

## **Performance during January, 2012**

- (i) Commission advised issuance of sanction for prosecution in respect of 6 officials of various Ministries/Departments/Organizations which includes one IFS officer from M/o Environment & Forests.
- (ii) Prosecution sanctioned by the Competent Authorities in 14 cases during the month which includes two Addl. Commissioner's of Income Tax, one Jt. Commissioner of Income Tax, one Dy. Commissioner of Income Tax, Central Board of Direct Taxes and a First Secretary (IRS) of Central Board of Excise and Customs.
- (iii) Commission processed 2436 complaints (including 63 whistle blower complaints) during the month and sought Investigation/Factual report in 75 complaints from the concerned Ministries/ Departments/ Organizations.
- (iv) Commission advised initiation of major penalty proceedings against 121 officials of various Ministries/Departments/Organizations which includes a General Manager of Indian Bank, a General Manager of UCO Bank, Chairman & Managing Director of Engineering Projects India Ltd. (EPIL), Director General (Hydrocarbons), M/o Petroleum & Natural Gas, the then Chairman (PAC), M/o Power and a Jt. Commissioner of Income Tax, Central Board of Direct Taxes.
- (v) Commission advised imposition of major penalty against 71 officials of various Ministries/Departments/Organizations, which includes a General Manager, Canara Bank, a General Manager, Addl. General Manager and Dy. General Manager of Bharat Heavy Electricals Ltd, a Commissioner and a Dy. Commissioner of Income Tax, Central Board of Direct Taxes.
- (vi) On the advice of the Commission, the Competent Authority has imposed major penalties in respect 59 officials of various Ministries/Departments/Organizations, which includes an IAS officer

(Former Sr. Regional Manager, FCI), D/o Pubic Distribution, a FA&CAO of M/o Shipping.

- (vii) Chief Technical Examiners Organization of the Commission submitted 2 technical examination reports and these examinations resulted in recovery of Rs.2,25,82,711/- during January, 2012.
- (viii) Vigilance clearances were accorded for 39 empanelment/board level appointments.

**Important cases :-**

- (i) A complaint received in the Commission alleging that the telecom license issued by the Government to the three telecom operators were being misused by them by way of issuing bulk connections to private companies for further renting out the same to their customers, on their self decided tariff in violation of Unified Access Service (UAS) License which was a threat to the National Security since whereabouts of the end users of such sub-leased SIM Cards were unknown. Further, the three telecom companies were not including the revenue share they were earning from the sub-leasing private companies in their Aggregated Gross Revenue (AGR), resulting in loss to the Government and the same was sent for investigation and report to CVO, Department of Telecom (DoT). The investigation report received from DoT revealed that one telecom provider had issued 2788 such bulk connections and another provider had issued 3640 and the third had issued 10145 such bulk postpaid connections to the two Delhi based companies, which was in violation of UAS License Agreement which provides that user terminal registered against a company was non-transferable and such transfer without specific permission of the DoT was illegal. Further, as per clause No. 17.1 of UAS license, the tariff of such service should be charged as decided by the TRAI from time to time, only. A penalty of Rs. 50 crores each on the above three telecom companies was imposed by DoT alongwith the filing of criminal cases under section 20 of IT Act against the private companies for working unauthorized telegraph by renting out the SIMs. Further, the Commission has observed and advised the DoT to apprise the Commission whether the loss caused to the Government by not taking into account the higher amount being collected by the private companies from

the end users and what they reimbursed to the licensees, has been recovered from the three licensees.

- (ii) A complaint received in the Commission against officials of Airport Authority of India alleging that Airport Authority of India(AAI) had given permission to the Flying Clubs to pay nominal fees despite of the fact that the clubs were not eligible for claiming nominal fees and that one Flying Club not registered as Educational Society and also is involved in commercial operation and is not eligible for nominal charges but the club/school was allowed to pay nominal charge. The Director General of Civil Aviation (DGCA) in their investigation report submitted that as per the policy, the nominal charge @ 10% shall be charged from those Flying Clubs which were registered as an educational society and run on no-profit no-loss basis, however, the concessional rates were extended to 28 Flying Clubs without any proper examination/justification. Further, none of 28 Flying Clubs were registered as an educational society, only 4 Flying Clubs operate on no-profit no-loss basis and said Flying Club was registered as Non-Scheduled Operator (NSOP) by DGCA in 2004 and the club was involved in commercial activities. The irregularities committed by DGCA and AAI officials in charging fee has resulted in loss of Rs. 190 crores (Approx.) to the exchequer. M/o Civil Aviation has been advised to fix responsibility of DGCA and AAI officials for making recovery from the Flying Clubs.

**B. Important activities:**

1. Shri R. Sri Kumar, Vigilance Commissioner released Transparency International India's assessment report on "Implementation of Integrity Pact (IP) in IP complaint Pubic Sector Undertaking (PSUs) on 16.01.2012 in New Delhi. While addressing the participants on this occasion, he stressed the need for a higher level of implementation of the Integrity Pact.

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