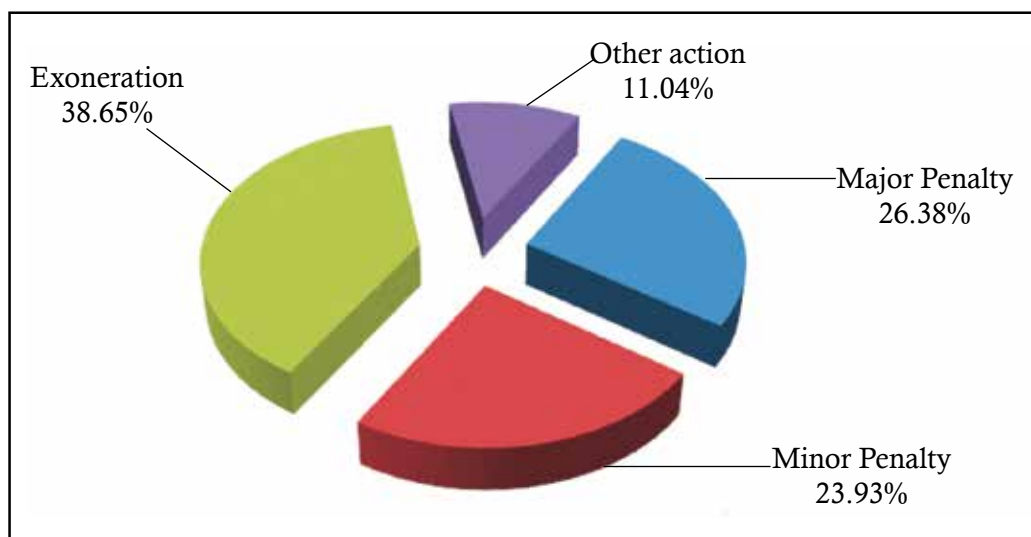
Second Stage Advice Cases during 2015

Nature of Advice	On CDI's Reports	On cases received from CVOs	Total
Major penalty	0	172	172
Minor penalty	6	150	156
Exoneration	1	251	252
Other action	2	70	72
Total	9	643	652

2.11 The Commission while tendering its second stage advice, recommended imposition of major penalty in 172 cases (constituting 26.38 percent of the total) and minor penalty in 156 cases (constituting 23.93 percent of the total) during the year 2015. In 38.65 percent of the cases, the charges could not be proved conclusively. The percentage figures regarding various actions advised by the Commission has been indicated in Chart-5.

Second Stage Advice Cases

Chart-5



V Punishments and Prosecution

2.12 In pursuance to the Commission's advice, the competent authorities in various organisations, issued sanction for prosecution against 132 public servants. Major penalties have been imposed on 1832 public servants and minor penalties on 1346 public servants during 2015 (Table-3 and 3(A)). The nature of punishments awarded in percentage terms during the year has been indicated in Chart-6.

Table – 3

Punishments Awarded

Year	Punishments awarded			Total
	Major penalty	Minor penalty	Administrative Action	
2011	897	1039	376	2312
2012	1051	1125	331	2507
2013	1113	1141	426	2680
2014	863	838	443	2144
2015	1832	1346	414	3592

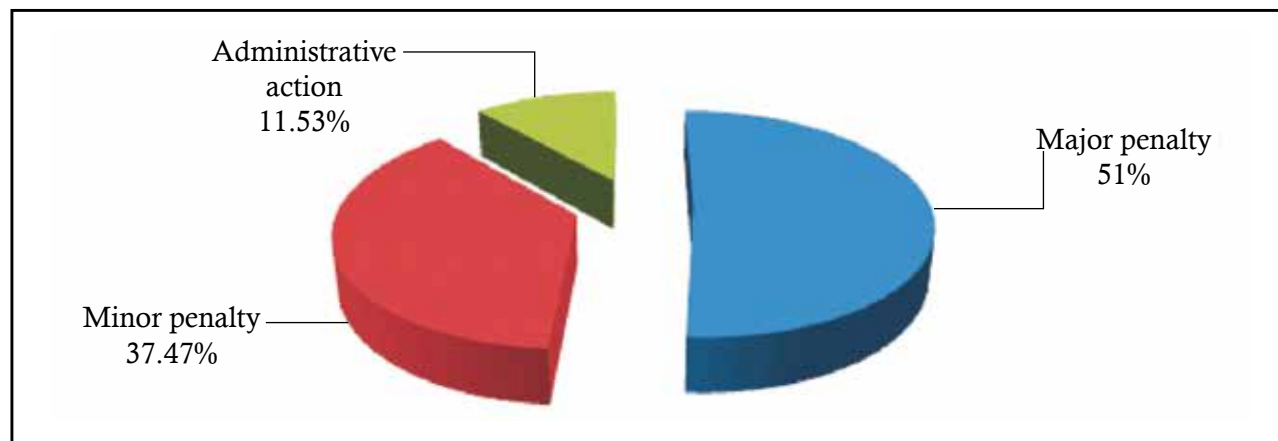
Table – 3(A)

Prosecutions Sanctioned

Year	Prosecution sanctioned (number of officers)
2013	176
2014	133
2015	132

**Imposition of Penalties during 2015
Nature of Punishment (% Share)**

Chart-6



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

Sanction for Prosecution	Three IAS Officers, Ministry of Personnel, P.G & Pensions One IPS Officer, Ministry of Home Affairs Three IRS Officers, Central Board of Excise and Customs
Dismissal / Removal from Service	One IPS Officer, Ministry of Home Affairs One Managing Director, Hotel Corporation of India One General Manager, Central Bank of India One Deputy General Manager, Central Bank of India One Principal, Kendriya Vidyalaya Sangathan One Deputy General Manager, Punjab National Bank One Deputy General Manager, Vijaya Bank One Company Secretary, Central Warehousing Corporation One Senior Divisional Manager, Oil India Corporation Ltd. One General Manager, State Trading Corporation
Compulsorily Retired from Service	One Chief Engineer, Ministry of Defence Two Deputy General Managers, Indian Overseas Bank One Deputy General Manager, Industrial Development Bank of India One Deputy General Manager, UCO Bank One Deputy General Manager, Union Bank of India One Deputy General Manager, United Bank of India The Then Commissioner, Seamen's Provident Fund
Cut in Pension	Two Commissioners of Income Tax, Central Board of Direct Taxes One Commissioner, Central Board of Excise & Customs Ex. Director General, Ordnance Factory Board One Registrar, AIIMS One General Manager, Corporation Bank One General Manager, Indian Bank One Chief Town Planner, Municipal Corporation of Delhi One Principal Scientist, Indian Council of Agricultural Research One Chief Engineer, Delhi Development Authority Two Directors, Indian Council of Agricultural Research
Reduction of Pay to lower stage	One Commissioner of Income Tax, Central Board of Direct Taxes One Chief Architect, Central Public Works Department One Chief Engineer, Delhi Development Authority One Executive Director, Food Corporation of India Two General Managers, Bank of Maharashtra One General Manager, Corporation Bank One General Manager, Bank of Baroda One General Manager, Central Bank of India One Field General Manager, Central Bank of India One General Manager, Dena Bank One Chief General Manager, National Insurance Co. Ltd. Four General Managers, National Insurance Co. Ltd

- 2.14 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 16 cases, Central Board of Excise & Customs in 15 cases, Punjab National Bank in 10 cases, Central Board of Direct Taxes and Ministry of Coal in 7 cases each, Department of Telecommunications in 6 cases and Canara Bank and State Bank of India in 5 cases each. **Appendix-II** provides organisation-wise breakup of the number of cases wherein either sanction for prosecution has been accorded or a penalty has been imposed on the public servants during the year in cases where Commission's advice was obtained by the organisations.
- 2.15 During the year 2015, the maximum number of punishments imposed including administrative action taken against public servants is Ministry of Railways (602), State Bank of India (217), Punjab National Bank (169), Department of Telecom (134), Indian Overseas Bank (130), Canara Bank (127), Union Bank of India (117), Syndicate Bank (96), Oriental Bank of Commerce (94), Central Bank of India (84), Bank of India (75) and Central Board of Excise & Customs (71).
- 2.16 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 117 officials by the disciplinary authorities in various organisations.

VI Pendency

- 2.17 During the year 2015, a total of 4355 cases were received and 1751 cases brought forward from the previous year. The Commission disposed of 4604 cases – leaving a pendency of 1502 cases at the end of 2015 (Table-4).

Table – 4

Number of Cases Received and Disposed of during the Year – 2015

Cases	Investigation Reports (1 st stage)	Inquiry Reports and minor penalty cases (2 nd Stage)	Other Reports/ cases of reconsideration etc.)	Total
Brought Forward	1475	163	113	1751
Received	2501	619	1235	4355
Total	3976	782	1348	6106
Disposed of	2752	652	1200	4604
Percentage of disposal	69.22	83.38	89.02	75.40
Carried Forward to 2016	1224	130	148	1502

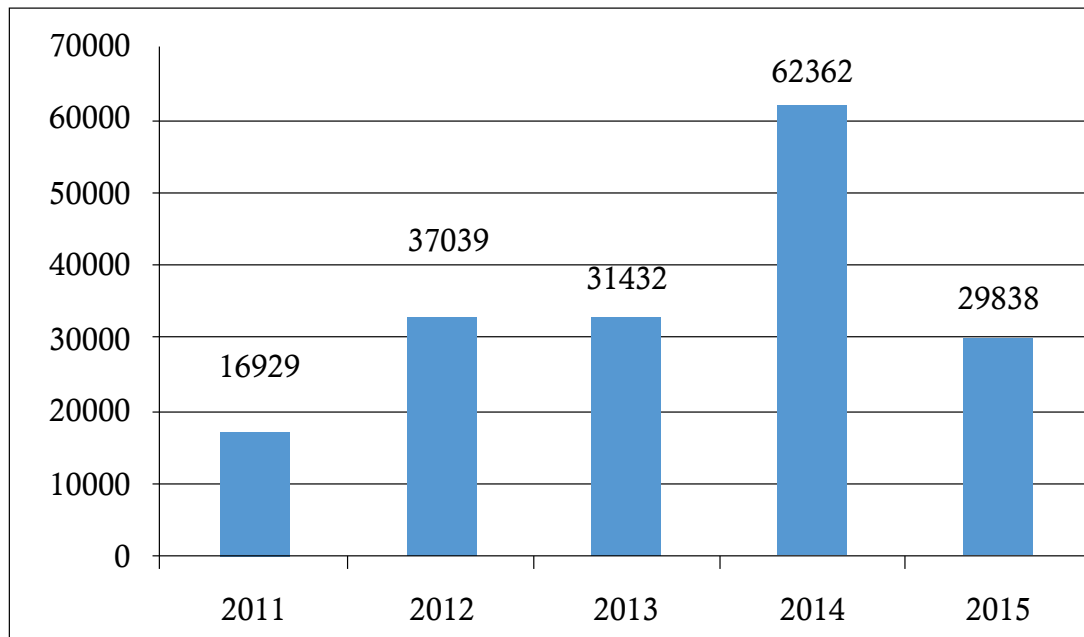
- 2.18 The Commission continuously monitors all aspects relating to the examination of cases and dispatch of advices of cases in its internal meetings with the various wings of the Commission. The pendency in the Commission is attributable to the posts of Deputy Secretaries/Directors which remained vacant during the year under report.

VII Handling of Complaints in the Commission

- 2.19 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.
- 2.20 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.
- 2.21 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.
- 2.22 Also a large number of complaints being received in the Commission are anonymous/pseudonymous in nature. In majority of such complaints, 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.
- 2.23 In the year 2015, a total of 32149 complaints were received (including 2311 brought forward from 2014), out of which 30789 complaints were disposed of during the year 2015 and 1360 complaints remained pending at the end of the year. Out of these complaints, 5.66% 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 containing administrative issues. The Commission also received a considerable number of complaints against public servants working in the state governments etc. who do not come under the jurisdiction of the Commission.
- 2.24 The comparative figures of complaints received and disposed by the Commission during the last five years are given in Chart-7 and Chart-8 below.

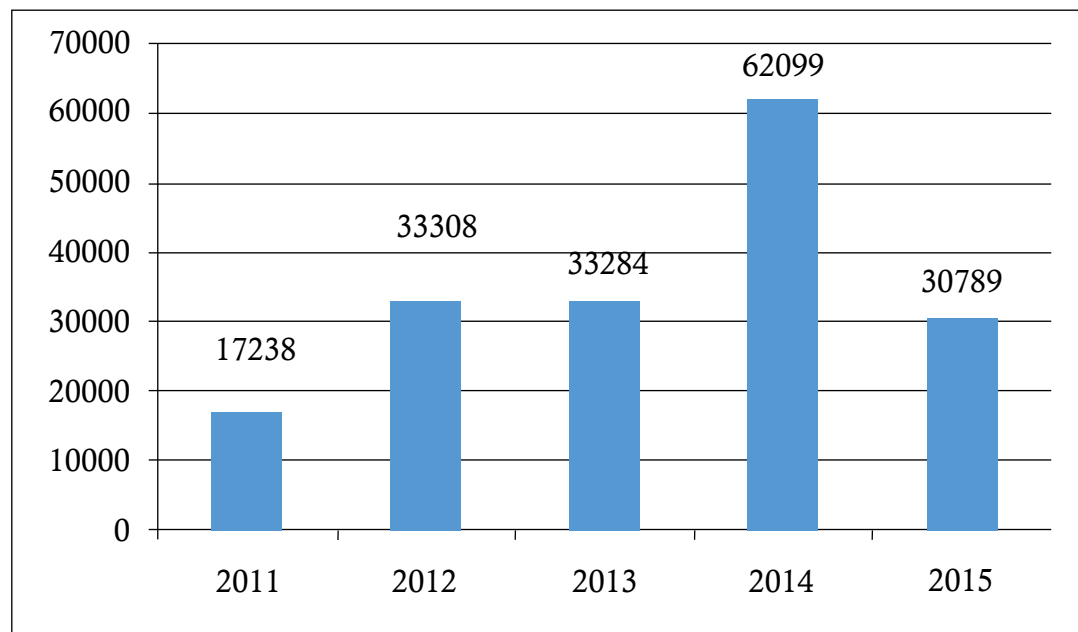
No. of complaints received in the Commission

Chart-7



No. of complaints disposed in the Commission

Chart - 8



The decline in the number of complaints received during 2015 as compared to the previous year 2014 is attributed to the multiple complaints received from some complainants during 2014.

2.25 Table-5 indicates the nature of complaints received and action taken thereon.

Table – 5

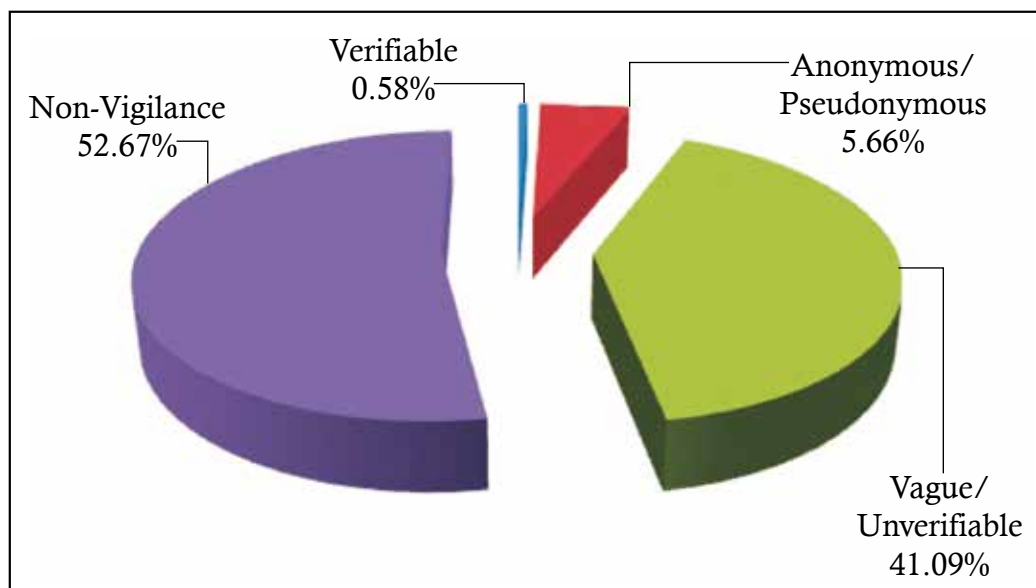
Complaints received and disposed in the Commission during 2015

Complaints	Nos.	Action taken
No. of complaints received including brought forward from 2014	32149	
Anonymous/Pseudonymous	1745	Filed
Vague/Unverifiable	12650	Filed
Non-vigilance/officials not under CVC	16215	For necessary action to organisations/ departments
Verifiable	179	Sent for inquiry/investigation to CVO/CBI
Total disposed of	30789	
Carried Forward to 2016	1360	

2.26 Out of the complaints disposed during the year in the Commission, only 179 (0.58 percent) complaints were found serious enough to warrant further follow up at the Commission's end and these complaints were forwarded to the CVOs concerned or the CBI, for investigation and report. Charts 9 and 10 provide break-up of all the complaints received and action taken thereon in percentage terms.

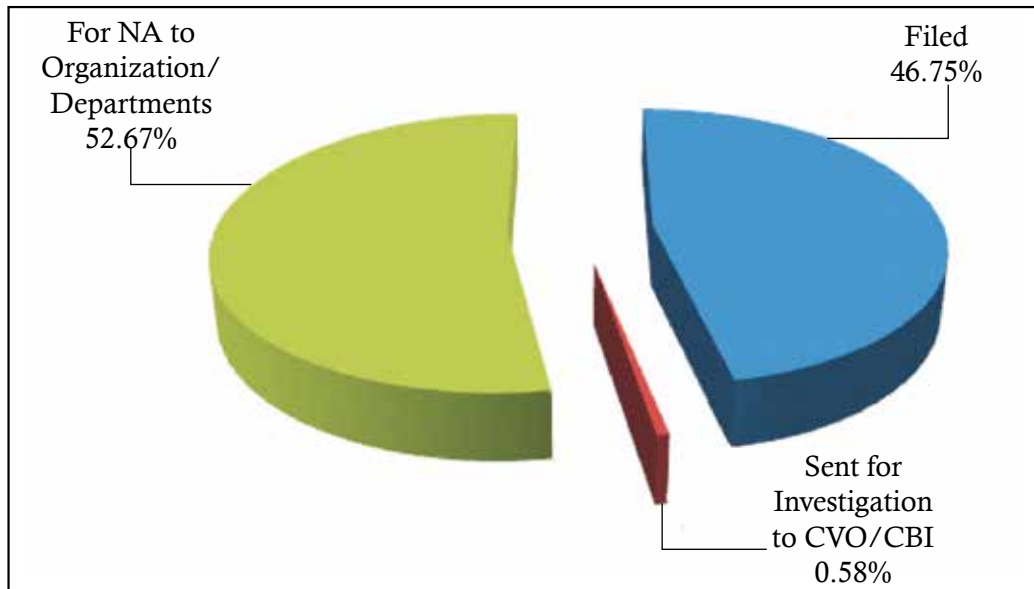
Nature of complaints (% share)

Chart-9



Action taken on complaints (% share)

Chart-10



- 2.27 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 call CEOs/CVOs concerned personally with records/ documents.

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

- 2.28 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.
- 2.29 Department of Personnel and Training (DoPT) vide its Resolution dated 14.08.2013 has also authorised the Chief Vigilance Officers in the Ministries/Departments as the designated authority 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.

- 2.30 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/sensitisations 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/her having lodged a complaint, even if, at any time, the identity of the complainant gets revealed through any source.
- 2.31 During 2015, the Commission received 695 complaints (includes 39 complaints brought forward from the previous year) under PIDPI Resolution. Out of these, 80 complaints were sent to the CVOs concerned or CBI for investigation/discreet verification of facts/comments which constitute 11.51 percent of such complaints and 467 (67.19 percent) of these complaints were sent for necessary action leaving a pendency of 32 complaints. Table – 6 below gives the nature of complaints received under PIDPI Resolution and action taken by the Commission on them during the year.

Table – 6

**Complaints Received and Disposed of during 2015
Under the PIDPI Resolution**

Complaints Received	Nos.	Action Taken
No. of complaints received and brought forward	695	
No. of complaints filed	116	
Non-vigilance	467	For necessary action to Organisations/ Departments
Verifiable	80	For inquiry/investigation to CVO/CBI
Total disposed of	663	
Carried forward to 2016	32	

IX Vigilance Clearance

2.32 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 2015, a total of 386 vigilance clearances were processed and issued by the Commission for the Board level appointments. Such vigilance clearance is also provided by the Commission to the public servants of the All India Services and other Services for empanelment purposes to the posts of Joint Secretary and above in the Central Government. Commission also accords vigilance clearance for persons being considered for appointment to Statutory Posts under the Central Government. During the year 2015, a total of such 3014 vigilance clearances were accorded. The Commission on its part is making every effort to process vigilance clearance related matters within the shortest time possible but sometimes delay takes place on account of factors like receipt of incomplete information/bio-data from the Ministries/Departments concerned.

X IT initiatives

2.33 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 through which the same are also disseminated 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

2.34 The Commission continuously engages with international anti-corruption agencies with an aim of increased sharing of information. This not only helps in exchange of international best practices but also increasing the footprint of the Commission in the global arena. Some of the international cooperation efforts made by the Commission have been detailed as below:

- (i) A delegation of the Supreme National Authority for Combating Corruption (SNACC) of the Republic of Yemen called on the Central Vigilance Commissioner to share Indian expertise in the field of combating corruption and had interaction with the Commission on 19th January, 2015.
- (ii) A delegation headed by Mr. Patrick Moulette, Head of OECD Anti-Corruption Division alongwith Ms. Melissa Khemani, DAF, OECD called on Shri Rajiv, Central Vigilance Commissioner on 11th February, 2015. The discussions covered various activities of Anti-Corruption Division of OECD and OECD's Working Group on Bribery (WGB), including India's engagement with OECD's Anti-Bribery Convention.

- (iii) A Commercial Law Development Programme delegation from United State of America, Department of Commerce, Office of the General Counsel visited the Central Vigilance Commission on 11th August, 2015.
- (iv) Shri K.V. Chowdary, Central Vigilance Commissioner attended Sixth Session of the Conference of the State Parties to the United Nations Convention against Corruption held at St. Petersburg from 2nd to 6th November, 2015 on the issue of Public-Private Partnership and the fight against corruption. He has also attended the meeting of the Executive Committee of IAACA and a meeting of BRICS during the same period.

XII Information Sharing and Analysis Against Corruption (ISAAC)

- 2.35 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.
- 2.35.1 The purpose of ISAAC is to enable international cooperation in enforcement of anticorruption 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 will have data on anti-corruption practices being followed by other countries. The portal is being maintained by the CVC.

XIII Vigilance Awareness Week – 2015

- 2.36 The Commission observes Vigilance Awareness Week every year as an outreach measure. In the year 2015, Vigilance Awareness Week (VAW) was observed from 26.10.2015 to 31.10.2015 on the theme of 'Preventive Vigilance as a tool of Good Governance'. During the awareness week, various activities/programmes were organised by all organisations and in the Commission. In addition, Central Vigilance Commissioner and other officers of the Commission participated and addressed employees of various organisations during the week. An unique initiative of the efforts made as part of VAW-2015, was to reach out to more than 3 lakh students in more than 3500 schools and colleges in almost every metro and tier-I, tier-II cities across India. The objective was to make youth aware of the need to have a vibrant and corruption free India. Compilation of reports received in this regard indicated that a total of 300 organisations had furnished the report to the Commission on observance of Vigilance Awareness Week 2015. More details/information of the outreach activities are available in Chapter-7 on 'Preventive Vigilance'.



Shri K V Chowdary, Central Vigilance Commissioner administering pledge to the officers of Commission during Vigilance Awareness Week 2015



Media conference by the Central Vigilance Commission on the occasion of Vigilance Awareness Week, 2015

CHAPTER – 3

SUPERINTENDENCE OVER VIGILANCE ADMINISTRATION

- 3.1 The Central Vigilance Commission exercises superintendence over vigilance administration of 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 Central Government. The Chief Vigilance Officers (CVOs) of the concerned organisation 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 & guidelines in all areas of operations at all times and their performance is constantly monitored by the Commission for their effective functioning.
- 3.2 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 Performance of the Chief Vigilance Officers

- 3.3 The Commission monitors the performance of the Chief Vigilance Officers through well established mechanisms like monthly reports, annual performance assessment reports and reviews through the sectoral / zonal meetings convened by the Commission from time to time.
- 3.4 CVOs are also required to send quarterly progress report to the CTEO of the Central Vigilance Commission giving details about the major purchases/procurements/works undertaken or being under-taken by the organisation. From these reports, the CTEO selects some of the works, as a test-check, to be undertaken for intensive examination. As a measure of vigilance administration, the Commission has also 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.
- 3.5 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 2015, 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**. List of select organizations who have not submitted their annual reports are at **Appendix III-H**. During the year 2015, punitive action was taken in 17172 cases (for all categories of officers) dealt with by the CVOs, as per the figures provided. Further, major penalty was awarded in 5461 cases and minor penalty was awarded in 11711 cases. These details are given in Table-7 below.

Table – 7

Details of penalties imposed in cases handled by the CVOs

Nature of Penalty	No. of officers
Major Penalty	5461
Cut in pension	259
Dismissal/Removal/Compulsory retirement	928
Reduction to lower scale/rank	2859
Other major penalty	1415
Minor penalty	11711
Minor penalty other than censure	7135
Censure	4576

Note: The above data is based on annual reports sent by 266 number of organizations, tabulated at Annexure III G.

- 3.6 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 2015, the Commission held fifteen (15) sectoral review meetings in which 173 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.
- 3.7 During the sectoral meetings, the Commission emphasized promptness in disposal of cases/ inquiries so that it acts as a deterrent to other officers and the departments were also directed to expeditiously liquidate the pendency and reconcile the data with the Commission. The Commission also stated that Preventive Vigilance mechanism needs to be strengthened, which if implemented properly reduces the need for Punitive Vigilance. CVOs were advised not to be driven by complaints only as they point to the malady in the system and focus on preventive vigilance activities. The need to regularly conduct inspections of good quality for plugging loopholes in the system was stressed upon.
- 3.7.1 The Commission advised banks to ensure that Standard Operating Procedures for sanction of loans are in place, which should be displayed on the website also for easy reference to the customers. It was indicated that many loans are going bad as pre and post sanctions/ verifications are not done in an effective manner and to ensure that the pre-requisites for sanction of a loan are met and also end-use of the funds for the purpose it was sanctioned. It was observed that lack of proper procedures and due diligence is enabling fraudsters to perpetrate frauds on the banks. The Commission remarked that frauds should be properly classified and simultaneous reporting to be done with Police/CBI and RBI as any delay would enable the fraudster to go scot free.

- 3.7.2 The Commission advised that a common software for computerization of accounts in all Ports should be in place as the issues are common in nature and the mechanism for enforcing the leasing policy in Ports needs to be looked into.

II Pendency with the CVOs

- 3.8 Status of complaints and cases pending in the organisations concerned are constantly reviewed by the Commission as timely finalisation of investigation into complaints and completion of disciplinary proceedings is of paramount importance for effective vigilance administration. At the close of the year 2015, a total of 17912 complaints were pending with the CVOs concerned for investigation, out of which 8878 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 4271 out of which 1571 were still pending at the close of the year 2015. The number of departmental inquiries pending with the inquiry authorities was 1617 in respect of officers falling within the jurisdiction of the CVC and 4713 in respect of officers outside its jurisdiction.
- 3.9 As per the information made available to the Commission by various organisations, the CBI referred cases involving 378 officials of all categories for sanction of prosecution during the year under report. Sanctions for prosecution in respect of 266 officials were given by the Competent Authorities. Sanction for prosecution against 39 officials was denied.
- 3.10 The priority of the Commission is to accelerate the process of investigation of complaints and finalisation of disciplinary proceedings. The Commission has, therefore, been emphasising timely completion of vigilance cases. Periodical reminders are issued to the disciplinary authority where undue delays have taken place. Wherever necessary, the Commission calls the Heads of the organisation along with the CVOs to find out the reasons of delay and to finalise such cases expeditiously. The Commission has been impressing upon the organisations that timely completion of investigations/cases ensures that guilty officials are punished promptly whereas honest officials caught in a vigilance case are absolved without any delay.

III Appointment of CVOs

- 3.11 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 candidature for appointment of CVO in each organisation is scrutinised carefully by the Commission. CVOs are also responsible for implementing Commission's advices and guidelines issued by the Commission.
- 3.12 During the year 2015, the Commission approved the suitability of 64 officers for appointment to the post of CVOs in various organisations. Further, it has also approved names of 33 officers as full time CVOs and 114 officers for appointment as part time CVOs in various Ministries / Departments / Autonomous Bodies.

IV Guidelines/Instructions issued by the Commission during the year 2015

(i) Procedure for dealing with complaints (Circular No. 01/01/2015 dated 23.01.2015)

The Commission after reviewing the process of dealing with complaints advised all CVOs that the Commission would be seeking confirmation from the complainant for owning/disowning the complaint as the case may be in respect of complaints sent to CVO's for inquiry and report. Therefore, any further confirmation from the complainant may not be sought by the CVOs in such cases. Further, in complaints containing specific and verifiable allegation of corruption received directly by the CVOs of Ministries/ Departments and where it is proposed to take cognizance of such complaints, the complaint would be sent to complainant for owning/disowning as the case may be. If no response is received from the complainant within 15 days of sending the complaint, a reminder will be sent to the complainant and 15 days after issuing the reminder, if no response is received from the complainant, the said complaint would be filed as pseudonymous by the CVO of the Ministry/Department/Organisation.

(ii) Adoption of Integrity Pact in Public Sector Banks / Insurance Companies / Financial Institutions – regarding (Circular No. 02/02/2015 dated 25.02.2015)

In view of the increasing procurement activities of the Public Sector Banks (PSBs)/ Insurance Companies (ICs)/Financial Institutions (FIs), the Commission has advised these organisations to adopt and implement Integrity Pact. All PSBs, ICs and FIs were to furnish a panel of four/five names of eminent retired persons as prescribed vide para 5 of Commission's SoP issued vide Circular No. 10/5/09 dated 18.5.2009 to the Commission for approval as Independent External Monitors (IEMs). The Commission would approve two IEMs out of the panel forwarded by the PSBs / ICs / FIs for appointment as IEMs.

(iii) Referring matters of alleged commission of criminal offences and frauds etc., in CPSEs to CBI- Special Chapter for Vigilance Management in CPSEs (Circular No. 03/03/15 dated 19.03.2015)

It was observed by the Commission that the number of cases/instances involving criminal misconduct including financial irregularities and frauds detected in the Central Public Sector Enterprises (CPSEs) being referred to the Central Bureau of Investigation (CBI) for investigation are very few every year. Some CPSEs are referring cases/matters prima-facie involving criminal offences, financial irregularities and high value frauds involving officials of CPSEs or outsiders to the local police/State police authorities instead of referring them to CBI for investigations. Accordingly, it was clarified that all such matters wherein involvement of officials of the CPSE is prima-facie evident would be referred to the Anti-Corruption Branch of CBI and those where involvement of officials is prima-facie not evident would be referred to the Economic Offences Wing of CBI. Criminal matters of the above nature would be referred to the local police / State police only in matters wherein the CBI had refused/rejected to take-up investigations or transactions being of a value less than Rs. 25 lakhs.

(iv) Difference of opinion pertaining to requests for sanction for prosecution sought by CBI/other investigating agencies (Circular No. 05/03/15 dated 16.04.2015)

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 existing mechanism has been reviewed by the Commission. The Commission has decided to dispense with the mechanism of holding a joint meeting and all such matters of difference of opinion with CBI/investigating agencies would be dealt and resolved by the Commission on the basis of available documents/materials and tentative views of the Competent Authorities of the concerned Ministry/Department/Organisation.

(v) Delay in finalisation of vigilance cases arising out of Intensive Examination conducted by CTEO – regarding (Circular No. 06/04/2015 dated 17.04.2015)

The Commission noted that many a time, investigation reports / replies of CVOs to CTEO related inspection matters are inordinately delayed by the Ministries / Departments / Organisations. The undue delays in processing such matters / furnishing replies to the Commission sometimes result in retirement of suspect officials concerned. Moreover, the delays have been viewed adversely by Courts. The Commission, therefore, advised all CVOs and Administrative Authorities to ensure expeditious finalisation of pending vigilance / disciplinary cases and related matters as it is neither in the interests of the organization nor fair to the official (s) to keep them pending. Any undue delay noticed in processing / finalisation of vigilance matters by the CVOs / Administrative Authorities would be viewed seriously by the Commission.

(vi) Consultation with CVC for first stage advice - revised procedure (Circular No. 07/04/15 dated 27.04.2015)

The Commission, on a review of the consultation mechanism and to expedite the process of vigilance administration for speedy finalisation of disciplinary proceedings in the Ministries/Departments/Organisations has decided that after inquiry/investigation by the CVO in complaints/matters relating to Category 'A' officers as well as composite cases wherein Category 'B' officers are also involved, if the allegations, on inquiry do not indicate prima facie vigilance angle /corruption and relate to purely administrative lapses, the case would be decided by the CVO and the DA concerned of the public servant at the level of Ministries/Departments./Organisations. In all such matters, no reference would be required to be made to the Commission seeking its first stage advice. However, in case there is a difference of opinion between the CVO and the DA as to the presence of vigilance angle, the matter as also enquiry reports on complaints having vigilance angle, though unsubstantiated, would continue to be referred to the Commission for first stage advice.

(vii) Guidelines to be followed by the administrative authorities competent to accord sanction for prosecution u/s 19 of the PC Act, 1988 - Hon'ble Supreme Court Judgment in Criminal appeal No. 1838 of 2013 (Circular No. 08/05/15 dated 25.05.2015)

The Commission in terms of its powers and functions u/s 8(1)(f) of the CVC Act, 2003 directed all administrative authorities to scrupulously follow the guidelines on the lines of Paras 2 (i) to (vii) of Commission's circular No. 31/5/05 dated 12/05/2005 and the recent explicit guidelines laid down for compliance by the Hon'ble Supreme Court in Criminal Appeal No. 1838 of 2013 in the matter of CBI Vs. Ashok Kumar Aggarwal while considering and deciding request for sanction for prosecution. Since non-compliance of the said guidelines vitiates the sanction for prosecution, competent authorities were advised to discharge their obligations with complete strictness and would be held responsible for any deviation / non-adherence and issues questioning the validity of sanction arising at a later stage in matters of sanction for prosecution.

(viii) Misuse of user ids and passwords in organisations – preventive vigilance measures (Circular No. 09/07/2015 dated 30.07.2015)

As per Commission's circular No. 38/11/10 dated 30.11.2010, CVOs were advised to ensure secrecy of employees' passwords and also to keep changing them frequently so that frauds being committed on account of misuse of passwords of employees may be avoided in Public Sector Banks. The Commission has of late observed that in many organisations, frauds are perpetuated on account of the officer(s) sharing their user id and password with unauthorised persons and /or not disabling them on transfer/retirement/suspension/long leave of officers; not changing the passwords etc. The Commission, therefore, is of the view that periodic change of passwords by officers would be an important preventive vigilance measure to address the issues. Mail ids, user ids etc. for accessing the secure systems should be disabled once an officer superannuates/placed under suspension/not required to perform any function on account of proceeding on long leave, training, deputation, transfer etc. Introducing a provision in the system/software itself at a pre-decided time period (i.e., a fortnight or a month) to change password, periodic surprise inspections / checks by next higher authority / controlling officers as to whether the user ids and password are being shared by the officers with any unauthorised persons are some of the preventive vigilance measures which may be followed by CVOs to stop such frauds.

V Integrity Pact

- 3.13 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.

- 3.14 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.
- 3.15 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.
- 3.16 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 114 Ministries/Departments/Organisations.
- 3.17 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.
- 3.18 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. Further, appointment of IEMs is required to be done in consultation with Central Vigilance Commission.
- 3.19 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.

VI Systemic Improvements

3.20 Directive under Section 8 (1) (b) of CVC Act, 2003 – Mechanism for exercising superintendence over the functioning of CBI

On a review of the present mechanism of exercising superintendence over CBI, the Commission had decided a new mechanism for exercising superintendence over DSPE as envisaged in the CVC Act, 2003. For this purpose, the Commission, vide O.M. No. 010/VGL/055 dated 29.01.2015, directed that CBI shall furnish to the Commission data /details on Preliminary

Enquiries (PEs) and Registered Cases (RCs) as per the prescribed four templates by 7th of every month. It was also directed that CBI shall make provisions in their CRIMES Module, if necessary, so that the said data/details could be generated from the CRIMES Module used by CBI; the Commission may select grave or serious nature in addition to present category of important and long pending cases and conduct an in-depth review of the progress of investigation every quarter or so; and the CBI shall further provide any other specific data as may be required by the Commission from time to time for exercising its statutory role under Section 8 of CVC Act, 2003.

3.21 Guidelines to curb practice of obtaining donations by the associations formed by either employees or their spouses etc. from the contractors, vendors, customers or other persons having commercial relationship/official dealings with the CPSE

The Commission had come across instances in Central Public Sector Enterprises, Public Sector Banks etc. of obtaining donations by the associations formed by either employees or their spouses etc. from the contractors, vendors, customers or other persons having commercial relationship/official dealings with the organisations. After considering the matter, the Commission advised D/o Public Enterprises, D/o Financial Services and D/o Personnel & Training to examine the matter and issue necessary instructions to all CPSEs/Banks for incorporating suitable provisions in their conduct rules. Accordingly, Department of Public Enterprises has advised all concerned Ministries/Departments having CPSEs under their administrative control to issue necessary actions to curb such practices in their organisations and also instructed the CPSEs to suitably amend their Conduct, Discipline and Appeals (CDA) Rules to incorporate specific provisions as under:

“Obtaining donations/advertisement/sponsorship etc. by the associations/NGOs formed by either employees or their spouse/family members etc. from the contractors, vendors, customers or other persons having commercial relationship/official dealings with the CPSE will be treated as misconduct”.

Similarly, D/o Financial Services has since instructed all Public Sector Banks/Insurance Companies/Financial Institutions to ensure that necessary rules are put in place to avoid such practices so that donations are not received by the employees / their spouses / dependents etc. from the contractors or persons having commercial/business relations with the organization.

3.22 Inclusion of provision in Terms of Appointment of Heads of Autonomous Bodies such as AICTE to enable initiation of disciplinary action

The Commission has noticed that Heads in autonomous bodies constituted under specific Acts viz. All India Council for Technical Education (AICTE), Telecom Regulatory Authority of India (TRAI), Petroleum and Natural Gas Regulatory Board (PNGRB), Insurance Regulatory Development Authority (IRDA), Medical Council of India (MCI), Dental Council of India (DCI) etc. are appointed by the Central Government for a fixed tenure (term appointment) under the provisions contained in the respective statutes. Further, such statutes empower the Central Government to frame rules for governing terms and conditions of service / appointment of Heads of such autonomous

organizations. It is however observed that the rules notified by the Central Government to regulate the terms and conditions of appointment of Heads of autonomous organisations do not contain any provision for initiating disciplinary action against them in respect of misconducts committed during their tenure of posting.

In one instance, the Commission observed that no disciplinary action could be taken against the head of an organisation in the absence of any specific provision contained in the terms and conditions for his appointment. The whole exercise (preliminary) of investigating the case turned out to be futile as no action could be taken against the head of that organization for commission of the misconduct. The Commission is of the view that there must be an explicit provision provided, either in the statutes or in the rules notified by the Central Government for regulating the terms and conditions for appointment of heads of autonomous bodies to enable initiation of disciplinary action against them for misconduct committed during the tenure of service/office. Department of Personnel & Training was advised by the Commission to consider incorporating a suitable clause in terms and conditions of the appointment orders of heads of autonomous organisation specifically so that CCS(CCA) Rules and CCS(Conduct) Rules would be applicable to them during their tenure of office and for functions discharged during their tenure in such posts.

3.23 Notification of Central Vigilance Commission as specific authority under Prevention of Money Laundering Act, 2002 to receive information relating to suspicious transactions

The Commission was of the view that sharing of information regarding suspicious transactions entered into by persons falling under the jurisdiction of CVC would facilitate the functioning of the Commission. Accordingly, Department of Revenue, Ministry of Finance was requested to notify the Central Vigilance Commission u/s 66(ii) of Prevention of Money Laundering Act, 2002 (PMLA) as a specified authority to receive information relating to suspicious transactions of public servants under CVC's jurisdiction, to enable the Director (Financial Intelligence) to share such information with the Commission. D/o Revenue has since notified the Central Vigilance Commission u/s 66 of PMLA as an authority competent to receive such inputs.

3.24 Uniform applicability of CDA Rules and Appraisal System for the Whole Time Directors of Public Sector Banks

The Commission has noted that the appointment of Board level officers in the Central Public Sector Enterprises (CPSEs) are of contractual nature and that the standard terms and conditions of appointment to Board level posts in CPSEs prescribed by the DPE provide for initiation of disciplinary proceedings against CMD/Functional Directors, while in service and also for continuation of the same after completion of their term of office, as per the Conduct, Discipline and Appeal Rules of the CPSEs where the Board level appointee is working. The terms of appointment specifically provide that the CDA Rules of the CPSEs concerned would apply mutatis mutandis to the Board level appointees of all CPSEs. However, in the CPSEs, a pension scheme where a monthly pension is paid akin to the scheme for Public Sector Bank employees/Whole Time Directors (WTDs) is not in place.

The Commission, taking into account the rising misconduct and instances of frauds/irregular decisions pertaining to the CMDs/EDs of Public Sector Banks, was of the considered view that there is a need for having a specific deterrent mechanism for initiation of disciplinary action against the Whole Time Directors (WTDs) while in service and continuation of the same after completion of their tenure in office/demission of office. The Commission, therefore, advised D/o Financial Services to provide adequate provisions in the pension scheme for WTDs enabling initiation of punitive action within four years of demission of office/completion of tenure.

3.25 Genuineness and validity of certificates issued by Chartered Accountants submitted by loanees for sanctioning of loan by Banks

The Commission had observed that in a substantial number of cases, loans are sanctioned based on fraudulent certificates submitted by loan seekers. These certificates / documents are certified by Chartered Accountants (CAs) and the credit worthiness of the borrowers by analysed and loans granted by the bank officials after due diligence. However, it has been noticed on several occasions that these documents (certified balance-sheets and profit & loss accounts) are not genuine implying that either the CA who has certified the documents does not exist or he has not actually certified such documents. The Commission, therefore, requested the Institute of Chartered Accountants of India (ICAI) to place the details of all CAs on ICAI's website/share the data with the Department of Financial Services (DFS) and / or with all the banks so that bankers can seek confirmation of the documents/certificates from the CA directly. Such a pre-verification exercise would held the banks to grant loans only on the basis of genuine documents and also curb the fraudulent activities of loan seekers. DFS was also advised to consider the above preventive vigilance measure in consultation with Indian Banking Association to lay down a standard procedure to be followed by all banks.

3.26 Irregularities in availing of LTC facility by officials of Public Sector Banks and Insurance Companies etc.

The Commission has received complaints alleging irregularities and misuse in availing Leave Travel Concession (LTC) in violation of the guidelines/schemes by public servants in the Central Government, its Public Sector Enterprises (PSEs) and Public Sector Banks. The Commission advised the Government in October 2013 to review the rules and guidelines for LTC and issue appropriate instructions to curb misuse of LTC facilities in the Government, as well as PSEs and PSBs. Guidelines have been issued by Indian Banks Association (IBA) to all Banks restricting foreign travel under LTC. Department of Financial Services (DFS) have also advised all Public Sector Banks, Financial Institutions, Insurance Companies etc., to formulate revised LTC/LTA schemes based on the principles prevailing in the Government of India scheme. During 2015, DFS has informed that 42 Public Sector Banks / Insurance Companies / Financial Institutions and organizations such as PFRDA, IRDA have implemented the circular issued by DFS in this regard.

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Annual Zonal Review Meeting held in the Commission with various Ministries/Departments /PSUs during 2015



One day workshop for CVOs of Banking & Insurance Sector conducted in the Commission



CHAPTER - 4

AREAS OF CONCERN INCLUDING NON-COMPLIANCE AND DELAY IN THE IMPLEMENTATION OF THE COMMISSION'S ADVICE

4.1 The Central Vigilance Commission, under section 8(1) (g) of the CVC Act, 2003, tenders advice to organisations within its normal jurisdiction. The Commission 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 and documents/ records relating to a particular case, 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 individual cases of officers, covered under the Commission's jurisdiction, either the 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.

I Cases of non-compliance and “selective approach”

4.2 The Commission has observed that during the year 2015, there were deviations from the Commission's advice. Any failure on the part of the organisations concerned to seek the Commission's advice in vigilance related matters involving the category of officials under its jurisdiction or the organisations unwillingness to accept the Commission's advice against some officers are viewed as examples of a “selective approach” by the organisations in order to favour / disfavour certain officers, which not only affects the credibility of the vigilance administration but also weakens the organisation's objectivity and impartiality. Instances of some organisations letting off delinquent officials without punishment or with lighter penalties convey wrong signals to the entire organisational set-up that wrong doers can go scot-free and emboldens 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. Some of the significant cases of deviations from the prescribed procedure or of non-acceptance of the Commission's advice have been specifically illustrated in Table-8 below:

Table – 8
Cases of non-compliance/non-consultation/non acceptance

S No.	Department/Organisation	Commission's Advice	Action taken by the Department	Remarks
1	Bureau of Indian Standards	Major Penalty	Exoneration	Non-compliance
2	Corporation Bank	Major Penalty (8 officials)	Exoneration (2 officials) Minor Penalty (6 officials)	Non-compliance
3	Delhi Development Authority	Major Penalty	Exoneration	Non-compliance
4	Delhi Development Authority	Major Penalty	Exoneration	Non-compliance
5	Employees' Provident Fund Organisation	Major Penalty	Exoneration	Non-compliance
6	Employees' Provident Fund Organisation	Minor Penalty	Recordable Warning	Non-compliance
7	Kendriya Vidyalaya Sangathan	Major Penalty	Exoneration	Non-compliance
8	Ministry of Human Resource Development	No advice sought	Warning	Non-compliance
9	Ministry of Railways	Minor Penalty	Displeasure	Non-compliance
10	Ministry of Railways	Minor Penalty	Minor Penalty (Censure)	Non-compliance
11	Ministry of Railways	Minor Penalty	Minor Penalty (Censure)	Non-compliance
12	Municipal Corporation of North Delhi	Major Penalty	Exoneration	Non-compliance
13	Municipal Corporation of South Delhi	Major Penalty	Exoneration	Non-compliance
14	NHPC Ltd.	Minor Penalty (2 officials) Major Penalty (2 officials)	Exoneration	Non-compliance
15	Punjab National Bank	Major Penalty	Minor Penalty	Non-compliance
16	Punjab National Bank	Minor Penalty	Exoneration	Non-compliance
17	Punjab National Bank	Minor Penalty	Exoneration	Non-compliance
18	Punjab National Bank	Major Penalty	Minor Penalty	Non-compliance
19	Punjab National Bank	Minor Penalty	Exoneration	Non-compliance
20	State Bank of India	Major Penalty	Minor Penalty	Non-compliance
21	State Bank of India	Minor Penalty	Exoneration	Non-compliance
22	State Bank of India	Major Penalty	Minor Penalty	Non-compliance

The illustrative brief of cases given in Table- 8 are as below:

Bureau of Indian Standards

Case 1

Charge

Misuse of official position by a Scientist 'F' by not cancelling license of a private firm and of granting license to another private firm in violation of applicable rules of Bureau of Indian Standards (BIS).

In another case, favours were extended to a private firm detected during a vigilance audit.

Advice

The Commission had advised imposition of major penalty against the Scientist 'F' in both cases separately.

Brief

Scientist 'F' allowed the license of a private firm to continue without issuing the stop marking instructions and without processing the license for cancellation, even though the sample drawn during the surveillance visit had failed, by not following the Chairman and Managing Director's guidelines on simplified procedure for grant of license issued and getting the revised test report from the lab.

In another case, he did not advise issuing stop marking instructions on the firm after receipt of the report as per clause (ii) of 3.11.2.2 of Operating Manual for Product Certification (OMPC) - 2004, even though it was revealed from the reports that there was a lack of process control by the firm. He further renewed the licence without arranging any surveillance visit to the firm as required as per the clause 4 of the Chairman and Managing Director's Guidelines.

Outcome

BIS referred two cases of the Scientist 'F' after his superannuation to D/o Consumer Affairs for further action under Rule 9 of CCS (Pension) Rules, 1972. However, D/o Consumer Affairs did not qualify the charges as "grave misconduct or negligence" on the part of the charged officer under Rule 9 of CCS (Pension) Rules, 1972 on the grounds that the cases do not warrant withholding or withdrawing pension and closed both the cases.

Corporation Bank

Case 2

Charge

Irregularities in sanctioning of housing loan.

Advice

CVO, Corporation Bank sought Commission's first stage advice in respect of General Manager and other officials of Corporation Bank recommending initiation of major penalty proceedings. However, the CMD recommended treating the case under non vigilance. In the second stage advice, Commission advised imposition of suitable major penalty against ex GM and other officials for whom the Commission had previously advised major penalty proceedings in the first stage advice as well. When the matter was referred to the Commission for reconsideration, the Commission reiterated its earlier advice for imposition of suitable major penalty.

Brief

Case pertains to sanction of Housing Loan to two private persons and cash credit account in the name of a private firm amounting to Rs.150 lakhs at Corporation Bank, Bangalore. The account slipped into NPA in the year 2005.

Outcome

The Appellate Authority revised the punishment from major penalty advised by the Commission to 'Exoneration' in respect of General Manager and Assistant General Manager and from major penalty to 'minor penalty of Censure' in respect of Deputy General Manager, Chief Manager, two Senior Managers, Branch Head and the then AGM.

Delhi Development Authority

Case 3

Charge

Irregularities like execution of extra item, favoring private firm, extension of time without reason etc.

Advice

The Commission advised imposition of suitable major penalty on the Section Engineer, DDA.

Brief

The Section Engineer approved extra item amounting to Rs. 3,99,909/- in respect of the work M/o Parks/plantation of Horticulture Wing under North Zone containing the (i) extra item of Earth Work (E/W) in surface excavation which does not relate technically to the scope of the work, (ii) approved extra items amounting to Rs. 6,00,925/- in respect of the work containing items of cleaning & desilting of septic tank, Providing & Fixing high strength interlocking paver blocks. Providing & Fixing Steel Fibre Reinforced Concrete (P/F SFRC) covers for drains which do not relate technically to the scope of the work, (iii) approved extra items amounting to Rs. 1,66,250/- in respect of the work containing the item of P/F SFRC covers for manholes which do not relate technically to the scope of the work, thus violating the instructions contained in CPWD Work Manual Vol.-II, Appx-I.

Outcome

The Competent Authority has withdrawn the charges framed against the Section Engineer and closed the case.

Case 4

Charge

Irregularities in the execution of a Contract giving undue benefit to a private firm.

Advice

The Commission advised initiation of major penalty proceedings against AAO (Retd.), DDA.

Brief

An Assistant Accounts Officer (Retd.) while working in Northern Division-II, DDA during the period 17.02.2006 to 31.03.2007 committed the following lapses/irregularities:

- (i) Running Account bill amounting to Rs. 7,43,695/- was put up by him to EE who passed it for payment to the agency on 30.3.07. The same was cancelled by Executive Engineer without recording any reason and a fresh first & final bill was prepared on the same day i.e. 30.03.07 in another Measurement Book (MB) and the same was again checked for Rs.10.94,759/- and put up by the AAO to EE on the same day. This was manipulation of records.
- (ii) As per the condition of the agreement item in respect of the work only 90% payment was to be made to the agency at the time of finalisation of the bill and the balance 10% amount was to be released after satisfactorily maintaining the functioning of the line by the agency at his cost for a maintenance period of six months but full amount was released to the agency in the final bill. Thus, undue benefit was given to the agency.

Outcome

Competent Authority has however, withdrawn the charges and closed the case against the charged officer without seeking Commission's second stage advice.

Employees' Provident Fund Organisation (EPFO)

Case 5

Charge

Undue favors shown by Regional Provident Fund Commissioner-I (RPFC) to an Enforcement Officer (EO), who had demanded a bribe of Rs. 5 lakhs.

Advice

The Commission had advised imposition of major penalty proceedings against RPFC-I of EPFO.

Brief

The charges relates to undue favors shown by RPFC I to an Enforcement Officer, who had demanded a bribe of Rs. 5 lakhs from an employee of a company. EO had tried to deny the fact that action was initiated on the complaint only after it appeared in the press. The RPFC in his report did not focus on the complaint but instead he praised EO. Further, the RPFC did not take into consideration the suggestion of the committee that before a definite opinion is formed regarding the demand of money by the EO, the establishment concerned may be asked to arrange for screening of the original audio and video cassettes which was a proof of undue favour done by RPFC to the EO before a special team of senior officers either from EPFO or from outside so as to know whether RPFC demanded a sum of Rs. 5 lakhs or not.

Outcome

EPFO did not impose the major penalty before the superannuation of RPFC on 31.10.2006, whereas the charge-sheet was issued on 20.06.2002 and the case was challenged in the Hon'ble CAT. This is a clear case of deliberate non implementation of the Commission's advice.

Case 6

Charge

Grave misconduct in selling/auctioning and purchasing of properties of a private firm by the Assistant Provident Fund Commissioner (APFC), Durgapur, which was attached for recovery of PF dues of the company.

Advice

The Commission had advised imposition of minor penalty against the then APFC.

Brief

APFC / Recovery Officer while working at ARO, Durgapur from the period 27.07.2000 to 4.11.2003, attached and sold two residential buildings belonging to a private financial Company. A reserve price of Rs. 54,000/- was fixed for the properties by then APFC based on the valuation report given by a private firm which was not an approved government valuer, who assessed the value of the land at Rs.30,000/- per katha though the market price of the land was Rs. 1 lakh per katha. The property was sold at an auction conducted by the private valuer. The purchaser of the property registered it in his name for Rs 2.47 lakh.

Outcome

The Disciplinary Authority decided to drop the proceedings and take administrative action of 'recorded warning' against the charged employee.

Kendriya Vidyalaya Sangathan

Case 7

Charge

Loss of Rs. 15,45,981 to Kendriya Vidyalaya Sangathan by the action of an Assistant Commissioner.

Advice

The Commission had advised imposition of suitable major penalty against the Assistant Commissioner (Retd.) and on receipt of reconsideration proposal, the Commission reiterated its advice of suitable major penalty.

Brief

The Assistant Commissioner (Retd.), KVS, was held accountable for loss of Rs. 15,45,981 to KVS. The Commission, in agreement with the CVO and the Disciplinary Authority advised imposition of suitable major penalty. After examining the reconsideration proposal of CVO, KVS the Commission reiterated its earlier advice for imposing major penalty.

Outcome

The Disciplinary Authority has exonerated the Assistant Commissioner (Retd.), Kendriya Vidyalaya Sangathan of the charges.

Ministry of Human Resource Development

Case 8

Charge

Submission of false report by a Professor which led to recognition of a College of Pharmacy, Visakhapatnam by AICTE.

Advice

The Commission's advice was not sought.

Brief

A Professor, who was a member of the Expert Visiting Committee, AICTE in 2007-08 visited the College of Pharmacy, Visakhapatnam. CBI on the basis of source information conducted an inquiry and found that the Professor did not point out the violation/deficiencies in his report submitted to AICTE, though the Institute was having a number of infrastructural deficiencies such as less than stipulated land, buildings etc. The main facts brought by CBI were that there was no clear title for the 4.76 acres of land for the institute at the site, the society submitted photographs of a five storied building which contradicted the approved two storey building plan, no two storey building existed in the said campus, the proposed institute did not have any exclusive/separate building and was also

sharing the laboratories and library of another College of Engineering, the land use had not been converted by Visakhapatnam Urban Development Authority to use the same for institutional purpose etc.

Outcome

The Chairman, Board of Governors, NIT Warangal set up a Sub-Committee to consider the CBI report and comments of CVO thereon for suitable recommendation. The Sub-Committee suggested that the charged officer be let off with a warning. The Commission was not consulted for its advice and the Institute decided the matter at their own level.

Ministry of Railways

Case 9

Charge

Irregularities in drawing of Transport Allowance (TA) despite availing Government Transport facility.

Advice

The Commission advised recovery of transport allowance and initiation of minor penalty proceedings against a General Manager (IA), Konkan Railway Corporation Ltd.

Brief

On the basis of source information, preventive check on the drawal of TA was conducted. During investigation the GM (IA) was found responsible for drawal of TA despite availing official transport from residence to office and back. He was also found responsible for not referring the queries raised by internal auditors to concerned competent authorities i.e. Chief Personnel Officer and Financial Advisor & Chief Accounts Officer in respect of payment of TA to obtain their remarks / compliance. Further, he exceeded his authority and conveyed an incorrect position to the internal auditors in this regard.

Outcome

The Commission had tendered its advice for imposition of minor penalty more than a month before the retirement of the charged officer. However, the Disciplinary Authority took a lenient view and observed that 'it is a case of providing incorrect information intentionally to misguide the authorities', had conveyed the displeasure of the Corporation to Ex-GM after recovery of an amount of Rs.1,76,544/- towards transportation allowance not due to him.

Case 10

Charge

Major irregularities in implementation of various contracts at two Inland Container Depots (ICDs).

Advice

The Commission advised imposition of minor penalty other than Censure on the then Chief General Manager, Western Region and the then General Manager/Western Region, CONCOR.

Brief

A surprise check was conducted by Vigilance Division of CONCOR on the basis of complaints received against the officials of two ICDs. During the surprise check major irregularities were found in implementation of various contracts.

Outcome

The Disciplinary Authority did not implement the Commission's advice for imposition of minor penalty other than Censure and "Counselled" the then Chief General Manager/Western Region and imposed a minor penalty of "Censure" on the then GM/Western Region, CONCOR.

Case 11

Charge

Misuse of official position in awarding contract causing a revenue loss of Rs.72.75 lakhs to the Government.

Advice

The Commission advised minor penalty other than "Censure" and withholding of Passes / Privilege Ticket Orders (PTO's) against a Sr. Divisional Commercial Manager (Sr.DCM).

Brief

The case relates to delay in handing over of Catering Units in a Railway Division of Southern Railway to IRCTC and the resultant loss caused to the Southern Railways due to difference in rent. Sr. DCM violated Railway Board's instruction to hand over the stalls to IRCTC's approved contractors. The officer issued a letter without the approval of Divisional Railway Manager (DRM) allegedly to ensure that existing licensees were not subjected to any harassment by way of eviction by any external agency or outsider. He should have taken clear orders from his senior officers before issuing such instructions which caused delay in handing over of stalls from the old contractor to the new contractor. The Commission advised minor penalty other than Censure and withholding of Passes/PTOs.

Outcome

The Disciplinary Authority (General Manager / Southern Railway) did not implement Commission's advice and imposed a minor penalty of 'Censure'. The Disciplinary Authority did not even follow the laid down procedure.

Municipal Corporation of North Delhi

Case 12

Charge

It was alleged that the Executive Engineer failed to stop/ get demolished unauthorized constructions (u/c) carried out in various properties at their initial/ongoing stage during his tenure. He also failed to initiate action for sealing, prosecution action u/s 332/461 or u/s-466-A of DMC Act against most of the owners/builders who carried out u/c which were booked during his tenure. Construction watch register and proper supervision were also not maintained.

Advice

The Commission had advised imposition of suitable major penalty against the Executive Engineer (EE) in agreement with the recommendation of the Disciplinary Authority.

Brief

In the court case titled Kalyan Sanstha Social Welfare Organization Vs Union of India & Ors. in WP(C) 4582/2003, the Hon'ble High Court of Delhi directed MCD to fix responsibility upon the officials who allowed and failed to take action under Building Bye Laws/Delhi Municipal Corporation (BBL/DMC) Act against unauthorized construction in Delhi during the period w.e.f. 2001 to 2005. Accordingly, necessary investigation was carried out during which 326 engineers including Junior Engineers, Assistant Engineers & Superintendent Engineers were found responsible. Apart from them, 17 Executive Engineers were also found responsible for allowing and not taking action under BBL/DMC Act against unauthorized construction in Delhi.

The charged officer was one of the Executive Engineers who failed to stop/get demolished the unauthorized constructions during his tenure where total numbers of 567 unauthorized constructions were booked in different properties. The inquiry officer after conducting departmental inquiry under DMC act held seven charges partly proved.

Outcome

The Disciplinary Authority exonerated the EE (Retd.) of the charges leveled against him.

Municipal Corporation of South Delhi

Case 13

Charge

It was alleged that the then Additional Town Planner, in connivance with the officers of Govt. of NCT of Delhi, Delhi Development Authority and private parties committed gross irregularity and

facilitated in construction of a Group Housing Apartment Scheme on Govt. land at Village Malikpur Chavani (now known as Model Town, Delhi) which was meant for a School. He was not empowered to change the use of land as per Section 11 and 11A of the DDA Act. 1957. He used draft Zonal Plan prepared by DDA (which was not notified by the Govt.) for processing the sanctioning of layout plan of a private housing project.

Advice

The Commission had advised imposition of suitable major penalty on the then Additional Town Planner.

Brief

In a matter involving sanction of building plan for a housing scheme, CBI investigation was done on the direction of Hon'ble High Court of Delhi which revealed certain irregularities in the mutation of land. It was alleged that the then Addl. Town Planner, in connivance with the officers of GNCTD, DDA and private parties abused his official position, committed gross irregularity and facilitated construction of a Group Housing Apartment on Govt. land at Village Malikpur Chavani (now known as Model Town, Delhi) which was meant for a School and that he was not empowered to change the use of land as per Section 11 and 11A of the DDA Act. 1957. It was also alleged that he used draft Zonal Plan prepared by DDA (which was not notified by the Govt.) for processing the sanctioning of layout plan of the private housing project.

Outcome

The Disciplinary Authority exonerated the Additional Town Planner of the charges leveled against him.

National Hydroelectric Power Corporation Limited

Case 14

Charge

Award of works at a very high cost in Rajiv Gandhi Vidyutikaran Yojna in Jammu & Kashmir. The concerned officers failed to examine reasonableness of L-1 price offer and to bring out crucial aspects including that of the cost of a component in price bid being priced at a few thousand times above the actual market price.

Advice

The Commission's advice for imposition of minor penalty against two Executive Directors (EDs) was owing to the fact that they failed to scrutinize two exorbitantly priced items besides other lapses and imposition of major penalty on Chief (Finance) and Deputy Manager (Finance) was based on the fact that they failed to check reasonableness of rates besides other lapses.

Brief

This case arose from a complaint regarding irregularities in awarding of tender at a very high cost to a private firm. The Commission had sought report from NHPC on this complaint. Thereafter, the Commission advised imposition of minor penalty on two Executive Directors (EDs) as its second stage advice after examining the IO's report for their work in the aforesaid irregularity. In addition, the Commission advised imposition of major penalty on Chief (Finance) and DM (Finance) after considering the deficiencies brought out in Inquiry Authority's report for their work in the aforesaid irregularity. However, the Department exonerated all the four officers in deviation from Commission's second stage advice.

Outcome

The Disciplinary Authority exonerated both the Executive Directors, Chief (Finance) and DM (Finance), NHPC in disagreement with the Commission's advice.

Punjab National Bank

Case 15

Charge

Enhancement of limit of a private company without proper verification.

Advice

The Commission advised initiation of major penalty proceedings against an Assistant General Manager, Punjab National Bank. While seeking second stage advice, the Disciplinary Authority (DA) recommended imposing minor penalty against which the Commission recommended imposition of major penalty. The DA subsequently imposed major penalty.

Brief

The case relates to the account of a private company with a sanctioned initial limit of Rs. 260 lakhs in 2004 which was enhanced to Rs.600 lakhs in 2008. Account was restructured in 2009. Despite restructuring, the account turned NPA. Lapses were identified against 5 officials including an AGM, Punjab National Bank.

Outcome

On preferring an appeal against the order of Disciplinary Authority, the Appellate Authority, Punjab National Bank modified major penalty imposed to minor penalty of recovery of Rs. 25000/-.

Case 16

Charge

Irregularities in sanction of loan and enhancing the limit of a private firm.

Advice

The Commission had advised initiation of major penalty proceeding against a Deputy General Manager (DGM), Assistant General Manager (AGM) and two other officials. Disciplinary Authority recommended imposing minor penalty of ‘Censure’ on the DGM and AGM. The Commission advised imposition of suitable minor penalty of ‘Other than Censure’ on both the officials. Disciplinary Authority imposed minor penalty as advised by the Commission on both the officers.

Brief

Case relates to irregularities in sanctioning of loans to private firms. Cash credit limit was enhanced from Rs. 90 lakhs to Rs. 135 lakhs without verification of sale proceeds through account, stock statements were not verified and permission from higher authorities was also not obtained while sanctioning the takeover proposal for one of the private firms.

Outcome:

On appeal by DGM, Punjab National Bank, the Appellate Authority set aside the orders of DA and advised the official “to be careful in future”.

Case 17

Charge

Irregularities in a private firm which was taken over from another bank and subsequently, the private firm was sanctioned an amount of Rs.751 lakhs.

Advice

The Commission advised initiation of major penalty proceedings against 9 officials including that of one Senior Manager. Inquiring Authority had held none of the eight charges as proved against the official. However, the Disciplinary Authority (DA) had not agreed with the Inquiry Officer’s report in respect of one charge. The Commission advised imposition of suitable minor penalty in agreement with the recommendations of the Disciplinary Authority on the Senior Manager.

Brief

The case relates to the account of a private firm which was taken over by the branch and Rs. 751 lakhs sanctioned (Cash credit of Rs. 695 lakhs and Term loan of Rs. 56 lakhs). The conduct of the account was irregular since the beginning. The party has been submitting manipulated data for enhancement of limits, which was not properly scrutinized by the dealing officers including sanctioning authorities at various levels.

Outcome

On appeal by the Senior Manager, Punjab National Bank, the Appellate Authority exonerated him on the grounds that the findings of the Inquiring Authority were based on evidence adduced in the enquiry.

Case 18

Charge

Irregularities in the account of a private firm in Punjab National Bank, Chandigarh by sanctioning additional term loan without checking the repaying capacity. The account has been declared as Non Performing Asset (NPA) by Central Statutory Auditor of the Bank.

Advice

While seeking first stage advice of Commission, Disciplinary Authority (DA) recommended initiation of major penalty proceedings against five officers including a Deputy Manager. The Commission advised initiation of major penalty proceedings against all the officers involved in the case. In the second stage, the DA imposed major penalty on the Deputy Manager in agreement with Commission's advice.

Brief

A loan of Rs. 200 lakhs was sanctioned to a private firm which was rescheduled and additional term loan of Rs. 200 lakhs was sanctioned by the bank. Further, an additional term loan of Rs. 100 lakhs was sanctioned and existing term loan was rescheduled. Due to non payment of interest and instalment the account technically became NPA. Central statutory auditors did not agree with the branch and the account was reclassified as NPA after a special investigation was conducted.

Outcome

The Deputy Manager preferred an appeal before the Appellate Authority who modified the penalty from major penalty to minor penalty.

Case 19

Charge

Irregularities in sanctioning and enhancement of credit facility of a private firm.

Advice

The Commission advised initiation of major penalty proceedings against the Assistant General Manager (AGM) of Punjab National Bank, in agreement with the Disciplinary Authority (DA). Subsequent to the enquiry, the DA recommended imposition of minor penalty against AGM. Commission approved imposition of suitable minor penalty.

Brief

The case pertains to the account of a private firm with Punjab National Bank. The credit facility of Rs.50 lakhs was initially sanctioned in year 2003 and was enhanced from time to time till July 2008, when it amounted to Rs.15 crores. The account became irregular and lapses were identified against 6 officials, including an Assistant General Manager of the Bank.

Outcome

The Assistant General Manager preferred an appeal before the Appellate Authority who exonerated the charged official in this case.

State Bank of India

Case 20

Charge

Case relates to financial irregularities committed by an Assistant General Manager (AGM), State Bank of India (SBI) in sanctioning of loan amounting to Rs. 105 lakhs to a private firm, which became a Non Performing Asset (NPA) within a short period from the date of sanction.

Advice

The Commission had advised initiation of major penalty proceedings against the AGM, SBI, in agreement with recommendations of the Disciplinary Authority (DA). However, the DA had recommended issue of “Administrative Warning” by treating all the charges as not proved in disagreement with the Inquiry Officer’s report. The Commission was of the view that the DA had taken a very lenient view in the matter and advised imposition of suitable major penalty on the AGM, SBI. Upon receipt of reconsideration proposal, the Commission reiterated its earlier advice for imposition of suitable major penalty on the AGM.

Brief

An AGM of State Bank of India misused his power and sanctioned a loan of Rs. 105 lakhs which became NPA within a short period from the date of sanction. He was also found committing lapses while working as a Regional Manager in a case related to another Branch while dealing with the account of a private firm where a credit limit of Rs. 450 lakhs was sanctioned.

Outcome

The Disciplinary Authority has decided upon imposition of minor penalty of “Censure” on the charged officer.

Case 21

Charge

Fraud in sanctioning of housing loans involving an amount of Rs. 235.38 lakhs.

Advice

The Commission had advised initiation of major penalty proceedings against an Assistant General Manager (AGM), State Bank of India (SBI), in agreement with recommendations of Disciplinary Authority. While seeking 2nd stage advice, the Disciplinary Authority had recommended for

“Exoneration” of the charged officer stating that the charges and findings of the Inquiry Officer were not sustainable. The Commission advised for imposition of suitable minor penalty.

Brief

Case relates to fraud in sanctioning of housing loans amounting to Rs.235.38 lakhs on the basis of fake documents, multiple financing against the same primary security at various branches of SBI, the documents with respect of which were later found to be fake.

Outcome

The Disciplinary Authority exonerated the Assistant General Manager.

Case 22

Charge

The case relates to irregularities in the account of a private company with sanctioned credit facilities aggregating to Rs. 32 crores which became quick mortality account.

Advice

The Commission in agreement with Disciplinary Authority/Chief Vigilance Officer recommended initiation of major penalty proceedings against 5 officials including an officer of Scale VI rank of State Bank of India. DA reiterating his earlier stand, recommended reconsideration of first stage advice which was concurred by CVO and sent to Commission. As no new facts emerged in the case Commission reiterated its earlier advice for initiating major penalty proceedings against the Scale VI officer.

Brief

The matter related to account of a private firm which was sanctioned credit facilities aggregating Rs 32 crores by Circle Credit Committee. The account turned Non Performing Asset subsequently - a case of quick mortality. The investigation was carried out by the vigilance department in view of the account becoming Non Performing Asset within a year.

Outcome

The Disciplinary Authority imposed minor penalty on the Scale VI officer rank and passed final orders.

II Delays and Deficiencies

- 4.3 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 on their part would not go unpunished. The Commission is also of the view that honest officials implicated in complaints/cases should be cleared of the allegations/charges expeditiously. 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.

- 4.4 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 the complaints/cases 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 vigilance related matters but it has been observed that many a time the authorities in the organisations show apathy to these factors. The common areas where delays have been noticed pertain to the investigation of complaints, 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, which 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.
- 4.5 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. The Commission constituted a Committee to study the pattern of progress of complaints and disciplinary proceedings with reference to prescribed time limits, which concluded that on an average, it takes about 8 years for finalising a major vigilance case from the date of occurrence of irregularity, the detection of irregularity itself taking more than 2 years.

III Delay in investigation of complaints

- 4.6 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 valuable information about the systemic deficiencies in any organisation besides pointing out towards the instances of malpractices being indulged in by individual officers for personal gains or undue favour to some particular persons, parties etc.
- 4.7 The Commission while scrutinising the complaints, where it finds serious and verifiable allegations with a perceptible vigilance angle, normally forwards it to the CVOs concerned for thorough investigation and sending a report to the Commission. However, the Commission, in case feels 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.

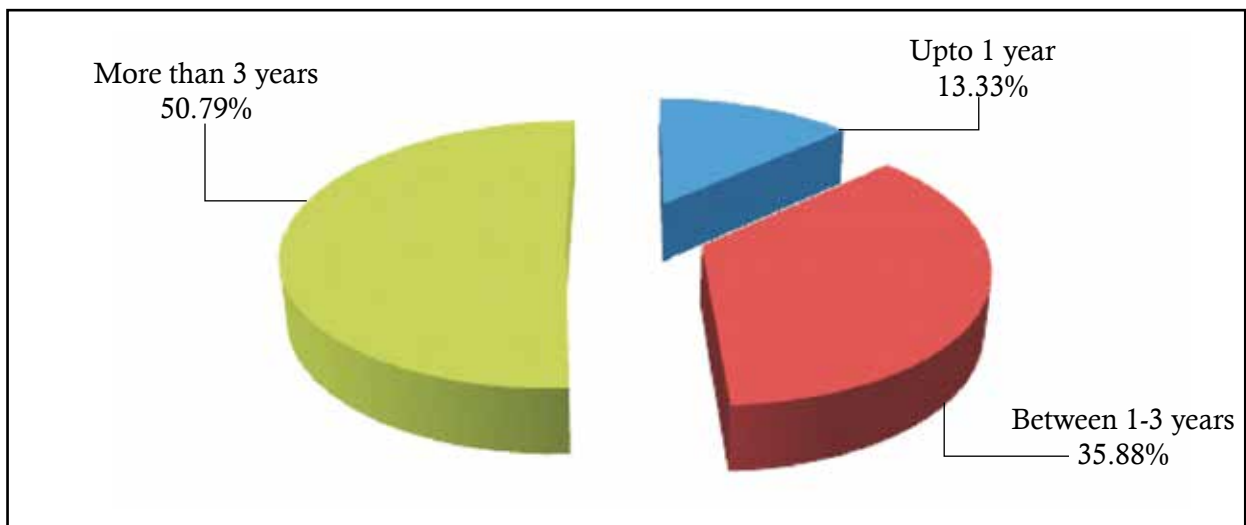
4.8 At the end of the year 2015, the Commission has noted with concern that investigation reports are awaited in 1140 complaints forwarded by the Commission to the CVOs. The organisation-wise break-up of pendency is given in **Appendix-IV**. Table-9 and Chart-11 below provide the details regarding pendency in submission of investigation reports during 2014 and 2015.

Table -9

Complaints pending for Inquiry and Report

Year	Upto 1 year	Between 1-3 years	More than 3 years
2014	199	381	418
2015	152	409	579

Chart-11



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	175
2	Municipal Corporation of South Delhi	88
3	Municipal Corporation of North Delhi	88
4	D/o Secondary and Higher Education & D/o Elementary Education and Literacy	47
5	Central Board of Direct Taxes	42
6	Delhi Development Authority	35
7	Department of Posts	33
8	Ministry of Railways	29
9	Delhi Jal Board	27
10	DSIIDC Ltd.	27
11	Ministry of Defence	22

IV Delay in implementation of the Commission's advice

4.9 The Commission endeavors to tender advice at the earliest. Commission observed that organizations take much time in implementation of Commission's advice. At the end of the year 2015, the Commission noted that as many as 1274 cases were pending for over six months for implementation of Commission's first stage advice. During the same period, 343 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 – 10

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

S. No.	Name of the organisation	First stage advice	Second stage advice
1	Ministry of Railways	223	42
2	Central Board of Excise & Customs	143	46
3	Ministry of Personnel P.G & Pensions	36	12
4	Central Board of Direct Taxes	42	4
5	Daman Diu & Dadra Nagar Haveli Admn.	25	9
6	Govt. of NCT of Delhi Ministry of Home Affairs	20	13
7	Ministry of External Affairs	24	7
8	Ministry of Home Affairs	24	7
9	Indian Council of Agricultural Research	16	14
10	Central Bureau of Investigation	26	1
11	Andaman & Nicobar Admn.	16	10
12	Municipal Corporation of South Delhi	20	4
13	Ministry of Defence	19	2
14	Ministry of Urban Development	17	4
15	National Highways Authority of India	20	0

Glimpses of activities held during Vigilance Awareness Week- 2015 in various organizations across the country



Lectures delivered by officials of Commission during the Vigilance Awareness Week, 2015



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, now known as the Ministry of Urban Development. The objective of Chief Technical Examiner's Organisation was to conduct concurrent technical audits of works of the Central Public Works Department (CPWD) and securing economy in expenditure including better technical and financial control.
- 5.2 The Santhanam Committee on prevention of corruption, while appreciating the contribution of Chief Technical Examiner's Organization (CTEO) in the year 1963, recommended its strengthening so as to make it more effective. It also recommended enlarging the jurisdiction of CTEO so as to cover construction works undertaken by other Ministries/Departments too and to place it under the administrative control of the Central Vigilance Commission. As these recommendations were accepted by the Government, CTEO was placed under the administrative control of the Central Vigilance Commission (CVC) in the year 1964.
- 5.3 The CTEO initially started with intensive examination of selected civil and electrical construction works only. However later, with the growing expenditure on purchase of stores, outsourcing of services etc., CTEO started examining these contracts also. Presently, intensive examination is being done by CTEO in respect of all contractual activities of the Central Government / Central PSUs and other Government organizations ranging from execution of work, purchase of stores, hiring of services etc., that are financed from public funds.
- 5.4 The Commission has been emphasising from time to time use of e-procurement technologies for procurements / contracting which would lead to transparency, savings in procurements and better project management in the government organisations. Considering the increasing complexities and use of technology in contracting and procurements, the Commission is of the view that the CTEO requires expertise of technical personnel with diverse engineering backgrounds and experience in sectors like Petroleum, IT, Steel, Power, Coal and such other areas. Induction of specialists having expertise and training in emerging technologies would enable the CTEO to address complex issues in a better way. The Commission is at present constrained in terms of lack of desired infrastructure for better insight into large value contracts.
- 5.5 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)

- 5.6 The selection of procurement cases, works or contracts for Intensive Examination is either suo-motu or based on inputs like Quarterly Progress Reports (QPRs) made available by the Chief Vigilance Officers (CVOs) of the different organisations. The CVOs in the QPR are required to furnish details pertaining to on-going Civil Works/Turnkey Works/Stores & Purchase/Contracts under Public Private Partnership/ Leasing / Purchase / Sale of Goods/ Scrap/Land etc. with contract value above the prescribed threshold values. Some of the reported works are selected for intensive examination. If the CVO of any organization feels the necessity of conducting Intensive Examination of a lower value Contract or Works, he/she may recommend so. The threshold values w.e.f. July-September, 2012 quarter are: Rs. 5 crores and above for Civil and Turnkey works, Contracts for Stores & Purchase, Public Private Partnership, Sale of Goods, Scrap and Land etc; Rs. 1 crore for Electrical, Mechanical works, Maintenance & Service contracts, Manpower supply and Consultancy contracts etc.; Rs. 50 lakhs and above for Medical Equipments; Rs. 10 lakhs for Horticulture works and four largest value contracts for supply of medicines.
- 5.7 It is observed that QPRs from several organisations / departments are not forthcoming either in time or otherwise. As such, those works remain unreported. This results in such works remaining unconsidered during selection for carrying out intensive examination. As the QPRs received are voluminous in nature, it is difficult for the Commission to pinpoint the defaulting organization(s) that have either not submitted or submitted it late. CVOs/Heads of the organizations have been, therefore, requested to ensure timely submission of QPRs covering all works/procurement cases above threshold values.
- 5.8 In the Intensive Examination reports, observations on over-payments, quality deficiencies, time and cost overrun, lack of transparency and fairness, non-adherence to public procurement procedures, tax compliance, etc. are brought to the notice of executing organizations. The action taken on these observations resulted in a large number of systemic improvements, besides punitive action against erring officials, during the year 2015. Recoveries to the tune of Rs. 99.01 Crores were also made by various departments from the contractors after such deficiencies were pointed out during examinations in the year 2015.
- 5.9 Apart from Intensive Examinations, CTEO provides technical advice to the Commission in the vigilance investigation against complaints. During the year 2015, such advice was furnished in 682 cases. CTEO also facilitates / conducts training sessions on the subjects like Preventive Vigilance, Tendering and Contracts, e-Procurement and Reverse Auction, etc., for the benefit of CVOs and other executives of different government entities and organizations.

II Technical Examinations

5.10 During the year 2015, the CTEO undertook examination of sixty seven projects/works covering forty eight organizations. The value of these projects/contracts was over Rs. 28,055 crores. The summarised position of number of Intensive Examinations conducted in Governments Departments, Banks & PSUs is given below in Table -11.

Table – 11

Intensive Examinations conducted by CTEO during the year 2015

Organization	No. of Organisations	No. of Intensive Examinations
Government Departments	12	19
Banks/Insurance Companies & Financial Institutions	02	03
Public Sector Undertakings, Autonomous Bodies, etc.	34	45
Total	48	67

5.11 As per the extant instructions, the first reply by CVO to the para / observations of Intensive Examination Report is required to be furnished within 60 days from the date of issue of I/E Report while replies to subsequent rejoinders should be given by CVOs within 45 days from their receipt. However, delay in submitting the reply has been observed in general causing delays in bringing the report to its logical conclusion. Such cases of delay / non-compliance observed during 2015 are listed below: -

- a. Construction of North Eastern Institute of Ayurveda & Homeopathy at NEIGRIHMS, Shillong under department of AYUSH, Ministry of Health & Family Welfare.
- b. Construction of AIIMS Housing Complex, Phase-II at Bhubaneshwar under Ministry of Health & Family Welfare.
- c. Construction of Hospital Complex at AIIMS Bhopal under Ministry of Health & Family Welfare.
- d. Face lifting/Interior of Existing Hospital Block & C/o staff quarters at ESIC hospital, Noida, ESIC under Ministry of Labour.
- e. Construction of ESIC Medical College & Housing, Basaidarpur, N Delhi, ESIC under Ministry of Labour.
- f. Construction of ESIC Medical College & Hospital, Bihta, Patna, ESIC under Ministry of Labour.

In view of abnormal delays/ non-compliance, the cases mentioned at a, b & c were converted into vigilance references, with the approval of the Commission, for conducting detailed vigilance investigation by respective CVOs. Cases at d, e & f above are being pursued further.

- 5.12 Some of the organizations, where Intensive Examination was undertaken in the year 2015 are Air India (AI), Airports Authority of India (AAI), Central Public Works Department (CPWD), Defence Research Development Organisation (DRDO), Employees' State Insurance Corporation (ESIC), Gas Authority of India Ltd. (GAIL), Hindustan Aeronautics Ltd.(HAL), Indian Institute of Management, Lucknow (IIM-L), Indian Institute of Technology, Hyderabad (IIT-H), Indian Railways, IRCTC, Municipal Corporation of Delhi (MCD), National Buildings Construction Corporation (NBCC), National Highways Authority of India (NHAI), New Delhi Municipal Corporation (NDMC), Rail India Technical and Economic Services (RITES), Oil and Natural Gas Corporation (ONGC) State Bank of India (SBI) etc.
- 5.13 Inspection reports are forwarded to the concerned head of the organisation and the respective CVOs for their comments. The Commission refers serious cases involving suspected criminal culpability to CBI. Other cases of irregularities / misconducts with perceived vigilance angle are referred to respective CVO for detailed vigilance investigation and fixing responsibility. During the year 2015, thirty such cases were referred to the CVOs for detailed vigilance investigation.
- 5.14 As a result of the inspections conducted by the CTEO, recoveries to the tune of Rs. 99.01 crores were made during the year 2015. The recoveries pertained mainly due to overpayments made to contractors, deficiencies either in the quality of materials used or services rendered, damages due to delay in execution, non adherence to the contract clauses, non compliance of tax provisions etc. Some important irregularities observed during the Intensive Examinations are at **Appendix-VI**.

III System improvements arising out of CTEO Examinations during 2015

- 5.15 As a result of observations made by CTEO during the Intensive Examinations, a number of system improvements were initiated by respective organisations. These system improvements were on subjects like accuracy in preparation of cost estimate, framing of rules pertaining to percentage limit above justified cost for acceptance of tenders, compliance with Commission's circulars, etc. Some of the system improvements undertaken in various organizations are given in **Appendix-VII**.

IV Cases arising out of Intensive Examination taken up for detailed vigilance investigations during 2015

- 5.16 In a residential building work being executed by a Central PSU costing around Rs. 100 crores, another work for construction of (a) Club Building and Swimming Pool (b) Local Shopping and Milk Booth (c) Convenience Shopping and (d) Play School amounting to Rs.8.5 crores approx. was awarded to the main contractor on nomination basis at the same percentage applicable for original work. This work had no direct link with the agreement of main work. CVO of the organisation had agreed that separate tenders should have been invited for this additional work. Para has been referred to CVO concerned on 19.02.2015 for carrying out detailed vigilance investigation. Report is awaited.

- 5.17 In a work executed by a Rail Corporation costing around Rs. 153 crores, one of the bidders submitted experience certificate of a work done by them in a JV formation with another firm with equal partnership. As per tender conditions, only 50% value of this work should have been considered for qualification of this firm. Had only 50% value of this work been considered, this firm would not have qualified. This firm later on emerged as L1 bidder and was considered for award of work. Thus, the work was awarded to an ineligible firm. Para has been referred to CVO concerned on 01.09.2015 for carrying out detailed vigilance investigation. Report is awaited.
- 5.18 In a residential building work being executed by a Central PSU costing around Rs. 22.6 crores, one of the bidders was initially technically qualified along with other bidders. After opening of price bids this bidder emerged as L1 bidder. After opening of financial bid, performance certificate submitted by this bidder was sent for verification. The issuing authority of the certificate did not confirm the issue of the certificate. Therefore, bid submitted by this bidder was rejected and snap bids were invited. Work was awarded to L1 bidder in snap bids. The credentials submitted by other bidders who submitted snap bid were not got verified. The bidder to whom work was awarded after snap bids, had submitted Bank Solvency of Rs.650 lakhs against requirement of Rs.652.20 lakhs but he was qualified for opening of price bid. The agency should have been disqualified in the pre-qualification criteria. Thus, an ineligible firm was awarded the work. Para has been referred to CVO concerned on 19.02.2015 for carrying out detailed vigilance investigation. Report is awaited.
- 5.19 In a residential building work being executed by a central PSU costing around Rs. 23.3 crores, as per agreement condition, a maximum of 428.59 MT of reinforcement steel available in organisation's store was to be issued to the contractor. Balance steel was to be arranged by the contractor himself at his cost. During execution, 284.20 MT additional steel was also procured by the organisation from the market and issued to the contractor. Recovery for the additional steel was not made at market rate, resulting in undue advantage to the contractor. Later on, the contract of main contractor was rescinded and he was informed that the balance work shall be got executed at his risk and cost. The balance work left over by this firm amounting to Rs.13.20 crores was awarded to another contractor at an amount of Rs.16.20 crores. No recovery for this risk and cost amount, the tentative value of which is approximately Rs.3.0 crores was made from the initial contractor resulting in undue favour to this firm. Para has been referred to CVO concerned on 19.02.2015 for carrying out detailed vigilance investigation. Report is awaited.
- 5.20 In a case of construction of residential and academic buildings of an institute valuing more than Rs. 100 crores, 11 bidders were qualified at Pre Qualification (PQ) stage but bid documents were issued to 07 bidders only, 04 were eliminated on flimsy grounds in an arbitrary manner. Out of the seven, only three had submitted their bids. However, during opening, one of the bids was found incomplete and was disqualified. It was decided that bids of other two bidders shall not be opened and tenders would be called afresh. But in second call, an additional condition prohibiting the bidders who were disqualified in earlier call was incorporated without approval of the competent authority eventually eliminating all bidders. Thus, financial bids were allowed to be received from the same seven (07) bidders only, despite the fact that four of them were non-responsive and one was disqualified in the first call; ending up with the same two bidders who had submitted earlier. Due to such illegitimate and restrictive condition the

same two bidders submitted their bids in the second call. Work was awarded to the lowest bidder @ 22.75% higher than the estimated cost justifying an exorbitant rate on flimsy and inadmissible factors. Para has been referred to CVO concerned on 12.02.2015 for carrying out detailed vigilance investigation. Report is awaited.

- 5.21 River protection work costing around Rs 200 crores was awarded by a State Government to a Central PSU on nomination @ 10% margin money. The Central PSU invited Expression of Interest (EOI). Expression of interest was deficient regarding definition of similar work, quantum of work executed as experience, financial qualification etc., for associating for a work with PSU. Publicity was given for six days only, the Pre-Qualification (PQ) criteria was scaled down and published only 3 days before receipt of the bid. Due to inadequate publicity, apparently only 2 bidders participated in the bid i.e. 'A-B' & 'C-D'. Offer of both the bidders were received in the form of JVs, inspite of no such provision in invitation of bid for allowing JVs.

“Director of ‘A’ in one JV and Proprietor of ‘C’ of another JV was the same. Scope of the work was split and divided among both the JV bidders i.e. Detailed Project Report (DPR) & Supervision work was awarded to ‘A-B’ (JV) and execution work to “C-D” (JV), without any explicit provision to do so. Such award of work to two different entities having a common person is in violation of Commission’s guidelines regarding conflict of interest. In addition work was awarded without any apparent competition. The Contract was awarded without any apparent competition & receiving of financial offer by awarding the work at stipulated rates of standard schedule of Bihar prevalent at that time. The awarded rate was revised upward every time on revision of such standard Schedule of rate by the State Govt. in a non transparent manner. Non stipulation of conditions of Milestones, Date of Start, Completion Period and other contract conditions facilitated the contractor to get away without attracting provisions of any liquidated damages inspite of delay on his part. Consultancy work of DPR and Supervision was awarded by mutual negotiation without any financial bid in a non-transparent manner. Consultancy contract of DPR and Supervision was awarded at percentage of actual project cost, instead of initial estimated cost in violation of extant CVC guidelines in this regard. Para has been referred to CVO concerned on 08.06.2015 for carrying out detailed vigilance investigation. Report is awaited.

- 5.22 In a procurement case of Primary Reformer Catalyst Tube by a Fertilizer PSU costing around Rs. 12 crores, contract was awarded on ‘Resultant Single Bidder Situation’. In this case, Limited Tender Enquiries were issued to five enlisted vendors. The tender was issued for Tubes manufactured through a particular welding technology although same was not going to affect the operation of tubes and globally there was only one manufacturer of tubes with such technology. The tender conditions in respect of Delivery Period and value of Earnest Money Deposit (EMD) were made stringent due to which two shortlisted vendors did not participate and one vendor submitted bid without EMD. Moreover, one bidder submitted delayed bid (submitted after bid submission time but before bid opening time) due to which this bid was not considered. Even the successful bidder had not submitted EMD along with his original techno-commercial bid. The sole technically qualified bidder did not meet basic technical specification and the complete tender terms and conditions but was accepted on the plea of urgency. There were many instances of substantial delay on part of concerned officials

before and during tender process, which indicated that urgency was artificially created. The bid validity of sole technically qualified bidder was allowed to expire and then fresh price bid was taken. The original price bid was not opened and subsequently same was found to be untraceable. After analyzing the rates of tubes having same specifications in other Fertilizer PSUs, it was found that finalized rate of Reformer tubes in the impugned contract was substantially on the higher side. Para has been referred to CVO concerned on 06.04.2015 for carrying out detailed vigilance investigation. Report is awaited.

- 5.23 In a composite works tender of a PSU having estimated value of about Rs. 66 crores, the eligibility criteria in respect of Consortium were relaxed during tendering process. As per the original eligibility criteria, all Consortium members were mandatorily required to possess experience in any of the broad fields covering scope of work. But after relaxation, only the Leader of the Consortium was allowed to possess entire work experience if other members of Consortium were lacking in relevant criteria. Among all bidders, there was only one Consortium which was eventually found to be successful after bid evaluation process. The Consortium comprises of two companies in which the Secondary member did not possess relevant experience of the tendered work. In the Consortium agreement, responsibility matrix mentioned that both Leader and Secondary member will have 'Prime Responsibility' towards all activities. The Consortium was finally awarded the contract although tender condition mentioned that division in scope of work between Consortium members shall be commensurate with their past experience.

After award of work, the entire project was handled by the inexperienced member of the Consortium. Leader of the Consortium expended merely five man-days in the entire project having a time span of more than two years. Despite significant slippage from the beginning, the Leader was not communicated and payments were released to the bank account of the Consortium which was handled by an employee of Secondary member of the Consortium. The Consortium was given preferential treatment as the awarded value of contract (which also includes value of extra works) was considered for computing advance amount to the contractor whereas reduced value of entrusted works (due to offloading of work on other contractors) was considered for computing the values of Price Reduction Schedule / security tools. The invocation of Risk & Cost clause was avoided by not revealing the quantum of offloaded work. During the contract execution period, it was found that secondary member of the Consortium had submitted forged documents in several tenders of the PSU. After verifications, the Consortium and both its members were banned and their contract was short-closed without reconciliation of high valued owner issued materials. Para has been referred to CVO concerned on 24.04.2015 for carrying out detailed vigilance investigation. Report is awaited.

- 5.24 In a Consultancy contract of Public Sector Bank for implementing Core Banking Solution (CBS) costing around Rs. 1.35 crores, open tenders were invited on two instances. As none of the bidders in first tender managed to secure qualifying technical marks, it was decided to retender with relaxed evaluation criteria. During retendering, apart from relaxing few parameters, the majority of evaluation criteria were made restrictive by seeking consultant's experience in only Indian Public Sector Banks. This was contrary to the conditions of first tender where experience in mid-sized Scheduled Commercial Banks was stipulated. Due to this restriction, no additional eligible offer was received during retendering. Even the modified scoring criteria in the second

tender were favourable to a particular consultant. Para has been referred to CVO concerned for carrying out detailed vigilance investigation. Report is awaited.

5.25 In a Consultancy contract, the Consultant escalated estimated cost of Core Banking Solution (CBS) project from Rs. 164 crores to Rs. 254 crores just after issue of Core Banking Solution tender, which was not found to be logical. The Consultant submitted an invoice against the submission of a deliverable (study on integration of software applications with CBS) which was dependent on the implementation of new CBS application and its interfaces. This invoice was submitted by the Consultant well before the official finalization of CBS implementation tender. This showed that the Consultant was confident about a particular CBS application before the finalization of CBS implementation tender. The Consultant was reimbursed for traveling and lodging expenses incurred during site visits for CBS tender evaluation, which was not permissible as per contractual conditions. Para has been referred to CVO concerned for carrying out detailed vigilance investigation. Report is awaited.

5.26 In a Core Banking Solution (CBS) tender of a Public Sector Bank having original estimated cost of about Rs. 164 crore, there were 29 eligibility criteria having inconsistencies and were tailor-made to suit some specific Original Equipment Manufacturers (OEMs). Even after utilizing the two-staged screening process along with normalization process to bring all bids at par, the Quality cum Cost Based evaluation (weightage of 80:20 to technical and financial part) was adopted which had severe financial implication and was detrimental to the competition. Evaluation conditions in respect of credential strength were favourable to a particular vendor. Even the Consultant in its presentation to the Bank had predicted well before tender closing date about the participation of only three vendors and their respective scores against credential strength. Para has been referred to CVO concerned for carrying out detailed vigilance investigation. Report is awaited.

V Important initiatives taken by the CTEO

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. Specific areas pertaining to tenders and contracting, estimation of rates, legal aspects in contracting etc. were covered in various training programs and seminars. The organizations covered during the year were as under:

- Reserve Bank of India (RBI)
- Defence Research and Development Organization at Mussoorie & Pune
- Indian Institute of Material Management Summits at Mumbai & Vadodara
- Delhi Jal Board (DJB)
- United India Insurance Company Limited (UIICL)
- Engineering Projects India Ltd. (EPIL)
- Oil and Natural Gas Corporation (ONGC)
- Ordnance Factory, Kanpur



Shri Ramesh Chandra, CTE, CVC delivering talk on topic of ‘Emerging Trends & Transparency In Public Procurement’ during NATCOM 2015



Shri Ramesh Chandra, CTE, CVC at the “National Summit on Public Procurement,” organised by Indian Institute of Materials Management (IIMM) Mumbai Branch



Visit of Organisation for Economic Co-operation and Development (OECD) delegation to the Central Vigilance Commission



Visit of Commercial Law Development Programme delegation from D/o Commerce, USA

CHAPTER – 6

FUNCTIONING OF DELHI SPECIAL POLICE ESTABLISHMENT

(CENTRAL BUREAU OF INVESTIGATION)

- 6.1 The Commission is mandated under the CVC Act, 2003 to exercise superintendence over the functioning of the Delhi Special Police Establishment (DSPE), popularly known as Central Bureau of Investigation (CBI), in so far as it relates to investigation of offences alleged to have been committed under the Prevention of Corruption Act, 1988 and to review the progress of such investigations conducted. Suitable directions to the CBI for such purposes as per Section 8(1)(b) of the CVC Act can also be given by the Commission.
- 6.2 The Hon'ble Supreme Court in Vineet Narain case in its judgment dated 18.12.1997 envisaged greater autonomy and objectivity in the functioning of CBI. Pursuant to the judgment, the Central Vigilance Commission was statutorily mandated to superintend the work of CBI in respect of investigations conducted under the Prevention of Corruption Act.

I Superintendence of CVC over CBI

- 6.3 The Commission, in exercise of the powers of superintendence over CBI as prescribed in the CVC Act, periodically reviews the progress of cases registered and taken up for investigation by CBI under PC Act, 1988 with Director, CBI and his team. The Commission also takes necessary steps, as and when required, for the purpose of efficient discharge of its functions by the CBI. During the year 2015, the Commission held eight review meetings at periodic intervals with CBI, wherein cases against senior officers of the Government, executives of banks/public sector enterprises and politicians were reviewed.
- 6.3.1 Some of the specific suggestions made by the Commission in the exercise of superintendence of the functions of CBI are as below:
- (i) CBI was advised to expedite investigation of PC Act cases pending for more than one year.
 - (ii) CBI was advised to share information on big ticket frauds with the Enforcement Directorate so that provisions of PMLA can be invoked at the stage of investigation itself.
 - (iii) Commission advised CBI to furnish information on all cases pending / under trial before courts for more than three years, court-wise, so that the matter can be taken up with the Chief Justice of High Courts / Supreme Court for necessary guidance.
 - (iv) CBI was advised to furnish closure reports including investigation reports to the Commission in respect of cases involving allegations of corruption relating to officers' within the jurisdiction of the Commission.
 - (v) Commission advised CBI to strengthen the existing vigilance set-up in CBI.

- 6.3.2 On a review of the present mechanism of exercising superintendence over CBI, the Commission had decided a new mechanism for exercising superintendence over DSPE as envisaged in the CVC Act, 2003. For this purpose, the Commission has directed CBI to furnish to the Commission data /details on Preliminary Enquiries (PEs) and Regular Cases (RCs) as per four specially prescribed templates by the 7th of every month. It was also directed that CBI shall make provisions in their CRIMES Module, if necessary, so that the said data/details could be generated from the CRIMES Module used by CBI.
- 6.3.3 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-12.

Table -12

Complaints sent by the Commission to CBI and their disposal

Year	Complaints forwarded by the CVC for verification / Investigations (Col. No. 1)	Mode of disposal out of column No. (1)				
		Number of complaints resulting into RC	Number of complaints resulting into PE	Number of complaints that ended in recommendation of RDA/Such action deemed fit & SCN sent to Departments	Number of complaints closed	Complaints under verification
2014	30	0	3	2	10	15
2015	19	1	4	1	6	7

- 6.3.4 The CBI is normally required to complete investigation of a 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 while CBI has been generally able to complete investigations within a year, there have been some delays in completing investigations in certain cases. Reasons for delays include delay in receipt of prosecution sanction from competent authorities, delay in obtaining responses to Letters Rogatory (LRs), and delay in obtaining reports from forensic laboratories.

II Delay in Trial of cases

- 6.4 The Commission has noted with concern, the large number of cases pending trial in different courts for years together, at times for over twenty years. It was observed that on an average it takes more than five years for judicial proceedings in any case under the PC Act to reach its logical conclusion after the charge sheet is filed in the designated court. Such inordinate delays in dispensation of justice defeat the very purpose of efficient vigilance administration and are an impediment in the fight against corruption. It is therefore, imperative that effective measures are taken to increase the disposal of pending PC Act cases under trial/appeals /

revisions in order to effectively combat corruption. The Commission is hopeful that with the increased number of Special CBI Courts, the pendency of the cases under trial will reduce and the average time taken for the trials will also come down.

- 6.4.1 The Commission has observed that one of the reasons for the delay in conclusion of trials was that some Special Courts which were specifically designated to deal with CBI cases are also being allotted cases of other agencies thereby adversely affecting the disposal of CBI cases. Out of 132 functional CBI Special Courts, 55 Special Courts are also dealing with cases of other agencies. The Commission has therefore, requested the Hon'ble Supreme Court to consider the matter for suitable directions.

III Prosecution against Central Government employees

- 6.5 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 2015, a total of 102 cases were pending for grant of sanction for prosecution under PC Act, 1988. The numbers of cases pending with various organisations for granting sanction for prosecution as on 31.12.2015 are given below in Table-13.

Table-13

Number of cases pending for sanction for prosecution as on 31.12.2015

Sl. No.	Ministry/UTs/State Governments	Number of cases
1	Ministry of Communication & IT (Department of Telecommunications)	2
2	Ministry of Commerce & Industry	1
3	Ministry of Labour & Employment	2
4	Ministry of Atomic Energy	1
5	Ministry of Civil Aviation	1
6	Ministry of Communication (Department of Posts)	3
7	Ministry of Consumer Affairs & Public Distribution	1
8	Ministry of Defence	5
9	Ministry of Finance (Department of Financial Services)	36
10	Ministry of Finance (Custom & Central Excise)	4
11	Ministry of Finance (Income tax)	4
12	Ministry of Health & Family Welfare	5
13	Ministry of Home Affairs	3
14	Ministry of Human Resource & Development	2
15	Ministry of Industry	1

Sl. No.	Ministry/UTs/State Governments	Number of cases
16	Ministry of Parliamentary Affairs	1
17	Ministry of Personnel Public Grievances & Pensions	7
18	Ministry of Petroleum & Natural Gas	1
19	Ministry of Railways	8
20	Ministry of Rural Development	1
21	Ministry of Steel	3
22	Union Territories	1
23	Government of Arunachal Pradesh	1
24	Government of Bihar	1
25	Government of Chhattisgarh	1
26	Government of Delhi	3
27	Government of Jammu & Kashmir	2
28	Government of Jharkhand	1
29	Government of Karnataka	2
30	Government of Punjab	1
31	Government of Tamil Nadu	1
	Total	106*

*However a total of only 102 cases are pending for prosecution sanction, as 4 cases are common to more than one Ministry/State, Government etc.

- 6.6 The Commission has observed that in some cases there has been unwarranted and inordinate delay while deciding upon grant/denial of sanction for prosecution. The Commission hopes that with the DOPT's guidelines and the Commission's instructions issued from time to time for checking delay in grant of sanction for prosecution, such delays would be largely curtailed and decision on sanction for prosecution would be taken by the competent authorities within the stipulated time.
- 6.6.1 The Commission on its part followed up individual cases pending sanction for prosecution pertaining to the Central Government Departments and its organisations regularly during the year. The sustained efforts made by the Commission resulted in considerable reduction in the number of such cases pending over the prescribed time limit for grant of sanction for prosecution. However, it is noticed that the matter is not given due importance and there is a tendency to delay the process. Commission has always maintained that the competent authorities need to give their decision whether to grant sanction for prosecution or not by issue of valid speaking orders.

- 6.6.2 Some of the reasons leading to difference of opinion between the CBI and the Administrative Authorities on matters of prosecution sanction requests are as under:
- (i) Genuine disagreements,
 - (ii) Lack of appreciation of evidence/material available on record, and
 - (iii) Examining material on record on adequacy of evidence.
- 6.6.3 In order to expedite the process of grant of sanction for prosecution, the Commission has dispensed with the mechanism of holding a joint meeting in matters of difference of opinion with CBI/investigating agencies. Such references for resolution of difference would now be decided by the Commission on the basis of available documents/materials and tentative views of the Competent Authorities of the concerned Ministry/Department Organisation.
- 6.6.4 In order to appreciate the various aspects in sanction of prosecution, a professional workshop on the subject of “Sanction for prosecution” was organized in house for JS & CVOs/Directors (Vigilance) of Central Government Ministries and Departments, on the premises of the Central Vigilance Commission on 24.11.2015.

IV Review of pending cases against officers of CBI

- 6.7 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 31.12.2015, 31 Departmental cases of Group ‘A’ officers and 25 cases for Group ‘B & C’ at various stages were pending against CBI personnel. Details are indicated in Table – 14.

Table – 14

Departmental action against CBI Personnel

Group A

Total pending	Less than 1 year	More than 1 year	More than 2 years	More than 3 years	More than 4 years
31	12	1	4	2	12

- 6.7.1 Breakdown of the total pending cases are:
- (i) Enquiry complete and pending with DOPT for final decision : 11
 - (ii) Cases pending with DoPT for decision on written statement of defence of CO, representation of Cos and appointment of IO/PO : 10
 - (iii) Under Progress/initial stage : 04
 - (iv) Representation of CO on inquiry report / UPSC advice awaited : 01 and
 - (v) Stayed by CAT/Court/ Kept in abeyance: 05.

Group 'B' & 'C'

Total pending	Less than 1 year	More than 1 year	More than 2 years	More than 3 years	More than 4 years
25	10	6	1	1	7

6.7.2 Breakdown of the total pending cases are:

- (i) Cases pending with DOPT for decision on Enquiry Report : 09
- (ii) Under Progress : 05
- (iii) Cases at initial stage and written statement of defence of CO is pending : 04
- (iv) Stayed by CAT/Court or kept in abeyance : 07

V Activities reported by the Central Bureau of Investigation

6.8 CBI sends monthly reports of its activities to the Commission on cases registered and their disposal. A gist of CBI activities during the year 2015 is given below:

(A) Registration of cases:

6.9 A total of 1135 cases comprising 971 Regular Cases (RCs) and 164 Preliminary Enquiries (PEs) were registered during 2015 as compared to 1174 Regular Cases/Preliminary Enquiries registered by CBI in 2014. Out of 1135 cases, 185 cases were registered for demand of bribe by public servants for showing official favours and 67 cases were registered for possession of assets disproportionate to known source of income. Out of the 1135 cases, 717 cases were registered in Anti-Corruption Division (ACD), 281 cases in Special Crime Division (SCD) and 137 cases in Economic Offences Division (EOD).

(B) Cases of trial and conviction:

6.10 During the year 2015, judgments were received in 932 court cases under trial as compared to 1006 cases in 2014. Out of these 932 cases, 556 cases resulted in conviction, 262 in acquittal, 36 in discharge and 78 cases were disposed of for other reasons. The conviction rate decreased slightly and reached to 65.1 % from 69.02% in 2014. At the end of the year 2015, there were as many as 9449 Court cases pending in various Courts.

(C) Investigation:

6.11 During 2015, investigation was finalised in 831 Regular Cases (RCs) and 198 Preliminary Enquiries (PEs). 1113 RCs/PEs were under investigation/enquiry at the end of the year 2015 as against 1004 RCs/PEs under investigation/enquiry at the end of 2014. 317 cases were pending for investigation for more than one year as on 31.12.2015. Table-15 & 16 provides details about the various activities of CBI during the year 2015.

Table-15
Cases dealt with under P.C. Act during the year 2015

Sl. No.	Particulars	Cases
1	Registration	617
	No. of Public Servants involved in these cases	1376
	No. of Gazetted Officers involved in these cases	324
2	Disposal from investigation	633
	i) Departmental Action as well as Prosecution	237
	ii) Prosecution only	309
	iii) Departmental Action only	35
	iv) Such Action	3
	v) Closed	43
	vi) Otherwise disposed of	6
3(a)	Disposal from Trial (CC wise)	722
	i) Conviction	434
	ii) Acquittal	210
	iii) Discharge	27
	iv) Otherwise disposed	51
3(b)	No. of public servants involved in cases disposed of from trial	
	i) Conviction (No. of persons)	530
	ii) Acquittal (No. of persons)	399
	iii) Discharged (No. of persons)	45
	iv) Otherwise disposed of (No. of persons)	82
4	Total No. of cases under investigation (as on 31.12.2015)	571
5	Number of pending trials (CC wise)	6663

Cases under PC Act pending investigation and trial with CBI are as below:

Table-16

Part-A

PC Act cases (Under investigation)

Length of Pendency	Pending Investigation (as on 31.12.2014)	Pending Investigation (as on 31.12.2015)
Less than and equal to one year	392	397
More than one year and up to 2 years	155	129
More than 2 years and upto 3 years	26	30
More than 3 years and upto 5 years	11	14
More than 5 years	0	1
Total	584	571

Part-B

PC Act Cases (Under Trial)

Length of pendency	As on 31.12.2014	As on 31.12.2015
Less than equal to 5 years	2911	2948
More than 5 years and upto 10 years	2111	2070
More than 10 years and upto 20 years	1353	1449
More than 20 years	182	196
Total	6557	6663

Part - C

Appeals and Criminal Revisions pending in various courts as on 31.12.2015

	Additional Sessions Court		Sessions Court		High Court		Supreme Court		Total
	CBI	Accused	CBI	Accused	CBI	Accused	CBI	Accused	
Appeal (P.C. Act)	3	1	2	8	332	7061	70	189	7666
Revision (P.C. Act)	1	0	1	0	161	679	9	9	860
Total	4	1	3	8	493	7740	79	198	8526

Part - D

Age-wise pendency of Appeals and Criminal Revisions

Age	Appeals-PC Act	Revisions-PC Act	Total
< 2 years	2154	456	2610
>2 years but < 5 years	2098	227	2325
>5 years but < 10 years	2211	128	2339
>10 years but < 15 years	796	40	836
>15 years but < 20 years	296	6	302
>20 years	111	3	114
Total	7666	860	8526

VII Manpower

- 6.12 The total sanctioned strength of CBI as on December 31, 2015 was 7274 against which 5581 officials were in position with 1693 posts lying vacant. The vacancy position is given in Table 17.

Table-17

Overall vacancy position in CBI as on 31.12.2015

	Sanctioned strength	Actual strength	Vacancy
Executive Officers	5000	3851	1149
Law Officers	370	197*	173
Technical Officers	162	68**	94
Ministerial Staff	1672	1421	251
Canteen Posts	70	44	26
Grant Total	7274	5581	1693

Legal* (10 Special Prosecutors, 10 Public Prosecutors for Additional Special courts exclusively for CBI cases and 03 Asstt. Special Prosecutors are engaged on contract basis in CBI) ; Technical** (10 Banking & Foreign Trade, 05 Engineering, 02 Insurance & Taxation and 12 Computer professionals totaling to 29 are working on contract basis)

- 6.13 Out of the Executive Officers, the vacancy position of officers of the rank of SP upto Special Director as on 31.12.2015 is as follows:

	Sanctioned strength	Actual strength	Vacancy
Special Director / Additional Director	04	02	02
Joint Director	18	14	04
DIG of Police	43	26	17
Sr. Supdt. of Police	10	03	07
Supdt. of Police	119	72	47

VIII Supreme Court judgment in CA No. 10660 of 2010 of Centre for PIL & others Vs. Union of India & others in 2G Spectrum case.

- 6.14 The Division Bench of Supreme Court in CA No.10660 of 2010 of Centre for PIL & others Vs Union of India & others on 02/02/2012 disposed of the prayer made by the appellants for appointment of a group of independent persons to assist the court in monitoring the

investigation being carried out by Central Bureau of Investigation, Enforcement Directorate and Income Tax Department in the 2G Spectrum cases.

- 6.15 While disposing of the appeal, the Hon'ble Court had directed the following:
- (i) In future copies of the report(s) of the investigation conducted by the CBI and other agencies shall be made available to the Central Vigilance Commissioner in sealed envelopes.
 - (ii) Within next one week the Central Vigilance Commissioner and the Senior Vigilance Commissioner shall examine the report(s) and send their observations/suggestions to this Court in sealed envelopes which shall be considered along with the report(s) of the CBI and other investigating agencies.
- 6.16 In compliance of the said order of the Supreme Court and subsequent orders dated 07.04.2013 on the subject matter, Central Vigilance Commissioner and Vigilance Commissioner submitted observations on the progress reports submitted by the CBI and other investigation agencies in the 2G Spectrum scam case being monitored by the Hon'ble Supreme Court during 2015 also.

IX Irregularities in allotment of coal blocks

- 6.17 The Commission referred two different complaints alleging malpractices in allotment of coal blocks during 1993-2004 & 2006-2009 to CBI in March 2012 and September 2012 respectively for inquiry. CBI registered cases and took up investigations in the matter. Subsequently, the Supreme Court of India, in a PIL filed started monitoring the investigation of CBI. While monitoring the case, the issue relating to scope of superintendence of CVC over CBI came up for consideration. The Court directed CBI to furnish compilations of matters where the Inquiry Officers of CBI have recommended regular cases to be filed on conclusion of preliminary enquiries, but CBI Head Office has ordered otherwise, for examination/scrutiny to the Vigilance Commissioners. The Court directed on 08.05.2014 that the two Vigilance Commissioners send observations/suggestions to the Court in sealed cover within four weeks from the date of receipt of the compilation/reports from CBI.
- 6.18 In compliance of the said order of the Supreme Court, the Commission examined CBI's files on closure of 246 PEs and submitted its findings in all of these PEs to the Supreme Court. During the year 2015, the Commission examined CBI's files on closure of 8 PEs and submitted its observations in all of these PEs to the Supreme Court.

Activities during Vigilance Awareness Week 2015



CHAPTER - 7

PREVENTIVE VIGILANCE

- 7.1 Vigilance Administration is an integral part of the management functions and is also critical to ensuring 'Good Governance'. 'Good Governance' in turn means a transparent, accountable, efficient and sensitive administration. Vigilance Administration can play a central role in promoting these basic pillars of 'Good Governance' and should not be seen as an isolated function. Vigilance can be broadly classified into two types i.e. Punitive and Preventive. Preventive Vigilance means taking measures to reduce opportunities for corruption. While Punitive Vigilance is aimed at targeting corrupt individuals and punishing them for wrongdoing, Preventive Vigilance addresses systems. Efforts towards Preventive Vigilance are part of a larger programme of the Government / Organisations which aim at identifying activities which are vulnerable to corruption and establishing suitable preventive vigilance mechanisms.
- 7.2 The approach to strengthening Preventive Vigilance is based on understanding of the following issues :
- i. Concept of Preventive Vigilance.
 - ii. Who is required to implement Preventive Vigilance Programme?
 - iii. Role of Review, Inspection, Public Grievances and Audit in the scheme of Preventive Vigilance.
 - iv. Consequential Action required to be taken.
 - v. Errors which may result in Vigilance.
- 7.3 The tools of Preventive Vigilance are important as they help in generating and running systems which are more transparent, interactive and accountable. These could be categorized as :
- a) Standardization : Standardization of rules and procedures results in elimination of discretion and arbitrariness, which in turn reduces corruption. A complete review of existing rules and regulations needs to be undertaken to introduce clarity and accountability.
 - b) Automation : Automation reduces interface/interaction between public officials and the public. Automation also removes monopoly in delivery of services (for example, computerization of records and Common Service Centres for delivery of those records) and personal discretion, leading to reduction in corruption. Therefore, organizations should strive to reduce interface of officials with common public/ customers by way of automation/online services.

- c) **Transparency** : Transparency removes the information gap between the public and public officials which in turn reduces corruption. Websites should contain rules & regulations, contact details of officials and all other information useful for public/customers.
- d) **Accountability** : Delay is a common tactic for extracting bribe and corrupt officials use such tactics with impunity if there is a lack of accountability. Corruption can be minimized if accountability is in-built in the system. Clear responsibility must be assigned for the delivery of services and in the process of decision making.
- e) **Control & Supervision** : Proper control and supervision such as regular monitoring by senior officials, timely audit etc. minimizes corruption.
- f) **Conducive Work Environment** : Conducive work environment for preventive vigilance may include rotation policy for sensitive posts, identification of persons prone to corruption and keeping them away from sensitive posts /public dealing.
- g) **Training & Awareness** : Public officials should be made aware of their duties and responsibilities, code of conduct, rules and regulations through regular training and awareness programs.
- h) **Awareness among public** : If the public is aware of their rights, rules and regulations, then they are able to resist unfair treatment and arbitrary behaviour by public officials. Organizations should display information relevant for the public in their offices.

7.4 Although Punitive Vigilance is essential for curbing corruption, its scope and efficacy remains limited due to low rate of detection coupled with low rate of conviction and punishment. Corruption is like a disease and therefore, 'prevention is better than cure' applies to corruption also. The scope and effect of Preventive Vigilance is much larger as compared to Punitive Vigilance. Therefore, the Commission is now focussing on Preventive Vigilance. In 2015, the Commission directed the Chief Vigilance Officers (CVOs) of Select Organizations and some major Government Departments such as Income Tax, Central Board of Excise and Customs, Railways etc. to prepare a concept note on preventive vigilance including effective strategies and the measures to be adopted in their organizations. The CVOs were advised to prepare this concept note in consultation with the management and stakeholders and to include details of a) potential areas of corruption, delay, nepotism etc. and the adequacy of existing procedures and checks in place, b) the effectiveness of the prescribed inspections, audit, reviews etc., monitoring mechanisms and other measures which are already in place for detecting frauds, c) prominent vigilance cases detected due to non-compliance of rules/guidelines indicative of failure of preventive vigilance and major learning thereof, d) existing preventive vigilance measures, and e) major system improvements proposed to be undertaken in future. So far about 64 PSUs and Government Departments have submitted concept notes on Preventive Vigilance for their organizations. Most PSUs as a result have adopted systemic improvements due to the emphasis on Preventive Vigilance.

- 7.5 Implementing Preventive Vigilance: An illustrative list of new initiatives which some of the organisations have introduced / are in the process of introducing as part of the Preventive Vigilance efforts are listed below.

Coal India Limited

- *GPS/GPRS based vehicle tracking system and Operator Independent Truck Dispatch System (OITDS).*
- *Installation of CCTV cameras at vulnerable points.*
- *RFID based boom barriers.*
- *Weigh bridge integration with Coalnet / Vehicle Tracking System (VTS) for weight monitoring.*
- *Online bill tracking system.*
- *Testing in major mines has been started through standard Dautrich method on consignment basis with modified penalty clause.*
- *Mobile based production, sales and dispatch reporting system.*
- *In-house developed module is being used for monitoring the milestones of mining projects implementation.*

Food Corporation of India Limited

- *Mandatory Rice inspections by Area Manager / AGM (Quality Control - QC) / Senior officers at Procurement Stage.*
- *Mandatory Depot Inspections by Category-I officers - Storage Inspections.*
- *Online Reporting of Stock Position through Integrated Rapid Reporting System (IRRS).*
- *Introduction of identity blind / coding system for fair analysis of QC samples of foodgrains.*
- *E-tendering for all contracts of value above Rs. 5 lakh including sale through Open Market Sale Scheme (OMSS).*
- *Installation of CCTV Cameras in owned depots.*
- *Move to RTGS/NEFT payment system.*
- *Introduction of Zero Present Value (PV) of stocks.*

- *Pictorial depiction of rice.*
- *Modification in appeal procedure in case of rejection of rice consignments.*
- *Change in procedure for verification of bank guarantee in contracts.*
- *Advisories issued by Vigilance Division from time to time.*
- *Implementation of Integrated Depot Online System.*
- *Automation of analysis of foodgrains to minimize subjectivity.*
- *Improvement in storage practices –construction of modern Silos.*
- *Scientific Study on Storage loss is also being under taken through ICAR for fixation of Storage loss norms.*

National Thermal Power Corporation Ltd.

- *Rationalization of tender document for award of Mine Developer and Operator (MDO) contract for allotted coal blocks.*
- *Strengthening & rationalizing the imported coal tender document.*
- *Introduction of Form A1 for declaring the Mine source of imported coal from ASEAN countries.*
- *Introduction of procurement on High Sea sales basis in imported coal to save local taxation.*
- *Preparation of real time cost estimate for evaluating tenders – Imported coal.*
- *Comprehensive ASH Policy for better revenue realization and better ash utilization.*
- *Guidelines for conditional closing of contract & monitoring long pending contract closing issues to avoid harassment of contractors and improvement of business environment.*
- *Guidelines for procurement of Light Diesel Oil (LDO)/Naptha/Heavy fuel oil.*
- *Use of bottom ash in ash dyke as substitute of sand.*
- *Improvising e-procurement software platform by shifting to Government e-Procurement System of NIC (GePNIC) from Supplier Relationship Management (SRM) module of SAP for cost effectiveness.*
- *Guidelines for reduction of Non-Moving inventory.*
- *Plant station office maintenance agreement with M/s UPL.*

- *Modification of specification for Coal handling plant package to include online coal analyzer in lieu of Auto Coal Samplers.*
- *Providing the facility of online payment for tender fee & EMD and for refund of EMD of unsuccessful bidders.*
- *Rationalizing Coal linkages/ coal swapping arrangement.*
- *Use of drone technology for surveying and estimating accurate quantities at the tender stage itself.*
- *Coal Blending – Process standardization, Development of infrastructures & Bottlenecks.*
- *Replacing BOXN wagons by dedicated BOBR wagons.*
- *Optimizing the grade of coal to be imported, to minimize the annual coal requirement by power stations.*
- *Hospital Management System – to control pilferage of medicines.*
- *Pneumatic wagon rakes for ash sale.*
- *Unproductive departments/ JVs/ Subsidiaries – winding up.*
- *JVs with Cement manufacturer for providing facilities including land.*

Steel Authority of India Limited

- *Increased surveillance in the areas of receipt, sampling & testing of high value raw materials.*
- *Maximising E-procurement through the installed ERP systems at the Integrated Steel Plants of SAIL.*
- *Electronic surveillance of SAIL mines using geo fencing, GPS based vehicle tracking etc.*
- *As per directions of Ministry of Steel a Transparency Index has been designed for PSUs under the Ministry of Steel.*

Central Board of Excise & Customs

- *ICEGATE (Indian Customs EDI Gateway) introduced which provides facilities to the trade, customs stakeholders for filing of documents, query-reply, real-time-documents tracking/enquiry, e-payment, instant acknowledgment, data sharing through SFTP messages, license management, cargo handling, 24*7 help-desk and operation support services etc. It also provides uninterrupted 24*7 facilities to file all the customs documents online on a Customs EDI System. It gets documents integrated immediately and responds with the acknowledgment. There are two layers of help line (1) for internal officers which managed by the System Integration team and (2) for outside users which is maintained by ICEGATE.*

- *Time Stamp feature is also incorporated and it enables the current time of an event to be recorded by a computer or servers operating system automatically.*
- *Lowered dwell time.*
- *Reduction of transaction costs.*
- *Automation of Central Excise & Service Tax (ACES).*
- *Planning and enforcement of regular inspections, surprise visits etc.*
- *Web Based Vigilance Information Network System (VINS).*
- *Adoption of Single Stage Two Envelope System.*
- *Steering Committee comprising Executive Director (Engineering), Executive Director (Contracts), Executive Director (Finance) and Executive Director (Corporate Monitoring Group) has been constituted for compliance of System Improvements as suggested by Vigilance Department.*
- *Use of Business Intelligence in deciphering information pertaining to various transactions.*

- 7.6 **Awareness Campaign on Preventive Vigilance:** Inculcating ethical behaviour among public, particularly the younger generation is an important tool of Preventive Vigilance. Every year Vigilance Awareness Week (VAW) is celebrated during the last week of October to create such awareness. This year the theme of VAW was chosen as “Preventive Vigilance as a tool of Good Governance” as a result VAW was an occasion to create awareness on Preventive Vigilance. The Vigilance Awareness Week was observed by all Central Government Ministries / Departments / Central Public Sector Undertakings / Public Sector Banks & Financial Institutions / Public Sector Insurance Companies / Autonomous Bodies / Local Authorities / Societies etc. and the State Governments / Union Territory Administration. The attached and sub-ordinate offices of the Central Government Ministries / Departments also observed VAW. **In all, the outreach activities of the week covered over 1000 organizations across the country involving over 60 lakh public servants, as well as the youth, citizens and other stake-holders like vendors/contractors etc.**
- 7.7 The organisations displayed banners, posters at prime locations in their offices and prominent areas involving public interface like bank branches, airports, post offices, railway stations, petrol pumps etc. Various activities like talks by prominent personalities, debates, essay writing competitions on moral values, ethics and good governance practices were organised in the offices / work places amongst the employees as well as their wards. Cultural programs, rallies to spread anti-corruption messages, screening of inspirational films were also held by various organisations in the cities/towns. Many service oriented organisations like Railways, Employees Provident Fund Organisation, Employees State Insurance Corporation and several CPSUs organised grievance redress programmes during the week for their customers and vendors.
- 7.8 Other activities of prominence included Nukkad Nataks (Street Plays), Puppet Shows, Walkathons as well as Candlelight vigil marches highlighting the adverse effects of corruption were also conducted by several organisations at public places / markets etc. across the country for the awareness of the public.

- 7.9 'Vigithon – Run against Corruption' was carried out on the eve of the week on Sunday, 25th October, 2015 at Mumbai, which was flagged off by Shri Suresh Prabhu, Union Minister of Railways. Shri Prabhu emphasised the ill-effects of corruption in society and urged for all out efforts to stem the rot from public life. Union Bank of India organised the walk, a unique one led by the Hon'ble Minister and the top management of the Bank in which over thousand people participated which included not only staff members but also bank clients, vendors, pensioners, women as well as students of schools/colleges. Similar vigithons were also organised in 18 other cities/towns viz., Delhi, Pune, Ahmedabad, Bhopal, Chennai, Belgaum, Thiruvananthapuram, Hyderabad, Nellore, Visakhapatnam, Kolkata, Kanpur, Lucknow, Siliguri, Panaji, Nasik, Mangalore and Bhubaneswar.
- 7.10 Many of the organisations brought out newsletters / special magazines highlighting benefits of preventive vigilance. All the activities of the organisations were covered extensively by the print and electronic media.
- 7.11 The Commission, for the first time as part of the Vigilance Awareness Week celebrations, decided to focus its outreach on the youth in the schools and colleges across the country. The Commission is of the considered view that engaging youth is essential for tackling corruption as youth represent a significant portion of the population. Also, as the future leaders of the country, the youth must be conscious and aware of the need to have a clean, vibrant and corruption free India. Towards this objective, over 100 cities and towns across the country with population more than 2 lakhs were identified as a thrust area for engaging the students of schools and colleges this year. The response was overwhelming and more than 3 lakh students participated in debates, elocution, lectures, panel discussions, essay writing organized in about 1000 colleges and 2500 schools.
- 7.12 The Commission also reached out to the public at large through electronic media by telecasting eight episodes on Doordarshan as part of Vigilance Awareness Week activities. These episodes aimed at conveying how preventive vigilance results in good governance and indulgence in corruption ends in a tragedy.
- 7.13 Like previous years, messages were received from Hon'ble President, Hon'ble Vice President and Hon'ble Prime Minister of India. This year, special efforts were made to obtain messages from the Chief Justice of India, Home Minister of India, Comptroller & Auditor General of India and the Cabinet Secretary. A two minute video clip with the views of Hon'ble President of India on Preventive Vigilance was also received which was widely used during the functions organized as part of the Vigilance Awareness Week.
- 7.14 Interviews of functionaries of the Commission were telecast on Doordarshan and they also interacted with public in a live radio programme.
- 7.15 The adoption of Preventive Vigilance framework and inculcation of ethical behavior among officials and public at large particularly among the youth are bound to create a corruption free environment in the country.



Valedictory group photo for the Induction training programme for the newly appointed CVOs from 30.11.2015 to 03.12.2015 at the Commission



Activities conducted by Vigilance Study Circle, Delhi NCR

CHAPTER-8

TRAINING AND CAPACITY BUILDING

- 8.1 The Central Vigilance Commission as the apex anti corruption body for overseeing and implementing policies relating to vigilance administration has always laid stress on various predictive, proactive and participative measures, in addition to building up public awareness, to mitigate corruption levels. Organisations are encouraged to not only dispose cases timely but also to develop a sound preventive vigilance framework which would enable them to assess the risk of corruption, take steps to correct policies / procedures / systems and strengthen their internal controls to eliminate the scope for corruption.
- 8.2 Viewed within overall ambit of the Commission's objectives, the role of training and capacity building cannot be over emphasised. 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; it is a means to an end, the end being more effective vigilance administration through systemic improvements and corruption mitigation. The emphasis on training is reflected in the initiatives taken in this direction by the Commission during the year and the felt need for capacity building of officers in the Commission as well as Chief Vigilance Officers (who are functionally accountable to the Commission though administratively reporting to the Chief Executive) has been translated into policy. A training policy for capacity building in the Central Vigilance Commission has accordingly been formulated with a view to bridge competency gaps of the officers through training, both domestic and foreign.
- 8.3 Briefly, the officers in the Commission are comprised of officers borne on the cadre of the Commission, who fall under General Central Service; those from All India Services/ Central Services working in the Commission under the Central Staffing Scheme; and those on deputation to the Commission as Technical Examiners in the Chief Technical Examiners Organisation (CTEO). While the officers belonging to IAS, CSS and SCS, who are on deputation under central staffing scheme, are eligible to undergo foreign training under the DFFT scheme of DoPT, those who are under General Central Service (which is not an organized Central Service), are not eligible to apply for programmes under DFFT scheme. Therefore, the officers borne on the cadre of the Commission are at a disadvantage vis-à-vis officers of other organized services working in the Commission. To develop competencies of officers borne on the cadre of Commission, the training policy of the Central Vigilance Commission ensures availability of training opportunities on an equitable basis.
- 8.4 As envisaged in the Training policy, opportunities for training are made available to all officials to improve their skills in their respective area of work. These include induction trainings, short-term thematic training and refresher courses to build their professional competencies, inculcate personal attributes by exposing them to courses on leadership development, stress management, ethics and values in public governance, etc. The Commission also organizes customized courses in collaboration with such training institutes for the benefit of its officials.

- 8.5 Foreign training fills a crucial gap in the training system. It provides opportunities for officers to gain exposure to the latest thinking on different subjects in some of the leading institutions of the world. It exposes them to experiences and best practices of different countries with differing models of development and governance. As all categories of officers in the Commission are not eligible for consideration under the scheme of DFFT, under the training policy, the Commission has envisaged short term trainings/collaboration with international institutes of repute to deliver such trainings to CVC officials as well as CVOs.
- 8.6 Since February 2015 three induction training programmes have been organised for newly appointed CVOs in which approximately 73 officers have been trained. These programmes are conducted over four days and guest lecturers having expertise in PC Act, Whistle Blower Protect Act, E-tendering and officers from CBI are invited to take the sessions. Participants have found the interactive sessions very useful.
- 8.7 Besides the induction level training, several trainings focused on specific areas of work relevant to vigilance/anti-corruption have been planned for 2016 by the Commission. The Commission has proposed 5 training programmes which include 3 customised domestic and 2 customized foreign trainings as mentioned below:

I Domestic Training Programmes

1. A three days Advanced Training Programme at National Police Academy, Hyderabad in the month of January, 2016 for 30 officers was organised with a focus on vigilance investigation including CBI Investigation of disproportionate assets cases, prosecution cases and forensic accounting. Speakers from Anti-Corruption Branch of CBI and Lawyer from the Public Prosecutors office, and experts in the field of forensic accounting conducted the sessions.
2. Another specialized training programme for 20 banking CVOs at Gujarat Forensic Sciences University (GFSU) was organized in the month of February, 2016 which was a step forward in Banking Sector, 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, increased frauds, the programme was crafted in a suitable manner by focusing on the importance of forensic audit in enhancing functioning of various works in the banking. The training programme was extended to incorporate various 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.
3. Another customized training programme for 25 participants at IIM Bangalore was organised in the month of March, 2016 with a focus mainly on topics like Policy Evaluation, Managing conflicts, Strategic Planning, Public Private Cooperation, etc. Participants in this course were officers from PSUs and Government Departments like railways, income-tax and customs & excise who are looking after huge procurements through contracts and tenders. Training at IIM Bangalore used the core competence of the institution in management related integrity issues.

II International Training Programmes

1. A twelve days customized vigilance training programme at the International Anti-Corruption Academy (IACA) at Vienna, Austria was held in the month of February, 2016. The training was for 15 participants consisting of 10 CVOs and 5 officers from the Commission. The two week training exposed the officers to international best practices, anti-corruption laws under the UN, OECD & EU and initiatives taken by countries like USA, UK and Korea to combat corruption.
2. An international training programme of one week duration was organized in the month of March 2016 at University of California at Berkeley (UCB) for 15 officers. UCB has been doing training on Ethics and Governance for DoPT sponsored officers every year and accordingly the Commission intended to use the expertise of UCB for a customised training for officers of the Commission and CVOs.

III Workshops

- 8.8 A one day workshop was organized in the Commission for CVOs of Public Sector Banks, Insurance Companies and Financial Institutions on 7.8.2015 for brain storming on areas critical for vigilance administration in the banking, insurance and financial sectors. Another workshop for Joint Secretaries & CVO/Director's Vigilance of central government ministries/ departments on "Sanction for prosecution" organized on 24.11.2015 was attended by 25 officers.

IV Lecture Series

- 8.9 Another initiative of the Commission has been to invite eminent speakers for the monthly 'Lecture Series' beginning from November, 2015. The lectures are well attended and among the audience are Secretaries to the Govt. of India, CMDs, CVOs and officers of the Commission. The lectures were also webcast through live feed by NIC to reach out to a wider audience all over India. In 2015, two eminent speakers have taken part in the Commission's knowledge management efforts. First Lecture was delivered by Shri Mukul Rohatgi, Attorney General of India on the topic "The Role of CVC in the Present Scenario" in November, 2015. Thereafter, the second lecture on "Making Governance Effective" was delivered by Dr. Bibek Debroy, Member, Niti Aayog in the month of December, 2015.
- 8.10 Apart from this, Commission arranged training programme for its staff in Institute of Secretariat Training & Management in various slots in FY 2015-16 on the topic "MS-Office Suite" to enhance their computer skills.
- 8.11 The training/workshops/lectures by eminent speakers are not confined only to the CVOs, but extend to the other Vigilance Officers (below CVO) as also to the senior management functionaries. The Commission believes that vigilance should not be seen in isolation, but as a tool to achieve good governance and better operational results.

Training / orientation to vigilance personnel of organisations under Ministry of Human Resource Development



Lecture by eminent personalities in the Central Vigilance Commission



Shri Mukul Rohatgi, Ld. AG for India



Dr. Bibek Debroy, Member, Niti Aayog

APPENDIX

Appendix-I

(Para 1.16)

A. Group wise Staff Strength and related information, as on 31.12.2015 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	40	77	69	71	257
Percentage Vacancy	25.92	21.42	2.81	2.73	13.17

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 31.12.2015 is given below in percentage :-

	Group 'A'	Group 'B'	Group 'C'	Group 'C' (Multi Tasking Staff)
SC	9.09	16.09	14.08	42.46
ST	9.09	3.44	4.22	5.47
OBC	00	11.49	18.30	16.43

Appendix-II

(Para 2.14)

Organisation-wise details of prosecution sanctioned and penalties imposed during 2015 in respect of cases where Commission's advice was obtained.

Sl. No.	Name of the Department/ Organisation	Prosecution	Major Penalty	Minor Penalty	Administrative Action
1	Air India	0	2	7	0
2	Airports Authority of India	0	1	11	6
3	All India Institute of Medical Sciences	0	1	1	1
4	Allahabad Bank	0	32	14	0
5	Andhra Bank	0	11	17	0
6	Bank of India	1	45	30	0
7	Bank of Maharashtra	4	11	2	1
8	BEML Ltd.	0	1	1	0
9	Bharat Coking Coal Ltd.	0	12	5	0
10	Bharat Heavy Electricals Ltd.	0	6	11	0
11	Bharat Petroleum Corporation Limited	0	3	2	0
12	Bharat Sanchar Nigam Ltd.	0	9	1	28
13	Border Roads Development Board	3	4	3	0
14	Bureau of Indian Standards	0	4	3	0
15	Canara Bank	5	75	50	2
16	Cement Corporation of India Ltd.	0	0	11	0
17	Central Bank of India	1	77	7	0
18	Central Board of Direct Taxes	7	4	3	2
19	Central Board of Excise & Customs	15	50	11	10
20	Central Board of Secondary Education	0	1	0	0
21	Central Coalfields Ltd.	0	11	2	3
22	Central Public Works Department	0	3	7	4

Sl. No.	Name of the Department/ Organisation	Prosecution	Major Penalty	Minor Penalty	Administrative Action
23	Central Warehousing Corporation	0	1	0	0
24	Chennai Port Trust	1	5	0	0
25	Coal India Ltd.	0	7	8	0
26	Container Corporation of India Ltd.	0	2	2	1
27	Corporation Bank	0	7	5	0
28	Council of Scientific and Industrial Research	0	1	2	0
29	Damodar Valley Corporation	0	4	0	4
30	Defence Accounts Department (CGDA)	0	0	1	0
31	Delhi Development Authority	0	46	19	0
32	Delhi Jal Board	0	2	0	4
33	Delhi Tourism and Transportation Development Corporation	0	0	0	1
34	Delhi Transco Limited/IPGCL	0	3	1	0
35	Delhi Urban Shelter Improvement Board	0	1	0	0
36	Dena Bank	1	11	5	0
37	Department of Public Distribution	0	0	1	0
38	Department of Agriculture, Cooperation & Farmers Welfare	0	6	0	0
39	Department of Chemicals & Petrochemicals	0	1	1	0
40	Department of Commerce (Supply Division)	1	0	0	0
41	Department of Company Affairs	3	0	0	0
42	Department of Consumer Affairs	0	0	0	1
43	Department of Defence Production and Supplies	0	6	2	3

Sl. No.	Name of the Department/ Organisation	Prosecution	Major Penalty	Minor Penalty	Administrative Action
44	Department of Economic Affairs	0	0	1	0
45	Department of Financial Services	0	1	0	1
46	Department of Heavy Industry	0	0	5	0
47	Department of Posts	1	22	0	2
48	Department of Science & Technology	0	3	0	0
49	Department of Scientific and Industrial Research	0	0	1	0
50	Department of Telecommunications	6	63	36	35
51	DSIIDC Ltd.	0	2	0	3
52	Eastern Coalfields Ltd.	0	17	2	0
53	Employees' Provident Fund Organisation	0	11	5	3
54	Export Inspection Council of India	0	1	0	0
55	Food Corporation of India	0	2	4	2
56	Goa Shipyard Ltd.	0	1	0	0
57	Govt. of NCT of Delhi	0	1	3	3
58	Govt. of Pondicherry	1	0	0	0
59	Hindustan Aeronautics Ltd.	0	1	12	24
60	Hindustan Paper Corporation Ltd.	0	0	1	0
61	HMT Ltd.	0	2	1	0
62	Hotel Corporation of India	0	0	1	3
63	Housing and Urban Development Corporation Ltd.	0	0	0	6
64	India Tourism Development Corporation Ltd.	0	14	15	4
65	India Trade Promotion Organisation	0	3	2	0
66	Indian Bank	0	33	15	0

Sl. No.	Name of the Department/ Organisation	Prosecution	Major Penalty	Minor Penalty	Administrative Action
67	Indian Council of Agricultural Research	0	13	11	12
68	Indian Council of Medical Research	0	1	0	0
69	Indian Oil Corporation Ltd.	0	5	35	0
70	Indian Overseas Bank	2	79	50	1
71	Indian Railway Catering and Tourism Corporation	0	0	1	0
72	Indian Rare Earths Ltd.	0	0	0	1
73	Indo Tibetan Border Police	0	0	0	5
74	Industrial Development Bank of India Ltd.	1	41	21	0
75	Inland Waterways Authority of India Ltd.	0	0	1	0
76	IRCON International Ltd.	0	1	2	0
77	Jawaharlal Nehru Port Trust	0	2	0	0
78	Kendriya Vidyalaya Sangathan	0	3	1	1
79	Khadi and Village Industries Commission	0	1	1	0
80	Kolkata Port Trust	0	0	1	5
81	Lakshadweep Administration	0	1	0	0
82	Life Insurance Corporation of India	0	28	6	22
83	Mahanadi Coalfields Ltd.	0	0	13	0
84	Mahanagar Telephone Nigam Ltd.	0	7	2	0
85	Mazagon Dock Ltd.	0	0	0	7
86	Ministry of Civil Aviation	0	2	2	1
87	Ministry of Coal	7	3	13	0
88	Ministry of Commerce	0	2	1	0
89	Ministry of Culture	1	1	0	0
90	Ministry of Defence	2	3	0	0
91	Ministry of External Affairs	3	2	3	1
92	Ministry of Food Processing Industries	0	1	0	0

Sl. No.	Name of the Department/ Organisation	Prosecution	Major Penalty	Minor Penalty	Administrative Action
93	Ministry of Home Affairs	4	6	3	2
94	Ministry of Housing and Urban Poverty Alleviation	1	7	2	19
95	Ministry of Human Resource Development	2	1	0	1
96	Ministry of Information & Broadcasting	3	3	1	0
97	Ministry of Information Technology	0	0	4	6
98	Ministry of Labour & Employment	2	3	0	1
99	Ministry of Mines	0	4	0	0
100	Ministry of Personnel, P.G & Pensions	3	1	1	0
101	Ministry of Petroleum and Natural Gas	0	1	0	0
102	Ministry of Power	0	0	1	0
103	Ministry of Railways	16	170	315	117
104	Ministry of Shipping	0	1	0	0
105	Ministry of Social Justice & Empowerment	0	2	1	0
106	Ministry of Textiles	0	15	9	0
107	Ministry of Water Resources, River Development & Ganga Rejuvenation	0	1	1	0
108	Ministry of Youth Affairs & Sports	0	1	0	0
109	MMTC Ltd.	0	2	2	0
110	Mumbai Port Trust	0	2	1	0
111	Municipal Corporation of East Delhi	0	12	3	1
112	Municipal Corporation of North Delhi	0	20	12	2
113	Municipal Corporation of South Delhi	0	2	3	1
114	NALCO Ltd.	0	3	3	0

Sl. No.	Name of the Department/ Organisation	Prosecution	Major Penalty	Minor Penalty	Administrative Action
115	National Buildings Construction Corporation Ltd.	0	0	7	2
116	National Fertilizers Ltd.	0	1	4	0
117	National Highways Authority of India	0	1	1	6
118	National Institute of Electronics & Information Technology	0	0	1	0
119	National Institute of Fashion Technology	1	0	0	1
120	National Insurance Co. Ltd.	0	21	0	4
121	National Seeds Corporation Ltd.	1	0	0	0
122	National Textile Corporation Ltd.	0	0	0	1
123	National Thermal Power Corporation Ltd.	1	1	1	3
124	Nehru Yuva Kendra Sangathan	0	1	0	0
125	New Delhi Municipal Council	0	0	0	1
126	New India Assurance Co. Ltd.	0	0	6	0
127	New Mangalore Port Trust	0	0	0	2
128	Neyveli Lignite Corporation Ltd.	0	0	4	3
129	Northern Coalfields Ltd.	1	4	0	3
130	Nuclear Power Corporation of India Ltd.	0	0	2	0
131	Oil and Natural Gas Corporation	0	0	13	0
132	Ordnance Factory Board	0	1	1	0
133	Oriental Bank of Commerce	4	63	31	0
134	Oriental Insurance Co. Ltd.	2	11	3	2
135	Pawan Hans Helicopters Ltd.	0	11	1	0
136	Power Grid Corporation of India Ltd.	0	0	10	0
137	Prasar Bharati	1	3	7	2
138	Punjab & Sind Bank	0	23	0	0

Sl. No.	Name of the Department/ Organisation	Prosecution	Major Penalty	Minor Penalty	Administrative Action
139	Punjab National Bank	10	123	46	0
140	Rail India Technical & Economic Services Ltd.	0	5	6	0
141	Registrar General of India	0	2	0	0
142	Sashastra Seema Bal	0	1	2	0
143	Shipping Corporation of India Ltd.	0	0	1	0
144	Small Industries Development Bank of India	0	2	4	0
145	Software Technology Parks of India	0	0	2	2
146	South Eastern Coalfields Limited	0	0	18	0
147	Sports Authority of India	0	2	0	0
148	State Bank of Bikaner & Jaipur	0	10	1	0
149	State Bank of Hyderabad	0	7	2	6
150	State Bank of India	5	117	94	6
151	State Bank of Mysore	0	5	4	1
152	State Bank of Patiala	0	29	9	0
153	State Bank of Travancore	1	24	40	0
154	Syndicate Bank	0	56	40	0
155	The State Trading Corporation of India Ltd.	0	16	2	0
156	UCO Bank	3	48	20	0
157	Union Bank of India	1	67	44	6
158	United Bank of India	4	44	21	0
159	United India Insurance Co. Ltd.	0	2	2	0
160	University of Delhi	0	0	3	0
161	Vijaya Bank	0	19	4	0
162	Visakhapatnam Port Trust	0	4	4	0
163	Western Coalfields Ltd.	0	12	9	0
	Total	132	1832	1346	414

Appendix III -A(i)

(Para 3.8)

Work Done by CVOs in 2015

Details of Complaints sent by CVC including Whistle Blower

S.No.	Department/Sector	Total Received	Disposal	Pending	Pending for more than six months
1	Agriculture	70	39	31	26
2	Atomic Energy	32	15	17	15
3	Banks	556	497	59	5
4	Central Board of Direct Taxes	92	30	62	55
5	Chemical & Petrochemicals	14	14	0	0
6	Civil Aviation	26	4	22	18
7	Coal	46	40	6	0
8	Commerce	15	12	3	1
9	Corporate Affairs	9	3	6	5
10	Central Board of Excise & Customs	61	37	24	19
11	Defence	81	66	15	13
12	DOPT	36	19	17	9
13	Earth Sciences	29	5	24	10
14	Environment and Forests	300	171	129	31
15	External Affairs	18	3	15	13
16	Fertilizers	16	7	9	6
17	Finance	253	134	119	61
18	Food & Consumer Affairs	39	27	12	9
19	Govt. of NCT of Delhi	55	16	39	37
20	Health & Family Welfare	81	27	54	53
21	Heavy Industry	70	45	25	17
22	Home Affairs	3	2	1	1

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

S.No.	Department/Sector	Total Received	Disposal	Pending	Pending for more than six months
23	Human Resource Development	716	425	291	238
24	Industrial Development	102	19	83	61
25	Information & Broadcasting	56	45	11	11
26	Insurance	114	59	55	39
27	Labour	146	135	11	0
28	Mines	107	92	15	8
29	Ministry of Culture	43	3	40	38
30	Non Conventional Energy Sources	8	3	5	4
31	Petroleum	130	85	45	32
32	Posts	33	27	6	4
33	Power	43	25	18	5
34	Railways	147	111	36	4
35	Road Transport & Highways	30	21	9	5
36	Rural Development	21	2	19	15
37	Science & Technology	4	1	3	3
38	Shipping	67	44	23	17
39	Social Justice & Empowerment	13	6	7	7
40	Steel	100	83	17	4
41	Telecommunication	33	30	3	2
42	Textiles	125	95	30	25
43	Tourism	9	5	4	0
44	Urban Affairs	279	148	131	65
45	Water Resources	0	0	0	0
46	Youth Affairs & Sports	40	21	19	11
47	Miscellaneous	3	2	1	0
	Total	4271	2700	1571	1002

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 2015

Details of Complaints regarding other employees

S.No	Department/Sector	Total Received	Disposal	Pending	Pending for more than six months
1	Agriculture	146	83	63	50
2	Atomic Energy	176	60	116	40
3	Banks	4807	4257	550	37
4	Central Board of Direct Taxes	1992	1123	869	566
5	Chemical & Petrochemicals	48	40	8	0
6	Civil Aviation	171	124	47	23
7	Coal	346	295	51	8
8	Commerce	29	26	3	1
9	Corporate Affairs	97	39	58	31
10	Central Board of Excise & Customs	1399	792	607	406
11	Defence	523	458	65	31
12	DOPT	180	107	73	52
13	Earth Sciences	39	23	16	4
14	Environment and Forests	150	80	70	43
15	External Affairs	250	45	205	101
16	Fertilizers	60	38	22	11
17	Finance	4733	3585	1148	118
18	Food & Consumer Affairs	2196	1201	995	710
19	Govt. of NCT of Delhi	5084	1697	3387	2015
20	Health & Family Welfare	1062	818	244	109
21	Heavy Industry	316	245	71	20
22	Home Affairs	21	6	15	15

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

S.No	Department/Sector	Total Received	Disposal	Pending	Pending for more than six months
23	Human Resource Development	661	438	223	81
24	Industrial Development	203	107	96	44
25	Information & Broadcasting	962	599	363	239
26	Insurance	566	337	229	115
27	Labour	465	354	111	76
28	Mines	235	185	50	13
29	Ministry of Culture	26	3	23	12
30	Non Conventional Energy Sources	50	43	7	1
31	Petroleum	2611	2019	592	388
32	Posts	705	529	176	120
33	Power	553	399	154	50
34	Railways	12247	9666	2581	1311
35	Road Transport & Highways	321	173	148	105
36	Rural Development	50	5	45	43
37	Science & Technology	2	1	1	1
38	Shipping	101	69	32	26
39	Social Justice & Empowerment	17	0	17	6
40	Steel	1501	1323	178	27
41	Telecommunication	3346	2593	753	394
42	Textiles	402	325	77	68
43	Tourism	16	13	3	2
44	Urban Affairs	2800	1090	1710	297
45	Water Resources	11	11	0	1
46	Youth Affairs & Sports	104	45	59	45
47	Miscellaneous	53	23	30	20
	Total	51833	35492	16341	7876

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 2015

Details of Complaints regarding all category of employees

S.No	Department/Sector	Total Received	Disposal	Pending	Pending for more than six months
1	Agriculture	216	122	94	76
2	Atomic Energy	208	75	133	55
3	Banks	5363	4754	609	42
4	Central Board of Direct Taxes	2084	1153	931	621
5	Chemical & Petrochemicals	62	54	8	0
6	Civil Aviation	197	128	69	41
7	Coal	392	335	57	8
8	Commerce	44	38	6	2
9	Corporate Affairs	106	42	64	36
10	Central Board of Excise & Customs	1460	829	631	425
11	Defence	604	524	80	44
12	DOPT	216	126	90	61
13	Earth Sciences	68	28	40	14
14	Environment and Forests	450	251	199	74
15	External Affairs	268	48	220	114
16	Fertilizers	76	45	31	17
17	Finance	4986	3719	1267	179
18	Food & Consumer Affairs	2235	1228	1007	719
19	Govt. of NCT of Delhi	5139	1713	3426	2052
20	Health & Family Welfare	1143	845	298	162
21	Heavy Industry	386	290	96	37
22	Home Affairs	24	8	16	16

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

S.No	Department/Sector	Total Received	Disposal	Pending	Pending for more than six months
23	Human Resource Development	1377	863	514	319
24	Industrial Development	305	126	179	105
25	Information & Broadcasting	1018	644	374	250
26	Insurance	680	396	284	154
27	Labour	611	489	122	76
28	Mines	342	277	65	21
29	Ministry of Culture	69	6	63	50
30	Non Conventional Energy Sources	58	46	12	5
31	Petroleum	2741	2104	637	420
32	Posts	738	556	182	124
33	Power	596	424	172	55
34	Railways	12394	9777	2617	1315
35	Road Transport & Highways	351	194	157	110
36	Rural Development	71	7	64	58
37	Science & Technology	6	2	4	4
38	Shipping	168	113	55	43
39	Social Justice & Empowerment	30	6	24	13
40	Steel	1601	1406	195	31
41	Telecommunication	3379	2623	756	396
42	Textiles	527	420	107	93
43	Tourism	25	18	7	2
44	Urban Affairs	3079	1238	1841	362
45	Water Resources	11	11	0	1
46	Youth Affairs & Sports	144	66	78	56
47	Miscellaneous	56	25	31	20
	Total	56104	38192	17912	8878

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

Appendix III -B

(Para 3.8)

Work done by CVOs in 2015
Details of Departmental Inquiries against officers
(UNDER CVC JURISDICTION)

S.No	Department/Sector	Total Received	Disposal	Pending	Pending for more than six months
1	Agriculture	13	9	4	4
2	Atomic Energy	5	2	3	3
3	Banks	904	554	350	136
4	Central Board of Direct Taxes	19	3	16	14
5	Chemical & Petrochemicals	0	0	0	0
6	Civil Aviation	62	33	29	28
7	Coal	60	18	42	33
8	Commerce	34	13	21	16
9	Corporate Affairs	10	0	10	9
10	Central Board of Excise & Customs	476	153	323	309
11	Defence	69	34	35	20
12	DOPT	37	6	31	24
13	Earth Sciences	0	0	0	0
14	Environment & Forests	0	0	0	0
15	External Affairs	4	2	2	2
16	Fertilizers	3	0	3	3
17	Finance	0	0	0	0
18	Food & Consumer Affairs	15	4	11	11
19	Govt. of NCT of Delhi	6	2	4	4
20	Health & Family Welfare	61	17	44	39
21	Heavy Industry	9	3	6	6

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

S.No	Department/Sector	Total Received	Disposal	Pending	Pending for more than six months
22	Home Affairs	6	1	5	5
23	Human Resource Development	4	1	3	3
24	Industrial Development	34	2	32	32
25	Information & Broadcasting	28	11	17	11
26	Insurance	21	12	9	8
27	Labour	101	35	66	51
28	Mines	16	11	5	4
29	Ministry of Culture	9	1	8	8
30	Non Conventional Energy Sources	0	0	0	0
31	Petroleum	86	34	52	12
32	Posts	23	4	19	18
33	Power	8	5	3	3
34	Railways	339	130	209	181
35	Road Transport & Highways	46	6	40	34
36	Rural Development	0	0	0	0
37	Science & Technology	1	0	1	0
38	Shipping	24	1	23	22
39	Social Justice & Empowerment	0	0	0	0
40	Steel	18	8	10	7
41	Telecommunication	164	49	115	109
42	Textiles	7	5	2	2
44	Tourism	57	26	31	16
44	Urban Affairs	77	45	32	25
45	Water Resources	0	0	0	0
46	Youth Affairs & Sports	1	1	0	0
47	Miscellaneous	1	0	1	1
	Total	2858	1241	1617	1213

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

Appendix III-C

(Para 3.8)

Work done by CVOs in 2015

Details of Departmental Inquiries against other employees

S.No	Department/Sector	Total Received	Disposal	Pending	Pending for more than six months
1	Agriculture	2	0	2	2
2	Atomic Energy	20	4	16	16
3	Banks	4006	2709	1297	551
4	Central Board of Direct Taxes	330	70	260	240
5	Chemical & Petrochemicals	5	4	1	0
6	Civil Aviation	36	24	12	2
7	Coal	132	56	76	49
8	Commerce	52	5	47	41
9	Corporate Affairs	2	1	1	1
10	Central Board of Excise & Customs	1069	446	623	538
11	Defence	60	32	28	6
12	DOPT	56	24	32	25
13	Earth Sciences	0	0	0	0
14	Environment & Forests	0	0	0	0
15	External Affairs	14	5	9	8
16	Fertilizers	43	18	25	18
17	Finance	7	4	3	3
18	Food & Consumer Affairs	382	179	203	142
19	Govt. of NCT of Delhi	144	26	118	95
20	Health & Family Welfare	103	39	64	6
21	Heavy Industry	30	8	22	16
22	Home Affairs	7	4	3	3

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

S.No	Department/Sector	Total Received	Disposal	Pending	Pending for more than six months
23	Human Resource Development	12	6	6	5
24	Industrial Development	54	19	35	29
25	Information & Broadcasting	92	9	83	77
26	Insurance	188	100	88	52
27	Labour	378	123	255	174
28	Mines	99	68	31	18
29	Ministry of Culture	0	0	0	0
30	Non Conventional Energy Sources	1	1	0	0
31	Petroleum	248	105	143	80
32	Posts	46	20	26	26
33	Power	86	53	33	19
34	Railways	1487	838	649	484
35	Road Transport & Highways	90	11	79	46
36	Rural Development	0	0	0	0
37	Science & Technology	0	0	0	0
38	Shipping	0	0	0	0
39	Social Justice & Empowerment	5	1	4	4
40	Steel	70	39	31	17
41	Telecommunication	703	360	343	244
42	Textiles	33	13	20	14
43	Tourism	13	3	10	9
44	Urban Affairs	36	11	25	8
45	Water Resources	0	0	0	0
46	Youth Affairs & Sports	4	4	0	0
47	Miscellaneous	21	11	10	7
	Total	10166	5453	4713	3075

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

Appendix III-D

(Para 3.9)

Work done by CVOs in 2015

Details of Prosecution Sanctions for all categories

S.No	Department/Sector	Total cases for sanction	Disposal		Pending	Pending for more than six months
			Sanctioned	Refused		
1	Agriculture	0	0	0	0	0
2	Atomic Energy	1	0	0	1	1
3	Banks	126	81	27	18	2
4	Central Board of Direct Taxes	10	6	1	3	0
5	Chemical & Petrochemicals	0	0	0	0	0
6	Civil Aviation	2	2	0	0	0
7	Coal	50	50	0	0	0
8	Commerce	0	0	0	0	0
9	Corporate Affairs	1	1	0	0	0
10	Central Board of Excise & Customs	14	6	0	8	4
11	Defence	1	1	0	0	0
12	DOPT	2	2	0	0	0
13	Earth Sciences	0	0	0	0	0
14	Environment and Forests	2	1	1	0	0
15	External Affairs	3	3	0	0	0
16	Fertilizers	2	2	0	0	0
17	Finance	1	0	0	1	0
18	Food & Consumer Affairs	8	7	0	1	2
19	Govt. of NCT of Delhi	14	8	2	4	1
20	Health & Family Welfare	9	1	3	5	0
21	Heavy Industry	2	2	0	0	0
22	Home Affairs	1	1	0	0	0

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

S.No	Department/Sector	Total cases for sanction	Disposal		Pending	Pending for more than six months
			Sanctioned	Refused		
23	Human Resource Development	0	0	0	0	0
24	Industrial Development	0	0	0	0	0
25	Information & Broadcasting	13	13	0	0	0
26	Insurance	5	5	0	0	0
27	Labour	24	20	0	4	0
28	Mines	0	0	0	0	0
29	Ministry of Culture	0	0	0	0	0
30	Non Conventional Energy Sources	0	0	0	0	0
31	Petroleum	5	1	1	3	0
32	Posts	2	1	0	1	0
33	Power	0	0	0	0	0
34	Railways	35	24	3	8	0
35	Road Transport & Highways	1	1	0	0	0
36	Rural Development	0	0	0	0	0
37	Science & Technology	0	0	0	0	0
38	Shipping	0	0	0	0	0
39	Social Justice & Empowerment	0	0	0	0	0
40	Steel	14	5	0	9	0
41	Telecommunication	10	5	0	5	0
42	Textiles	4	4	0	0	0
43	Tourism	0	0	0	0	0
44	Urban Affairs	16	13	1	2	1
45	Water Resources	0	0	0	0	0
46	Youth Affairs & Sports	0	0	0	0	0
47	Miscellaneous	0	0	0	0	0
	Total	378	266	39	73	11

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

Appendix III-E

(Para 3.5)

Work done by CVOs in 2015

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

S.No.	Department/Sector	Reduction to lower stage	Postponement/withholding of increment	Recovery from pay	Withholding of promotion	Censure/warning	No action	Total
1	Agriculture	0	0	0	0	0	0	0
2	Atomic Energy	1	0	0	0	5	0	6
3	Banks	384	287	148	6	860	53	1738
4	Central Board of Direct Taxes	1	0	0	0	1	0	2
5	Chemical & Petrochemicals	0	0	0	0	1	0	1
6	Civil Aviation	1	9	0	2	10	2	24
7	Coal	3	34	2	0	130	6	175
8	Commerce	0	0	0	0	0	0	0
9	Corporate Affairs	0	0	0	0	0	0	0
10	Central Board of Excise & Customs	3	5	4	0	21	5	38
11	Defence	0	1	0	0	44	5	50
12	DOPT	0	1	0	0	7	0	8
13	Earth Sciences	0	0	0	0	0	0	0
14	Environment & Forests	0	0	0	0	0	0	0
15	External Affairs	1	0	0	0	1	0	2
16	Fertilizers	0	1	2	0	3	1	7
17	Finance	0	1	0	0	3	0	4
18	Food & Consumer Affairs	126	63	1832	0	283	110	2414
19	Govt. of NCT of Delhi	0	13	1	0	117	56	187
20	Health & Family Welfare	1	1	0	0	3	2	7
21	Heavy Industry	2	3	0	0	25	0	30
22	Home Affairs	0	0	0	0	0	0	0

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

S.No.	Department/Sector	Reduction to lower stage	Postponement/withholding of increment	Recovery from pay	Withholding of promotion	Censure/warning	No action	Total
23	Human Resource Development	0	0	0	0	0	0	0
24	Industrial Development	0	3	0	0	2	0	5
25	Information & Broadcasting	4	3	0	0	0	3	10
26	Insurance	64	20	8	0	376	30	498
27	Labour	9	6	1	0	10	7	33
28	Mines	0	3	2	1	3	0	9
29	Ministry of Culture	0	0	0	0	0	0	0
30	Non Conventional Energy Sources	0	0	0	0	0	0	0
31	Petroleum	7	7	9	15	124	17	179
32	Posts	27	225	123	1	203	15	594
33	Power	3	21	2	3	49	5	83
34	Railways	420	2406	5	77	1386	101	4395
35	Road Transport & Highways	0	2	0	0	0	0	2
36	Rural Development	0	0	0	0	0	0	0
37	Science & Technology	0	0	0	0	0	0	0
38	Shipping	0	0	0	0	0	0	0
39	Social Justice & Empowerment	0	1	0	0	0	0	1
40	Steel	10	8	4	2	44	9	77
41	Telecommunication	19	89	5	7	120	23	263
42	Textiles	0	4	0	0	0	0	4
43	Tourism	2	6	0	0	5	0	13
44	Urban Affairs	10	6	0	0	11	7	34
45	Water Resources	0	0	0	0	0	0	0
46	Youth Affairs & Sports	0	0	0	0	0	0	0
47	Miscellaneous	2	0	0	0	6	0	8
	Total	1100	3229	2148	114	3853	457	10901

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

Appendix III- F

(Para 3.5)

Work done by CVOs in 2015

Details on punishments awarded (all categories) in cases of Major penalty proceedings

S.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	1	0	3	0	0	1	3	8
2	Atomic Energy	0	0	1	0	0	0	0	1
3	Banks	52	562	1194	1069	141	168	75	3261
4	Central Board of Direct Taxes	1	1	0	0	0	0	2	4
5	Chemical & Petrochemicals	0	0	3	0	0	0	0	3
6	Civil Aviation	3	0	18	0	0	9	2	32
7	Coal	0	13	93	24	11	14	9	164
8	Commerce	0	2	0	3	4	4	7	20
9	Corporate Affairs	0	0	1	0	0	0	0	1
10	Central Board of Excise & Customs	9	22	54	28	4	16	84	217
11	Defence	2	1	7	10	0	1	0	21
12	DOPT	1	2	1	0	5	1	5	15
13	Earth Sciences	0	0	0	0	0	0	0	0
14	Environment & Forests	0	0	0	0	0	0	0	0
15	External Affairs	0	5	4	0	0	1	0	10
16	Fertilizers	0	1	1	0	2	4	2	10
17	Finance	0	0	4	0	0	0	0	4
18	Food & Consumer Affairs	0	23	96	43	138	42	49	391
19	Govt. of NCT of Delhi	23	37	34	69	13	18	90	284
20	Health & Family Welfare	2	11	14	0	1	3	7	38
21	Heavy Industry	0	4	1	6	1	9	0	21

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

S.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
22	Home Affairs	1	1	1	2	0	0	0	5
23	Human Resource Development	0	1	0	1	0	0	1	3
24	Industrial Development	1	3	3	2	4	3	6	22
25	Information & Broadcasting	3	2	6	0	0	2	2	15
26	Insurance	12	51	137	37	57	340	44	678
27	Labour	20	15	18	24	22	4	32	135
28	Mines	1	1	1	9	0	0	3	15
29	Ministry of Culture	0	0	0	0	0	0	1	1
30	Non Conventional Energy Sources	0	0	0	0	0	0	0	0
31	Petroleum	0	17	29	10	6	16	10	88
32	Posts	7	25	21	17	34	6	5	115
33	Power	0	3	4	2	2	1	7	19
34	Railways	31	88	933	3	77	15	34	1181
35	Road Transport & Highways	1	0	7	2	2	3	6	21
36	Rural Development	0	0	0	0	0	0	0	0
37	Science & Technology	0	0	0	0	0	0	0	0
38	Shipping	0	0	1	0	0	0	1	2
39	Social Justice & Empowerment	0	0	0	0	0	0	0	0
40	Steel	0	5	24	2	0	6	4	41
41	Telecommunication	60	26	72	52	15	25	42	292
42	Textiles	0	3	3	0	0	4	6	16
43	Tourism	0	2	20	0	0	2	0	24
44	Urban Affairs	28	0	45	0	0	5	19	97
45	Water Resources	0	0	0	0	0	0	0	0
46	Youth Affairs & Sports	0	1	5	0	0	0	0	6
47	Miscellaneous	0	0	0	0	5	0	1	6
	Total	259	928	2859	1415	544	723	559	7287

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

Appendix III-G

(Para 3.5)

List of Organizations from whom Annual Report for the year 2015 was received

1	Air India	29	Braithwaite Burn and Jessop Construction Co. Ltd.
2	Airports Authority of India	30	Braithwaite & Co. Limited
3	All India Institute of Speech and Hearing	31	Bridge and Roof Co.(India) Ltd.
4	Allahabad Bank	32	Burn Standard Co. Ltd.
5	Andaman And Nicobar Islands	33	Cabinet Secretariat
6	Andhra Bank	34	Canara Bank
7	Andrew Yule & Company Ltd.	35	Cement Corporation of India Ltd.
8	Artificial Limbs Manufacturing Corporation of India	36	Central Bank of India
9	Atomic Energy Education Society	37	Central Board For Workers Education
10	Balmer Lawrie & Co. Ltd.	38	Central Board of Direct Taxes
11	Bank of India	39	Central Board of Excise and Customs
12	Bank of Baroda	40	Central Board of Secondary Education
13	Bank of Maharashtra	41	Central Bureau of Investigation
14	Bhakra Beas Management Board	42	Central Coalfields Ltd.
15	Bharat Coking Coal Ltd.	43	Central Cottage Industries Corporation of India Ltd.
16	Bharat Dynamics Ltd.	44	Central Council of Homoeopathy
17	Bharat Electronics Ltd.	45	Central Council of Medicine
18	Bharat Heavy Electricals Ltd.	46	Central Electricity Authority
19	Bharat Petroleum Corporation Ltd.	47	Central Industrial Security Force
20	Bharat Pumps & Compressors Ltd.	48	Central Manufacturing Technology Institute
21	Bharat Sanchar Nigam Ltd.	49	Central Mines Planning & Design Institute Ltd.
22	Bharatiya Mahila Bank	50	Central Pollution Control Board
23	Bharatiya Reserve Bank Note Mudran (P) Ltd.	51	Central Pulp & Paper Research Institute
24	Bird Group of Companies	52	Central Public Works Department
25	Board of Apprenticeship Training	53	Central Tool Room & Training Centre, Bhubaneswar
26	Board of Practical Training	54	Central Warehousing Corporation
27	Border Security Force		
28	Brahmaputra Valley Fertilizers Corporation Ltd.		

55	Central Council For Research In Homoeopathy
56	Centre for Materials for Electronics Technology (C-MET)
57	Chennai Petroleum Corporation Ltd.
58	Chennai Port Trust
59	Coal India Ltd.
60	Coal Mines Provident Fund Organisation
61	Cochin Port Trust
62	Cochin Shipyard Ltd.
63	Coconut Development Board
64	Commissioner for Linguistic Minorities
65	Container Corporation of India Ltd.
66	Controller General of Defence Accounts
67	Corporation Bank
68	Council of Scientific and Industrial Research
69	Damodar Valley Corporation
70	Dedicated Freight Corridor Corporation of India Ltd.
71	Delhi Development Authority
72	Delhi Metro Rail Corporation Ltd.
73	Delhi Transport Corporation
74	Delhi Urban Art Commission
75	Dena Bank
76	Department of Agriculture, Cooperation & Farmers Welfare
77	Department of Animal Husbandry, Dairying and Fisheries
78	Department of Chemicals & Petrochemicals
79	Department of Disinvestment
80	Department of Economic Affairs
81	Department of Expenditure

82	Department of Food & Public Distribution
83	Department of Heavy Industry
84	Department of Higher Education
85	Department of Personnel and Training
86	Department of Posts
87	Ministry of Social Justice & Empowerment
88	Department of Space
89	Department of Telecommunications
90	Directorate General of Assam Rifles
91	Dredging Corporation of India Ltd.
92	Eastern Coalfields Ltd.
93	Edcil (India) Ltd.
94	Electronics Corporation of India Ltd.
95	Employees' Provident Fund Organisation
96	Employees' State Insurance Corporation
97	Engineers India Ltd.
98	Environment & Forests
99	Export Credit Guarantee Corporation of India Ltd.
100	Export Inspection Council of India
101	FCI Aravali Gypsum and Minerals India Ltd.
102	Fertilizers Corporation of India Ltd.
103	Food Corporation of India
104	G.B Pant Institute of Himalayan Environment & Development
105	Garden Reach Shipbuilders & Engineers Ltd.
106	Gas Authority of India Ltd.
107	General Insurance Corporation of India
108	Geological Survey of India
109	Govt. of NCT of Delhi

110	Harish Chandra Research Institute, Allahabad
111	Heavy Engineering Corporation Ltd.
112	Hindustan Aeronautics Ltd.
113	Hindustan Cables Ltd.
114	Hindustan Copper Ltd.
115	Hindustan Fertilizers Corporation Ltd.
116	Hindustan Insecticides Ltd.
117	Hindustan Organic Chemicals Ltd.
118	Hindustan Paper Corporation Ltd.
119	Hindustan Petroleum Corporation Ltd.
120	Hindustan Prefab Ltd.
121	Hindustan Steelworks Construction Ltd.
122	HLL Lifecare Ltd.
123	Housing and Urban Development Corporation Ltd.
124	HSCC (India) Ltd.
125	India Tourism Development Corporation Ltd.
126	India Trade Promotion Organisation
127	Indian Bureau of Mines
128	Industrial Development Bank of India
129	Indian Grain Storage Management & Research Institute
130	Indian Institute of Management, Ahmedabad
131	Indian Institute of Technology, Mumbai
132	Indian Institute of Information Technology, Design & Manufacturing, Kanchipuram
133	Indian Maritime University
134	Indian Oil Corporation Ltd.
135	Indian Overseas Bank

136	Indian Railway Catering and Tourism Corporation Ltd.
137	Indian Railway Finance Corporation Ltd.
138	Indian Rare Earths Ltd.
139	Indian Renewable Energy Development Agency Ltd.
140	Indraprastha Power Generation Co. Ltd.
141	Instrumentation Ltd.
142	IRCON International Ltd.
143	ITI, Bangalore
144	Jawaharlal Nehru Port Trust
145	Kamarajar Port Ltd.
146	Kandla Port Trust
147	Kendriya Bhandar
148	Kendriya Vidyalaya Sangathan
149	Kolkata Port Trust
150	Konkan Railway Corporation Ltd.
151	Kudremukh Iron & Ore Co. Ltd.
152	Life Insurance Corporation of India
153	MMTC Ltd.
154	Madras Fertilizers Ltd.
155	Mahanadi Coalfields Ltd.
156	Mahanagar Telephone Nigam Ltd.
157	Mazagon Dock Shipbuilders Ltd.
158	MECON Ltd.
159	Medical Council of India
160	Ministry of Ayush
161	Ministry of Civil Aviation
162	Ministry of Commerce & industry
163	Ministry of Corporate Affairs
164	Ministry of Culture
165	Ministry of Development of North Eastern Region
166	Ministry of Earth Sciences

167	Ministry of External Affairs
168	Ministry of Finance
169	Ministry of Food Processing Industries
170	Ministry of Health & Family Welfare
171	Ministry of Information and Broadcasting
172	Ministry of Labour and Employment
173	Ministry of New & Renewable Energy
174	Ministry of Panchayati Raj
175	Ministry of Petroleum & Natural Gas
176	Ministry of Power
177	Ministry of Rural Development
178	Ministry of Shipping
179	Ministry of Urban Development
180	Ministry of Textiles
181	Mishra Dhatu Nigam Ltd.
182	MOIL Ltd.
183	Mormugao Port Trust
184	Municipal Corporation of East Delhi
185	Municipal Corporation of North Delhi
186	NALCO
187	National Bank for Agriculture and Rural Development
188	National Buildings Construction Corporation Ltd.
189	National Commission for Backward Classes
190	National Fertilizers Ltd.
191	National Highways Authority of India
192	National Housing Bank
193	National Hydro- Electric Power Co. Ltd.
194	National Institute of Fashion Technology

195	National Institute of Health & Family Welfare
196	National Institute of Plant Genome Research
197	National Insurance Company Ltd.
198	National Mineral Development Corporation Ltd.
199	National Research Development Corporation
200	National Scheduled Castes Finance and Development Corporation
201	National Security Guard
202	National Small Industries Corporation Ltd.
203	National Textile Corporation Ltd.
204	National Thermal Power Corporation Ltd.
205	National Water Development Agency
206	New Mangalore Port Trust
207	Neyveli Lignite Corporation Ltd.
208	North Eastern Development Finance Corporation Ltd.
209	North Eastern Electric Power Corporation Ltd.
210	North Eastern Handicrafts & Handlooms Development Corporation Ltd.
211	Northern Coalfields Ltd.
212	Nuclear Power Corporation of India Ltd.
213	Numaligarh Refinery Ltd.
214	Oil and Natural Gas Corporation Ltd.
215	Oil India Ltd.
216	Ordnance Factory Board
217	Oriental Bank of Commerce
218	Oriental Insurance Co. Ltd.
219	Paradip Port Trust
220	Pawan Hans Ltd.

221	Power Finance Corporation Ltd.
222	Power Grid Corporation of India Ltd.
223	Prasar Bharti
224	Punjab & Sind Bank
225	Punjab National Bank
226	Rail India Technical & Economic Services Ltd.
227	Rail Vikas Nigam Ltd.
228	Rajasthan Electronics & Instruments Ltd.
229	Rashtriya Chemicals & Fertilizers Ltd.
230	Rashtriya Ispat Nigam Ltd.
231	Reserve Bank of India
232	Richardson & Cruddas (1972) Ltd.
233	Rural Electrification Corporation Ltd.
234	Scooters India Ltd.
235	Security Printing and Minting Corporation of India Ltd.
236	SJVNL Ltd.
237	Small Industries Development Bank of India
238	Software Technology Parks of India
239	Solar Energy Corporation of India
240	South Eastern Coalfields Ltd.
241	Sports Authority of India
242	State Bank of Bikaner and Jaipur
243	State Bank of Hyderabad
244	State Bank of India

245	State Bank of Mysore
246	State Bank of Patiala
247	State Bank of Travancore
248	Steel Authority of India Ltd.
249	DGS&D
250	Syndicate Bank
251	The Repatriates Cooperative Finance and Development Bank of India
252	The Cotton Corporation of India Ltd.
253	The Fertilizers and Chemicals Travancore Ltd.
254	The Handicrafts & Handlooms Exports Corporation of India Ltd.
255	The New India Assurance Company Ltd.
256	The Shipping Corporation of India Ltd.
257	The State Trading Corporation of India Ltd.
258	UCO Bank
259	Union Bank of India
260	United Bank of India
261	United India Insurance Co. Ltd.
262	V.O. Chidambaranar Port Trust
263	Victoria Memorial Hall
264	Vijaya Bank
265	Visakhapatnam Port Trust
266	Western Coalfields Ltd.

Appendix III-H

(Para 3.5)

List of selected PSUs/Organisations which have not submitted their Annual Report for 2015

1	Indian Telephone Industries Ltd.
2	Goa Shipyard Ltd.
3	Hindustan Shipyard Ltd.
4	Kochi Shipyard Ltd.
5	Mumbai Port Trust
6	Exim Bank
7	Industrial Investment Bank of India
8	Indian Bank

Appendix IV

(Para 4.8)

Organization-wise list of complaints referred by Commission and pending with CVOs for Inquiry and Report as on 31.12.2015.

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	Airports Authority of India	0	0	1
3	Aligarh Muslim University	0	0	3
4	All India Council For Technical Education	0	0	6
5	All India Institute of Medical Sciences	0	0	3
6	Allahabad Bank	0	0	1
7	Andaman & Nicobar Administration	2	0	1
8	Andhra Bank	1	0	0
9	Balmer Lawrie & Co. Ltd.	1	0	0
10	Bank of Baroda	1	0	1
11	Bank of India	3	0	0
12	Bank of Maharashtra	2	0	0
13	Bharat Heavy Electricals Ltd.	0	1	1
14	Bharat Immunologicals and Biologicals Corporation Ltd.	0	0	1
15	Bharat Petroleum Corporation Ltd.	0	0	1
16	Bharat Sanchar Nigam Ltd.	3	1	8
17	Border Roads Development Board	0	0	10
18	Brahmaputra Board	0	0	1
19	Bureau of Indian Standards	1	0	0
20	Canara Bank	1	0	0
21	Cement Corporation of India Ltd.	2	0	0

Sl. No.	Name of the Department/ Organization	Complaints pending for investigation		
		Upto one year	Between one- three years	More Than three years
22	Central Bank of India	0	0	5
23	Central Board of Direct Taxes	2	20	20
24	Central Board of Excise & Customs	6	6	3
25	Central Board of Secondary Education	0	0	1
26	Central Bureau of Investigation	3	2	2
27	Central Public Works Department	2	11	6
28	Chandigarh Administration	0	0	2
29	Coal India Ltd.	0	0	1
30	Comptroller & Auditor General of India	0	0	1
31	Container Corporation of India Ltd.	1	0	0
32	Corporation Bank	1	0	0
33	Council of Scientific & Industrial Research	0	2	0
34	Dadra & Nagar Haveli Admn.	1	0	3
35	Daman & Diu Admn.	1	0	3
36	Damodar Valley Corporation	1	1	0
37	Delhi Development Authority	3	19	13
38	Delhi Jal Board	0	11	16
39	Delhi Metro Rail Corporation	0	0	1
40	Delhi Police	1	1	3
41	Delhi Transco Limited/Indraprastha Power Generation Co. Ltd.	0	1	3
42	Delhi Transport Corporation	0	4	5
43	Delhi Urban Shelter Improvement Board	0	2	2
44	Department of Animal Husbandry Dairying & Fisheries	0	0	2

Sl. No.	Name of the Department/ Organization	Complaints pending for investigation		
		Upto one year	Between one- three years	More Than three years
45	Department of Atomic Energy	1	1	0
46	Department of Bio-Technology	0	0	1
47	Department of Chemicals & Petrochemicals	0	1	0
48	Department of Commerce (Supply Division)	0	0	1
49	Department of Defence Production and Supplies	0	0	2
50	Department of Disability Affairs	0	3	3
51	Department of Economic Affairs	0	3	2
52	Department of Fertilizers	1	1	2
53	Department of Financial Services	2	13	3
54	Department of Food & Public Distribution	1	0	1
55	Department of Heavy Industry	0	0	1
56	Department of Industrial Policy & Promotion	0	1	0
57	Department of Ocean Development	0	0	3
58	Department of Pharmaceuticals	0	3	0
59	Department of Posts	4	3	26
60	Department of Revenue	1	0	3
61	Department of Science and Technology	2	1	2
62	Department of Scientific & Industrial Research	0	1	1
63	Department of Secondary and Higher Education & D/o Elementary Education And Literacy	2	23	22
64	Department of Space	0	0	2
65	Department of Telecommunications	1	2	3

Sl. No.	Name of the Department/ Organization	Complaints pending for investigation		
		Upto one year	Between one- three years	More Than three years
66	Department of Women & Child Development	0	0	2
67	DSIIDC Ltd.	0	4	23
68	Eastern Coalfields Ltd.	0	3	0
69	Educational Consultants India Ltd.	0	0	1
70	Employees' Provident Fund Organisation	1	0	2
71	Employees' State Insurance Corporation	1	0	0
72	Engineers India Ltd.	0	0	1
73	Food Corporation of India	0	1	1
74	Gas Authority of India Ltd.	0	0	1
75	Government of National Capital Territory of Delhi	2	87	86
76	Government of Pondicherry	0	0	2
77	Heavy Engineering Corporation Ltd.	0	0	1
78	Hindustan Copper Ltd.	0	1	0
79	Hindustan Petroleum Corporation Ltd.	1	0	2
80	Hindustan Vegetable Oils Corporation Ltd.	0	0	1
81	HMT Ltd.	0	1	0
82	IIT Delhi	0	0	2
83	IIT Roorkee	0	0	1
84	India Tourism Development Corporation Ltd.	0	0	1
85	Indian Bank	2	0	0
86	Indian Council of Agricultural Research	0	7	6

Sl. No.	Name of the Department/ Organization	Complaints pending for investigation		
		Upto one year	Between one- three years	More Than three years
87	Indian Council Of Medical Research	0	0	1
88	Indian Oil Corporation Ltd.	0	1	1
89	Indian Overseas Bank	2	0	0
90	Indian Telephone Industries Ltd.	1	0	0
91	Indira Gandhi National Open University	0	1	1
92	Industrial Development Bank of India	2	0	0
93	Insurance Regulatory and Development Authority	1	0	0
94	Jamia Millia Islamia	0	0	1
95	Jawaharlal Nehru University	0	0	1
96	Kandla Port Trust	1	0	0
97	Kendriya Vidyalaya Sangathan	0	1	0
98	Khadi & Village Industries Commission	0	1	0
99	Life Insurance Corporation of India	1	0	2
100	Mahanagar Telephone Nigam Ltd.	0	0	1
101	Mangalore Refineries and Petrochemicals Ltd..	1	0	0
102	Mazagon Dock Ltd.	0	1	0
103	Ministry of Civil Aviation	0	1	0
104	Ministry of Ayush	0	0	2
105	Ministry of Civil Aviation	2	0	0
106	Ministry of Coal	1	1	3
107	Ministry of Commerce	0	0	2
108	Ministry of Culture	1	0	6
109	Ministry of Defence	6	8	8

Sl. No.	Name of the Department/ Organization	Complaints pending for investigation		
		Upto one year	Between one- three years	More Than three years
110	Ministry of Development of North Eastern Region	0	0	1
111	Ministry of Earth Sciences	1	0	0
112	Ministry of Environment and Forests	0	1	7
113	Ministry of External Affairs	1	0	1
114	Ministry of Health & Family Welfare	1	10	6
115	Ministry of Home Affairs	0	2	4
116	Ministry of Housing and Urban Poverty Alleviation	0	1	2
117	Ministry of Information & Broadcasting	1	1	7
118	Ministry of Information Technology	0	2	1
119	Ministry of Micro Small & Medium Enterprises	0	2	0
120	Ministry of Mines	1	1	1
121	Ministry of New and Renewable Energy Sources	0	1	0
122	Ministry of Parliamentary Affairs	0	0	1
123	Ministry of Personnel, Public Grievances and Pensions	1	0	3
124	Ministry of Petroleum & Natural Gas	0	1	6
125	Ministry of Power	0	2	1
126	Ministry of Railways	25	0	4
127	Ministry of Road Transport & Highways	0	0	1
128	Ministry of Rural Development	0	0	2
129	Ministry of Social Justice & Empowerment	0	0	2

Sl. No.	Name of the Department/ Organization	Complaints pending for investigation		
		Upto one year	Between one- three years	More Than three years
130	Ministry of Statistics and Programme Implementation	0	1	0
131	Ministry of Steel	0	2	0
132	Ministry of Textiles	1	6	2
133	Ministry of Tourism	1	0	0
134	Ministry of Tribal Affairs	0	1	1
135	Ministry of Urban Development	3	10	8
136	Ministry of Water Resources	1	2	3
137	Ministry of Youth Affairs & Sports	0	0	1
138	MMTC Ltd.	0	1	1
139	Municipal Corporation of East Delhi	0	1	5
140	Municipal Corporation of North Delhi	2	33	53
141	Municipal Corporation of South Delhi	1	42	45
142	NAFED	0	0	1
143	National Bank of Agriculture and Rural Development (NABARD)	0	0	2
144	National Board of Examinations	0	0	1
145	National Buildings Construction Corporation Ltd.	2	3	0
146	National Cooperative Consumers' Federation of India	0	0	1
147	National Fertilizers Ltd.	1	0	0
148	National Hydro-Electric Power Corporation Ltd.	0	0	1
149	National Institute of Educational Planning & Administration	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
150	National Institute of Technology, Jamshedpur	0	0	1
151	National Productivity Council	0	0	1
152	National Thermal Power Corporation Ltd.	1	0	0
153	Navodaya Vidyalaya Samiti	0	0	4
154	New Delhi Municipal Council	0	11	3
155	New Mangalore Port Trust	0	0	1
156	Neyveli Lignite Corporation Ltd.	1	0	0
157	Northern Coalfields Ltd.	2	0	2
158	Nuclear Power Corporation of India Ltd.	1	0	1
159	Oil & Natural Gas Corporation Ltd.	2	0	1
160	Ordnance Factory Board	4	1	0
161	Oriental Insurance Company Ltd.	1	1	0
162	Pawan Hans Ltd.	0	0	1
163	PGIMER, Chandigarh	0	0	1
164	Power Grid Corporation of India Ltd.	0	1	0
165	Prasar Bharati	0	1	1
166	Prime Minister's Office	0	0	1
167	Projects & Equipment Corporation of India Ltd.	0	0	1
168	Punjab National Bank	1	1	0
169	Rail India Technical & Economic Services Ltd..	1	0	0
170	Rashtriya Ispat Nigam Ltd.	2	0	1
171	Rural Electrification Corporation Ltd.	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
172	Satlaj Jal Vidut Nigam Ltd.	0	1	0
173	Securities and Exchange Board of India	2	1	1
174	Small Industries Development Bank of India	0	0	1
175	State Bank of Hyderabad	1	0	0
176	State Bank of India	3	0	0
177	State Bank of Mysore	0	0	1
178	State Bank of Patiala	1	0	1
179	State Bank of Saurashtra	0	0	1
180	Steel Authority of India Ltd.	2	0	1
181	Tehri Hydro Development Corporation Ltd.	0	0	1
182	The State Trading Corporation of India Ltd.	0	0	1
183	Triveni Structurals Ltd.	0	0	1
184	UCO Bank	1	0	0
185	Union Bank of India	1	2	0
186	United Bank of India	0	2	0
187	University of Delhi	0	0	1
188	Vijaya Bank	1	0	1
189	Visakhapatnam Port Trust	0	2	1
190	Western Coalfields Ltd.	0	1	1
	Total	152	409	579

Appendix V

(Para 4.9)

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 CVC's advice for more than six months	
		First Stage Advice	Second Stage Advice
1	Air India	2	2
2	Airports Authority of India	2	6
3	All India Institute of Medical Sciences	4	0
4	Allahabad Bank	1	0
5	Andaman & Nicobar Administration	16	10
6	Archaeological Survey of India	1	0
7	Artificial Limbs Manufacturing Corporation Ltd.	1	0
8	Balmer Lawrie & Co. Ltd.	7	6
9	Bank of Baroda	2	0
10	Bank of India	8	0
11	Bank of Maharashtra	1	1
12	Betwa River Board	1	0
13	Bharat Coking Coal Ltd.	2	0
14	Bharat Immunology and Biologicals Ltd.	0	3
15	Bharat Sanchar Nigam Ltd.	1	1
16	Bharat Wagon and Engineering Company Ltd.	1	0
17	Border Roads Development Board	11	2
18	Brahmaputra Board	1	0
19	Bureau of Indian Standards	0	1
20	Bureau of Police Research & Development	0	2
21	Cabinet Secretariat	1	1

Sl. No	Name of Department/Organisation	No. of cases pending implementation of CVC's advice for more than six months	
		First Stage Advice	Second Stage Advice
22	Canara Bank	4	0
23	Central Bank of India	10	0
24	Central Board of Direct Taxes	42	4
25	Central Board of Excise & Customs	143	46
26	Central Board of Secondary Education	1	1
27	Central Bureau of Investigation	26	1
28	Central Council for Research In Ayurveda Sciences	1	2
29	Central Mine Planning and Design Institute Ltd.	1	0
30	Central Public Works Department	7	0
31	Central Reserve Police Force	6	4
32	Central Social Welfare Board	1	0
33	Central Warehousing Corporation Ltd.	2	0
34	Chandigarh Administration	3	2
35	Chennai Port Tust	5	1
36	Coal India Ltd.	1	0
37	Coffee Board	1	0
38	Comptroller and Auditor General of India	9	0
39	Controller General of Accounts	4	0
40	Controller General of Defence Accounts	0	3
41	Corporation Bank	7	0
42	Council for Advancement of People's Action and Rural Technology	1	2
43	Council of Scientific and Industrial Research	10	2
44	Daman & Diu Administration & Dadra Nagar Haveli Administration	25	9

Sl. No	Name of Department/Organisation	No. of cases pending implementation of CVC's advice for more than six months	
		First Stage Advice	Second Stage Advice
45	Damodar Valley Corporation	3	4
46	Defence Accounts Department	9	2
47	Delhi Development Authority	7	1
48	Delhi Jal Board	9	0
49	Delhi Police	1	0
50	Delhi Transco Limited/ Indraprastha Power Generation Co Ltd.	8	1
51	Delhi Transport Corporation	9	1
52	Delhi Urban Shelter Improvement Board	13	3
53	Department of Agriculture, Cooperation & Farmers Welfare	0	2
54	Department of Animal Husbandry Dairying & Fisheries	1	0
55	Department of Atomic Energy	0	3
56	Department of Chemical & Petrochemicals	3	5
57	Department of Consumer Affairs	1	0
58	Department of Corporate Affairs	2	2
59	Department of Defence Production	10	0
60	Department of Disability Affairs	2	0
61	Department of Economic Affairs	2	0
62	Department of Electronics & Information Technology	5	0
63	Department of Fertilizers	1	0
64	Department of Financial Services	7	0
65	Department of Heavy Industry	1	0
66	Department of Industrial Policy	6	2

Sl. No	Name of Department/Organisation	No. of cases pending implementation of CVC's advice for more than six months	
		First Stage Advice	Second Stage Advice
67	Department of Pharmaceuticals	1	0
68	Department of Posts	9	2
69	Department of Revenue	10	3
70	Department of Scientific and Industrial Research	1	0
71	Department of Space	0	1
72	Department of Sugar and Edible Oils	1	0
73	Department of Supply	3	0
74	DSIIDC	6	2
75	Employees' Provident Fund Organisation	5	0
76	Exim Bank of India	1	0
77	Food Corporation of India	3	0
78	Govt. of NCT of Delhi	20	13
79	Govt. of Pondicherry	17	2
80	Handicrafts and Handlooms Export Corporation of India	0	1
81	Hindustan Aeronautics Ltd.	3	0
82	Hindustan Antibiotics Ltd.	1	0
83	Hindustan Copper Ltd.	4	0
84	Hindustan Fertilizers Corporation Ltd.	0	4
85	Hindustan Organic Chemicals Ltd.	1	0
86	Hindustan Petroleum Corporation Limited	1	0
87	Hindustan Vegetable Oils Corporation Ltd.	1	0
88	HLL Lifecare Ltd.	1	0
89	HMT Ltd.	2	0
90	Housing and Urban Development Corporation Ltd.	2	0

Sl. No	Name of Department/Organisation	No. of cases pending implementation of CVC's advice for more than six months	
		First Stage Advice	Second Stage Advice
91	IIT Kanpur	1	0
92	IIT Kharagpur	1	0
93	India Tourism Development Corporation	6	1
94	India Trade Promotion Organisation	3	0
95	Indian Bank	8	0
96	Indian Council of Agricultural Research	16	14
97	Indian Oil Corporation Ltd.	0	3
98	Indian Overseas Bank	1	0
99	Indian Telephone Industries Ltd.	0	3
100	Indira Gandhi National Open University	1	0
101	Indira Gandhi Rashtriya Manav Sangrahalaya	1	0
102	Kendriya Vidyalaya Sangathan	13	6
103	Khadi and Village Industries Commission	13	8
104	Kolkata Port Trust	1	1
105	Krishak Bharat Cooperatives Ltd.	2	0
106	Lakshadweep Administration	7	0
107	Life Insurance Corporation of India	3	0
108	Madras Fertilizers Ltd.	1	1
109	Mahanadi Coalfields Ltd.	1	0
110	Medical Council of India	2	1
111	Ministry for Development of North Eastern Region	2	4
112	Ministry of Ayush	5	0
113	Ministry of Civil Aviation	0	1
114	Ministry of Coal	2	0

Sl. No	Name of Department/Organisation	No. of cases pending implementation of CVC's advice for more than six months	
		First Stage Advice	Second Stage Advice
115	Ministry of Culture	2	0
116	Ministry of Defence	19	2
117	Ministry of Earth Sciences	0	2
118	Ministry of Environment and Forests	8	3
119	Ministry of External Affairs	24	7
120	Ministry of Health & Family Welfare	10	1
121	Ministry of Home Affairs	24	7
122	Ministry of Human Resource Development	5	5
123	Ministry of Information & Broadcasting	0	1
124	Ministry of Information Technology	2	0
125	Ministry of Labour	1	0
126	Ministry of Micro, Small and Medium Enterprises	7	4
127	Ministry of Mines	4	0
128	Ministry of Personnel, Public Grievances and Pensions	36	12
129	Ministry of Power	3	0
130	Ministry of Railways	223	42
131	Ministry of Road Transport & Highways	4	0
132	Ministry of Shipping	3	0
133	Ministry of Social Justice & Empowerment	1	0
134	Ministry of Statistics and Programme Implementation	2	0
135	Ministry of Textiles	7	1
136	Ministry of Tourism	3	0
137	Ministry of Tribal Affairs	2	0

Sl. No	Name of Department/Organisation	No. of cases pending implementation of CVC's advice for more than six months	
		First Stage Advice	Second Stage Advice
138	Ministry of Urban Development	17	4
139	Ministry of Water Resources, River Development & Ganga Rejuvenation	2	0
140	Ministry of Youth Affairs & Sports	1	1
141	MSTC Ltd.	2	0
142	Mumbai Port Trust	3	0
143	Municipal Corporation of East Delhi	13	3
144	Municipal Corporation of North Delhi	9	0
145	Municipal Corporation of South Delhi	20	4
146	NALCO Ltd.	1	0
147	Narmada Control Authority	1	0
148	National Agricultural Cooperative Marketing Federation	2	0
149	National Buildings Construction Corporation Ltd.	4	3
150	National Cooperative Consumers Federation of India Ltd.	2	4
151	National Cooperative Development Corporation	1	0
152	National Highways Authority of India	20	0
153	National Institute of Electronics & Information Technology	1	0
154	National Institute of Fashion Technology	2	0
155	National Mineral Development Corporation Ltd.	1	0
156	National Institute of Open Schooling	0	1
157	National Projects Construction Corporation Ltd.	1	0
158	National Remote Sensing Agency	0	2
159	National SC & ST Finance & Development Corporation	1	0

Sl. No	Name of Department/Organisation	No. of cases pending implementation of CVC's advice for more than six months	
		First Stage Advice	Second Stage Advice
160	National Small Industries Corporation Ltd.	0	2
161	National Thermal Power Corporation Ltd.	2	0
162	Navodaya Vidyalaya Samiti	3	1
163	Nehru Yuva Kendra Sangathan	6	0
164	NEPA Ltd.	1	0
165	New Delhi Municipal Council	7	0
166	Niti Ayog	1	0
167	Northern Coalfields Ltd.	4	0
168	Nuclear Power Corporation of India Ltd.	1	0
169	Ordnance Factory Board	1	0
170	Oriental Bank of Commerce	2	0
171	Oriental Insurance Company Ltd.	8	0
172	Paradip Port Trust	1	0
173	Pawan Hans Helicopters Ltd.	1	0
174	PGIMER, Chandigarh	3	0
175	Power Grid Corporation of India Ltd.	4	0
176	Prasar Bharati	9	2
177	Projects and Equipment Corporation Ltd.	1	0
178	Punjab and Sind Bank	0	1
179	Punjab National Bank	2	0
180	Rail India Technical and Economic Services Ltd.	6	0
181	Rashtriya Ispat Nigam Ltd	0	3
182	Registrar General of India	0	1
183	Sashastra Seema Bal	0	1

Sl. No	Name of Department/Organisation	No. of cases pending implementation of CVC's advice for more than six months	
		First Stage Advice	Second Stage Advice
184	Scooters India Ltd.	2	0
185	Seamen's Provident Fund	0	1
186	Software Technology Parks of India	0	1
187	South Eastern Coalfields Limited	10	1
188	Sports Authority of India	3	0
189	Staff Selection Commission	1	0
190	State Bank of Hyderabad	1	0
191	State Bank of India	6	2
192	State Bank of Travancore	3	0
193	State Trading Corporation of India Ltd.	1	1
194	Syndicate Bank	4	0
195	Tata Memorial Centre	0	1
196	Tea Trading Corporation of India Ltd.	0	1
197	Tribal Cooperative Marketing Development Federation Ltd.	0	1
198	Tyre Corporation of India Ltd.	1	0
199	UCO Bank	5	0
200	Union Bank of India	9	0
201	United India Insurance Company Ltd.	1	0
202	University of Delhi	1	1
203	Vijaya Bank	3	0
204	Visakhapatnam Port Trust	10	4
	Total	1274	343

Appendix-VI

(Para 5.14)

Some important irregularities observed during Intensive Examinations of various organisations.

- (i) In a work pertaining to earthwork, Retaining Earth (RE) wall drainage system and runway pavement for construction of a Greenfield Airport costing around Rs. 264 crores, an ineligible firm was qualified and awarded the consultancy work. The firm had submitted experience certificate of another company under the group and was a separate entity. Other experience certificates were also not valid as per conditions laid down in the qualification requirements. During execution, deviation in quantities of more than prescribed limit amounting to Rs. 15.45 crores was observed, for which, consultant was liable to pay penalty @ 10%, subject to maximum of 10% of the total fee payable to him. However no penalty was imposed on the consultant.
- (ii) In a work pertaining to Civil Structural & Architectural works for the Main power plant Block of 2X250MW costing around Rs. 232 crores being executed by a Central PSU for a State Power Corporation, an ineligible bidder was awarded the work by considering certificate of a work showing experience of total 62647.52 cum concreting in four and half years against requirement of experience of 60,000 cum concreting in RCC work in two years.
- iii) In a case of Architectural Consultancy for the expansion project of a research institute costing about Rs 35 crores, the consultant was appointed directly on nomination basis at an arbitrarily decided fee @ 4.25 % of the actual amount of work executed. Further, no provision of performance guarantee, security deposit and indemnity/insurance, levy in case of default/delay in deliverables were kept in the agreement. These are mandatorily required to safeguard the Institute's interests. As such, the Consultant was not only appointed directly in violation of Commission's guidelines but also at an exorbitant pre-decided fee. Further, the Institute's interests were also kept at stake.
- iv) In a case of Architectural Consultancy for the residential and academic buildings of an institute valuing Rs. 650 crores approx. no pre disclosed criteria was followed in the selection. Selection of consultant was made on the basis of design presentations only. Subsequently, a panel of Architects was formed and works were distributed among the architectural firms in an arbitrary manner at an abnormally high professional fee at 5% of the accepted bid value of the building. Hence, appointment of consultants was done in an arbitrary and non-transparent manner without competitive cost bidding in violation of Commission's guidelines.
- v) In case of construction of a Hostel block of an Institute, costing more than Rs. 13 crores, Architectural Consultant, Project Management Consultant and Contractor were appointed directly on repeat order basis i.e. by virtue of them being engaged in earlier/ongoing works in the institute. Appointments were made at their earlier quoted/executed rates. As such, these appointments were made in an arbitrary and non-transparent manner without competitive cost bidding in violation of Commission's guidelines. Further, no provision of performance guarantee, security deposit and indemnity/insurance, levy in case of default/delay in deliverables were kept in the Consultant agreements.

- vi) In case of construction of residential and academic buildings of an institute valuing Rs. 650 crores approx. a PSU was appointed as a member of Project Advisory Committee (PAC) for rendering advice/recommend to the institute in matters related to approval of deviation/extra item/substituted items, deciding Extension of Time, Liquidated damages, Processing of contractor's claims etc. at an exorbitantly high consultancy fee of Rs. 1.28 crores. The appointment has been made directly on nomination basis. Only three PAC meetings (with four sittings) were held for which payment of Rs. 48.6 lacs. was made to the PSU, which appears irrational.
- vii) In case of Construction of a Hostel block of a premier institute costing more than Rs. 10.5 crores, bids were invited from the agencies empanelled more than four years ago for the work of much lesser estimated cost (Rs. 7 crores). As such, technical and financial competency was overlooked. Later, during execution stage, an additional work costing Rs. 70.0 lacs was further given, at the same rates, on repeat order basis.
- viii) Pre-qualification criteria kept in selection of contractor for the work of construction of residential and academic buildings of an institute valuing Rs. 650 crores approx. allocated 35 percentage points for the comments of evaluation committee for assessment based on quality of previously executed work(s), while 65 points were allocated to other factors viz. litigation history, timely completion, financial capabilities etc. Due to such high weightage given to the comments of evaluation committee, it became the deciding factor in evaluation. Further, as per the scoring methodology, scoring by the committee to be done on the assessment by allotting 35 points for outstanding, 20 for very good, 10 for good and 0 for poor. However, during evaluation, weightage of committee's comments was increased to 40 percentage points. Further, even the scoring methodology was not followed and scores were given arbitrarily. Consequently, bidders got disqualified by mere 2-3 percentage points leaving just two out of eight bidders in a fray. As such, the pre-qualification of contractor was made in a subjective and non-transparent manner in clear violation of CVC guidelines resulting in competition being restricted.
- ix) In a work of Construction of a Hostel block of a premier institute, costing more than Rs. 10.5 crores, Ready Mix Concrete of M-25 Grade was required to be used for all RCC works as per the agreement with stipulated cement content of 330Kg per Cum of Concrete, any excess/less cement used as per the design mix to be paid/recovered @ Rs 5000/- per Ton. As per the design mix report and batch/delivery report of concrete, cement content was found to be 240 Kg / Cum of concrete with flyash mixed @ 110 Kg/ Cum. However, instead of recovering the cost of cement saved (i.e. 330-240=90 Kg/Cum), extra payment for excess cement @ 20 Kg/ Cum of concrete has been made, considering cement content to be 350 Kg/ Cum (240 Kg Cement + 110 Kg Flyash per cum of Concrete).
- x) In a work related to construction of six laning of National Highway on Design Built Finance Operate & Transfer (DBFOT) basis with Concession period of 26 years, the Concessionaire was responsible for designing as per standards and execution thereupon. However, for Dense Bituminous Macadam (DBM) work, the Concessionaire executed the work with bituminous layer thickness computed considering design life of 10 years against the requirement of 20 years. The MSA (Million Standard Axles) value considered for design was irrationally low

and does not corresponds to the projected value for 20 years. As such the bituminous layer of lesser thickness was laid, for the full stretch of more than 65 Km, than that required thereby resulting in huge savings to the Concessionaire.

- xi) In a work relating to construction of a Central University costing around Rs 136 crores by a Central PSU, Detailed Project Report (DPR) cum Architectural consultant was appointed by inviting limited bids from 6 bidders. Out of these, 4 bidders were short listed for presentation; on the basis of presentation one consultant was selected. Only his financial bid was opened and work was awarded. This method of selection of consultant is in violation of prevalent guidelines regarding award of consultancy work by quality cum cost basis, rather than by only quality basis. Work was awarded to the Consultant at percentage of final cost instead of initial estimated cost in violation of CVC guidelines No. OFF-1- CTE-1 dated 25.11.2002 regarding awarding of such work on the basis of initial estimated cost, so that the consultants desists from jacking up the cost of the project without any reasonable benefit to the department.

Further, in the work contract recovery of mobilization advance was to be made in every bill linearly on the advance paid for Rs.13.58 crores. It was stipulated to be recovered either from the stage when 15%of progress is achieved or 25% of stipulated time and was to be completed by 80% progress or 85% of stipulated time period, whichever was earlier. However till completion of 85% of stipulated period, around Rs 2.6 crores of advances was not recovered. In addition recovery of principal amount of Mobilization advance was postponed for one year citing the reason of improvement of the cash flow of the contractor.

As per contract sub grade and shoulder was to be constructed by using Gravel/Moorum from all leads and lifts. Instead of Gravel and Moorum, earth obtained from within the campus/ right of way was used for construction of sub grade and shoulder. Thus cheaper material in terms of its cost and cost of transportation was utilized

- xii) In a work related to construction of Railway tunnel by a central PSU costing Rs 189 crores Contract stipulated deployment of 3 Expatriate Foreman/Tunneling Engineers with at least 10 yrs of experience in NATM tunneling. During pre bid query by the bidders regarding dispensing of such expatriate, department insisted for such deployment. It was stated that these personnel were supposed to lead the tunneling team. However, the contractor never deployed the stipulated Engineers/Foreman. On this account recovery of Rs. 1.0/month as stipulated in contract was being made. Cost of such deployment is generally in the range of Rs 7-10 lacs per month.

Contract stipulated deployment and production of aggregate by using crushing plant. The contractor installed stone crushing plant, but was almost not used for aggregate production. Aggregate from different locations was purchased by the contractor as being cheaper, as compared to his own plant.

As per contract use of manufactured sand was allowed for limited use to improve workability. However mostly manufactured sand was being used in the work which was cheaper as compared to natural sand due to substantial difference in lead involved.

xiii) In an IT related tender of a Public Sector Bank having value of about Rs. 19 crores, a vendor specific software tool for infrastructure management was included within the scope of tender on the plea that other tools available in the market could have integration issues with existing software of the Bank. Due to the inclusion of vendor specific software tool in the list of tendered items, one prospective bidder declined to participate. Moreover, proprietor of the software management tool participated in the tender and offered substantially lower price for this item as compared to other technically qualified bidders. All but one bidders were forced to quote sole product by procuring proprietor's authorization along with product rate, despite the fact that the proprietor was their direct competitor.

The bid evaluation was based on Quality cum Cost Based methodology for which detailed breakup of technical marking was not revealed to the bidders. Except one bidder, others submitted supporting documents which were largely fulfilling eligibility criteria of the tender but securing less technical scores. The award of technical marks was mostly favourable to one bidding company as they were an incumbent vendor of the Bank and proprietor of the tendered item (software management tool). Thus, one bidder in the open tender got undue benefit over others on technical as well as price front.

xiv) In an IT related tender of a Public Sector Bank having value of about Rs. 19.0 crores, various noted discrepancies were as under –

- Several IT equipments were wrongly included under Annual Maintenance Contract (AMC) although they were covered under the manufacturer's warranty and regular payments towards AMC of these items were made.
- The invoice submitted by the contractor towards supply of IT equipments mentioned different unit prices for same item. Due to the variation in unit rates of multiple items, there was over-invoicing.
- Hardware supplied by the contractor was not meeting tender specifications. Contractor supplied servers with less memory and processor having lower clock speed, but these were accepted and payments were released.
- As per contract condition, contractor was required to arrange 40 man-days knowledge sharing sessions for routine skill-set updation of Bank officials in the field covering banking, IT, soft skills, etc. However, knowledge sharing session was conducted for only one day upto the last phase of contract.

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Appendix-VII

(Para 5.15)

System improvements undertaken during 2015 consequent to observations made during Intensive Examinations

- i) In a tender of a Public Sector Bank, two bid validity periods were mentioned – (a) offer validity up to six months from the date of submission of bid and (b) offer valid till six months from the date of opening of commercial bids. The concerned department was advised to avoid such ambiguity in tender document as this may give rise to complex issues during tender evaluation.
- ii) It has been observed that cost of tender document is fixed higher arbitrarily. High non-refundable amount towards submission of bid can be a deterrent to prospective bidders. Price of the tender document should take care of the preparation and delivering cost only. If it is too high, it can discourage prospective bidders from purchasing the document and participate in the bidding process. In this regard, advisories were issued to concerned departments.
- iii) In a Railways tunnel work it was observed that cement content adopted in concrete mix of M25 & M30 grade used in shotcreting was more than 450 kg per cubic meter, without any special consideration. The relevant IS code stipulates use of maximum cement content of only 450 kg per cubic meter in any concrete mix, unless special consideration has been made. On raising of this observation, the department has accepted our recommendation and has issued system improvement guidelines for adhering to stipulations of IS specifications, regarding use of maximum cement in concrete mix, with condition that in case of any deviation, specific reasons should be recorded.
- iv) In a work related to Civil, Structural & Finishing Works including Electrical, Fire Fighting, Fire Detection and CCTV Works for Service Corridor amounting to around Rs. 237 crores being executed by an Oil PSU, cement content of 420 kg for M30 concrete was stipulated whereas 410 kg of cement was stipulated for higher grade of Concrete i.e. M35. On raising this observation, the organization has agreed to our contention and revised the design mix with 400 kg cement and an amount more than Rs.34 lacs was recovered from the contractor. In addition, the organisation issued systemic improvement guidelines to all concerned to ensure economy in design mixes.
- v) In a building work being executed by a Central Govt. department amounting to around Rs. 4.0 crores, basic rates for OPC and PPC were not mentioned separately in the Notice Inviting Tender (NIT) and no separate account of current rates was maintained at site for the two types of cement. The basic rates and current rates were required to be used for working out the amount of escalation. On taking up the matter the organisation issued systemic improvement guidelines.
- vi) In a building work being executed by a Central PSU costing around Rs. 23.0 crores, payment of reinforcement steel was to be made on the basis of actual unit weight, however actual weight observation records were not being maintained at site and payment was being made on the basis of standard weight. On raising the issue the organisation issued systemic improvement guidelines.



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