

The Central Vigilance Commission presents its 42<sup>nd</sup> Report relating to the calendar year 2005, as prescribed in the Section 14 of the CVC Act, 2003.

  
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**CENTRAL VIGILANCE COMMISSIONER**

New Delhi  
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## **CHAPTER-1**

### **Introduction**

Following serious concerns expressed by the Members of Parliament during a Parliamentary debate in June 1962, A Committee on Prevention of Corruption, which came to be known as the 'Santhanam Committee', was formed. Noticing the conspicuous absence of a dynamic integration between the vigilance units in the various Ministries and the Administrative Vigilance Division, an apex body for exercising general superintendence and control over vigilance administration was conceptualised by this Committee. It also recognised the need for providing this body, the technical expertise to deal with matters relating to engineering works, constructions, etc. The Central Vigilance Commission (CVC), therefore, was established in 1964, as an apex body, through the Government of India Resolution of 11.2.1964. The establishment of the Commission was considered essential for evolving and applying common standards in deciding cases involving lack of probity and integrity in administration. The Resolution empowered the CVC to undertake inquiry into any transaction in which a public servant is suspected or alleged to have acted for an improper purpose or in a corrupt manner irrespective of his or her status. Certain number of Commissioners for Departmental Inquiries (CDI) was attached to the Commission and the Commission was empowered to require the oral inquiry in any departmental proceedings to be entrusted to such Commissioner. Subsequently, a Chief Technical Examiner (CTE) Cell was attached to the Commission to provide the necessary technical expertise, in formulating its views on technical matters.

### **Present Status**

Consequent to the directions of the Hon'ble Supreme Court in 1997, in the Writ Petition filed in public interest by Shri Vineet Narain and others in the Hawala Case, the Government promulgated an Ordinance in 1998. The Ordinance of 1998 conferred statutory status to the CVC and the powers to exercise superintendence over the functioning of the Delhi Special Police Establishment, and also to review the progress of the investigations pertaining to the alleged offences under the Prevention of Corruption Act, 1988, conducted by them. The Bill introduced in the Lok Sabha in 1998 to replace the Ordinance could not be passed. The Bill was re-introduced in 1999 and was referred to the Joint Committee of both the Houses of Parliament. Pending passage of the CVC Bill, the Commission discharged its functions under the GOI Resolution dated April 4, 1999. After the Bill was passed by both the Houses of Parliament and with the assent of the President, the CVC Act, 2003 has come into force with effect from 11.9.2003. The Act also amended the Delhi Special Police Establishment Act to give the commonly known principle of 'Single Directive', which had been struck down by the Supreme Court in the Hawala Case, a legal status. According to this, the CBI required the prior approval of the Central Government to conduct inquiry or investigation against any offence alleged to have been committed under the Prevention of Corruption Act by an employee of the level of Joint Secretary in Central Government, or such officers in Government Corporations, Companies, Societies and local authorities owned or controlled by the Central Government.

### **Important Features of the CVC Act, 2003**

- The Commission shall consist of a Central Vigilance Commissioner (Chairperson) and not more than two Vigilance Commissioners (members).
- The Central Vigilance Commissioner and the Vigilance Commissioners shall be appointed by the President on recommendation 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 would be four years from the date on which they enter their office or till they attain the age of 65 years, whichever is earlier.
- It shall exercise superintendence over the functioning of the Delhi Special Police Establishment.
- **The CVC is also the Chairperson of the two Committees under the Act on whose recommendations, the Central Government shall appoint the Director of the Delhi Special Police Establishment and the Director of Enforcement.**
- The Commission shall have the powers to inquire or cause an inquiry or investigation to be made on a reference made by the Central Government.
- The Commission shall have the powers to inquire or cause an inquiry or investigation to be made into any complaint received against any official under its jurisdiction under the Act.
- The Commission shall exercise superintendence over the vigilance administrations of the various Central Government Ministries, Departments and organisations of the Central Government.
- The Commission, while conducting the inquiry, shall have all the powers of a Civil Court with respect to certain aspects.

While the Act has not specifically stated about the Chief Technical Officers Organisation under the Commission, it has provided that the Commission under the Government of India Resolution No.24/7/64-AVD dated 11.2.1964 shall continue to discharge its functions which are not inconsistent with the provisions of the Act. To effectively implement the provisions of the CVC Act, the Commission continues to discharge its functions under the CVC Resolution 1964.

Prevention of corruption continued to be the prime concern of the Highest Judiciary and, in response to a PIL filed in the Supreme Court following the murder of Satyendra Dubey, the Supreme Court directed the Government to designate a suitable machinery to act on the complaints from “whistle blowers” till such time as a suitable legislation was enacted to that effect. In recognition of the faith that the country reposed in the Commission, the Central Government, while implementing the directive of the Supreme Court, appointed the Commission as the ‘Designated Authority’ for the purpose. **Through a Resolution dated 21<sup>st</sup> April, 2004, the Government has designated the Central Vigilance Commission as the agency to act on the complaints from “whistle-blowers”** till such time as the Parliament passes a law on the subject. According to the GOI Resolution on “Public Interest Disclosure and Protection of Informer”, 2004, the Commission has been entrusted

with the additional responsibility of keeping the identity of the complainant secret and the power to take action against complainants making motivated or vexatious complaints. While the CVC Act 2003 restricts the jurisdiction of the Commission mainly to Group A Officers and such level of officers as notified by the Central Government, there is no such restriction on the Commission in the Government of India Resolution, 2004.

### **Important Features of the “Whistle-Blowers” Resolution**

- The CVC shall, as the Designated Agency, receive written complaints or disclosure on any allegation of corruption or of mis-use 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.
- The designated agency will ascertain the identity of the complainant; if the complainant is anonymous, it shall not take any action in the matter.
- The identity of the complainant will not be revealed unless the complainant himself has made either the details of the complaint public or disclosed his identity to any other office or authority.
- While calling for further report/investigation, the Commission shall not disclose the identity of the informant and also shall request the concerned head of the organisation to keep the identity of the informant a secret, if for any reason the identity is revealed.
- The Commission shall be authorised to call upon the CBI or the police authorities, as considered necessary, to render all assistance to complete the investigation pursuant to the complaint received.
- If any person is aggrieved by any action on the ground that he is being victimised due to the fact that he had filed a complaint or disclosure, he may file an application before the Commission seeking redress in the matter, wherein the Commission may give suitable directions to the concerned person or the authority.
- If the Commission is of the opinion that either the complainant or the witnesses need protection, it shall issue appropriate directions to the concerned government authorities.
- In case the Commission finds the complaint to be motivated or vexatious, it shall be at liberty to take appropriate steps.
- The Commission shall not entertain or inquire into any disclosure in respect of which a formal and public inquiry has been ordered under the Public Servants Inquiries Act, 1850, or a matter that has been referred for inquiry under the Commissions of Inquiry Act, 1952.
- In the event of the identity of the informant being disclosed in spite of the Commission’s directions to the contrary, it is authorised to initiate appropriate action as per extant regulations against the person or agency making such disclosure.

**As the Designated Authority, the Commission has laid down a procedure for lodging complaints under the above Resolution. This has been given wide**

publicity and has also been put on the Commission's website. Only such complainants submitting the complaints as per this procedure would be entitled to protection.

### **Powers and Functions of CVC**

- to exercise superintendence over the functioning of the Delhi Special Police Establishment (DSPE) with respect to investigation under the Prevention of Corruption Act, 1988; or offence under CRPC for certain categories of public servants and to give directions to the DSPE for purpose of discharging this responsibility;
- to review the progress of investigations conducted by the DSPE into offences alleged to have been committed under the PC Act;
- to undertake an inquiry or cause an inquiry or investigation to be made into any transaction in which a public servant working in any organisation, to which the executive control of the Government of India extends, is suspected or alleged to have acted for an improper purpose or in a corrupt manner;
- to tender independent and impartial advice to the disciplinary and other authorities in disciplinary cases, involving vigilance angle at different stages i.e. investigation, inquiry, appeal, review etc.;
- to exercise a general check and supervision over vigilance and anti-corruption work in Ministries or Departments of the Govt. of India and other organisations to which the executive power of the Union extends;
- the Central Government is mandated to consult the Commission before making any rules or regulations governing the vigilance or disciplinary matters relating to persons appointed to public services and posts in connection with the affairs of the Union or to members of the All India Services; and
- CVC is the chairperson and the Vigilance Commissioners are two of the members of the Committee to recommend selection of Director (CBI), Director (Enforcement Directorate). The Committee concerned with the appointment of the Director CBI is also empowered to recommend, after consultation with the Director, appointment of officers to the posts of the level of SP and above in DSPE.
- to undertake or cause an inquiry into complaints received under the Public Interest Disclosure and Protection of Informer and recommend appropriate action.

### **Jurisdiction**

In principle, the jurisdiction of the Commission extends to all organisations to which the executive power of the Union extends. Section 8(1)(d) of CVC Act restricts its jurisdiction with respect to level of employees for inquiry into complaints to Group A level officers and such level of officers as may be notified by the Central Government. While in its advisory role to tender advice on such matters as may be referred to the Commission, there is no such restriction, for practical reasons, the Commission has been advising on vigilance cases also, pertaining to the same categories of employees, viz., the 'Group A' officers in Central Government, All India Service Officers, and other officers of public sector undertakings, autonomous

organisations, local authorities, societies etc. as notified by the Government; for investigations to be made into any complaint alleging offences under the PC Act.

### **Commission's Jurisdiction under CVC Act**

- Members of All India Services serving in connection with the affairs of the Union and Group A officers of the Central Government.
- Board level appointees and other senior officers upto two grades below the Board level, in the Public Sector Undertakings of the Central Government;
- Officers of the rank of Scale V and above in the Public Sector Banks;
- Officers of the rank of Assistant Manager and above in the Insurance Sector (four non-life insurance companies in the Public sector under GIC); and officers in Grade 'D' and above in RBI, NABARD and SIDBI and Managers and above in the General Insurance Companies and Sr. Divisional Managers and above in LIC,
- Officers drawing basic pay of Rs. 8700/- per month and above in autonomous bodies/local authorities or societies owned or controlled by the Central Government.

**The Commission however retains its residuary powers to call for any individual case in respect of employees other than those who are within its normal advisory jurisdiction.** In addition, cases of difference of opinion between the CBI and the concerned administrative authorities, in respect of employees who are not within the normal jurisdiction of the Commission, are also resolved by the Commission.

### **Approval of Central Government**

The CVC Act provided for inclusion of the following section, after Section 6 of the DSPE Act.

The DSPE shall not conduct any inquiry or investigation into any offence alleged to have been committed under the PC Act 1988 except with the previous approval of the Central Government where such allegation relates to:

- the employees of the Central Government of the level of Joint Secretary and above; and
- such officers as are appointed by the Central Government in Corporations established by or under any Central Act, Government Companies, Societies & Local authorities owned or controlled by that Government.

However, such approval is not necessary for cases involving arrest of persons on the spot on the charge of accepting or attempting to accept any gratification other than legal remuneration.

## **Advisory Role**

**The advisory role of the Commission extends to all matters on vigilance administration referred to it by the organisations/departments. However, it is mandatory on the part of the departments to seek its advice on reports called for by the Commission.**

The investigation reports furnished by the CVO or by the CBI are examined in the Commission and, depending upon the circumstances and facts of each case, the Commission advises (a) initiation of criminal and/or departmental proceedings against the concerned public servant(s); or issuance of administrative warning to him/her; (c) or the closure of the case. The Commission's advice at this stage is termed as first stage advice. The departmental proceedings could be for imposition of a major or a minor penalty.

In those cases where major penalty proceedings were advised, on conclusion of the inquiry proceedings, the Commission's second stage advice is required to be sought along with the inquiry report and other inquiry record. The Commission has to be consulted where inquiry proceedings could not be conducted due to special circumstances. While no second stage advice is required to be obtained in minor penalty cases, where the administrative authorities propose exoneration on consideration of defence statement, the Commission is required to be consulted.

## **Present composition of the Commission**

The Single Member Commission set up in 1964 has been made a multi-member body, in terms of the Central Vigilance Commission Act 2003, consisting of the Central Vigilance Commissioner (CVC) and two Vigilance Commissioners (VCs) as its members. The appointment of the CVC as well as that of the VCs is made by the President 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. Shri P. Shankar, IAS (Retd.) has been appointed as the Central Vigilance Commissioner by the President for a period of four years. On the retirement of two of the earlier Vigilance Commissioners, Shri H.J. Dora and Shri Janki Ballabh, Shri Sudhir Kumar, IPS (Retd.) and Smt. Ranjana Kumar (Retd. Chairman, NABARD) have been appointed as Vigilance Commissioners with effect from 30.11.05 and 1.12.05 respectively.

## **Staff Composition**

The Central Vigilance Commission is assisted by a Secretary (of the rank of Additional Secretary to the Government of India), two Additional Secretaries (of the rank of Joint Secretary to the Government of India) and other staff which include nine officers (of the rank of Director/Deputy Secretaries), an OSD and four Under Secretaries. In addition, there are fourteen Commissioners for Departmental Inquiries (CDIs) who are nominated to conduct departmental inquiries relating to major penalty proceedings on behalf of the disciplinary authorities in serious and important disciplinary cases. The group-wise staff strength of the Commission as on 31.12.2005 and related information is at **Annexure - I**.

## Technical Wing

The Technical Wing of the Commission known as The Chief Technical Examiner's (CTE) Unit, which is the technical wing of the Commission, assists it in formulating its advice involving different technical aspects. They also undertake intensive examination of major projects of the Central Government organisation. This wing comprises of two Chief Technical Examiners (of the rank of Chief Engineer), who in turn are assisted by eight Technical Examiners (of the rank of Executive Engineer), six Assistant Technical Examiners (of the rank of Assistant Engineer) and other subordinate staff.

The CTE Unit of the Commission is engaged in examination of civil and electrical works including air-conditioning and horticulture works, being executed by Ministries/ departments of Government of India, central public sector undertakings, banks and financial institutions and cooperative bodies etc., falling within the jurisdiction of the Commission. The inspection of stores purchase contracts and works for computerisation, etc., are also undertaken by the CTE Unit.

## Chief Vigilance Officers

**Each department/organisation, to which the advisory jurisdiction of the Commission extends, has a vigilance unit headed by a Chief Vigilance Officer(CVO). The CVOs act as the extended arms of the Commission** and for all practical purposes represent the Commission in respect of vigilance matters, particularly with reference to junior officers, who fall outside the jurisdiction of the Commission. They are required to provide experts' assistance in advising the head of the concerned organisation in all vigilance matters concerning it. The CVOs serve as the vital link between the departments/organisations and the CVC and it is their function to advise the organisations to establish effective systems and procedures and periodically monitor their compliance to minimise factors, which provide opportunities for malpractices. On the punitive side, the CVOs are required to ensure speedy processing of vigilance and disciplinary cases. The Commission follows a monthly reporting system by the CVOs, besides the Quarterly Statistical Returns, which is an integral part of the reporting by CVOs on the vigilance functions in their organisation. The Commission also conducts periodic zonal meetings to review the performance of the CVOs. Likewise, periodical sectoral meetings are convened by the Commission to bring the Ministries, CMDs and CVOs on board in addressing prime vigilance concerns and devising common strategies to promote transparency in financial administration. The Commission also discusses important issues personally with the CVOs and obtains from each CVO a detailed note highlighting his performance during the year, and an action plan for implementation during the following year. It also attaches considerable importance to training of CVOs and other vigilance personnel, and has come to an understanding with the CBI Training Academy, Ghaziabad, for imparting training to the CVOs. The CTEs have also been conducting workshops for the CVOs and their staff to help them examine work/purchase contracts from the vigilance point of view and for checking whether the measures provided to ensure transparency in such contracts have been complied with.

At present, seven departments of the Government of India, larger PSEs, banks and insurance companies have full-time CVOs while others have part-time CVOs. The total number of full-time CVO posts available is 186. The functions of CVOs in other organisations are performed by part-time CVOs who are officers of appropriate level already working in the organisation.

During the year under report, the Commission considered the suitability of 38 officers recommended by the administrative authorities for appointment to the post of CVOs in different organisations. It also approved 41 names of officers for appointment as part time CVOs in various Departments/Ministries/Autonomous Bodies.

**The Commission also accorded 340 vigilance clearances for Board Level appointments.**

### **Right to Information Act, 2005**

Right to Information Act, 2005 was passed by the Parliament in June, 2005 to provide for right to every citizen to secure access to information under control of public authority, consistent with public interest, in order to promote openness transparency and accountability in administration. **The Commission has set up an RTI Cell in the Commission** to deal with receive applications from persons seeking information under the Act. An Officer of the rank of Director has been appointed as Central Public information Officer and an officer of the rank of Additional Secretary to the Commission, as the Appellate Authority.

**During the year 2005, 270 applications were received. As on 31.12.05, 248 applications have been disposed of and only in 6 cases, appeals were filed and 5 of these have been disposed of.**

## CHAPTER-2

### Observations and Initiatives

#### General Observations

The Central Vigilance Commission, established in 1964 as the apex body to fight corruption, has grown in scope and responsibility over the years. In the last decade, particularly, in the context of economic liberalisation and growing importance of international trade and commerce, an increasing need has been felt for the country to be viewed as more transparent and less prone to corruption. The growing public awareness of the declining values in governance, have raised the expectations from the Commission, and its role as the apex anti-corruption body has come under sharper focus.

This has gained momentum after the Supreme Court judgment in the Hawala case, popularly known as the Vineet Narain case, which sought to confer statutory status to the Commission to ensure its independence. Consequently, the CVC Act has been notified on September 11,2003. Surveys about public perception of corruption in this country by bodies like Transparency International have further raised the expectations of the public, the civil society organisations, NGOs and individuals manifold, for effective performance by the Commission in improving the international perception of the country. **The fact, however, is that if the Central Vigilance Commission has to come up to such a high level of expectations, many important measures have to be taken by the Government to revamp the vigilance administration in Government including where necessary changes in the CVC Act.** Some of these measures are:

1. The Central Vigilance Commission, **even after it's statutory status, continues to be a purely advisory body. The superintendence of vigilance administration by CVC is severely curtailed by the proviso to Section 8(1) (h) of the CVC Act** whereby such superintendence is sought to be constrained by the directions related to vigilance matters issued by the Government and by adherence to policy matters decided by the Govt. The Commission's experience over the years is that if the credibility of vigilance administration has to rise, such administration has to be independent of Government. It is not always desirable to draw parallels, but one cannot help mentioning that the Central Election Commission cannot be expected to hold free and fair elections if its functioning is subjected to directions issued in such matters by the Government. Similarly, in many areas, it is the policy and loopholes therein which give rise to corruption, and if the Commission cannot take the initiative and be proactive, vigilance administration will have to be less than optimally effective.
2. The entire focus of the CVC Act is on complaints and allegations relating to the conduct of the public servants but the inquiries/investigations into such complaints have to be conducted by the Commission through the Vigilance set up in individual Government departments or PSUs. Elsewhere, Commission has already pointed to the need to strengthen

vigilance set up in government departments where, at present, the CVO is mostly functioning on part time basis. The Commission has also listed a number of measures that are necessary to make the CVOs independent and objective in their functioning.

3. **Apart from this, the Commission has also realised the need to undertake some inquiries directly**, where there is apprehension on the part of the complainant that entrusting it to the organisational vigilance may not yield proper and quick result. At present, the Commission has been undertaking a limited number of such direct inquiries by diverting its limited resources. **The Commission has, on the basis of a scientific study of work in the organisation, proposed strengthening of the resources of the Commission. This has to be addressed most urgently.**
  
4. **The Commission's role is advisory when it comes to recommending disciplinary action** against the officers coming within the purview of the Commission under Section 8(2) of the CVC Act. Again, such recommendations are purely advisory, when it comes to punishment at the conclusion of the departmental disciplinary proceedings. **The service rules excepting in the case of banks, do not provide even for consultation with the Commission at both stages.** These are currently governed by executive instructions and convention. **It is necessary that the first stage advice, namely advice of the Commission on the basis of the facts brought out before it on the nature of proceedings to be initiated against the delinquent public servant, has to be made mandatory and binding on the disciplinary authority (DA).** This will also eliminate the inordinate delay noticed in initiating action against the public servants on the basis of complaints and investigation thereon. **At the second stage, on conclusion of inquiry proceedings in the case of certain categories of Government servants coming under the purview of UPSC, the Commission has also pointed to the desirability of eliminating dual consultation. This issue has not yet been resolved by the Government. The Commission would reiterate its suggestion that such consultation can be dispensed with, excepting perhaps where the CVC's recommendations is for stiff major penalty, namely, compulsory retirement, removal from service or dismissal.** This will eliminate delays and enable the Commission to discharge its obligations under the Act more effectively and meet the expectations of the complainants.

The Commission has been striving to achieve transparency, openness and accountability in dealing with public expenditure, which in itself would act as a great buffer against corruption. In the past few years some important measures have been taken, like IT applications in nationalized banks and prohibiting negotiation with bidders, except with L-1 under exceptional circumstances. The Commission believes that it could act as a strong catalyst, in implementing measures to achieve transparency in the functioning of Government organisations through the CVOs.

It is due to the confidence reposed in the Commission that it has also been made the “Designated Agency” under the ‘Public Interest Disclosure Protection of Informer Resolution’, known as the ‘Whistle Blowers’ Resolution’. The Commission has laid down a detailed procedure for lodging complaints under this resolution. A confidential cell has been set up in the Commission, which deals with these complaints where the identity of the complainant is duly protected.

## **Complaints**

The Commission is conscious that complaints serve as a potent medium for the public to fight corruption and expose corrupt public servants. Consequently, an elaborate Complaints Policy has been formulated and put on the Commission’s website. **A detailed procedure has been laid down within the Commission for processing the complaints. The Commission’s experience has been that the bulk of complaints relate to grievances. The Commission had, in its earlier report, also observed that creation of an Ombudsman, atleast in major government departments having significant public dealing, could address this important area of public concern,** so that institutions like the Central Vigilance Commission are not approached by the common citizens for redressal of their grievances.

**The Commission has adopted the BIS 15400 Standards for handling complaints received in the Commission.** As the Commission, mainly on account of the logistical constraints, is unable to entertain correspondence with a complainant individually, a generally simplified and accessible system has been put in place. The complainant is informed where his complaint has been sent to the CVO for necessary action. In respect of all serious complaints taken up for investigation and report, a unique number is assigned to the complainant and he is informed of the same and further advised to check the status of his complaint periodically from the Commission’s website. The Commission also closely monitors the complaints taken up for investigation. **As delays often occur when there are allegations of serious irregularities or senior and influential officers are involved, the Commission has been taking up such delayed complaints for direct inquiry through its own officers under Section 11 of the CVC Act.** This has also helped in overcoming problems of sheer lethargy on part of organisations, as noticed from the fact that in some cases, the investigations had been completed but the reports were pending with the higher authorities.

## **Vigilance Administration**

The Commission has no investigation wing of its own. Therefore, it depends entirely on the Chief Vigilance Officers (CVOs) of respective organisations for the investigation into complaints and fixing responsibilities on the errant public servants and to follow up appropriate departmental action against them. As emphasised by the Commission time and again, the vigilance administration in government rests on the CVOs in the various departments/organisations. The Commission has taken up a number of important steps to ensure that these vigilance organisations are independent, objective and effective. The Commission has recently issued elaborate instructions to ensure that there is no overt/covert victimisation of persons functioning in the vigilance organisation to ensure their independent functioning. The

Commission has also taken a number of other important issues with the government in this regard:-

- (i) Utmost care is taken to ensure that only officers with impeccable record and integrity are empanelled for the post of CVO;
- (ii) Attempts to influence the process of empanelment and later of posting to specific organisations is strongly discouraged;
- (iii) The Commission has been averse to last minute additions to the CVOs panel or attempts to post a person not cleared for general empanelment as CVO;
- (iv) **The Commission has strongly spelt out the need for a full time CVO in major departments, particularly, those having a number of important PSUs under their administrative control. In other departments, there could be a system of one full time CVO for a group of departments as is the case with Financial Advisors;**
- (v) **In departments like, Railways, Telecom, CPWD, Post & Telegraph, CBDT and CBEC, the Commission has strongly recommended for an “outsider” to be posted as the CVO;**
- (vi) **To ensure the independence and neutrality of the CVO, the Commission has recommended that the CVOs’ tenure could be approved for five years subject to the Commission certifying the satisfactory performance/functioning of the CVO after three years,** so that there is an automatic extension in such cases for a further period of two years without leaving any discretion to the CEOs of the organisations or the Ministry concerned;
- (vii) **It is immensely important that the post of CVO is not allowed to remain vacant.** The Commission has recommended that the selection of the successor should be completed at least one month before the expiry of the tenure of the incumbent CVO, and where, for any reason there is delay in the selection, the incumbent CVO should get an automatic extension of tenure until the successor is posted.

The Commission has held a number of meetings with the Chief and Senior Executives, particularly of Banks and Public Enterprises, to emphasise the point that vigilance is an important management function and an aid to proper administration. The CVC is a supervisory body with an advisory role to strengthen vigilance administration and oversee its proper functioning. The Commission has taken a number of steps to remove the misplaced apprehension that vigilance is an impediment in the way of expeditious and efficient performance by executives, particularly in respect of commercial operations. **In the banks, the Commission has already decided that only officers of level V and above would come under its normal jurisdiction and this has also been notified under the CVC Act. An internal committee of officers has also been suggested to consider the**

question of taking up a complaint for investigation. The Commission, while proposing similar steps in the case of PSUs, had pointed out that if a PSU has to really enjoy autonomy and freedom of operation in an increasingly competitive market scenario, it is necessary that many other policy decisions would have to be taken by the government. It was felt that the report submitted by the Group of Experts on empowerment of Central Public Sector Enterprises addressed many important issues, which could give the required freedom to the top executives of the PSUs. The Commission would again emphasise the following to remove the potential to foster corruption:-

- (i) **Complaints against top executives should be handled in a speedy, objective and transparent manner so that such investigations are not used to pressurise the officers concerned;**
- (ii) Administrative departments should not interfere in areas like procurements/purchases made by the PSUs under their control, causing delays and providing scope for complaints of corruption;
- (iii) Appointments of CMDs/Directors on the basis of PSEB recommendations should be made expeditiously and timely. Confirmation of extensions of tenure should not be delayed to put the incumbent under pressure;
- (iv) **The public interest served by any Presidential Directive to any PSU should be explicit and clearly established. Therefore, appropriate guidelines needed to be framed for the same, and also an institutional mechanism, involving representatives besides that of the administrative Ministry/Department concerned needed to be established.**

### **Public Procurement/Works**

As Government and PSU purchases and works continue to be a cause for concern as major corruption-prone areas, the Commission strongly believes that ensuring fair competition and achieving transparency in the award of works contracts and purchase contracts, would go a long way in improving the work ethos and national image. **The Commission is in agreement with the views of the Transparency International, which has identified public procurements as providing the maximum scope for corruption. In fact this is the single most important contributor to the low international rating of the country from the point of view of `Corruption Perception and Probity Index`.** The Commission has, therefore, resolved to bring this area under a comprehensive focus.

The Chief Technical Examiner's Organisation(CTEO) under the Commission has been asked to take up major procurements for intensive examination to ensure that the laid down systems and procedures are followed. The CVOs have been actively involved and they have been directed to take up works/purchases in their organisations for similar examination. They have also been asked to ensure that there are proper Purchase Procedures/Manuals in their respective organisations,

incorporating necessary preventive vigilance measures to ensure that ample opportunity is given for competitive bidding and that the selection of the bidder and the award of order is transparent. **They have been advised to ensure that all major purchase/works tenders are put on the website of the organisation concerned and also to provide the tender forms for downloading and subsequently to put the details of award of tender. The Commission has been encouraging not only e-procurement but also e-payment of the amounts due to the contractor, to minimise corruption.**

**The Commission conducted a seminar in association with the Transparency International, India, to popularise the adoption of the concept of 'Integrity Pact' by Government departments and PSUs having huge purchases. The Ministry of Defence has already decided to incorporate this concept in their revised Procurement Manual. The ONGC have also introduced this in their contracts and have reported that, as a result, delays in finalisation of contracts due to pressures/influences from different quarters and motivated complaints from bidders have almost become non-existent.**

In its report for 2004, the Commission had expressed concern about PSUs entering into back-to-back contracts with private sector entities to execute works. This enabled private sector entities, which might otherwise be ineligible because of the pre-qualification criteria, to get the works order. This is particularly serious where the PSUs get the contracts on nomination basis. While on one hand the involvement and connivance of officials with private parties could not be ruled out, it is equally a matter for concern where the PSUs, who do not have particular technical or manufacturing experience and who do not really employ qualified technical personnel, get such contracts on nomination basis and then pass them on to private parties.

**The Commission actively aligned with the National Informatics Centre(NIC), in the creation and popularisation of the 'e-tendering portal'. The Commission is actively pursuing with organisations, having major procurement functions, to get integrated with this portal. The increasing acceptability of the portal can be assessed from the fact that there were over 1 crore hits in 2005 and use and access of the portal by businesses, domestic and international, is increasing day by day.**

The Commission had also noted that **institutions like Kendriya Bhandar had become convenient front agencies for unscrupulous public servants as also private traders to seek and obtain favorable orders at the cost of the public exchequer.** They obtained orders without any tender, by abusing the instructions which had waived the tender procedure in their favour for purchase of stationery and office equipment. **The Commission was pleased that the Government had taken note of this and the special dispensation, allowed to Kendriya Bhandar and NCCF, has been withdrawn now and only the general procedure under the General Financial Rules would be applicable.**

## CHAPTER-3

### Commission's Activities During the Year – Dealing with Vigilance Cases

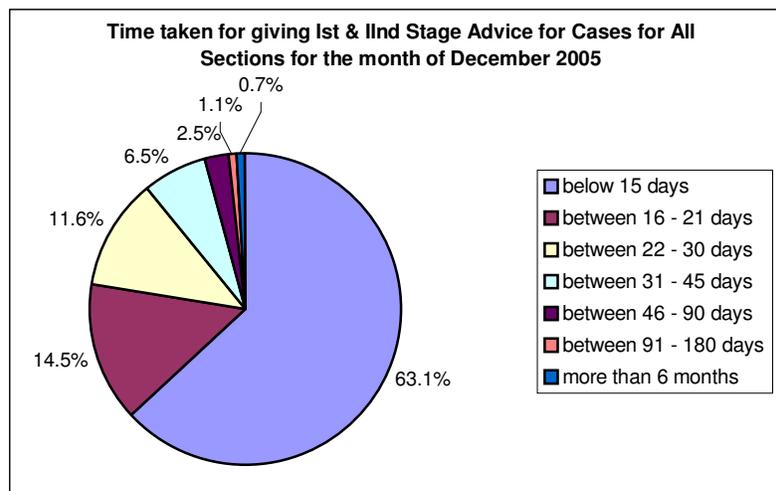
CVC Act 2003 empowered the Commission to tender its advice on cases of disciplinary proceedings forwarded to it by the various organisations of the Central Government, corporations established by or under any Central Act, Government companies, societies and local authorities owned or controlled by the Central Government on such matters as may be referred to it by that Government, said Government companies, societies and local authorities owned or controlled by the Central Government or otherwise. The Commission lays extreme importance to timeliness in conveying its advice in all such case and emphasis that the organisations also complete the disciplinary proceedings in a time bound manner prescribed by the Commission time to time.

#### In House Improvements

During 2004 the file tracking software developed by the Department of Personnel & Training was implemented fully in the Commission and it adhered to strict time schedule for tendering its advice to the department in the vigilance cases referred to it.

As a result, the Commission had significantly cut down the time taken by it in tendering its advice to the departments in the vigilance cases referred to it. **The average time taken by the Commission in tendering its advice is about four weeks; more than 77 percent of its advices are tendered within three weeks of receipt of the cases.** Only about 10 percent cases are delayed beyond four weeks mainly due to non-receipt of complete inputs or some additional details required by the Commission. **(Chart-1)**

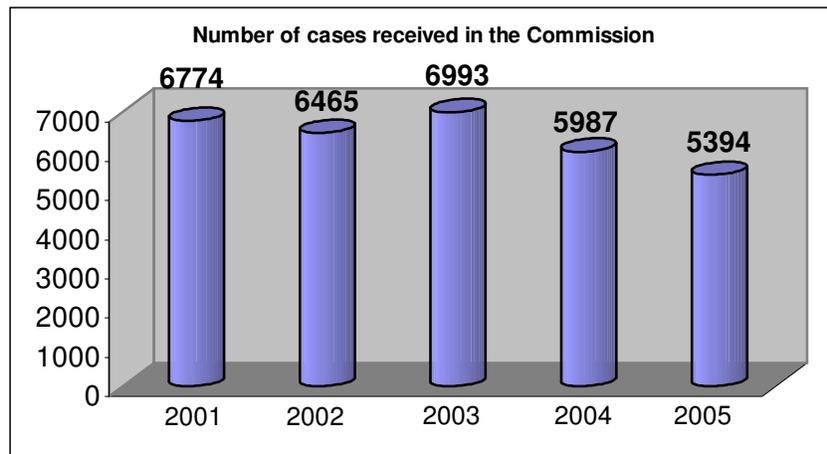
Chart-1



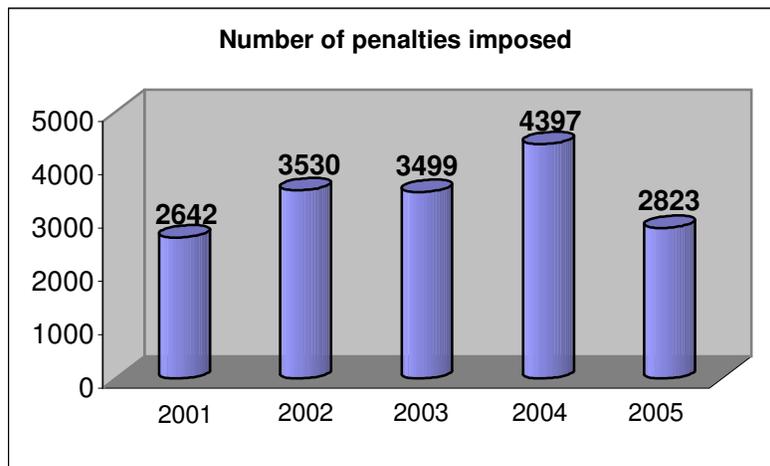
The Commission also, through regular meetings with the CVOs and the CEOs/ CMDs, emphasised on timeliness in dealing with vigilance cases, by the

organisations. The Commission scrupulously scrutinized the monthly reports of the CVOs and followed up on various cases through its Branch Officers to ensure speedy disposal. **As a result of this persistent effort, 2823 punishments have been awarded by the various organisations during 2005 where the Commission's advice was obtained. The percentage of the cases wherein punishments awarded, to the number of cases received in the Commission, is workout more than 52 percent. Thus, overall efficiency in vigilance administration has been one of the important achievements during the year 2005 (Chart- 2, 3, 4).**

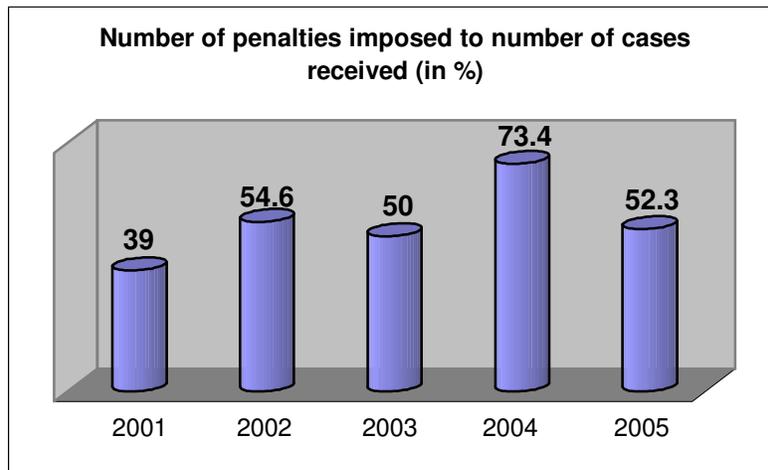
**Chart-2**



**Chart-3**



**Chart-4**



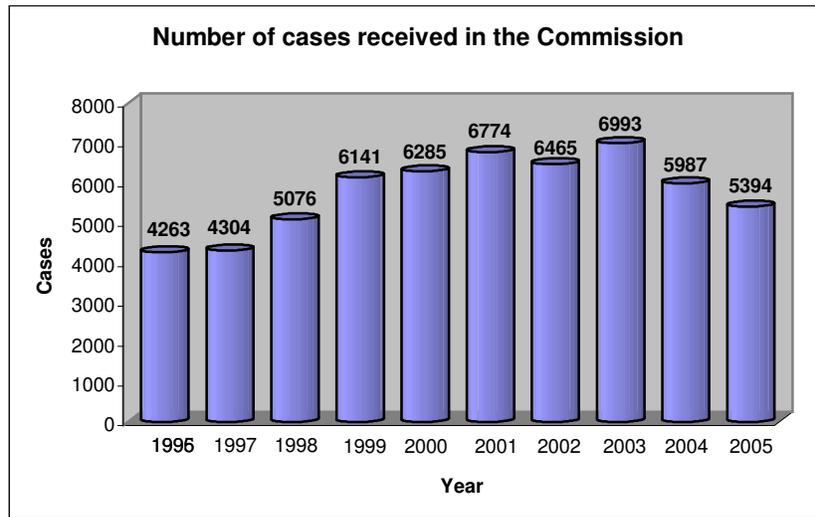
### **Vigilance Cases**

The Commission examines a large number of vigilance cases arising out of investigations conducted by the CVOs or by the CBI for giving its advice. This process of consultation with the Commission can be at the first stage, for initiation of criminal and/or departmental proceedings or at the second stage for imposition of a major or minor penalty after completion of departmental proceedings. Its second stage advice is also required for exoneration in a case where the Commission had advised for minor penalty proceedings at the first stage.

### **Receipt and Disposal of Cases**

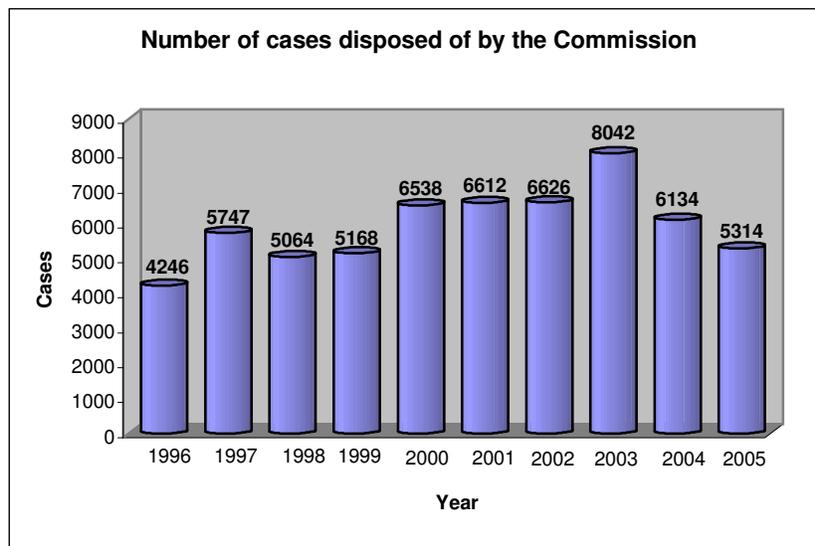
**According to CVC Act 2003, the Commission has raised the level of the officers under its jurisdiction, for mandatory reference of cases by the departments, for seeking the advice of the Commission before initiation of penalty proceedings. In case of Central Government Officers, Commission would look into cases against Group-‘A’. In case of Public Sector Banks, it was raised from Scale-III to Scale-V. Consequently, the number of the cases received by the Commission in 2005 was 5394 as compared to 5987 in 2004. Based on the cases received and brought forward the Commission tendered its advice in 5314 cases, compared with 6134 advices tendered in 2004. As compared to the last year the total pending cases carried forward to the next year are 326 as against 246 brought forward from the previous year (Chart-5).**

**Chart- 5**



The number of cases disposed of by the Commission during the last ten years is given in **Chart-6**.

**Chart-6**



### **First stage advice cases**

**The Commission tendered its first stage advice in 2682 cases during the year, of which 293 were on the investigation reports of the CBI and 2389 were on that of the CVOs (Table-1).** Among the CBI investigated cases, it advised prosecution in 21.8 percent of the cases, major penalty proceedings in 29.3 percent cases and minor penalty proceedings in 8.1 percent cases. Among the CVO investigated cases major penalty proceedings were advised in 19.4 percent cases

and minor penalty proceedings in 6.6 percent cases, the rest being allegations not established conclusively.

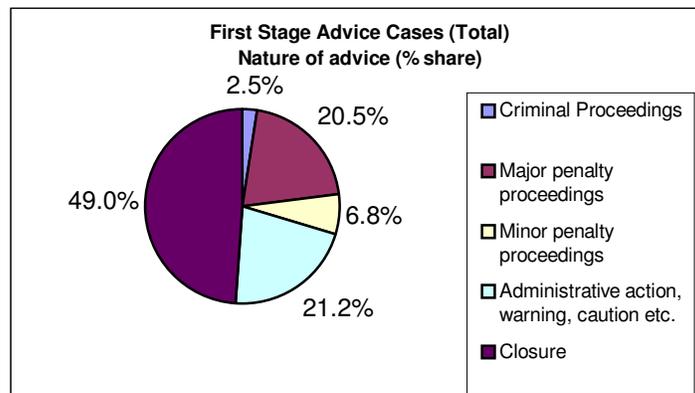
**Table – 1**

**First Stage Advice Cases During 2005**

Nature of advice	On the investigation reports of		Total
	CBI	CVO	
Criminal Proceedings	64	2	<b>66</b>
Major penalty proceedings	86	465	<b>551</b>
Minor penalty proceedings	24	158	<b>182</b>
Administrative action, warning, caution etc.	72	497	<b>569</b>
Closure	47	1267	<b>1314</b>
<b>Total</b>	<b>293</b>	<b>2389</b>	<b>2682</b>

Further it is observed that during 2005, as per the investigation reports received from the CBI and CVOs, in over 49.2 percent of the cases referred to the Commission, some penalty was recommended. (Chart-7).

**Chart- 7**



**Second stage advice cases**

The Commission tendered its second stage advice in 1631 cases during the year, of which Commissioners of Departmental Inquiries (CDI) of the CVC inquired 240 cases and in 1391 cases inquiring authorities were appointed from within departments/undertakings (**Table-2**).

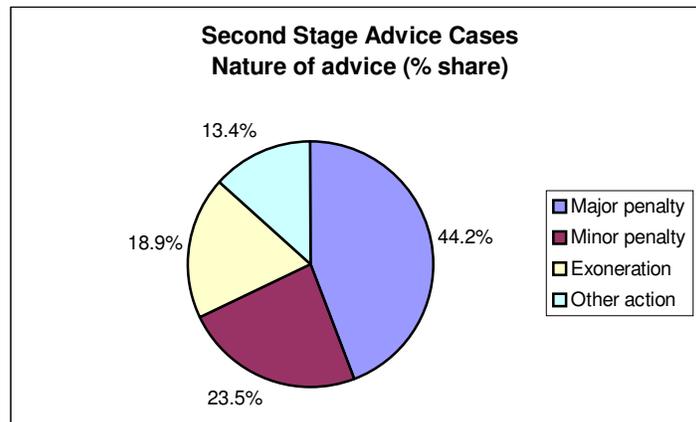
**Table – 2**

**Second Stage Advice Cases During 2005**

<b>Nature of advice</b>	<b>On the CDI's Reports</b>	<b>On the cases received from CVOs</b>	<b>Total</b>
Major penalty	126	596	<b>722</b>
Minor penalty	43	340	<b>383</b>
Exoneration	38	270	<b>308</b>
Other action	33	185	<b>218</b>
<b>Total</b>	<b>240</b>	<b>1391</b>	<b>1631</b>

On the whole, it recommended major and minor penalty in 44.2 percent (722) and 23.5 percent (383) cases respectively. It was in 18.9 percent of the cases that the charges could not be conclusively proved (**Chart-8**). As compared to the last year, in 49.3 percent of cases, imposition of major penalty was advised and in 24.2 percent cases, imposition of minor penalty was advised by the Commission.

**Chart- 8**



**Prosecution and Punishments**

In pursuance of the Commission's advice, the disciplinary authorities in various organisations, issued sanction for prosecution of 141 public servants, imposed major penalties on 1084 public servants and minor penalties on 1136 public servants during 2005 (**Table-3, Chart-9**).

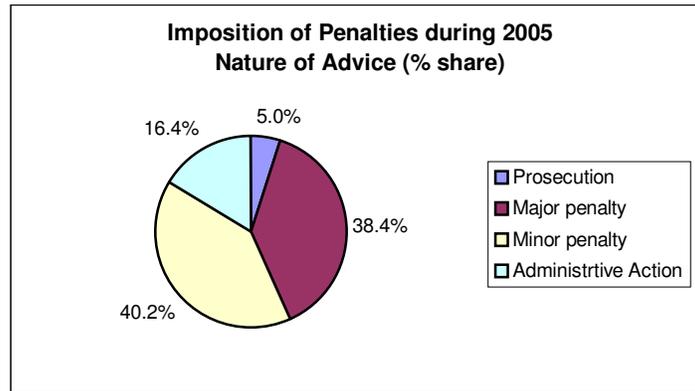
**Table – 3**

**Prosecution Sanctioned and Punishment Awarded**

<b>Year</b>	<b>Prosecution sanctioned</b>	<b>Punishment awarded</b>			<b>Total</b>
		<b>Major penalty</b>	<b>Minor penalty</b>	<b>Administrative Action</b>	
2001	53	1067	861	661	<b>2642</b>

2002	51	1162	957	1360	<b>3530</b>
2003	127	1432	1372	568	<b>3499</b>
2004	120	1951	1616	611	<b>4298</b>
2005	141	1084	1136	462	<b>2823</b>

**Chart-9**



**This includes officers from Indian Police Service (1), Commissioner of CBEC (1), Dy. Commissioner of CBEC (2), Asstt. Commissioner of CBEC (1) against whom prosecution sanctions were issued by the department.** Further one Asstt. Commissioner of Delhi Police has been dismissed from service. One Chief Engineer of M/o Railways; two Scientists from Council of Scientific & Industrial Research; and one Director of Andaman & Nicobar Admn. have been compulsory retired from service; one Director (Med.) of D/o Health has been removed from service. A penalty of cut in pension has been imposed on the following officers: three IAS officers (100%, 50% & 20% respectively); one IPS officer (50%); one Sr. Divisional Engineer, one Divisional Commercial Manager and one General Manager of M/o Railways (100%, 25% & 25% respectively); one General Manager of D/o Telecom (20%); and one Chief Engineer of Delhi Development Authority (5%). Two Directors from D/o Coal and one Chief General Manager from South Eastern Coalfields Ltd.; and one Chief General Manager from Western Coalfields Ltd. were imposed penalty of cut in gratuity @ 25%, 25%, 25% and 30% respectively. The organisation-wise break-up of such cases is given in **Annexure-II**.

An analysis of organisation-wise break up of penalties imposed by the disciplinary authority in cases where the Commission's advice was obtained shows that **the maximum number of prosecution sanctions have been issued by CBEC (25); CBDT (20); D/o Telecom (14), M/o Railways (12); NDMC (7); and BSNL, M/o Home Affairs and M/o Information & Broadcasting each have issued prosecution in six cases; DDA, M/o Defence, M/o Labour and State Bank of India each have issued prosecution in four cases.** CRPF, D/o Health and State Bank of Hyderabad have issued prosecution in three cases. EPFO and MTNL have each issued prosecution in two cases. Airports Authority of India, All India Institute of Medical Sciences, Border Security Forces, Central Bank of India, Central Public Works Department, D/o Company Affairs, D/o Economic Affairs (Banking Division), Hindustan Aeronautics Ltd., Indian Bank, Indian Council of Agricultural Research,

M/o Information Technology, M/o Textiles, Oriental Bank of Commerce and Union Bank of India have issued sanction for prosecution in one case each.

The maximum number of punishments including Administrative Action during 2005 have been imposed, by the Ministry of Railways (463), D/o Telecom (293), State Bank of India (209), Central Board of Excise & Customs (180), Union Bank of India (93), Delhi Development Authority (90), National Insurance Co. Ltd. (65), New India Assurance Co. Ltd. (63), Ministry of Urban Development (59), D/o Defence Production & Supplies (52), and Municipal Corp. of Delhi (49) besides others.

**Amongst the penalties so imposed, major penalties of the higher order, viz. dismissal, removal and compulsory retirement from service were imposed on 154 officers from various organisations.**

An analysis of the cases wherein final orders were passed by the organisations during 2005 show that about 5 percent of these cases resulted out of the complaints forwarded by the Commission and 1.23 percent of the cases were due to the inspections conducted by the Chief Technical Examiners. About 18.7 percent of the cases originated from investigations conducted by CBI and the majority 74 percent cases were referred by the CVOs of the respective organisations. Thus, the majority of the cases where final orders were issued by the departments subsequent to the advice of the CVC were as a result of the action initiated by the departments themselves.

### **Pendency**

**As a result of Commission's effort in streamlining its own functioning, out of a total of 5640 cases including those brought forward, it disposed of 5314 cases – leaving a pendency of 326 cases only at the end of 2005.** Of these, 157 cases were pending for want of clarifications/comments on the CBI reports from the concerned organisations (**Table-4**). Thus only 169 cases were awaiting advice of the Commission.

**Table – 4**

### **Number of Cases Received and Disposed of During the Year**

<b>Cases</b>	<b>Investigation Reports (1<sup>st</sup> Stage)</b>	<b>Inquiry Reports and minor penalty cases (2<sup>nd</sup> Stage)</b>	<b>Other Reports/cases such as reconsideration etc.</b>	<b>Total</b>
Brought forward	160	73	13	<b>246</b>
Received	2775	1616	1003	<b>5394</b>
Total	2935	1689	1016	<b>5640</b>
Disposed of	2682	1631	1001	<b>5314</b>
Pending	253	58	15	<b>326</b>

Thus the Commission has tried to lead by setting an example as far as ensuring that there is no delay in handling vigilance cases referred to it for advice is concerned. **The Commission monitors all these aspects including the dispatch of advices and timely disposal of cases in its monthly meetings.**

## CHAPTER-4

### Commission's Activities During the Year – Handling of Complaints

The Commission is empowered under the CVC Act 2003 to inquire or cause an inquiry or investigation to be made into any complaint received by it against any official belonging to such category of officials under its jurisdiction and tender its advice to the disciplinary and other authorities. A large number of complainants also approach the Commission to redress their grievance. Complaints are received by the Commission through post/couriers and through the complaint lodging facilities on the Commission's website. Besides the complaints received from external sources, based on their independent intensive examination of works and procedures undertaken by them, where serious lapses have been found indicating a vigilance angle, the Chief Technical Examiners Organisation in the Commission also gives source information to the Commission, for being taken up for investigation,

The Central Vigilance Commission has been notified by the Government of India vide its Resolution dated 21.04.2004, commonly known as the Whistle Blower Resolution to receive written complaints or disclosure of any allegation of corruption or misuse of office by any employee of Central Government and its organisations. Under this Resolution on "Public Interest Disclosure and Protection of Informer", in order to protect the complainant, his identity is required to be kept secret. The Commission has laid down a detailed procedure for submitting a complaint for the complainant to be entitled to protection which has also been put on the Commission's website. While utmost efforts have been taken by the Commission to ensure the secrecy, it has been noted that sometimes the complainant had earlier submitted complaints to his authorities or even the same complaint he had endorse to other authorities, thus revealing his identity. However, the Commission had issued instructions that even during the course of investigation if the identity of the complainant got revealed, it should be ensured that he was not harassed. The concerned organisation is required to investigate the complaint and send the report to the Commission most expeditiously and the Commission after examining the report decides on the further course of action. Wherever lapses are noticed and accountability is established, besides appropriate proceedings against the concerned Government servants, corrective measures, if called for to prevent recurrence of such events in future, are also recommended.

#### General complaints received by the Commission

The Commission has recognised that Complaints are one of the important source information for the Commission on various matters relating to corruption in Government Organisations. Over the last decade, the public awareness about the Commission and their expectations from it have greatly increased. Many common people are ignorant of the fact that the Commission has jurisdiction only over notified category of Central Government servants. In the circumstances, though the Commission receives a large number of complaints every year, only a small percentage of these complaints are found having verifiable information and actionable. **Majority of the complaints relate to grievances/administrative issues or against the official/officials who are outside the jurisdiction of the Central Vigilance Commission.** The Commission disposed such complaints with

specific information by sending them to the concerned organisations for taking necessary action at their end.

The Commission is acutely aware of the need for proper and expeditious processing of the complaints received in the Commission. **The Commission has adopted BIS standards 15400 in its complaints handling process.** Accordingly, each complaint is registered and processed in the Commission in a prescribed standardised format to ensure proper screening and it passes through a level of officers for proper decision on the further processing required of the complaints.

The Commission, as a matter of policy, does not entertain anonymous or pseudonymous complaints, nor does it allow other organisations to do so. However, if any department/organisation proposes to investigate any such complaints having verifiable facts against any employee, the same could be undertaken with the prior concurrence of the Commission by referring the matter through the CVO or the head of the organisation. The Commission, while discouraging such anonymous or pseudonymous complaints, has also taken steps to inspire confidence in genuine complainants by offering to maintain confidentiality as to the identity of the complainant if it is so requested, in view of apprehension of any retributive action against the complainant. In all complaints made by the personnel of any organisations against their superiors, the identity of the complainant is kept confidential.

**While the Commission received 9320 complaints during the year 2005, about 21 percent of them were anonymous or pseudonymous and most of them were filed as per its policy.** A large number of complaints were also found to be vague, general and without specific allegations. There were complaints, which did not contain any allegation with vigilance angle but were more in the nature of grievances or on administrative issues. Complaints were also received in large numbers against public servants who were not within its advisory jurisdiction like public servants working in the state governments. However complaints against junior Central Government officials not under the notified jurisdiction of the Commission were forwarded to the concerned organisation for taking appropriate action.

**Only 641 (6.9 percent) complaints received by the Commission (involving officials under its jurisdiction) required further action and these were duly forwarded to the CVOs of the concerned departments or were referred to the CBI, for investigation and report (Charts 10 and 11).**

The Commission, out of a total of 9694 complaints (including 374 brought forward from the previous year) disposed of 9343 during 2005. Only 351 complaints were pending scrutiny in the Commission at the end of the year. The nature of complaints and action taken in respect of the disposed complaints during the year is given in **Table-5.**

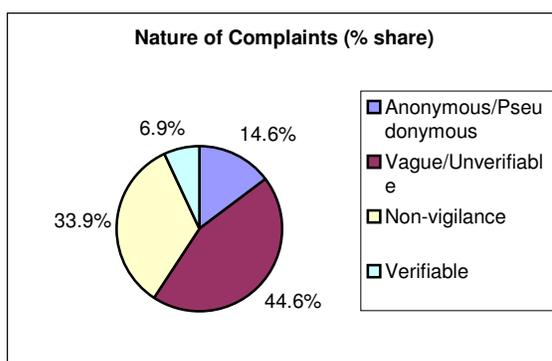
**Table – 5**

**Complaints received and Disposed of During 2005**

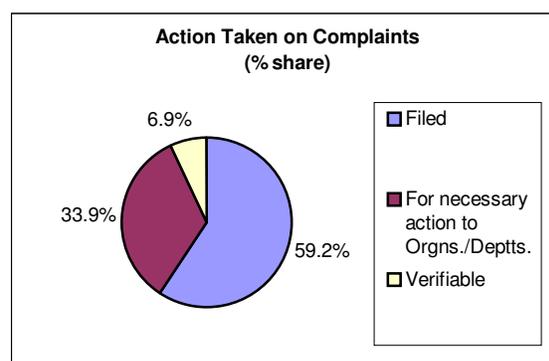
<b>Complaints</b>	<b>Nos.</b>	<b>Action Taken</b>
No. of complaints received	9694	

and B/F		
Anonymous/Pseudonymous	1363	Filed
Vague/Unverifiable	4172	Filed
Non-vigilance/officials not Under CVC jurisdiction	3167	For necessary action to Orgns./ Deptts.
Verifiable	641	Sent for investigation to CVO / CBI
Total disposed of	9343	
Pendency	351	

**Chart-10**



**Chart-11**



The complaints forwarded by the Commission to various departments for action and report are complaints of serious nature wherein the Commission has advised the departments to sent their reports within a period of 3 months. **However, it has been the experience of the Commission that there is a considerable delay in taking action on complaints by the various departments. In view of the continued delay by the organisations, the Commission has decided to invoke its powers under the CVC Act and summon the CEO/CVOs with documents in such matter where it is felt that the delay is unjustified.** A large number of such serious complaints which have been pending for a long time have been identified by the Commission for direct inquiry and given to its Commissioners for Inquiries, to call for reports and issue summon for CVO/CEOs to present documents, wherever it is not forthcoming.

During 2005, 169 such complaints were entrusted to the Commissioners for Departmental inquiries, for direct inquiry. This had the effect of galvanising the organisations and in 73 cases, the investigation reports of the CVOs were submitted immediately thereafter. The Commission’s officers had completed their direct inquiry in 60 cases and submitted their reports.

**Complaints Received under PIDPI Resolution, 2004**

The Government of India has notified the Central Vigilance Commission as the designated agency to receive the complaints under the “Public Interests Disclosure & Protection of Informer” Resolution, 2004.

The modalities of handling such complaints particularly the direction to be followed by the complainant in making such complaints have already been outlined by the Commission and have also been put on the Commission's website. The CVOs of all the organisations were also advised to give due publicity to the Government of India Resolution and the Commission's public notice, to enable the public and employees in the organisations to make complaints against officials under the Central Government and its organisations to the Central Vigilance Commission without any fear or apprehension of retributive action.

The Commission has prescribed a proper procedure to ensure that the identity of the complainant is not at all disclosed to the organisation while dealing with such complaints. Joint Secretary (Home), Ministry of Home Affairs has been made the nodal incharge to arrange for protection to the complainants wherever required and directed by the Commission. The Commission has constituted a Screening Committee to examine the complaints and to decide the further course of action warranted on such complaints.

Out of 412 complaints received by the Commission in this category during 2005, 146 were sent to the CVO for investigation and report, which constitute 35.4 percent of the total of such complaints received by the Commission. 137 (33.3 percent) of the complaints have been sent for necessary action and 129, i.e. 31.3 percent were filed as being petty/anonymous/pseudonymous. **Though the Commission had directed that these complaints should be expeditiously investigated, it notes with concern that there is a considerable delay by the departments in submitting their reports to the Commission. Where the submission of the report is unduly delayed, such complaints also would be entrusted to its Commissioners of Inquiries, for direct inquiry into the complaint, to ensure proper and timely redressal.**

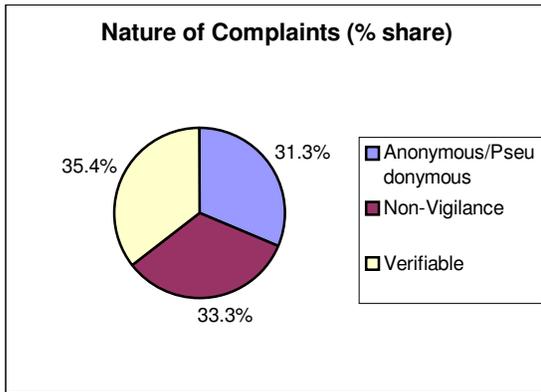
Table 6 below gives the nature of complaints and action taken during the year:

**Table – 6**

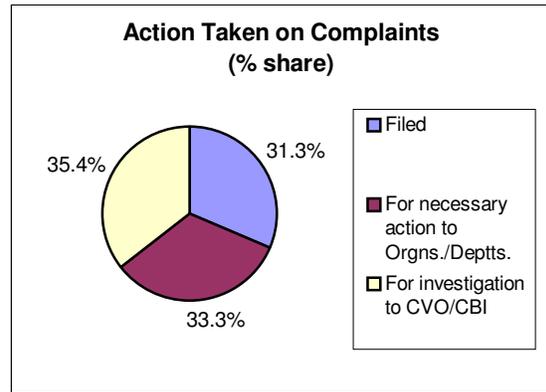
**Complaints Received and Disposed of during 2005  
Under the PIDPI Resolution**

<b>Complaints Received</b>	<b>Nos.</b>	<b>Action Taken</b>
No. of complaints received	412	
Anonymous/Pseudonymous	129	Filed
Non-vigilance	137	For necessary action to Orgns. / Deptts.
Verifiable	146	For investigation to CVO / CBI
Total disposed of	412	

**Chart-12**



**Chart-13**



It is observed that the quality of complaints in terms of giving specific and verifiable charges is much higher in this category of complaints.

## **CHAPTER-5**

### **Superintendence over Vigilance Administration**

One of the most important subjects assigned to the Central Vigilance Commission under the CVC Act, 2003, is the superintendence over the Vigilance Administration of the various Ministries of the Central Government or corporations established by or under any Central Act, Government companies, societies and local authorities owned or controlled by that Government. Though the Central Vigilance Commission is the sole central agency to supervise the administration of vigilance, it is an undisputed fact that it remains the responsibility of the CEO/Heads of the organisations to ensure proper vigilance administration in their respective organisations. The Commission has, time and again, emphasised the fact that vigilance is an integral part of public administration. It believes that good corporate governance is the key to minimise corruption. It is therefore the responsibility of the organisations to ensure that proper systems and procedures are in place to ensure transparency in all aspects of public administration. While it is the function of the Commission to give impartial and objective advice, the organisations are also required to take suitable punitive, corrective and preventive actions promptly against the errant public servants, without any discrimination, whether they are under the jurisdiction of the Commission or outside that.

The Chief Vigilance Officers (CVOs) in various organisations function as the extended arms of the Commission, to enable it to effectively exercise its powers of superintendence of vigilance administration, in those organisations. Therefore it is necessary that the work of the CVOs is properly monitored. The Commission monitors the work done by the CVOs through prescribed returns and also through annual meetings conducted in four zones and regular sectoral meetings.

#### **Performance of CVOs**

The vigilance related activities in an organisation and the performance of CVOs in tackling them, are reported to the Commission through the prescribed Monthly Returns and Annual Returns. These returns give statistical details of the complaints handled, vigilance cases examined and inspections undertaken by the CVOs and vigilance cases arising out of such inspections. The qualitative performance of the CVOs is reflected through these reports, besides actions initiated by them on various aspects of preventive vigilance, timeliness in handling cases, ensuring implementation of various guidelines issued by the Commission etc. While the CVOs act as a link between the commission in respect of the officers under the Commission's jurisdiction and the complaints and cases related to them which are referred to the Commission, the CVOs are responsible for overall guidance to the management in implementation of effective vigilance administration in respect of the officers outside the jurisdiction of the CVC. The monthly and the annual reports enable monitoring the disposal of the cases relating to such officers also. The CVOs are also required to submit a Quarterly Progress Report indicating the major purchases/works undertaken by their organisation, on the basis of which the CTE would select any particular activity for intensive examination. The CVOs are also expected to conduct similar examination to ensure that the award of order has been done in a transparent manner in a fair competition among bidders placed on equal

footing. If they so feel, the CVOs also could recommend any major Works/Purchase of their organisation for an intensive examination by the CTEO of the Commission. The performance of the CVOs, as reported by them in their annual reports to the Commission, is given in **Annexures-III A- F. The list of some of the important organisations who have submitted the annual report to the Commission within the stipulated time is enclosed at Annexure III G. The performance of CVOs as reported in this Chapter is based on the reports received from the organisations.**

**Based on the data as in the above annexures, during the year 2005, formal punishments/other actions were awarded in a total of 9568 cases (for all category of officers) dealt with by the CVOs at their end. Major penalty was awarded in 3259 cases and minor penalty was awarded in 6309 cases. The details on major and minor penalties imposed in such cases are as follows (Table-7).**

**Table – 7**

**Details of Penalties Imposed in cases for all category of officers handled by the CVOs**

<b>S. No.</b>	<b>Nature of Penalty</b>	<b>No. of officers</b>
	<b>Major Penalty</b>	<b>3259</b>
1.	Cut in pension	100
2.	Dismissal/Removal/Compulsory retirement	846
3.	Reduction to lower scale/rank	1505
4.	Other major penalty	808
	<b>Minor penalty</b>	<b>6309</b>
5.	Minor penalty other than censure	2495
6.	Censure	3814
	<b>Total</b>	<b>9568</b>

*Note: This data is not comprehensive since some organizations have not sent their annual reports.*

The Commission reviews the performance of the CVOs through the annual review meetings/sectoral meetings also. 8 such meetings were held during the year in which about 151 CVOs of major organisations including Public Sector Banks participated. **During the meetings, the Commission’s main focus was on timely disposal of complaints. This was due to the fact that despite a very small number of complaints the Commission sends for investigation and reports, proper attention was not given by the Organisations in disposing of these complaints. The Commission also stressed for transparency and probity in public procurement and advised the CVOs for increasing the internal inspections and conduct of CTE like inspections and also train their vigilance officials for this purpose. The Commission also suggested that the CVOs should give due attention to the Monthly Reporting system instead of treating it as a routine report as it reflected and enabled the Commission to assess their performance. They were informed that the Commission scrutinised the Monthly Reports closely and took note of the preventive vigilance initiatives taken by the CVOs. The CVOs were also advised to use the File Tracking**

**System, a part of Data Management & Monitoring Information System developed by the NIC so that undue delay in processing of files could be avoided. The Commission further emphasised that e-payment was the best method of expediting payments and ensuring elimination of large volume of petty corruption in handling of cheques. The CVOs were advised by the Commission to ensure that the suppliers who had complained against the officials of the organisations were not victimised/harassed and to treat such complaints seriously. CVOs of the Ministries were also advised to take regular meeting of the CVOs of PSUs under their administrative control for better vigilance administration. The Commission also urged the CVOs to constantly monitor the pendency of the cases as reflected in the Commission's website and take necessary action to reconcile the difference and also ensure expeditious action on them.**

### **Pendency with CVOs – All categories**

The Commission attached great importance to the complaints and cases pending with the CVOs and reviewed them periodically. The Commission has been pursuing with the CVOs to bring down the level of pendency. The total number of complaints pending consideration with the CVOs at the close of the year was 12227 of which 3360 were pending for more than 6 months. The complaints forwarded by the Commission including complaints received under Whistle Blower Resolution, mainly relating to officers under the Commission's jurisdiction, were 1084 of which 451 were still pending at the close of 2005. The number of departmental inquiries pending with the inquiry authorities was 769 in respect of officers under the jurisdiction of the CVC and 5741 in respect of officers outside its jurisdiction.

**During 2005 a total of 465 cases were received from the CBI for sanction of prosecution. The disciplinary authorities gave sanction for prosecution in 296 cases and denied sanction in 95 cases. Only 74 cases were pending for decision with respect to sanction for prosecution, of which 19 were pending for more than 6 months.**

Even though there was a marginal increase in the total number of complaints received by all CVOs, the pendency with the Departments at the close of the year 2005 was nearly double the corresponding figure for 2004. There is an urgent need to accelerate the process of investigation of the complaints. Similarly the need for conducting the proceedings and finalisation of cases speedily has to be seriously taken note of. The matters relating to disciplinary cases are basically the function of administration/personnel department of an Organisation. The Commission has been time and again emphasising the need for quick finalisation of disciplinary cases so that guilty officials are punished promptly and therefore all organisations/departments are required to focus and monitor the progress on this front. This is absolutely necessary to punish the errant officials at the earliest and similarly to absolve honest officials early, who might have been implicated in the complaints.

### **Appointment of CVOs**

A CVO is the most important link for performing the Commission's mandate of overall superintendence of vigilance administration as provided in the Central

Vigilance Commission Act, 2003. The efficacy of the vigilance administration in the Government rests, to a large extent, on the Chief Vigilance officers in the various departments/ organisations. Accordingly the Commission takes great care to ensure that the officers of impeccable records of efficiency and integrity only are empanelled for the posts of CVO in each of the organisation. The Department of Personnel, the nodal agency for appointment of CVOs in PSUs, receives applications from the individual officials and then selects the appropriate official in consultation with the Central Vigilance Commission. This process of selection is completed normally within a period of six months. For appointment of CVO in select organisations, the DOPT sends a panel of officers for approval of the Commission. The Commission approves and selects a small list, which is forwarded to DOPT for further process of appointment. **The Commission, during the year 2005, approved the suitability of 38 officers recommended by the administrative authorities for appointment to the post of CVOs in different organisations. It has also approved 41 names of officers for appointment as part-time CVOs in various Ministries/ Departments/ Autonomous Bodies. Besides, the Commission also issued general clearance to the DOPT for 166 persons, for empanelment for being considered to be posted as CVOs.**

In many organisations, the selection of a successor CVO had taken unduly long time and as a result the organisation was constrained to appoint part-time CVOs from within the organisation, which is generally not acceptable to the Commission.

The Commission strongly feels that there should be no delay in the posting of a regular CVO. It has to be ensured that the appointments are processed with utmost expedition and the selection process completed and the officer posted in any case not later than one month before the expiry of tenure of the incumbent CVO. If there is delay in the selection, the incumbent CVO should get an automatic extension of tenure until a successor is posted, except in cases where the Commission has consciously desired that the tenure of the incumbent CVO need not be extended. However, it is noted with concern that ad-hoc arrangements continue to be made. In the circumstances Commission has issued directions that the decision for closure of any case by the CVO during the ad-hoc arrangement, should be taken only with the prior approval of the Commission in all cases. The Commission has earlier recommended and would again reiterate that there is need for full-time CVO at least in major departments, particularly those having a number of important PSUs under their administrative control. In other departments there could be a system of one CVO for a group of organisations on the analogy of Financial Advisers.

**Some of the cases where there had been considerable delay in the appointment of CVO are listed below:**

#### **Airports Authority of India (AAI)**

As mentioned in the Commission's last Annual Report, after a period of almost one year the post of CVO in the AAI was filled up in October, 2004. However, just after a month the CVO demitted the post in November, 2004 and the additional charge of the post has been entrusted to the Chairman, AAI. A fresh panel was again received from the DOPT in Jan.2005 in the Min. of Civil Aviation, which was

forwarded by the Ministry to the Commission in February, 2005. The Commission cleared two names in March, 2005. Subsequently, four names were recommended by the AAI/DOPT in two batches of two names each. In October 2005, the Commission again cleared two names for the post of CVO in AAI. However the post is still lying vacant.

### **Employees Provident Fund Organisation (EPFO)**

The Commission had cleared the 3 names recommended by the DOPT for the post of CVO in EPFO in November 2004. However, the finalisation of selection of an officer for the post of CVO, EPFO is pending due to non-availability of full time CVO post in EPFO which is under consideration in the Ministry of Labour for creation of a full time CVO post in EPFO. In Feb.2005, the Min. of Labour & Employment had forwarded the name of one officer to the post of CVO on part time basis till such time a full time CVO is posted which was turned down by the Commission. In March, 2005 the DOPT again forwarded names of 3 officers for the post of CVO and the Commission approved name of one officer. Though EPFO has been included in the list of select organisations maintained by the Commission, the post of CVO in EPFO continues to remain vacant.

### **Kolkata Port Trust (KPT)**

The post of CVO in Kolkata Port Trust fell vacant in July, 2002. In November, 2002, the Commission requested the DOPT to send a panel of the officers for its consideration. However a panel of 3 officers was received from DOPT in January, 2004 only. The Commission had cleared two names in March, 2004. However an internal arrangement was made in the KPT but no full time CVO has been appointed. DOPT has been reminded in this regard by the Commission. The post of CVO is still lying vacant.

### **Bharat Sanchar Nigam Limited (BSNL)**

BSNL was included in the select list of organisations in June, 2004 and the Commission requested the DOPT for a panel of officers for appointment of a CVO in BSNL. A panel of 3 officers was forwarded by DOPT in Sept. 2004 and the Commission cleared 2 names in October 2004. Appointment Committee of Cabinet cleared one name in June 2005. However in September 2005, DOPT issued debarment order of the officer on his failing to join the post. The post continues to remain vacant.

### **Mishra Dhatu Nigam Limited (MIDHANI)**

The post of CVO in MIDHANI is vacant since April 2005 and CVO, Bharat Dynamics Limited was entrusted the additional charge of CVO, MIDHANI. The Commission had reminded the Department of Defence Production and Supplies in October and

December 2005 for the undesirable delay in appointment of a CVO in MIDHANI. The matter is still pending with the Department of Personal and Training.

### **Jawaharlal Nehru Port Trust (JNPT)**

The post of CVO in JNPT is lying vacant since September, 2004. After one year, in September, 2005, DOPT forwarded a panel of 2 officers for the post of CVO in JNPT which was cleared by the Commission in October, 2005. No appointment was however made till the end of the year.

### **Delhi Development Authority (DDA)**

The post of CVO in DDA is lying vacant since March, 2005. In August 2005, the DOPT forwarded a panel of 4 officers for the post, which was cleared by the Commission in August itself. However no regular appointment has been made for the post of CVO in DDA till now.

### **Vigilance Clearance**

The Commission gives vigilance clearance for board level appointments in Public Sector Undertakings. **During 2005, the Commission issued 340 vigilance clearances in respect of Board Level appointees.** The Commission has been maintaining the time limit for processing such matters for issuing vigilance clearance within a period of 4 weeks from the date of receipt of request, complete with all relevant informations from the Ministry/Department concerned alongwith bio-data of the officers concerned. Any delay in this regard is, however, due to the Ministries/Departments only.

### **Vigilance Advisory Council**

As mentioned in its last Annual Report, to get independent external advice on vigilance related matters, the Commission had constituted a Vigilance Advisory Council. During the year, two more meetings of Vigilance Advisory Council were held in April and December, 2005. Some of the important recommendations made by the Council in these meetings were -

- i) Delay in processing a case should be considered as one of the factors for determining vigilance angle.
- ii) CVC to evolve some method to monitor release and use of funds provided by the Central Government to state Governments to ensure that the funds were being used for the purpose for which it was sanctioned.
- iii) CVC should have periodic interaction with the State Vigilance Commissioners/Anti Corruption Bureaus /Lokayuktas.
- iv) Members of the Tender Committee should give an undertaking that they have no personal interest in the company/organization participating in the tender.
- v) The Government should strengthen the internal grievances machinery in various Government Ministries/Departments/Organisations.

- vi) State Governments should also have vigilance commissions on the pattern of CVC so that corruption at the grass root level could be tackled effectively.
- vii) RTI Act should become an effective tool to combat corruption and CVC should take initiative to create awareness amongst the public. NGOs could also be involved in this.
- viii) Delays, being one of the root causes of corruption, CVC should pursue implementation of file tracking system in Government Department/private organisations.
- ix) While some of the organisations had incorporated the integrity pact in some of their contracts, the choice of independent monitors was left to CEO's discretion. It was suggested that departments should prepare panels of independent monitors in consultation with CVC.
- x) Central Government departments like Income Tax, Customs etc. should be requested to place their general orders on their website for the information of general public. Similarly discretionary powers given to various officers of departments/Ministries/Organisations should also be put on website.
- xi) Use of information technology should be encouraged to minimise interface between public and Government servant and software like "work flows software" etc. should be used to ensure greater transparency and accountability.
- xii) There is a need to protect the whistle blowers and in this regard even some of the NGOs could assume the role of whistle blowers.
- xiii) CVC should play proactive role particularly in matters of appointment/transfer of officers to ensure adherence to laid down norms so as to prevent victimization of honest officers including whistle blowers. Government has to initiate actions against persons making false and malicious complaints against these officials.
- xiv) HRD Ministry may be approached to make suitable changes in school curriculum to inculcate moral values into the young minds so that they could become better citizens of tomorrow.

#### **Direct investigation of complaints through CVC's officers:**

During the year the Commission had decided to take up for direct examination by its own officers, serious complaints where no report was received from the organisations even after expiry of a considerable period, as per the provisions under Section 11 of CVC Act. During 2005, the Commission had taken up 169 such complaints for direct inquiry through its own officers. This had the effect of expediting submission of reports by the CVOs themselves in 73 cases. On the basis of records called for from the CVOs, the Commission's officers submitted reports in 60 cases.

#### **Meeting with Lok Ayuktas and State Vigilance Commissioners:**

As suggested in the Vigilance Advisory Council meeting, the Commission had organised a meeting with Lok Ayuktas and State Vigilance Commissioners/Chiefs of anti Corruption Bureau in October, 2005. During the meeting the need for more interaction between various agencies was emphasised to tackle the deep routed

malice of corruption in the country. Some of the important recommendations made were -

- i) State Vigilance Commissions should be given statutory status with full independence on the pattern of CVC.
- ii) Sanction for prosecution of public servant should be given within a reasonable period. If it is delayed beyond a reasonable period, a show cause notice as per provisions can be issued to the sanctioning authority.
- iii) Possibility of having a central act on vigilance on the lines of RTI act so that State Vigilance Commissions also functions under the overall supervision of Central Vigilance Commission.
- iv) Income Tax Authorities may share their data on public servants with ACBs/State Vigilance Commissioners.
- v) State Governments should also think of having Chief Vigilance officers in various department/organizations on the pattern of Central Vigilance Commission.
- vi) CVC Act needs to be amended to make its recommendations binding the organisations. Also, the power to grant sanction for prosecution should be with CVC.

### **Commission's interaction with NGOs**

The Commission felt that NGOs could provide very useful inputs about the public perception of corruption and the possible countermeasures needed. The Commission therefore interacted with some NGOs during the year. These are as follows:

#### **1) Centre for Media Studies (CMS)**

During the year, the Commission interacted with the Centre for Media Studies. This organisation has been conducting "India Corruption Studies" and bringing out Annual survey on corruption since 2000. To begin with a meeting between vigilance officials of the petroleum companies and CMS was arranged in the Commission on 7.4.2005 to discuss the issues relating checking the adulteration of petrol/diesel.

#### **2) Citizens' Forum Against Corruption**

The Commission held two meetings with this Forum in March and July, 2005. The following issues were raised in the meetings:

- i) Complainant should be informed through website about the progress of action taken on his/her complaint.
- ii) The CVC should resort to direct investigation of the complaint in case of the Ministries/Organisations where the internal vigilance machinery is run by an officer of the same organisation.
- iii) The cases of disagreement with the CVC be reflected on its website on monthly basis.
- iv) CVC should exercise administrative control over CBI and wherever necessary, CVC should give directions to CBI for change of Investigation Officer or for further investigation.

### **3) Transparency International India**

The Transparency International is an NGO actively engaged in achieving transparency and probity in public enterprises. They have also been periodically bringing out the Corruption Perception Index ranking different countries of the world according to the international perception of prevalence of corruption in those countries. The Transparency International India has been closely associated with the Commission in its efforts to achieve the aforesaid objective. At the instance of the Commission, a meeting was organised in May 2005 in which this NGO made a presentation to the major participating organisations about the concept of Integrity Pact. This Pact, in essence, envisages a binding agreement between the purchaser and seller that the seller would not bring any corrupt influence on any official of the purchaser and similarly the purchaser assuring that his officials would not demand any bribe, gifts, etc from the bidder. The Pact takes effect from the pre-bid stage and also provides for Independent Monitors who could be approached by either party in case of any violation of the Pact. The Ministry of Defence have accepted and incorporated this concept in their Procurement Manual and the ONGC have also started incorporating this concept in their purchase contracts. The Commission has directed that the panel of such Independent Monitors should be got approved by it.

#### **Other Matters**

The Commission has already taken or initiated action on most of the recommendations made in the meetings mentioned above. Besides, the Commission also organised a workshop to discuss issues relating to tendering process with particular reference to negotiation with L-1 (L-1 is the bidder quoting the lowest rates/amount). Appropriate instructions have been issued that reflected the broad consensus arrived at in the workshop laying down that there should not be any negotiations and in exceptional cases, negotiations shall be held with L-1 only. A time limit was also laid down for completion of the entire process of award of tender from the date of submission of the recommendations and it was emphasised that such time frame should be within the validity period of the tender.

## **Important instructions/guidelines issued by the Commission – January 2005 to December 2005.**

- Instructions relating to processing of complaints in the context of granting of vigilance clearance (Circular No.004/VGL/62 dt. 8.2.2005)
- Instructions to CVOs to ensure that supplier complainants are not harassed/victimised by the concerned organisation (Circular No.005/VGL/5 dated 10.02.2005)
- Instructions requiring reasons to be communicated to the Commission in case of non-acceptance of Commission's advice (Circular No. 004/DSP/11 dated 24.02.2005)
- Instructions relating to use of website for tenders containing classified documentation (Circular No. 005/VGL/7 dated 28.02.2005)
- Instructions requiring CVOs to undertake a review of bills received for Rs.1 lac and above and their disposal to ensure timely payments to suppliers (Circular No. 005/ORD/1 dated 10.03.2005.)
- Instructions directing all CVOs to ensure that details of award of tenders/contracts be published on the organisation's website(Circular No. 005/VGL/4 dated 16.03.2005)
- Instructions requiring prior consultation with the Commission before initiating disciplinary proceedings against vigilance officials (Circular No. 005/VGL/1 dated 08.04.2005)
- Instructions requiring part-time CVOs (appointed to look after the work of CVO till the regular incumbent takes over) to obtain prior approval of the Commission before closure of any case/complaint. The regular CVO to review action taken on vigilance cases by the part-time/interim CVO(Circular No. 6Q/CVO/69 dated 13.04.2005)
- Complaints forwarded by Ministries/Departments to CVOs against PSU officials to be closed only with the approval of the Commission.(Circular No.004/VGL/20 dated 29.04.2005)
- Improving Vigilance Administration – CVOs of PSUs/PSBs not to require prior approval of CMDs/CEOs for tours/inspections and to send an inspection report to them subsequently (Circular No. 005/VGL/15 dated 04.05.2005)
- Procedure for making reference to Commission (Circular No. NZ/PRC/1 dated 09.05.2005.)
- Guidelines to be followed by the authorities competent to accord sanction for prosecution u/s 19 of the P.C. Act (Circular No. 005/VGL/11 dated 12.05.2005)
- Processing of complaints in the Ministries pertaining to PSU Executives to be routed through the CVO of the Ministry. (Circular No.005/VGL/23 dated 04.07.2005)
- Recommendation to include a separate chapter on Vigilance in the Annual Reports of the Ministries (Circular No. 005/MS/22 dated 29.09.2005)
- Instructions relating to parallel investigation/departmental action (Circular No. 99/VGL/87 dated 30.09.2005)
- Instructions relating to submission of Quarterly Progress Report (Circular No. 98/VGL/25 dated 24.11.2005)
- Instructions requiring CVOs to ensure that Members of Tender Committee give an undertaking that none of them has any personal interest in the

companies/parties participating in the tender process(Circular No.005/VGL/66 dated 9/12/05

- Instructions relating to action against public servants serving as witnesses, but turning hostile in trap and other cases of CBI (Circular No.000/VGL/154 dated 15.12.2005)
- Undue/unjustified delay in disposal of case would reinforce a conclusion as to the presence of vigilance angle (Circular No. 004/VGL/18 dated 21.12.2005)

## CHAPTER-6

### Non-Compliance, Delays and other Matters of Concern

#### Non-compliance

The Central Vigilance Commission is an independent statutory authority and is the apex anti-corruption body and plays an important advisory role in all aspects of vigilance administration. It hardly needs to be emphasised that Commission tenders its advice after a careful appreciation of the facts and circumstances of a case received by it. It is gratifying to note that in the majority of cases, the Commission's advice is accepted by the Disciplinary Authorities indicating Commission's fairness of approach. However, it is disturbing to note that in some cases, either the Commission has not been consulted in respect of the officers under its jurisdiction or there was non-acceptance of the Commission's advice. There have also been glaring instances where after Commission's advice in the first stage for major penalty proceedings, without consulting it at the second stage, cases have been dropped and the officers have been exonerated.

The Commission is of the firm view that non-acceptance of its advice or non-consultation with the Commission in finalisation of cases by various disciplinary authorities creates distrust in the vigilance process and weakens the impartiality of the vigilance administration. In all such cases the Commission conveys its concern to the Departments concerned. However, a few cases of deviation from procedure or non-acceptance of Commission's advice are considered fit for specific mention and as such presented in this Report. During the year under report the Commission observed that in 392 cases, wherein final orders were issued in 2005, there was deviation from the Commission's advice. Some of the significant cases are as follows (**Table-8**):

**Table – 8**

#### Cases of non-compliance/non-consultation

S. No.	Department/ Organisation	Commission's advice	Action taken by the Department	Remarks
1.	Central Board of Excise & Customs	Major penalty proceedings	Case dropped	Non consultation
2.	Department of Posts	Major penalty proceedings	Case dropped	Non compliance
3.	Ministry of Railways	Suitable major penalty	Case dropped	Non compliance
4.	Ministry of Railways	Suitable major penalty	Censure	Non compliance
5.	Ministry of Railways	Major penalty	Case dropped	Non consultation
6.	Ministry of Railways	Suitable major penalty	Exoneration	Non compliance
7.	Ministry of Railways	Major penalty proceedings	Closure	Non compliance
8.	Ministry of Railways	Suitable major penalty	Minor penalty	Non compliance
9.	Ministry of Railways	Suitable cut in pension	Case dropped	Non

				consultation
10.	Ministry of Railways	Suitable minor penalty	Case dropped	Non compliance
11.	Ministry of Urban Development	Suitable cut in pension	Exonerated	Non compliance
12.	Food Corp. of India	Major penalty proceedings	Minor penalty proceedings	Non compliance
13.	Delhi Development Authority	Major penalty proceedings	Case dropped	Non compliance
14.	Municipal Corp. of Delhi	Major penalty proceedings	Case dropped	Non compliance
15.	Tuticorin Port Trust	Censure	Exonerated	Non compliance

### Ministries/Departments

#### Central Board of Excise & Customs (CBEC)

This case relates to custodial death of one alleged gold smuggler. The CBI investigated this case. The Commission had tendered its first stage advice for initiating RDA for major penalty proceedings against 8 Customs officials on 11.12.2001.

The Department, however, did not send the action taken report for about four years. In August 2005, the Department came back saying inter-alia that a unilateral action has already been taken by the Disciplinary Authority in this case and Commission may kindly consider extending ex-post facto concurrence.

When the Commission's first stage advice was sought, the Department should have sought the Commission's second stage advice especially when they were disagreeing with the Commission's first stage advice. This is a blatant violation of the provisions contained in the Vigilance Manual in regard to consultation with the Commission. It was also disquieting to note that the Department sat over the case for years altogether and responded to the Commission's reference of December 2001 only in August 2005.

#### Department of Posts

In a case of D/o Posts relating to irregularities in recruitment of Group 'D' staff at Nagpur during 1996-2000, it was observed that the Selection Board including the Chairperson had failed to follow the prescribed procedure and acted incoherently while recasting the vacancies. Initially 4 vacancies were notified to employment exchange, which sponsored 20 candidates. However later on, the vacancies were arbitrarily increased to 16 but the employment exchange was not notified for additional vacancies. The notice mentioned about desirable qualification, which was not in consonance with the rules. Call letters to 215 candidates were issued by **registered post** but to the 20 candidates sponsored through employment exchange, it were sent by **ordinary post**. Total 197 candidates were interviewed and 16 were selected and another 16 put on waiting list. However, none of the selected

candidates was amongst the candidates sponsored by employment exchange, whereas as per department's rule, Group 'D' posts are to be recruited through only candidates sponsored by employment exchange. The Commission, advised initiation of major penalty proceedings against all the serving 4 members including the then Director (Postal) [on deputation from Railways] who was also the Chairperson of the Selection Board. The Commission had reiterated its advice in r/o the then Director (Postal) after due consideration of the defence statement to the charge sheet, the comments thereon of Railway Board and those of the D/o Posts. However, the Railway Board informed that the disciplinary authority [GM, SEC Railway] had dropped the charges.

## **Ministry of Railways**

### **Case-1**

The case pertains to placing of an order on 9.9.1999 with a firm for supply of 10800 nos. of brake head, valued at about Rs. 31.33 lacs by Gorakhpur Workshop (under NE Railway). M/s RITES, Calcutta were the inspecting engineers. The firm made supplies in four lots i.e., on 31.01.2000, 7.2.2000, 28.2.2000 and 14.8.2000. The supply made on 28.2.2000 was subjected to chemical testing at the instance of Vigilance and was found to be defective as the copper content was found to be much less vis-à-vis the specifications. The Commission advised, inter alia, initiation of major penalty proceedings against a Dy. CWM, Gorakhpur Workshop. In the departmental inquiry, the inquiry officer held charges as not proved. Disciplinary authority agreed with the IO's findings. The case was analysed in the Commission. It was observed that the CO had obtained orders of the CWM regarding metallurgical test of brake heads on the basis of the rumours about its quality; the ACM's note and his deposition that the CO had come to his room and insisted that the brake heads shall be sampled by the AIO and the material shall be sent to CMT by the AIO; samples drawn by the SSE(Inspection) which had a peculiar marking and were found to be conforming to the specifications; and subsequent samples drawn by ACMT had failed. The Commission, therefore, advised the Railway Board that on the basis of preponderance of probability, the charge relating to efforts to render undue help to the defaulting firm by abuse of his official position was proved against the officer. Accordingly, the Commission advised imposition of a suitable major penalty on the officer. Even though the Commission reiterated its advice when it was approached for reconsideration, the disciplinary authority, disagreed with the advice of the Commission and exonerated the officer.

### **Case-2**

This case relates to gross irregularity in respect of two candidates in the matter of selection and appointment to the post of Apprentice Mechanics in Bhusawal Division of Central Railway. In this case, the Commission had advised in June 1999, initiation of major penalty proceedings against a DEE. In the departmental inquiry, it was conclusively proved that the DEE had given marks for wrong answers and enhanced marks at various places in case of both candidates in order to declare them as passed even though they had actually failed. This led to the selection of two candidates in the departmental examination of Apprentice Mechanic Ranker, who

otherwise would have failed. The marks were enhanced from 39 to 60 in respect of one candidate and from 50 to 66 in respect of another candidate. The GM accepted the IO's findings. Thereafter, the Commission advised imposition of a suitable major penalty on the DEE. At this stage, GM and the Railway Board concluded that the DEE had no malafide intention in evaluating the papers liberally and proposed to impose the penalty of censure and referred the case for reconsideration. The Commission however reiterated its advice but the GM imposed the penalty of censure on the charged officer.

### **Case-3**

In a case of loss/misappropriation of stores in Ferozpur Division, Northern Railway, which apparently occurred during the execution of Signaling work in Katwa – Pudni Section, the investigation revealed that store (PVC Cable) was drawn in excess of the requirement. After execution of the work, no one bothered to return the unused cable to the Stores Department. This resulted in unused PVC cables lying at the site for a long time, which was apparently misappropriated/stolen and caused loss of Rs. 5.5 lakhs to the Railway. Railway Board sought 1<sup>st</sup> stage advice of Commission in September 1996 for alleged lapses that had occurred in 1989-90. The Commission's advice for major penalty proceedings against six officials was issued in October, 1996. Out of the six cases, in four cases, Railway Board sought 2<sup>nd</sup> stage advice. In one case, advice was sought after two years and in three cases, it was sought after more than three years. While one of the remaining case of Signaling Inspector was dropped without seeking 2<sup>nd</sup> stage advice, the status of the sixth case has not been intimated to the Commission despite reminders. The department has intimated the Commission in June, 2005 that on the basis of inquiry report and representation of CO dated 06.03.2001, the proceedings against the Signaling Inspector had been dropped by the disciplinary authority vide order dated 14.04.2005. The Commission has observed that while the delay itself is appalling, the Railways had also violated the consultation mechanism and dropped the proceedings against the official without following the prescribed procedure.

### **Case-4**

The CBI had recommended prosecution of an Assistant Divisional Medical Officer, then attached to DCW Hospital/Patiala, on the charge of demand and acceptance of bribe for providing treatment to a lady patient (wife of a DCW official). The Commission and the Railway Board had observed that CBI's case had certain infirmities. Therefore, the Commission advised initiation of major penalty proceedings against him. In the departmental inquiry, the charge was held as not proved. The Railway Board, however, observed that the complainant had informed the doctor that he could not pay the money immediately due to certain debts whereupon the doctor had told him to pay after he received the salary on 7.5.1999. Defence had not made any efforts to negate the complainant's statement; and though there was no independent evidence of demand and acceptance of bribe, the CO had informed the raiding party that the amount was lying in the OPD Register and was recovered from that place. Thus, the Railway Board itself held the charge as proved on the preponderance of probability and recommended imposition of a suitable major penalty. The Commission after considering facts of the case, advised imposition of a suitable major penalty on the ADMO. However, Railway Board sent

the case for reconsideration of the Commission's advice on the grounds that GM/Central Railway, the disciplinary authority, had reiterated that the charge was not proved. The Commission, however, after scrutinizing the Railway Board and Central Railway files, did not find any records, which showed that the DA had disagreed with the second stage advice of the Commission. Rather there were records to prove the contrary. Office note of GM/Central Railway clearly showed that the GM has disagreed with the findings of the inquiry officer and had issued memorandum of disagreement with findings of inquiry officer to the CO on 31<sup>st</sup> August, 2004. The GM/Central Railway also informed the Secretary(Vig.) Railway Board that the case was being forwarded to the Secretary(Estt.) Railway Board for imposition of penalty. However, the GM/Central Railway, the disciplinary authority, exonerated the doctor.

#### **Case- 5**

This case relates to the premature renewal of catering contract at Raipur Station. The previous contract awarded to a firm was valid till 19<sup>th</sup> Jul.02. As per the Railway Board's instructions in its letters of 24.7.01 and 18.9.01, all new licenses of major catering/vending units were to be processed by IRCTC. Further, Zonal Railways were advised to examine and suggest modalities for smooth transfer of these activities to IRCTC with immediate effect. Despite the above provisions and the fact that the contract was valid for many more months, the request was processed and renewed in a highly controversial manner on 30<sup>th</sup> Oct 01, just one day before the GM, SER relinquished his charge. It was further noticed that the contract could also not have been renewed because the contractor did not fulfill mandatory conditions relating to satisfactory service and payment of previous dues. Therefore, in agreement with recommendations of the then GM and Railway Board, the Commission advised major penalty proceedings against six officials and minor pp against 6 more officials. The advice was reiterated twice after reconsideration. The Commission further advised Railway Board to examine the role of the concerned GM. However, disciplinary authorities disagreed with Commission's advice for penalty proceedings and closed the case. As regards examination of the role of GM, it was intimated that there was no hard evidence against the GM. It was obvious from the facts of the case that the Board was not willing to re-open and carryout fresh investigation into the role of the concerned GM and no disciplinary proceedings were initiated, despite the Commission reiterating its advice twice.

#### **Case-6**

This case pertains to irregularities in the procurement of non-stock items. In March 2000, preventive check at the Jamalpur Workshop revealed that there was reckless purchase of materials at exorbitant rates from three local firms. The Commission, in agreement with the Railway Board, advised initiation of major penalty proceedings against the Production Engineer. IO held one charge as partially proved and remaining four charges as not proved. Eastern Railway Vigilance and GM/EC Railway disagreed with the findings of IO and recommended imposition of suitable major penalty on the officer. The Commission agreed with the disciplinary authority and Railway Board and advised imposition of a suitable major penalty. Subsequently, GM/EC Railway stated that omissions/commission appeared to have occurred due to less experience and recommended imposition of a minor penalty. The Commission reconsidered the case and reiterated its earlier advice for

imposition of a suitable major penalty. But disagreeing with the Commission's advice, a minor penalty of withholding of increments of pay for a period of six months, which will not have the effect of postponing the future increments of pay, was imposed on the officer.

#### **Case-7**

This case relates to irregularities and malpractices in procurement of 334 km Optic Fibre Armoured Cable by CORE, Allahabad. The tender committee had recommended purchase to the tune of more than six month's requirement on the grounds of emergency, whereas it was required to be restricted to three months requirement. The rate reasonableness was also not examined as per instructions, which was expected to be on the basis of RB's order rate, time interval between RB order and emergent purchase order, market conditions etc. Even, the committee did not deliberate/examine the rate reasonableness even on the basis of the last accepted rate of CORE itself and of the RB contract. Besides this, exorbitant rate was justified by adopting dubious rates without any market survey and documentary evidence. These irregularities in processing the tender resulted in the loss of about Rs. 1 crore. Therefore, in agreement with Board (Vig.), the Commission advised major penalty proceedings against members of tender committee and stiff minor penalty proceedings against the TAA. At the time of finalizing the annual report, RB had intimated that respective competent authorities had disagreed with the advice of the Commission in respect of two members of the tender Committee. In both cases, the Inquiry Officer had held all the 3 charges as proved. Respective DA's had disagreed with the IO's findings and proposed imposition of the penalty of censure in one case and exoneration in the other case. However Commission on the merit of the case, advised imposition of suitable major penalty and suitable cut in pension respectively. This was reiterated after reconsideration of respective cases. However, DA's had disagreed with the reconsidered advice of the Commission and imposed the penalty of censure in the 1<sup>st</sup> case and dropped the proceedings in the other case.

#### **Case-8**

This case relates to irregularities and malpractices committed by the Recruitment Committee constituted for recruitment to the post of constables in RPF. During 1995-96, the then Senior DSC, Eastern Railway, Sealdah, while functioning as Chairman of Recruitment Committee along with other members, showed favour to some candidates with a view to bringing them in the final merit list. Inquiries made by IVG, Eastern Railway and by DG, RPF prima facie established commission of serious irregularities and therefore DG, RPF cancelled the recruitment. The matter was taken up at the High Courts of Allahabad and Kolkata and ultimately at the Supreme Court. The apex court upheld the decision of DG, RPF. Thereafter, on examining the facts, in agreement with recommendations of Board vigilance and Railway Board, the Commission advised initiation of major penalty proceedings against the officer. The IO held the charge, relating to failure to handover answer sheets and documents pertaining to examination resulting in loss/damage to answer sheets, as proved. Disciplinary authority disagreed with the findings of IO in respect of the above charge. On the merit of the case, the Commission advised imposition of a suitable minor penalty other than withholding of passes/PTO and reiterated the advice even after reconsideration. However, disagreeing with the Commission's

advice, the disciplinary authority dropped the disciplinary proceedings and exonerated the officer.

### **Ministry of Urban Development**

The Commission had advised imposition of a suitable cut in pension on a retired EE concerned in Ministry of Urban Development for irregularities in award of a contract for the work of renovation of toilets at Vayu Bhavan and causing loss to the Government exchequer amounting Rs.1,48,017. The disciplinary authority accepted the Commission's advice and referred the case to UPSC. However, the UPSC held that the CO should be exonerated of the charges and the President also accepted the advice of UPSC.

### **Public Sector Enterprises**

#### **Food Corporation of India (FCI)**

The Commission in June 2002, while endorsing the proposal of the Department of Food and Public Distribution, had advised initiation of major penalty proceedings against the then Sr. Regional Manager (SRM) of FCI for alleged diversion of wheat meant for open sale to non-existing firms during the period July to December 1996. In 2003, the Department based on the explanation provided by the charged official sought reconsideration of the Commission's advice with the suggestion to reduce the penalty to 'caution' the officer. In June 2004, the Commission reiterated its advice that there were enough evidences warranting major penalty proceedings against the officer. Since the SRM belonged to Indian Administrative Service, the case was referred to Department of Personnel & Training (the cadre controlling authority) and they in July 2005, initiated action for minor penalty proceedings only without referring the matter to the Commission. Thus, it was a case where the disciplinary authority not only ignored the procedure to be followed but also took a lenient view in a case of grave / serious misconduct by a senior IAS officer.

### **Autonomous/Local Bodies**

#### **Delhi Development Authority**

The Commission had advised initiation of major penalty proceedings against one DANICS officer working as Dy. Director, DDA for irregularities in processing a request for mutation of sub-lease right in respect of a plot causing a loss of Rs.2,54,619 to DDA. The Commission nominated a CDI for conducting oral inquiry but the same did not take place since Inquiry Officer's appointment order was not received from Ministry of Home Affairs. In the meantime, Ministry of Home Affairs intimated the Commission that the competent authority had decided to drop the proposal for initiation of disciplinary proceeding against Dy. Director concerned.

### **Municipal Corporation of Delhi (MCD)**

The Commission had advised initiation of major penalty proceedings against three officials of MCD for irregularities in the purchase of medicines. MCD approached the Commission for reconsideration of its advice but the Commission reiterated its earlier advice. In spite of the Commission's reiteration of its advice, the MCD dropped the charges against one of the delinquent officials.

### **Tuticorin Port Trust**

In a case relating to hiring of Tug for Tuticorin Port Trust during the period July-December 2000, the tender was initially released in favour of a firm (L-1) in violation of tender Clause 25(A). The L-2 firm moved to Madras High Court, which in its judgement dated 7.9.2001 struck down the pre-qualification of L-1 party and passed strictures on the Port Trust. A sub-committee of Trustees inquired into the matter and in its report dated 10.11.2002, recommended issuance of Censure to all available Members of the Tender Committee.

The Commission on a reference made by Chennai Port Trust (CPT) for first stage advice, advised initiation of major penalty proceedings against the then FA&CAO, Tuticorin Port Trust and one of the Member of the Committee. It also advised to examine the role of other Members of the Committee for initiating major penalty proceedings against them. However, on a subsequent reference for reconsideration made from CPT, the Commission advised initiation of minor penalty proceedings against the then FA&CAO, Dy. Conservator, Tuticorin Port Trust and CME, Visakhapatnam Port Trust (all Members of the Tender Committee).

Later on, the Commission further reiterated its advice for imposition of the penalty of Censure on FA&CAO as he was jointly and severally liable for the lapse. The respective Disciplinary Authorities have already censured the other two Members. However, the Disciplinary Authority of FA&CAO, i.e. Chairman, CPT has exonerated him. The Commission has treated this case as non-implementation of its advice.

### **Delays and Deficiencies**

Expedient investigation of complaints to fix accountability, finalisation of disciplinary proceedings without delay, and imposing proper penalties on the errant officials, greatly contribute to the image/efficiency of the organisation. It is equally important that honest officials implicated in complaints/cases are cleared of the allegations promptly. Therefore, the need for proper follow up on these aspects needs to be hardly emphasised. Still, it is a matter for concern that adequate attention to vigilance administration is not being paid by the administrative departments and the top managements of banks and PSUs. Delay in disciplinary action is largely attributable to the general apathy shown by the various levels of disciplinary authorities to the important area of vigilance administration. The Commission has urged on the Ministries and organisations the need to reduce delay and to conclude disciplinary proceedings within a reasonable timeframe. Disciplinary authorities have been cautioned that any undue delay on their part in taking decisions on vigilance

issues could themselves invite vigilance action. Despite all this, it is unfortunate that many of the organisations go about the vigilance-job in a routine manner insensitive to the implications of delay on the concerned officers. **Generally, it is noticed that the delays occur in the investigation of complaints/cases, issue of chargesheet for initiating proceedings, appointment of inquiry officers and issue of final orders after completion of the disciplinary proceedings.**

### **Delay in investigation of complaints**

The Commission receives a large number of complaints every year from different strata of the public. Each complaint is carefully scrutinised and as per the Commission's Complaint Handling Policy, a large number of complaints found to be anonymous/pseudonymous, are filed. The Complaints which have no vigilance angle or the concerned officials are out of the Commission's jurisdiction and also where the complainants are for redressal of some grievances, are sent to the concerned organisations for necessary action. Only such complaints, which are serious and verifiable, are referred to the organisation for investigation and report. Though only a small percentage of the complaints received by the Commission i.e. about six to seven percent of the total complaints are sent for investigation and report, still the organisations delay the submission of the reports. The Commission suspects that such delays are more in serious cases where senior officers are involved.

The Commission during the year 2005 had received 9320 complaints. It has since been decided to take up such serious complaints, which have been inordinately delayed, inquiry through Commission's own officers exercising its powers under the CVC Act 2003. The table-9 below gives the details of such complaints delayed during 2004 and 2005:

**Table – 9**

#### **Complaints Pending for Investigation and Report**

<b>Year</b>	<b>Upto one year</b>	<b>Between 1-3 years</b>	<b>More than 3 years</b>
2004	375	290	392
2005	336	207	145

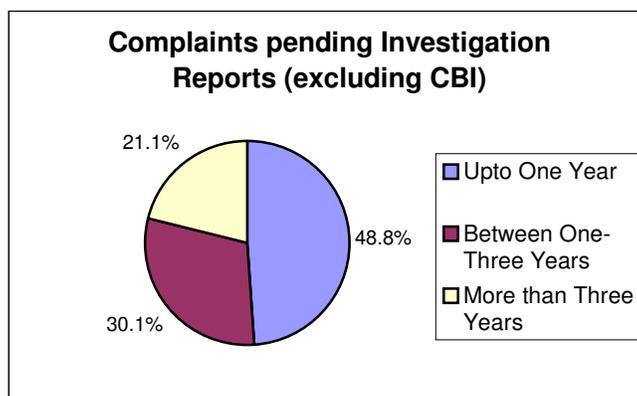
**Some of the organisations which have delayed reports on large number of complaints are:**

<b>Organisations/Departments</b>	<b>Delays in reports on complaints</b>
Municipal Corp. of Delhi	59
Central Board of Direct Taxes	54
Govt. of NCT Delhi	51
D/o Telecom	30
D/o Education	30
D/o Health	28
Delhi Transco Ltd./Indraprastha Power	25

Generation Co. Ltd.	
Delhi Development Authority	25
Ministry of Railways	23

According to the time schedule prescribed for investigation of a complaint, the administrative authorities are required to complete the investigation within a period of three months. In case of the Central Bureau of Investigation, the period for completion of any investigation is six months. However, at the end of the year 2005, investigation reports were awaited in 688 complaints forwarded by the Commission to departmental vigilance units for investigation and reports. Of these, 145 (nearly 21 percent) complaints were pending for investigation for more than three years and 207 (nearly 30 percent) complaints for the period ranging between one to three years and 336 (nearly 49 percent) complaints were pending upto one year (**Chart 14**).

**Chart – 14**



**Some illustrative cases of delay in investigation of complaints by the organisations are listed below:**

**Central Board of Excise & Customs (CBEC)**

A complaint received in the Commission in September 2000 leveling serious allegations of huge amount of duty evasion against Custom officials was forwarded to the CVO, CBEC in November 2000 for due investigation and report.

The Department, however, did not send their report for more than four and a half years. In April 2005, the Department came back saying inter-alia that the complaint was found to be pseudonymous and, therefore, it was decided not to take any action thereon. It was also stated that the allegations in the complaint were without any substance.

The Commission is of the view that when the complaint was forwarded by the Commission for investigation and report, the Department was duty bound to carry out investigations into the matter notwithstanding the identity of the complainant etc., moreover so as the Department had taken action against the firms indicating that the complaint did have some substance. As such, the Department's failure in

carrying out due investigation into the complaint with a view to fixing accountability on the erring officials was totally incorrect. It was also disquieting to note that the Department sat over the case for years altogether and responded to the Commission's reference of November 2000 only in April 2005.

### **Ministry of Health & Family Welfare**

In May 1996, the Commission had forwarded a source information against the then **Chief Commissioner**, ICMR to the Ministry of Health & Family Welfare for investigation. The allegations included fake purchases, acceptance of sub-standard construction, irregularities in appointment, misuse of Govt. vehicle and acceptance of illegal gratification for granting undue favour to medicine manufacturing companies. After almost three years, in March 1999, the Ministry stated that some allegations were established prima-facie against the Chief Commissioner and disciplinary action was being taken against him. The Commission asked for a detailed self-contained note in March 1999 itself. Despite repeated reminders, no report/communication was sent to the Commission till October 2005. The Commission was informed in October 2005 that the disciplinary authority had dropped the charges against the officer and warned him to be more careful in future. Commission's advice was not sought in the matter.

Thus, it is clear that in a case involving serious financial and procedural irregularities, which were found established prima-facie by the Department itself, the official was let off with warning only and a case of serious irregularities was allowed to be closed without appropriate punishment.

### **Northern Coalfields Ltd. (NCL)**

A signed complaint received by the Commission against a senior officer of Northern Coalfields Ltd. was forwarded to the Ministry of Coal in September 2000 for investigation and report. However, it was only as late as in March 2006 that the Department came up with its report, saying that the allegations against the accused officer were without substance. Fact was also that the officer concerned had retired from service in December 2001. As such, there was no question of taking any action against him, even if warranted. Thus, it was disturbing to note that the Department took as many as 5-1/2 years to furnish a report in the matter. There was also no explanation from the Department's side for this inexcusable delay. It goes without saying that such undue/inordinate delays frustrate the whole purpose and effect of vigilance/disciplinary action.

### **Delay in holding oral inquiry**

As per schedule of completion of an oral inquiry, an inquiry proceeding is generally expected to be completed within a period of six months after the appointment of the Inquiry Officer. It also provides one month time to the disciplinary authority to issue a charge sheet to the delinquent official and two months time to appoint an Inquiry

officer after receipt of the Commission's advice for initiation of major penalty proceedings.

**Despite the fact that only where the cases were considered sufficiently serious/complicated, the Commission nominated its officers to be the Inquiry Officer(I.O) in the departmental proceedings, there was considerable delay in issuing their appointment orders as Inquiry Officers, by the Disciplinary Authorities. In 180 cases, the disciplinary authorities concerned had not issued orders appointing the Commissioners for Departmental Inquiries (CDI), nominated by the Commission as Inquiry Officers (IO) within the scheduled time frame. Of these, 7 cases were more than one year old and 173 cases were more than three months old. The organisation-wise break-up of these cases of delay in appointment of CDIs as I.O, is given in Annexure-V.**

After appointment of an I.O, the required documents viz. a copy of charge sheet, reply of the charged officer, order of appointment of the Presenting Officer, the listed documents, list of witnesses are to be furnished to the Inquiry Officer. It is obvious that in the absence of these, the I.O could not proceed with the inquiry proceedings. However, at the end of the year, in 4 cases these documents were not made available by the disciplinary authorities to the Inquiry Officers.

**Delay in implementation of Commission's advice**

**At the end of the year under report, as many as 1747 cases were pending for over six months for implementation of the first stage advice of the Commission and 769 cases pending for over six months for implementation of the second stage advice of the Commission.** The organisation-wise break-up of these cases is given in **Annexure-VI**. Maximum number of cases were delayed in the following organisations:-

**Table – 10**

**Delay in implementation of Second Stage Advice for over 6 months**

<b>Organisations/Departments</b>	<b>Second Stage Advice</b>
D/o Telecom	128
Central Board of Excise & Customs	117
Central Board of Direct Taxes	49
M/o Railways	48
M/o Urban Development	39
M/o Information & Broadcasting	28
Govt. of NCT Delhi	25

**Delay in seeking advice/conduct of disciplinary proceedings/imposing penalties**

Another area of concern for the Commission is delay in completion of disciplinary proceedings within the laid down timeframe. The Commission has been emphasizing this aspect in its zonal/sectoral meetings. The delay in the proceedings

lead to prolonged harassment to the charged officials. Further, due to retirement, many times, a guilty official escapes punishment. In a few cases, the original documents are lost or untraceable. The disciplinary authorities fail to take strong action against the personnel responsible for loss of papers, delays etc. The Commission has in a number of cases expressed its displeasure and advised action against such officers.

**Some of the illustrative cases of delay in implementation of the Commission's advice by the organisations are listed below:**

### **Central Board of Excise & Customs (CBEC)**

In one case, a Superintendent and an Inspector had examined and assessed the goods of two passengers, one returning from Daman and the other from Saudi Arabia on 17.2.1994. On the basis of assessments made by them, the Assistant Commissioner concerned allowed the goods for clearance. DRI officers intercepted the two pieces of baggage and it was found that the packages consisted of consumer durable items in commercial quantities and that there was huge discrepancy between the items (quantities) endorsed by the Customs officials' vis-à-vis the actual quantities.

The events dates back to February 1994 and adjudication proceedings were completed in December 1995. It is disturbing that the Department has reported the case to the Commission only in September 1999 which facilitated the concerned Assistant Commissioner to retire scot-free as the case against him became time-barred. The Commission had advised RDA for major penalty proceedings against two officials (a Superintendent and an Inspector) in January 2000.

The Department however did not send the action taken report for about four years. In December 2003, the Department came back to the Commission seeking its second stage advice. The Commission, in second stage, had advised imposition of suitable major penalty on the said two Customs officials in January 2004.

The Department after a gap of almost two years informed that the Commission's second stage advice could not be compiled with as the Hon'ble CAT had quashed the charge-memo with all its consequences and Ministry of Law has opined that it was not a good case to prefer an appeal. The Court had quashed the charge sheet in July 2004 and the advice of the Law Ministry was obtained in August 2004 but surprisingly the matter was not reported to the Commission at that time. In short, there have been inordinate delays at every stage in the proceedings of this case.

### **Department of Revenue**

In November 2002, the Commission had advised major penalty proceedings against an officer of Department of Revenue who was found responsible for serious irregularities in the issue of Opium Licenses. In October 2005, the Department came

back seeking reconsideration of the Commission's advice saying that the officer had retired from service in April 2003 and that since the events pertained to the year 1999, the case had become time-barred for disciplinary action in terms of the four year limitation clause in the Pension Rules.

When the first stage advice of the Commission was tendered in November 2002 i.e. well before the retirement of the official, it was department's duty to serve the charge sheet on the said official on time well before his retirement. The excuses given by the department for not ensuring this were found to be not convincing/satisfactory. In the Commission views this was a case, which was rendered time-barred for action simply on account of the indifference and lack of alertness on the part of the Department.

### **Ministry of Information & Broadcasting**

#### **Case-1**

In a case against one Director (Doordarshan Kendra, Patna), the preliminary investigation report was submitted to the competent authority in March 1999. It took more than two years for the DG (Doordarshan) to send the report to the disciplinary authority in the Ministry. The Ministry also took two more years in referring the matter to the Commission for its advice in April 2003. The Commission observed that the concerned Director had exceeded his financial powers and keeping in view the fact that he is superannuating in October 2003, advised imposition of a minor penalty. Unfortunately, the Ministry did not accord priority to the case with the result that when the matter was referred to UPSC (which was four days before his retirement), they returned the case without tendering their advice. Thus, due to abnormal delay and inept handling of the case by the officials in Prasar Bharati as well as the Ministry of I&B, the officer escaped punishment.

#### **Case-2**

In this case, construction of NFAI at Pune (SITC of Air Conditioning Plant) was inspected by CTE Organisation in May 1992 and certain serious observations were referred to the Ministry on 29.10.1996 for an in-depth investigation and fixing of responsibilities on the concerned officers. But even after lapse of more than 9 years, no report has been received from the Ministry despite issuance of several reminders. This is yet another case in which Ministry of I&B has shown utmost casual attitude in investigating certain irregularities pointed out by CTE Organisation.

### **Other Areas of Concern**

The functioning of vigilance units and the administrative authorities in some departments has been an area of serious concern for the Commission, mainly due to their indifferent and lax approach to vigilance matters. A few such examples of departments/organisations are given below:

### **Department of Revenue**

In April 2000, the Commission forwarded to the Department of Revenue a source information alleging indiscriminate searches conducted on diamond dealers by the Department of Enforcement and sought a factual report in the matter.

After five years i.e. in April 2005, the Department came back saying inter-alia that the Department proposes to initiate disciplinary proceedings against officials of the Enforcement Directorate on whose part certain lapses had been noted. It is indeed very distressing to note that even after five years of forwarding the source information to the Department, it was still talking in terms of proposal to initiate disciplinary action against the erring officials etc. In fact, the Commission would have expected that in a sensitive department like Revenue, punitive action if and when called for is taken more earnestly. The indifference on the part of the Department as reflected in their response of April 2005, aforesaid, was thus unfortunate/disappointing.

### **Ministry of Information & Broadcasting**

On the basis of a complaint that was investigated by CBI, the Commission had advised initiation of major penalty proceedings against one Deputy Director General (C&S), Doordarshan in December 2003. Investigations had revealed that the concerned official had misused his official position in granting extension to the agreement in force with the advertising agency in respect of marketing of FCT of feature films in November 1999. He did not verify the figures presented by the firm and also did not comply with the orders of the CEO, Prasar Bharati. The Ministry of I&B did not take appropriate action in processing this case though they had initiated case against other officers involved in the same case. It was observed that the Ministry's inaction and delay was deliberate; as the reason given for delay in processing were (i) according priority for prosecution cases over RDA cases, (ii) non-availability of the files, and (iii) loss of important documents while in transit between senior officers in the Ministry.

Taking advantage of this delaying tactics of the Ministry, the officer sought voluntary retirement. The Ministry without ascertaining the status from the Vigilance Section accepted the request for voluntary retirement with effect from 6<sup>th</sup> January 2005 vide its order of July 2005. Since the alleged incident pertain to the year 1999, no action could be taken against him, as action became time barred. Consequently, the Commission had no other option but to close the case as 'fait-accompli'. The entire sequence of events and the manner in which the case was handled in the Ministry indicate lackadaisical attitude towards vigilance administration by its officials.

### **Steel Authority of India Ltd. (SAIL)**

The CBI had registered a case for investigation against a GM and other officials of SAIL. The GM while posted in the Materials Management Department of Rourkela Steel Plant (RSP), during 1997 and 1998, entered into criminal conspiracy with the

proprietor of a private firm and caused undue financial benefits to the party and corresponding financial loss of Rs. 22,74,600/- to RSP for which the CBI recommended 'such action as deemed fit' against the GM. SAIL while agreeing with the CBI's recommendation proposed for issuance of 'recordable warning' to the GM. The Commission in agreement with SAIL advised issuance of 'recordable warning'. Later on, SAIL approached the Commission for reconsideration of its advice by proposing initiation of major penalty proceedings against the GM. However, the Commission after carefully examining the case, reiterated its earlier advice for issue of 'recordable warning'.

M/o Steel again approached the Commission for reconsideration of its advice of 'recordable warning' against the GM but the Commission once again, reiterated its earlier advice of issuance of 'recordable warning'. Thereafter, M/o Steel in disagreement with the Commission's advice, directed SAIL for initiation of major penalty proceedings against the said GM. Accordingly, disciplinary proceedings were initiated and after completion of proceedings, disciplinary authority took a tentative view to issue a 'recordable warning' to GM, which is ultimately in conformity with the first stage advice tendered by CVC in agreement with SAIL's first recommendation. Thus, the Commission's consistent stand in this case was vindicated in the end. The case also illustrates the rationale of consultation with the Commission in disciplinary cases. The deviation from the Commission's advice in this case led to needless harassment of an official and highlights the fact that the Commission's role is to protect the honest officials from victimization as much as to ensure that the guilty officials are duly punished.

## CHAPTER-7

### CHIEF TECHNICAL EXAMINERS' ORGANISATION

On the recommendation of the Santhanam Committee on Prevention of Corruption, to make available the necessary technical expertise to the Commission to examine cases relating to Civil/Electrical Works, the Chief Technical Examiners' Organisation has been brought under the Commission. **This is the Commission's direct investigating agency conducting inspection of Civil/Electrical and Horticulture works being carried out by the Central Government Departments, Public Sector Undertakings/Enterprises of Govt. of India and Central Financial Institutions/Banks etc.** As stores/purchases contracts are a major source of corruption, the Commission has decided to use the technical expertise available to take up major public procurements also, for intensive examination.

The CVOs are required to submit quarterly progress reports to the CTEO indicating major works above a threshold value fixed by the CTEO. Accordingly, details of all Civil works in progress, having a tender value exceeding Rs. 1 crore, electrical/mechanical/electronics works exceeding Rs. 30 lacs, horticulture works more than Rs. 2 lacs and store purchase contracts valuing more than Rs. 2 crores are required to be sent to the CTEO, by the CVOs of all organisations. It has been further clarified that details of all the other contracts such as consultancy contracts, service contracts, transportation contracts, catering, equipment & supplies of medicines to hospitals etc. are also to be reported in the Quarterly Progress Reports. The works or contracts for intensive examination are selected from the details furnished in these reports. However, the Chief Vigilance officers are free to recommend other cases also, while submitting the returns for examination of a particular work, if they suspect that any serious irregularities had been committed. The intensive examination of works carried out by the CTE's Organisation helps in detecting cases related to execution of substandard materials, avoidable and/or ostentatious expenditure, and undue favours or overpayment to contractors and other deficiencies and malpractices, loopholes in the systems and procedures, etc. Such inspections carried out by the CTEO help in introducing system improvements and other remedial measures to prevent recurrence of such instances.

#### Technical Examinations

Based on the Quarterly Progress Reports received from about 450 organisations, the Chief Technical Examiners' Organisation (CTEO) inspected works of 86 organisations and submitted 169 reports during 2005. This year, the major thrust was given to inspection of Power Sector PSUs. The details of these examinations are as follows:

Table - 11

#### Inspection by the CTEO during 2005

Details of Organisation	No. of Deptts./PSUs	No. of I.E. Reports
Government Departments	16	21

Banks/Insurance Companies & Financial Institutions	10	11
Public Sector Undertakings, Autonomous Bodies, etc.	60	137
<b>Total</b>	<b>86</b>	<b>169</b>

Depending upon the seriousness of the lapses and irregularities noticed in the course of inspections or during the subsequent processing; the inspection reports were referred to the CVOs or the CBI, for detailed investigation from vigilance angle. During the year, 126 such cases were referred to the CVOs for investigation. Of these, 109 reports pertained to matters relating to Civil Works, 8 related to electrical works and 9 were regarding stores and purchases. Investigation reports received from the CVOs were examined in the Commission and suitable advice was issued.

**As a result of the inspections conducted by the CTE during the year, recoveries were effected to the extent of Rs. 25.27 crores on account of recovery of overpayments made to the contractors, deficiencies noticed in the quality of materials/works, or imposing of penalties for non-fulfillment of contract conditions etc.** Such recoveries were to the tune of Rs. 41.10 crores during the previous year. The Table - 12 below indicates recoveries effected during the last three years.

**Table – 12**

Recoveries effected during last three years

Year	Amount (Rs. In crores)
2003	20.69
2004	41.10
2005	25.27

**The preventive aspects of vigilance have always been emphasised by the Commission.** In pursuance of this objective to create awareness for quality control, economy and adherence to rules and procedures among the concerned officials, the CTEs visited a number of organisations during the year, and irregularities often noticed were highlighted, so that these irregularities could be avoided. CVO's were also asked to issue suitable instructions in respect of such irregularities in the department. In order to make the functioning of the CTEO more effective, the Commission had used the CTEO to act more like a vigilance audit wing and get the organisations to rectify smaller and procedural deficiencies then and there. This also results in saving time and avoids unnecessary correspondence. Only serious instances of lapses noted by the CTEs in their inspections reports were sent for further comments/explanations by the departments/organisations concerned. It is a matter of concern that prompt response is not forthcoming from the concerned organisations in respect of the CTE's observations. There is a continuous effort in the CTE's organisation to pursue such cases.

Some of the selected organisations inspected by the CTE during 2005 were NTPC, PGCIL, NHPC, BHEL, NHAI, HPCL, CWC, AAI, FCI, JNPT, CONCOR, IOCL, DDA, KRC, BPCL, DSIDC, NDMC, MTNL, HAL, ITDC, RINL, Mb.PT, DVC, CCL, BCCL AND ITI, etc.

### **CTE Inspection of important organisations**

During the year the CTE conducted inspections of some of the major works of important organisations. These inspections had revealed that even if the organisations were reputed and doing excellent work, there were areas of deviations and sub-standard work which could affect their credibility and if not dealt with properly, would create potential areas for corruption and nexus between employees and contractors. **It was the endeavour of the CTEO to point out such areas so that the organisations could take immediate corrective steps in cases of negligence and procedural lapses and also effect recovery from contractors.** These deficiencies were to be further investigated by the CVOs from vigilance angle, wherever recommended by the CTEO, to initiate such action as might be warranted.

### **Lapses Detected**

Some of the prima facie irregularities detected by the CTE during 2005 were as follows:

#### **Deficiency in tender document**

Provision of penalty for extra power consumption was envisaged in the contract but neither any power consumption was committed by the agency nor any formula for recovering the penalty was incorporated in the contract.

#### **Eligibility criteria not specified**

In a work of zonal office building, following irregularities were noticed:

- a) Applications for appointment of architect were invited through open advertisement but the **eligibility criteria was neither specified** in the press advertisement nor in the Pre Qualification document.
- b) A Consultancy firm had quoted the lowest fees and was L-1 firm but the firm was rejected and the work was awarded to 2<sup>nd</sup> lowest firm. In this case, although the firm was qualified after obtaining satisfactory performance report from the client, after opening of the price bids, after inspection of their works done, on account of poor workmanship of the works executed by them, the firm was rejected.
- c) As per evaluation criteria, contractor should have completed two works of value of Rs. 219.00 lacs during the last three years but the L-1 firm had only executed single work costing more than Rs. 219.00 lacs in last three years.

### **Incorrect application of the qualification criteria**

In another work of diaphragm wall, the following irregularities were noticed:

- a) Applications for pre-qualification of Project Management Consultant were invited through open advertisement. As per the prescribed eligibility criteria, the firm should have executed similar works of magnitude specified in the tender document. But as per the definition of `Similar Work` adopted, only "Office Building Works" were considered as similar. **This restrictive definition of similar work resulted in disqualification of firms** who had executed other non-residential works such as hotels, institutional buildings etc. This resulted in restricted competition and only two firms could qualify.
- b) As per PQ criteria given in the PQ document, the contractor should have executed similar work in Mumbai/Navi Mumbai. Since the experience of construction of diaphragm wall anywhere would be the same and it has nothing to do with the location, the stipulated restrictive condition restricted the competition and resulted in only 5 applications for the pre-qualification and finally only three firms could pre-qualify.

### **Failure to forfeit security deposit**

A project of a Central PSU, was split up in 4 different lots i.e. 1,2,3 and 4. Pre qualification offers for lot 2,3 and 4 were invited through common press notice under International Competitive Bidding. After detailed evaluation of applications, firms fulfilling the eligibility criteria were pre-qualified either for different lots individually or for combination of two/three lots and the tender documents for lot 3 costing Rs. 411.81 crores were issued to the agencies qualified for the said lot.

On getting informed about pre-qualification only for lot 4 as a Joint Venture (JV) say, G, the minor partner of the JV G represented the PSU along with detailed calculations of financial criteria and requested for considering them for pre-qualifying in lot 2 and 3 also, for which they had applied alone. Earlier, the said firm was not considered by the PSU for lot 2 on account of not fulfilling the technical criteria and for lot 3 for not fulfilling the financial criteria. Now PSU examined the turn over of the firm in last 5 years and found that through the firm fulfilled the turn over criterion for lot 3, it did not have the required turn over for lot 3 and 4 together and did not consider it fair to pre-qualify for lot 3, by dropping their major partner from lot 4. The firm again represented submitting a no objection for their pre-qualification for lot 3, from their major partner of the JV with which they had applied for lot 4. On the basis of the information furnished, PSU pre-qualified the said firm, i.e. JV G for lot 3 and issued the tender document though the previous record of the firm for similar work was not good and other pre-qualified firms had already been issued the tender documents for the said lot.

During evaluation of bids a JV firm with its quoted price of Rs. 335.813 crores emerged as the lowest bidder and the above said firm i.e. JV G, which got themselves qualified for this lot after a lot of representations, became the

second lowest bidder. After opening of the price bid, the minor partner of the JV (i.e. L-1) informed the PSU that their lead partner had expressed inability to remain in JV due to heavy pre-occupation and offered to execute the work by participating with another firm (meeting the criteria and which had not participated with any other firm in the bid process) as partner in the JV in their place, along with a consent letter from the proposed new partner. Now without initiating any action to examine the request, the PSU disqualified the lowest bidder, and negotiation was conducted with the second lowest who expressed their inability to reduce the rates and finally the work was awarded to the second lowest i.e. JV G at their quoted rate of Rs. 348.051 crores which was Rs. 13.138 crores above the quoted price of lowest bidder. No action was taken by the PSU to forfeit the bid security, amounting to Rs. 4 crores of original L-1 who had requested for change of lead partner after opening of price bid.

#### **P.Q. criteria relaxed during evaluation**

- a) In a water treatment plant at Delhi, no MOU was signed with the State Government for supply of stipulated quantity of raw water to ensure smooth supply. In the same work, the eligibility criterion for pre-qualification of contractor was relaxed during evaluation. The eligibility criterion was for having constructed water-pumping station of 2000 KW. In the evaluation, the same was relaxed to 1125 KW. This work was awarded at a very high rate i.e. about three times of the estimated cost.
- b) According to a press notice of a hydroelectric project, the prospective bidder should have had the experience in Design, Manufacture, Supply, Erection, Testing & Commissioning (DMSETC). But one of the foreign bidder, a trading company, purchased the PQ documents and after finding that DMSETC experience was the essential requirement to participate, represented to the client to waive this condition and to allow the trading firm also. The client relaxed this criterion and allowed the same. Had the indication of allowing trading firms in the bid been given in the NIT, probably more trading firms would have participated.

#### **Purchase preference to PSU not given**

In a work of office building of a bank, no purchase preference was granted to a PSU even though their quoted rates were within 10% of L-1.

#### **Arbitrary appointment of consultant**

In a work of hull shop of shipbuilding PSU, no open press advertisement was issued for appointment of consultant. The civil work was also allotted to the contractor on repeat order basis.

#### **Improper estimation and award of work to same agency on different rates**

In a transmission line project, six works were awarded to the same agency on different rates varying from 4.84% to 19.04% above the estimated cost. No market rate justification was prepared. Estimates were not prepared on any standard schedule of rates.

#### **Other lapses relating to P.Q. Criteria**

- a) In the PQ criteria of an organisation, a condition has been incorporated which envisaged that the annual financial turn over in electrical construction works in one of the preceding three financial years should be not less than 100% of estimated value of the work on annualised basis (depending upon the time allowed for completion i.e. total estimated value divided by time of completion). As per this condition, if a particular work got delayed for which reasons were not attributable to the contractor, his annualised turnover for such work would be considered less even if the contractor's gross turnover in that particular year was more than the estimated value of the proposed work. This was a very unusual condition.
- b) In another hydropower project, two firms were short listed after pre-qualification on the experience of same single work.

#### **Improper Planning and Design**

In a hydropower project, the faulty design criteria resulted in floodwater overtopping of u/s cofferdam causing additional expenditure for restoration.

#### **Appointment of consultant on nomination basis**

For procurement of Computer Hardware and Software by a Public Sector Bank, **Consultant was appointed on nomination basis without following competitive tendering process.** Eligibility criteria with respect to turnover were quite stringent. While all the bidders were meeting the minimum specified eligibility criteria, bids were further evaluated on the basis of evaluation matrix, which was not disclosed in the bid documents.

#### **Inadequate terms and conditions**

For Procurement of Beam Sections by an Organisation, the terms and conditions incorporated in the bid documents were quite insufficient and sketchy. The important terms and conditions relating to warranty/guarantee/performance bank guarantee, liquidated damages, risk purchase provisions, arbitration clause & jurisdiction of court etc. were missing. **No provision for Earnest Money Deposit/Security deposit was made in the tender documents.** Tenders were not opened in the public though offers were invited through tender box.

#### **Improper planning resulting in expiry of guarantee of equipments before installation**

An Organisation secured an order on 18.6.04 for construction of two nos of 300 tones self-loading cargo vessels and to deliver the First vessel on 17.09.2005 and the Second Vessel on 17.10.2005 respectively. These vessels were to be fitted with steerable propulsion systems that were procured even before starting the construction of the vessels. The propulsion system costing Rs. 2.5 crores (approx.) arrived at their works on 22.1.2005 and was lying unutilised resulting into financial implications on account of loss due to interest, blocked capital, maintenance, securities, spares etc. Further the guarantee of this equipment might expire before the ship is ready for fitment of the same.

### **L-1 & L-2 ignored on flimsy ground**

In a work of pre-engineer warehouse at Mumbai, the offers of L-1 & L-2 firms were rejected on flimsy ground for appointment of consultant. In the same work civil work was also awarded on single tender basis at a higher rate i.e. 30.35% above the estimated cost.

### **Other Lapses**

- a) In a tunnel electrification work, after price bid opening, commercial terms were diluted i.e., splitting the work into supply and erection (thereby reduction in WCT) and issue of form C & D thereby saving in sales tax to the firm. In the contract, no LD clause was kept.
- b) A PSU organisation, within two days of placement of regular orders for supply of material, made telephonic enquiries with other firms for supply on urgent basis and one of the firms whose regular offer was earlier rejected during technical evaluation, was awarded contract at a higher rate with diluted specifications.
- c) The test of heat of hydration on cement was not being conducted in this large concrete gravity dam.

### **Lapses involving Vigilance Angle**

Following were the serious lapses detected by the CTEO which have been referred to the CVO for detailed investigation:

#### **Methodology for execution of work by L-1 not as per contract**

In a project, as per the contract provision, the methodology for the cofferdam was to provide concrete cofferdam in the bottom portion, which was to be sunk up to the soft rock level and steel strakes were to be fixed over the RCC cofferdam and dewater the space inside the cofferdam. However, at site it was observed that only a steel 'Cassion' was being used, which was being lowered only up to the sea-bed and not up to the soft rock strata. During excavation the sides were plugged with the sand bags abutting the sand/earth strata above the rock strata. But, this arrangement of stacking the sand bags might not be sufficient to prevent ingress of sea-water and thus the work

being executed to be in unsafe conditions and was also not as per the methodology specified in the contract. Further, the difference of rate quoted for this item between L-1 & L-2 was appx. Rs.9.6 Crores. It appeared that the L-2 could have quoted the rate for this item considering the elaborate methodology involved, whereas the L-1 who quoted on much lower side and as such was not executing the work as per the requirement of the contract.

### **Arbitrary invitation of bids which avoided fair competition**

For a work costing Rs. 18.0 Crores, bids were not invited through open press advertisement; rather bids were invited from six contractors (suggested by the consultant) arbitrarily. Out of these six bidders, only three submitted their bids, implying that most of the bidders were not interested in the work. Thus fair competition was not generated.

### **Unauthenticated enhancement of L-1's quoted price**

In the price bid of L-1 bidder, the quoted rates were found increased by 5% by writing a note at the last page of price bid. This enhancement of 5% in quoted rates was recorded in the capital letter, whereas rests of the rates in the bid were written in normal style. The difference between the quoted price of L-1 & L-2, without this enhancement of 5% was Rs. 92 Lacs (appx.) and after enhancement of this 5% on the item rate quoted value, the difference between L-1 & L-2 became Rs. 5.0 Lacs (appx.) only. Since, the bids were not opened in the presence of bidders and this enhancement of 5% in the quoted price was not attested by any of the tender committee member, the possibility of manipulation could not be ruled out.

### **Ignoring GM (Law)'s opinion bid security of Rs.9 crores not forfeited on account of withdrawal of offer by L-1**

In a case of a work of a central PSU, tenders were invited under International Competitive Bidding. After detailed evaluation of the bids, a JV firm with its quoted price of Rs. 650 crores emerged as lowest bidder (L-1). Accordingly, this firm was invited for post tender discussions. But during discussion, this firm started putting certain unwarranted conditions regarding exemption of taxes and duties etc. These conditions were not mentioned in the firm's offer and the bid/offer was in total conformity with the terms of tender documents. Sensing the reluctance on the part of the firm, the PSU conveyed this firm that in case they did not come forward for post tender discussion, their action would be treated as withdrawal of bid. In the mean time, the minor partner of the Joint Venture approached the PSU concerned with the request that since the major partner of the JV was backing out, they might be allowed to replace the major partner with a firm of required credentials. Incidentally the PSU while considering the request, allowed this minor partner of JV to propose a new major partner within a period of four weeks. Despite this leverage, the minor JV partner could not suggest an acceptable replacement for major partner in the JV. In this background, a decision was taken by the PSU to go for a snap bid among the agencies who participated in the original bidding and

finally one of them emerged as L-1 bidder with its quoted price of Rs. 665 crores, which was Rs. 48 crores above the quoted price of earlier L-1, JV firm.

Surprisingly, after taking a stand initially, that the action of the initial L-1 bidder would be treated as withdrawal of bid on account of putting the unwarranted conditions during post bid discussion, a new line of thought emerged whether this action of the original L-1 bidder should be treated as withdrawal of offer or the bid had become non-responsive. Taking shelter of the legal opinion sought in some other case, a decision was taken not to forfeit the bid security of Rs. 9.0 crores on the plea that the bid had become non-responsive. It would be pertinent to mention that on this issue, the opinion of General Manager (Law) of the PSU was that since the conditions put forth by L-1 firm were unwarranted and were after opening of the bid, as such their action amounted to withdrawal of bid necessitating forfeiture of bid security of Rs. 9.0 crores. Strangely, the opinion of GM(Law) was not placed before the board for taking decision on this issue.

### **Work awarded to ineligible contractor**

The work costing Rs. 4.5 crores was awarded to an in-eligible contractor by (i) considering a work in progress as fulfilling the requirement of experience of having executed a similar work and (ii) considering turnover of current financial year on the basis of certificate of a Chartered Accountant, although it was specifically mentioned that the total contract amount received during the last 3 years as per current ITCC would be considered.

### **Action not in line with P.Q Criteria**

- a) In one of the bank work, an architect was appointed as consultant. This private architect, while preparing comparative statement, had shown experience of a firm as inadequate, though the firm was having sufficient experience, and recorded reason for rejection, as performance of the firm in their consultancy project was not satisfactory. Such act was not in line with PQ criteria.
- b) Similarly for another firm, the consultant had recommended pre-qualification but later on, at the time of sale of tender, proposed withdrawal of the name of agency from the panel on the ground of unsatisfactory performance in a project where they were already giving consultancy services. The bank agreed with this and tender document was not issued to the firm. Such action was not in line with PQ requirement.

### **Work awarded to L-2 at a cost higher by Rs.54 crores without asking for clarifications from L-1**

In a telecom package work, the offer of the L-2 bidder to whom the work was awarded, was not 100% compliant to the bid specifications. There were deficiencies observed in the offers of L-1 as well as L-2 bidders. The client, while ignoring the deficiencies, got clarification and reconfirmation by communicating with the L-2 bidder after opening of the bids, but did not give a

chance to the L-1 quoted bidder to explain their stand though the firm had written that they were fully meeting with the requirements of the client.

Notwithstanding the extent of deviations, both the bidders should have been given equal opportunities for this otherwise a technically complicated case. Rejecting one offer and accepting other when both the offers had some deviations in one way or the other, did not appear to justify the placing of orders at a cost of Rs.54 crores more than the L-1 price.

### **Wrong enhancement cost allowed**

In the case of one STP work, while considering the revival of the original contract with a firm, a cost enhancement of Rs.77.00 lacs was agreed because the ratings of the main equipments had been revised as per the site requirement. However there was no enhancement agreed on account of general price escalation.

Out of this 77.00 lacs, an amount of Rs.10.00 lacs (approx.) was given on account of C.I. Pipes & Fittings. Balance 67.00 lac was given on account of other items. The total sum of these other items worked out to Rs.44.00 lacs only. On examining the changed ratings, it was seen that on an average, the ratings of these items had been nearly doubled. Normally the rates of such items would not be proportionate to the capacity, still for the sake of calculation even at double the rates, the total enhancement should work out to not more than Rs.44.00 lacs but the department had agreed for Rs.67.00 lacs i.e. Rs.23.00 lacs more than this.

### **Financial implication of Indian make equipments supplied against specified foreign make equipment not considered**

In a Thermal Power Project some of the equipments were specified as foreign make in the list of approved makes. But the equipments supplied at site were of Indian origin only. There was definitely a financial implication, which has not been considered by the client department.

### **Faulty Planning in Location of STPs; inflated rates considered and Consultant assigned work before issue of work order to him.**

- a) In 1994-95 about 400 MGD of wastewater was being produced in a city, out of which 280 MGD was being treated in the STPs. The Department proposed to augment the STP capacity from 280 MGD to about 500 MGD by 1997 probably taking into consideration the shortfall of 120 MGD of STP capacity at that time, alongwith the added wastewater load in the intervening period between 1995 and 1997. To meet this objective 14 STPs were proposed to be installed at various locations in the City. All these works were to be completed by 1997. However, the works at some of the locations were yet to be completed as on September 2004. It also appeared that there was negligible wastewater available at places where STPs were located. The location of STPs appeared to have been fixed in such a manner that instead of meeting the shortfall in wastewater treatment capacity available (as

generated during 94-95), capacity was created to treat the wastewater expected to be generated in the later. The Department however in its proposal for sanction did not appear to have brought out this fact clearly to the sanctioning authorities with the result that the STPs installed for augmentation were being starved of the waste water even eight years after the likely date of completion whereas untreated waste water generated was flowing into the river.

- b) In the same work, Work order was issued to a Consultant on 28.11.94, but it was noticed that the consultant had already been asked to carry out the detailed survey, prepare lay out drawings, plan & design the STPs and disposal system, prepare technical specification, prepare tender documents and sell them to applicant contractors upto 2.11.94 (i.e. before issue of work order to the Consultant).
- c) In the above work, the rates in the estimates were the escalated rates for the year 1996-97 with the base rate of 1991-92 as Rs.54.75 lacs per MGD. The suggestive cost per MGD based on the basis of other awarded work came to Rs.75.573 lacs per MGD, which appeared to match with the 94-95 cost of Rs.72.90 lacs. The rate of Rs.72.90 lacs per MGD on the basis of works awarded in the year 94-95 was not considered and estimate was inflated by considering the escalation up to year 1996-97 for Rs. 88.20 Lacs per MGD.

#### **No evaluation of technical parameters at par**

In a department, tenders were invited in two-bid system. Between the technical bid and price bid opening, the bidders were asked to fill up technical particulars of the equipment, which they were proposing to offer in their bid. No evaluation of technical particulars was done by the department in order to compare the offer technically e.g. bidders quoted different power consumption rates per ton for their machines for which no relative evaluation was done. The lowest firm also did not meet the tender conditions for certain items like. number of rows of condenser, thickness of refrigerant piping, number of blades of condenser fan etc. Thus all the bids were not brought at par technically, before opening the price bids.

#### **Award of bulk order against developmental tender for small quantity at higher rates without performance guarantee**

Against a developmental tender issued for a very small quantity, bulk quantity, (which was far in excess of the tender quantity) was covered. This bulk quantity was awarded at higher rate quoted by the firm after opening of tenders, vitiating the sanctity of the tendering system. There was also change in requirement after award of contract. No performance bank guarantee/ security deposit was insisted from the suppliers to safeguard the Purchaser's interest.

### **Payment without agreement provision**

In one of the work there was no provision for release of secured advance but secured advance to the tune of Rs. 30.95 lacs was released to agency.

### **Inferior Quality of work**

- a) In one work of water treatment plant, it was stated that the treatment plant was designed for treating 735 MLD of raw water but no formal MOU was signed to ensure the supply of raw water.
- b) The samples collected during inspection of a work failed to satisfy the requirements as per the specifications, which showed execution of poor quality work and total lack of supervision.

### **Failure to adhere to instructions relating to L-1 and distribution of quantities**

- a) Fresh negotiations were conducted with the firms within two days of holding earlier negotiations under the plea that there was softening of prices while there was continuous downward trend in prices since last 7-8 months and it was not a new phenomenon. Simultaneous negotiations with L1 and L3 bidders were conducted though Commission's guidelines provide for negotiation only with L 1 under exceptional circumstances. In the process L3 became L1 and got the order. Further, marketing department revised the requirement as 60,000 MT plus additional 25,000 MT but coverage was made only for 30,000 MT.
- b) In a case of purchase of tents, it was seen that the 'L1' firm was having capacity to supply 2000 nos. of tents per month. On 5.9.2002, it was deliberated that some time would be required for approval of advance sample and inspection, which would leave only a period of 4 months for supply before the close of financial year. Therefore, it was recommended to place order for 8000 nos. of tents on L1 vendor and for the balance quantity of 5190 nos. counter-offer was made to L-2 at L-1 rates. Surprisingly, the requirement of advance sample was waived off while placing the contracts on 24.9.2002. If the waiver of advance sample had been considered on 5.9.2002, L-1 would have had a longer delivery period and were fully capable of supplying 13190 nos. before the end of the financial year. Further, by not considering L-1 offer for full quantity, 1% discount offered by them could not be availed causing a loss of Rs. 7.44 lakh to the public exchequer.

## **Important Initiatives taken by CTEO during 2005**

**Following initiatives have been taken by the CTEO organisation during the year 2005 for increasing the effectiveness of Intensive Examination Reports:-**

1. Serious lapses noticed during Intensive Examinations would be promptly referred for detailed vigilance investigations.
2. Overpayments are brought to the knowledge of the CVO/executive staff. They are also educated to avoid recurrence of such incidents. Cases of over-payment of heavy amounts involving vigilance angle are recommended and referred for detailed vigilance investigation by CVO promptly.
3. The technical examination paras highlighting the need for system improvements are referred to CVO for necessary action.
4. In order to enable CVOs to conduct CTE type examination of works pertaining to their organisation, regular training is being imparted to CVOs and their staff.
5. As a preventive vigilance measure, training is also being imparted to officers involved in procurement (Works/Purchase/Services).

## CHAPTER-8

### Functioning of Delhi Special Police Establishment (Central Bureau of Investigation)

As per the CVC Act, 2003, the Commission has been vested with the responsibility of exercise superintendence over the functioning of DSPE, issue directions and review the progress of investigations under the PC Act, 1988 or an offence with which a public servant may be charged under the Cr.P.C. at the same trial.

**The Commission in its last Annual Report had already indicated that the independence and objectivity of CBI under the set up envisaged by the Supreme Court and by the CVC Act is still not complete. Some more steps would need to be taken to make the functioning of the CBI objective, politically neutral and impartial in the eyes of the public. To recapitulate, these measures would be:**

- 1. While CBI is under the superintendence of CVC as far as investigation of cases under the Prevention of Corruption Act is concerned, there is need for making similar arrangements for independent superintendence over the other functions of CBI also. It is not realistic to expect that one part of the organization will be objective and neutral while the other part continue to be exposed to potential interference from outside.**
- 2. Even as far as the P.C. Act is concerned, the CVC superintendence stops at the stage of investigation of cases. The process of trial including appointment of prosecutors etc. continues under the control of the Government. This needs to be changed.**
- 3. Administrative control of CBI still vests with Government except for the appointment and removal of officers of the rank of SP and above. Other powers vest with the Government and the Director of CBI enjoys very little financial and administrative autonomy even when compared to the heads of other Central Police Organisations. This situation needs to be addressed with vesting of greater administrative and financial power to the Director, CBI.**
- 4. Appeals to be preferred against lower Court judgements are subject to Government approval through the Law Ministry. CBI needs to have independence in taking a strictly professional view in such matters.**
- 5. The Director of Prosecution who renders legal advice in all matters to the CBI is an officer on deputation from the Law Ministry under normal terms of deputation governing Central Government officers. The recruitment to this vital post needs to be made more open and broad-based to ensure independence and autonomy in his functioning.**

#### **Monthly Review Meetings**

In the exercise of its superintendence over the DSPE, the Commission has adopted a mechanism of monthly review of cases investigated by the CBI. The Commission

also ascertains that the investigations in all the cases registered by the CBI are being conducted without any external factor coming in the way of such investigations. The Commission periodically follows-up with the Ministries and Departments as well as in Public Sector Organisations to expedite the sanction of prosecution wherever required. The Commission continued its efforts to bring about agreement in cases where the sanctioning authorities and CBI have different points of views. In this regard joint-meetings were held with the department concerned and CBI representatives to resolve the issues and speed up the process of sanctions of prosecution. Such efforts have been quite successful specifically in regard to nationalised banks and PSUs.

The Commission had held 12 review meetings with the Director, CBI during the year 2005 in which cases of senior officers of the Government, Executives of Banks/ Public Sector Enterprises (PSEs) and others were reviewed.

### **Prosecution against Central Government employees**

The Commission, as envisaged under section 8(1)(f) of the CVC Act, has reviewed the progress of applications pending with various competent authorities for sanction of prosecution under the PC Act, 1988. It has also been brought to the notice of the Commission that there were number of cases pending with the State Governments for the prosecution sanction.

The month-wise total number of cases pending for sanction of prosecution of public servants with the competent authorities and sanctions received by the CBI during the year 2005 are given in the table below (Table-13):

**Table-13**

<b>Month</b>	<b>No. of cases relating to prosecution of public servants pending</b>	<b>Sanctions Received</b>
Jan.2005	128	35
Feb.2005	121	28
Mar.2005	113	28
Apr.2005	98	35
May2005	105	34
Jun 2005	114	60
July 2005	113	38
Aug.2005	107	36
Sep.2005	116	58
Oct.2005	112	35
Nov.2005	124	34
Dec.2005	96	86
	Total Sanctions received during the Year	507

Department-wise break-up of cases pending sanction of prosecution as on 31.12.2005 is given in the table below (Table-14).

**Table-14****Number of cases pending for sanction for prosecution as on 31.12.2005**

<b>Ministry</b>	<b>Number of cases</b>
Ministry of Atomic Energy	1
Ministry of Civil Aviation	1
Ministry of Commerce	1
Ministry of Communication (dept. of Post)	1
Ministry of Communication	6
Ministry of Defence	3
Ministry of External Affairs	2
Ministry of Finance (Banking)	19
Ministry of Finance (Custom & Central Excise)	11
Ministry of Finance (Income Tax)	5
Ministry of Finance (Insurance)	2
Ministry of Health & Family Welfare	3
Ministry of Home Affairs	2
Ministry of Human Resources & Development	2
Ministry of Industry	1
Ministry of Information & Broadcasting	5
Ministry of Labour	1
Ministry of Law & Justice	1
Ministry of Personnel, Public Grievances & Pensions	4
Ministry of Petroleum & Natural Gas	2
Ministry of Railways	5
Ministry of Surface Transport	1
Ministry of Urban Development & Poverty Alleviation	3
Govt. of Arunachal Pradesh	1
Govt. of NCT Delhi	7
Govt. of Jammu & Kashmir	1
Govt. of Karnataka	1
Govt. of Punjab	3
Govt. of Rajasthan	1
Govt. of Uttar Pradesh	2
Govt. of Union Territories of Daman & Diu	1
<b>Total</b>	<b>99*</b>

*\*However, a total of only 96 cases are pending for prosecution sanction as 3 cases are common to more than one Ministry/State Govt.*

While the sanction of prosecution has been expedited, thanks to constant interaction with the departments concerned by the Director, CBI and thanks to the initiative taken by the DOPT, still there are serious delays especially in sensitive cases. **The Commission is of the view that the entire issue of sanction of prosecution under the Cr. P.C. as also the Prevention of Corruption Act needs to be examined by the Law Commission to make the exercise of this very important power objective and expeditious.**

Another area of concern is the impact of Section 6A of the DSPE Act providing for prior permission of Government before CBI can even inquire into or register cases against officers of the rank of Joint Secretary and above in Government and Presidential appointees in Banks / Public Sector Undertakings. The validity of this provision has been challenged in the Supreme Court and currently the matter has been reserved for consideration by a Constitutional Bench of the Court. Be that as it may, **the Commission has noted with concern the inordinate delays in dealing with the requests from the CBI, Departments have been seen to take even a year or more to dispose of the requests. The Commission has recommended to Government to streamline the process so that such requests made by the CBI are processed for permission or refusal thereof in a time-bound manner, in any case, not later than four weeks.**

A related issue in this regard is the stand taken by the Government that even **the Commission when it wishes to seek CBI's assistance to cause an investigation to be made into a complaint against any officer coming under the purview of the Commission, the CBI will require the permission of the Government under the above-mentioned Section 6A of the DSPE Act. The independent legal opinions obtained by the Commission have pointed out that this interpretation is not consistent with the objectives of the CVC Act and the functions and powers entrusted to it under Section 8 of the Act. The Commission will consider impleading itself to agitate this issue when the matter is taken up in the Supreme Court.**

### **Activities of the Central Bureau of Investigation**

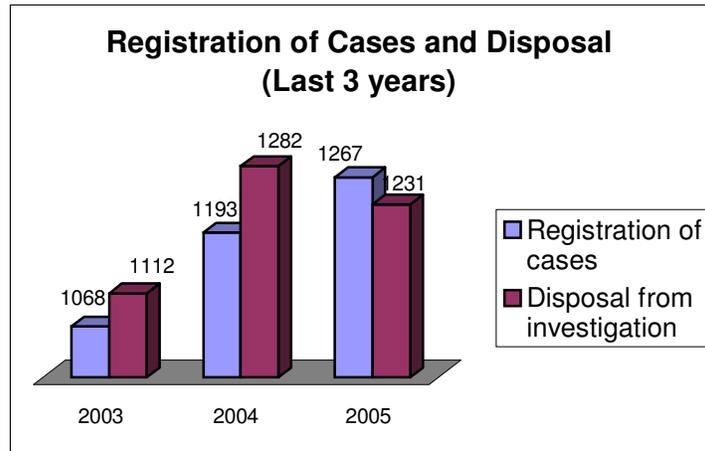
#### **Registration of cases:**

During the year 2005, 1267 cases were registered as against 1193 cases registered in the previous year. Cases registered included 31 cases taken up at the instance of State Government/Union Territory Administrations and 178 cases taken up for investigation on the directions of the Supreme Court/High Courts.

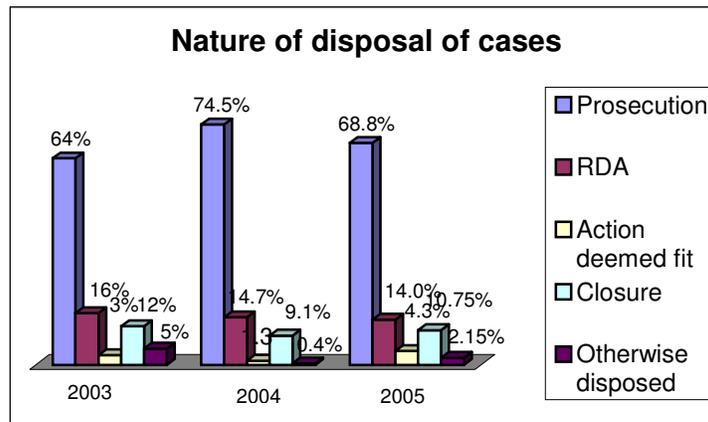
These 1267 cases included 1077 Regular Cases and 190 PE cases. These cases mainly pertained to criminal misconduct by showing undue favour, obtaining bribes, amassing assets disproportionate to known source of income, etc. 164 trap cases and 145 cases of possession of disproportionate assets by public servants were registered. At the end of the year, 1402 cases were under investigation. During the year charge-sheets were filed in 794 cases and judgements delivered by the Courts in 594 cases. The conviction rate for the year 2005 was 65.6%. There were as many as 6898 cases under trial in various courts at the end of the year. The number of cases under investigation for more than 2 years decreased from 158 as on 31.12.2004 to 137 at the end of 2005.

The following charts contain the comparative status over the last three years of the registration and disposal of cases (Chart-15) and the nature of disposal of cases (Chart-16) by CBI.

**Chart 15**



**Chart 16**



**Cases pending investigation:**

During 2005, the CBI completed investigations of 1231 cases, which included 1028 RCs and 203 PEs. Chargesheets were filed in 794 cases after receipt of sanction for prosecution wherever necessary. On the other hand, at the end of the year 2005, 1402 cases were pending investigation in comparison to 1354 cases pending as on 31.12.2004. The Commission has been impressing upon the CBI to see that all cases are investigated in a year's time and in any case not more than 2 years.

**Cases of trial and conviction:**

During the year 2005, various courts disposed of 594 cases under trial, as compared to 549 cases in 2004 and 692 in 2003. Out of these 594 cases, 341 cases resulted in conviction, 149 in acquittal, 30 discharged, 74 cases were disposed of for other reasons. The overall rate of conviction in CBI cases during 2005 was 65.6 percent as compared to 66.3 percent in 2004 and 68.4 percent in 2003. 6898 cases were pending trial as on 31.12.2005, as compared to 6614 cases as on 31.12.2004.

However, the Commission feels that there is a need for more designated & exclusive CBI Courts in all the States for the expeditious disposal of the cases.

**Dealing with CBI recommendations for RDA**

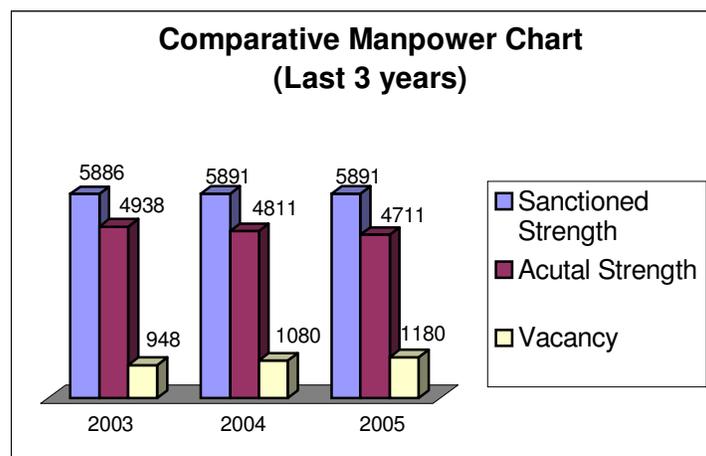
The Commission has observed that cases investigated by the CBI which do not result in prosecution and where only regular departmental action is recommended, need not be followed-up by the concerned IO of CBI. The Commission in consultation with the concerned Disciplinary Authority and CVO decide these cases.

**Manpower**

The total sanctioned strength of CBI as on 31.12.2005 was 5891. However, the actual manpower available was 4711. There were 1180 posts lying vacant at the end of the year (Chart-17). These vacancies were in the ranks of Senior Superintendent of Police (SSP)-8; Superintendent of Police (SP)-17; Additional Superintendent of Police (ASP)-13; Deputy Superintendent of Police (DSP)-95; Inspectors-174; Sub-Inspectors-130+14; Asstt. Sub-Inspectors-23; Head Constables -42; and Constables-134+95. Besides, there were vacancies of 81 Law Officers at various levels. 95 Technical posts were also lying vacant. The personal situation caused considerable constraints on CBI and needed a radical handling.

The problem of vacancies especially in the cadre of Investigating Officers, namely, DSPs and Inspectors seriously affect the functioning of the CBI. This is more so when the courts in the country are tending to entrust more and more investigations in sensitive public matters to the CBI. The measures to be taken would cover simplifying the process of direct recruitment and giving special incentives to officers willing to come on deputation to the CBI. While the matter is said to be engaging the attention of the Government, there is need for immediate resolution for this serious problem.

**Chart 17**



## Training – CBI Academy

CBI Academy at Ghaziabad, which started functioning w.e.f. 10.1.1996 is organizing different types of short term and long-term training courses both for in-service officers as well as for other Government officials. They are also imparting training to the newly appointed CVOs of the various organizations to familiarise them with the Vigilance functioning, which includes an interaction session with the Commission also.

During the year 2005, the Academy conducted 66 courses and trained 1922 officers/officials, including 822 from CBI and 1100 from State Police and other organisations. The comparative chart/graph of the training activities for the last three years i.e. from 2003 to 2005 are as under:-

Year	Total No. of courses	No. of participants			Training Mandays
		CBI	State Police & other organisations	Total	
2003	101	3095	672	3767	27250
2004	60	909	836	1745	29564
2005	66	822	1100	1922	15722

# ANNEXURES

**Group wise Staff Strength and related information, as on 31.12.2005**

	Group 'A'	Group 'B'	Group 'C'	Group 'D'	Total
Sanctioned Strength	44*	92	73	73	282
Officials in position	42	77	53	64	236

\*Excluding the post of CVC & VCs

**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 of Scheduled Castes/Scheduled Tribes and OBCs in the various group of posts filled/held otherwise than by deputation as on 31.12.2005 is given below:

	Group "A"	Group "B"	Group "C"	Group "D"
Scheduled Castes	25%	15%	13.88%	36.9%
Scheduled Tribes	12%	2.5%	4.1%	2.7%
OBC	-	2%	12.5%	10.95%

**Progressive Use of Hindi**

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.

Meetings of the Official Language Implementation Committee of the Commission are held quarterly as per rules. Officers of the OL Wing of Deptt. of Personnel & Training attend these meetings as special invitees.

The Commission organises Hindi fortnight/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 a Hindi Speech Competition was organised in which prizes were distributed by the CVC to the winning participants belonging to the Hindi Speaking States and Non Hindi Speaking States separately.

Besides, during the year under report two Hindi workshops were organised in the Commission in which training was imparted to the participants in respect of Hindi noting, drafting and implementation of various OL Rules.

**Annexure-II**

**Organisation-wise details of Punishments imposed during 2005 in respect of cases where Commission's advice was obtained**

<b>S. No.</b>	<b>Name of the Department/ Organisation</b>	<b>Prose-cution</b>	<b>Major Penalty</b>	<b>Minor Penalty</b>	<b>Admn. Action</b>
1.	Airports Authority of India	1	-	12	5
2.	All India Institute of Medical Sciences	1	3	-	-
3.	Allahabad Bank	-	15	8	1
4.	Andaman & Nicobar Admn.	-	2	-	-
5.	Andhra Bank	-	3	-	-
6.	Assam Rifles	-	1	-	-
7.	Balmer Lawrie Group of Companies	-	6	1	-
8.	Bank of Baroda	-	6	6	-
9.	Bank of India	-	10	6	-
10.	Bank of Maharashtra	-	15	5	-
11.	Bharat Bhari Udyog Nigam Ltd.	-	-	2	-
12.	Bharat Coking Coal Ltd.	-	-	12	3
13.	Bharat Dynamics Ltd.	-	1	1	-
14.	Bharat Heavy Electricals Ltd.	-	-	6	1
15.	Bharat Sanchar Nigam Ltd.	6	-	1	4
16.	Border Roads Development Board	-	1	-	1
17.	Border Security Force	1	-	-	1
18.	British India Corp. Ltd.	-	-	-	1
19.	Bureau of Indian Standards	-	4	2	-
20.	Cabinet Secretariat	-	1	-	-
21.	Canara Bank	-	9	15	-
22.	Central Bank	1	30	7	-
23.	Central Board of Direct Taxes	20	9	4	2
24.	Central Board of Excise & Customs	25	80	100	-
25.	Central Coalfields Ltd.	-	1	13	6
26.	Central Industrial Security Force	-	-	1	-
27.	Central Public Works Department	1	5	13	13
28.	Central Reserve Police Force	3	1	-	2
29.	Central Water Commission	-	3	3	4
30.	Chandigarh Admn.	-	1	1	6
31.	Chennai Petroleum Corp. Ltd.	-	-	1	-
32.	Chennai Port Trust	-	1	4	1
33.	Coal India Ltd.	-	-	3	1
34.	Controller General of Defence Accounts	-	-	1	-
35.	Corporation Bank	-	-	1	1
36.	Council for Advancement of Peoples' Action & Rural Technology	-	-	2	-
37.	Council of Scientific & Industrial Research	-	10	4	10
38.	D/o Animal Husbandry & Dairying	-	1	-	-

<b>S. No.</b>	<b>Name of the Department/ Organisation</b>	<b>Prosecution</b>	<b>Major Penalty</b>	<b>Minor Penalty</b>	<b>Admn. Action</b>
39.	D/o Atomic Energy	-	6	3	-
40.	D/o AYUSH	-	1	-	-
41.	D/o Bio-Technology	-	-	1	-
42.	D/o Coal	-	3	-	3
43.	D/o Company Affairs	1	1	1	-
44.	D/o Culture	-	1	-	-
45.	D/o Defence Production & Supplies	-	38	14	-
46.	D/o Economic Affairs (Banking Division)	1	-	-	-
47.	D/o Education	-	-	2	-
48.	D/o Food Processing Industries	-	1	-	-
49.	D/o Health	3	2	6	2
50.	D/o Industrial Policy & Promotion	-	2	1	1
51.	D/o Mines	-	-	1	-
52.	D/o Posts	-	6	3	2
53.	D/o Science & Technology	-	3	-	4
54.	D/o Space	-	-	3	-
55.	D/o Steel	-	-	-	1
56.	D/o Telecom	14	123	98	72
57.	D/o Youth Affairs & Sports	-	-	1	-
58.	Delhi Development Authority	4	27	44	19
59.	Delhi Jal Board	-	8	12	1
60.	Delhi Transco Ltd./Indraprastha Power Generation Co. Ltd.	-	6	3	-
61.	Dena Bank	-	2	6	-
62.	Employees Provident Fund Organisation	2	1	4	1
63.	Engineers India Ltd.	-	-	1	-
64.	Food Corp. of India	-	3	8	1
65.	Gas Authority of India Ltd.	-	-	4	-
66.	Geological Survey of India Ltd.	-	1	-	-
67.	Govt. of NCT of Delhi	-	13	8	4
68.	Govt. of Pondicherry	-	-	16	6
69.	Hindustan Aeronautics Ltd.	1	-	-	-
70.	Hindustan Petroleum Corp. Ltd.	-	-	1	-
71.	Hindustan Shipyard Ltd.	-	3	1	1
72.	HUDCO	-	3	3	-
73.	India Tourism Development Corp.	-	-	-	3
74.	Indian Bank	1	7	5	5
75.	Indian Council of Agricultural Research	1	-	-	-
76.	Indian Oil Corp. Ltd.	-	1	2	-
77.	Indian Overseas Bank	-	-	1	-
78.	Indira Gandhi National Open University	-	-	1	-
79.	Industrial Development Bank of India	-	1	1	1

<b>S. No.</b>	<b>Name of the Department/ Organisation</b>	<b>Prosecution</b>	<b>Major Penalty</b>	<b>Minor Penalty</b>	<b>Admn. Action</b>
80.	Industrial Investment Bank of India	-	1	-	1
81.	Intelligence Bureau	-	2	-	-
82.	IRCON International Ltd.	-	-	-	2
83.	Kendriya Vidyalaya Sangathan	-	2	-	-
84.	Khadi & Village Industries Commission	-	1	-	-
85.	Kolkata Port Trust	-	2	-	-
86.	Life Insurance Corp.	-	2	3	-
87.	M/o Civil Aviation	-	-	1	-
88.	M/o Commerce	-	1	2	1
89.	M/o Defence	4	17	8	4
90.	M/o Environment & Forests	-	-	1	-
91.	M/o External Affairs	-	-	1	-
92.	M/o Home Affairs	6	4	3	-
93.	M/o Information & Broadcasting	6	9	11	3
94.	M/o Information Technology	1	-	-	-
95.	M/o Labour	4	-	-	-
96.	M/o Personnel, PG & Pensions	2	5	2	-
97.	M/o Petroleum & Natural Gas	-	-	3	-
98.	M/o Railways	12	124	211	128
99.	M/o Textiles	1	5	4	-
100.	M/o Urban Development & Poverty Alleviation	-	16	27	16
101.	M/o Water Resources	-	2	1	3
102.	Mahanagar Telephone Nigam Ltd.	2	-	1	-
103.	Metal Scrap Trading Corp.	-	-	-	2
104.	Minerals & Metals Trading Corp. Ltd.	-	-	16	3
105.	Mishra Dhatu Nigam Ltd.	-	-	7	9
106.	Mumbai Port Trust	-	2	-	-
107.	Municipal Corp. of Delhi	-	25	19	5
108.	National Bal Bhavan	-	2	-	-
109.	National Consumer Cooperative Federation	-	2	-	-
110.	National Highways Authority of India	-	-	1	-
111.	National Hydro-Electric Power Corp. Ltd.	-	-	9	-
112.	National Institute of Industrial Engineering	-	1	-	-
113.	National Insurance Co. Ltd.	-	27	36	2
114.	National Scheduled Caste Finance Development Corp.	-	1	-	-
115.	National Small Industries Corp. Ltd.	-	2	-	-
116.	National Thermal Power Corp. Ltd.	-	2	10	2
117.	New Delhi Municipal Council	7	-	-	-
118.	New India Assurance Co. Ltd.	-	21	33	9
119.	Northern Coalfields Ltd.	-	4	4	-
120.	Nuclear Power Corp. Ltd.	-	-	2	1

<b>S. No.</b>	<b>Name of the Department/ Organisation</b>	<b>Prose- cution</b>	<b>Major Penalty</b>	<b>Minor Penalty</b>	<b>Admn. Action</b>
121.	Oil & Natural Gas Corp.	-	3	13	9
122.	Oriental Bank of Commerce	1	18	7	2
123.	Oriental Insurance Co. Ltd.	-	7	4	-
124.	Pawan Hans Helicopters Ltd.	-	-	5	-
125.	Projects & Development India Ltd.	-	-	1	3
126.	Punjab & Sind Bank	-	10	21	2
127.	Punjab National Bank	-	32	10	1
128.	Sasastra Seema Bal	-	4	6	1
129.	Small Industries Development Bank of India (SIDBI)	-	4	-	1
130.	South Eastern Coalfields Ltd.	-	9	15	-
131.	State Bank of Bikaner & Jaipur	-	2	9	-
132.	State Bank of Hyderabad	3	5	5	2
133.	State Bank of India	4	144	46	19
134.	State Bank of Indore	-	1	2	1
135.	State Bank of Mysore	-	7	6	-
136.	State Bank of Patiala	-	2	3	-
137.	State Bank of Saurashtra	-	1	4	-
138.	State Bank of Travancore	-	5	11	5
139.	State Trading Corp. of India	-	1	-	-
140.	Steel Authority of India Ltd.	-	10	6	5
141.	Syndicate Bank	-	3	7	2
142.	Telecommunication Consultants India Ltd.	-	1	-	-
143.	Tribal Cooperative Federation of India	-	-	2	-
144.	UCO Bank	-	8	2	-
145.	Union Bank of India	1	36	32	25
146.	United Bank of India	-	1	3	1
147.	United India Insurance Co. Ltd.	-	-	1	-
148.	Vijaya Bank	-	4	7	2
149.	Western Coalfields Ltd.	-	2	2	-
	<b>Total</b>	<b>141</b>	<b>1084</b>	<b>1136</b>	<b>462</b>

## Annexure III-A(i)

## Work done by CVOs in 2005

## Details on Complaints on other employees

S. No.	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
1	AGRICULTURE	26	4	22	11
2	DEPTT. OF ATOMIC ENERGY	62	38	24	13
3	PUBLIC SECTOR BANKS	3843	3278	565	162
4	CHEMICAL & PETROCHEMICALS	18	13	5	3
5	CIVIL AVIATION	120	84	36	10
6	COAL	1356	1227	129	24
7	COMMERCE	8	5	3	2
8	DEFENCE	248	205	43	23
9	FERTILIZERS	51	48	3	2
10	FINANCE	57	46	11	6
11	FOOD & CONSUMER AFFAIRS	1849	1244	605	113
12	GOVT. OF NCT DELHI	32826	27725	5101	485
13	HEALTH & FAMILY WELFARE	358	56	302	269
14	HEAVY INDUSTRY	85	80	5	2
15	HUMAN RESOURCE DEVELOPMENT	101	49	52	0
16	CENTRAL BOARD OF DIRECT TAXES	2435	1572	863	410
17	INFORMATION & BROADCASTING	45	21	24	17
18	INSURANCE	945	496	449	265
19	LABOUR	418	222	196	92
20	MHA	170	100	70	35
21	MINES	34	31	3	0
22	NON-CONVENTIONAL ENERGY SOURCES	13	0	13	1
23	PETROLEUM	1319	1137	182	117
24	POWER	209	116	93	32
25	RAILWAYS	7534	5059	2475	894
26	SCIENCE & TECHNOLOGY	61	27	34	25
27	STEEL	926	833	93	15
28	SURFACE TRANSPORT	294	233	61	23
29	DEPTT. OF TELECOMMUNICATION	1191	1171	20	3

<b>S. No.</b>	<b>Department/Sector</b>	<b>Total Received</b>	<b>Disposal</b>	<b>Pending</b>	<b>Pending for more than 6 months</b>
30	UNION TERRITORY	82	45	37	28
31	URBAN AFFAIRS	548	307	241	49
32	MINISTRY OF WATER RESOURCES	21	5	16	15
	<b>Total</b>	<b>57253</b>	<b>45477</b>	<b>11776</b>	<b>3146</b>

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

## Work done by CVOs in 2005

## Details on Complaints Sent by CVC including Whistle Blower

S. No.	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
1	AGRICULTURE	25	5	20	14
2	DEPTT. OF ATOMIC ENERGY	11	3	8	8
3	PUBLIC SECTOR BANKS	123	101	22	5
4	CHEMICAL & PETROCHEMICALS	0	0	0	0
5	CIVIL AVIATION	40	25	15	8
6	COAL	55	48	7	4
7	COMMERCE	6	5	1	0
8	DEFENCE	14	10	4	0
9	FERTILIZERS	8	6	2	1
10	FINANCE	1	1	0	0
11	FOOD & CONSUMER AFFAIRS	23	16	7	3
12	GOVT. OF NCT DELHI	218	136	82	52
13	HEALTH & FAMILY WELFARE	4	0	4	2
14	HEAVY INDUSTRY	3	3	0	0
15	HUMAN RESOURCE DEVELOPMENT	6	3	3	0
16	CENTRAL BOARD OF DIRECT TAXES	187	81	106	36
17	INFORMATION & BROADCASTING	9	2	7	0
18	INSURANCE	7	3	4	2
19	LABOUR	28	21	7	5
20	MHA	11	2	9	7
21	MINES	12	11	1	0
22	NON-CONVENTIONAL ENERGY SOURCES	1	0	1	1
23	PETROLEUM	55	28	27	13
24	POWER	22	15	7	1
25	RAILWAYS	55	35	20	3
26	SCIENCE & TECHNOLOGY	39	10	29	24
27	STEEL	31	15	16	5
28	SURFACE TRANSPORT	15	12	3	2
29	DEPTT. OF TELECOMMUNICATION	6	6	0	0

<b>S. No.</b>	<b>Department/Sector</b>	<b>Total Received</b>	<b>Disposal</b>	<b>Pending</b>	<b>Pending for more than 6 months</b>
30	UNION TERRITORY	7	1	6	6
31	URBAN AFFAIRS	59	28	31	10
32	MINISTRY OF WATER RESOURCES	3	1	2	2
	<b>Total</b>	<b>1084</b>	<b>633</b>	<b>451</b>	<b>214</b>

Note : The data is based on the Annual reports submitted by the CVO's.

## Annexure III-A(iii)

## Work done by CVOs in 2005

## Details on Complaints on all category of employees

S. No.	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
1	AGRICULTURE	51	9	42	25
2	DEPTT. OF ATOMIC ENERGY	73	41	32	21
3	PUBLIC SECTOR BANKS	3966	3379	587	167
4	CHEMICAL & PETROCHEMICALS	18	13	5	3
5	CIVIL AVIATION	160	109	51	18
6	COAL	1411	1275	136	28
7	COMMERCE	14	10	4	2
8	DEFENCE	262	215	47	23
9	FERTILIZERS	59	54	5	3
10	FINANCE	58	47	11	6
11	FOOD & CONSUMER AFFAIRS	1872	1260	612	116
12	GOVT. OF NCT DELHI	33044	27861	5183	537
13	HEALTH & FAMILY WELFARE	362	56	306	271
14	HEAVY INDUSTRY	88	83	5	2
15	HUMAN RESOURCE DEVELOPMENT	107	52	55	0
16	CENTRAL BOARD OF DIRECT TAXES	2622	1653	969	446
17	INFORMATION & BROADCASTING	54	23	31	17
18	INSURANCE	952	499	453	267
19	LABOUR	446	243	203	97
20	MHA	181	102	79	42
21	MINES	46	42	4	0
22	NON-CONVENTIONAL ENERGY SOURCES	14	0	14	2
23	PETROLEUM	1374	1165	209	130
24	POWER	231	131	100	33
25	RAILWAYS	7589	5094	2495	897
26	SCIENCE & TECHNOLOGY	100	37	63	49
27	STEEL	957	848	109	20
28	SURFACE TRANSPORT	309	245	64	25
29	DEPTT. OF TELECOMMUNICATION	1197	1177	20	3

<b>S. No.</b>	<b>Department/Sector</b>	<b>Total Received</b>	<b>Disposal</b>	<b>Pending</b>	<b>Pending for more than 6 months</b>
30	UNION TERRITORY	89	46	43	34
31	URBAN AFFAIRS	607	335	272	59
32	MINISTRY OF WATER RESOURCES	24	6	18	17
	<b>Total</b>	<b>58337</b>	<b>46110</b>	<b>12227</b>	<b>3360</b>

Note : The data is based on the Annual reports submitted by the CVO's.

## Work done by CVOs in 2005

**Details on Departmental Inquiries against officers**  
(UNDER THE CVC JURISDICTION)

S. No.	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
1	AGRICULTURE	4	0	4	1
2	PUBLIC SECTOR BANKS	335	238	97	46
3	MINISTRY OF CIVIL AVIATION	15	0	15	10
4	COAL	38	18	20	12
5	COMMERCE	46	30	16	16
6	DEFENCE	52	39	13	12
7	FINANCE	3	2	1	0
8	FOOD & CONSUMER AFFAIRS	3	2	1	1
9	GOVT. OF NCT OF DELHI	43	8	35	27
10	MINISTRY OF HEAVY INDUSTRY	4	1	3	0
11	HUMAN RESOURCE DEVELOPMENT	48	13	35	0
12	CENTRAL BOARD OF DIRECT TAXES	63	24	39	25
13	MINISTRY OF INFORMATION & BROADCASTING	3	0	3	3
14	INSURANCE	96	32	64	31
15	LABOUR	49	16	33	36
16	MINISTRY OF HOME AFFAIRS	26	6	20	20
17	MINES	1	1	0	0
18	PETROLEUM	80	26	54	43
19	POWER	16	9	7	6
20	RAILWAYS	186	76	110	84
21	SCIENCE & TECHNOLOGY	92	13	79	72
22	STEEL	12	8	4	4
23	MINISTRY OF SURFACE TRANSPORT	11	6	5	4
24	DEPTT. OF TELECOMMUNICATION	38	23	15	13
25	UNION TERRITORY	2	0	2	2

<b>S. No.</b>	<b>Department/Sector</b>	<b>Total Received</b>	<b>Disposal</b>	<b>Pending</b>	<b>Pending for more than 6 months</b>
26	MINISTRY OF URBAN AFFAIRS	140	49	91	27
27	MINISTRY OF WATER RESOURCES	3	0	3	3
	<b>Total</b>	<b>1409</b>	<b>640</b>	<b>769</b>	<b>498</b>

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

## Work done by CVOs in 2005

## Details on Departmental Inquiries against other employees

S. No.	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
1	DEPTT. OF ATOMIC ENERGY	93	29	64	56
2	PUBLIC SECTOR BANKS	3270	2023	1247	432
3	CHEMICAL & PETROCHEMICALS	1	0	1	0
4	MINISTRY OF CIVIL AVIATION	75	42	33	26
5	COAL	276	128	148	86
6	COMMERCE	11	1	10	10
7	DEFENCE	184	116	68	35
8	ENVIRONMENT & FORESTS	2	1	1	1
9	FERTILIZERS	21	10	11	5
10	FINANCE	59	43	16	9
11	FOOD & CONSUMER AFFAIRS	924	747	177	67
12	GOVT. OF NCT OF DELHI	1801	771	1030	619
13	HEALTH & FAMILY WELFARE	185	49	136	73
14	HEAVY INDUSTRY	31	9	22	10
15	HUMAN RESOURCE DEVELOPMENT	16	7	9	1
16	CENTRAL BOARD OF DIRECT TAXES	226	70	156	135
17	MINISTRY OF INFORMATION & BROADCASTING	33	12	21	21
18	INSURANCE	415	140	275	102
19	LABOUR	810	310	500	403
20	MINISTRY OF HOME AFFAIRS	302	207	95	53
21	MINES	7	6	1	1
22	PETROLEUM	284	109	175	53
23	POWER	45	15	30	9
24	RAILWAYS	2283	1038	1245	736
25	MINISTRY OF RURAL DEVELOPMENT	1	0	1	1

<b>S. No.</b>	<b>Department/Sector</b>	<b>Total Received</b>	<b>Disposal</b>	<b>Pending</b>	<b>Pending for more than 6 months</b>
26	SCIENCE & TECHNOLOGY	68	12	56	48
27	STEEL	67	42	25	8
28	SURFACE TRANSPORT	128	68	60	39
29	DEPTT. OF TELECOMMUNICATION	221	129	92	68
30	TOURISM	4	0	4	4
31	UNION TERRITORY	19	6	13	11
32	MINISTRY OF URBAN AFFAIRS	25	11	14	12
33	MINISTRY OF WATER RESOURCES	6	1	5	1
	<b>Total</b>	<b>11893</b>	<b>6152</b>	<b>5741</b>	<b>3135</b>

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

## Annexure III-D

## Work done by CVOs in 2005

## Details on Prosecution Sanctions for all categories

S. No.	Department/Sector	Total cases for sanction	Disposal		Pending	Pending for more than 6 months
			Sanctioned	Refused		
1	PUBLIC SECTOR BANKS	158	91	47	20	2
2	MINISTRY OF CIVIL AVIATION	3	2	0	1	0
3	COAL	27	35	0	8	0
4	DEPTT. OF COMMERCE	1	1	0	0	0
5	MINISTRY OF DEFENCE	3	3	0	0	0
6	DEPTT. OF FERTILIZERS	1	0	0	1	0
7	FINANCE	2	2	0	0	0
8	GOVT. OF NCT OF DELHI	84	47	16	21	6
9	HEALTH & FAMILY WELFARE	2	1	0	1	1
10	MINISTRY OF HUMAN RESOURCE DEVELOPMENT	2	1	0	1	0
11	CENTRAL BOARD OF DIRECT TAXES	20	15	0	5	2
12	MINISTRY OF INFORMATION & BROADCASTING	7	2	0	5	0
13	INSURANCE	23	19	4	0	3
14	LABOUR	16	15	0	1	1
15	MINISTRY OF HOME AFFAIRS	1	0	0	1	1
16	MINES	3	3	0	0	0
17	MINISTRY OF PETROLEUM	48	5	28	15	0
18	MINISTRY OF RAILWAYS	27	23	0	4	0
19	SCIENCE & TECHNOLOGY	4	4	0	0	0
20	STEEL	6	6	0	0	0
21	DEPTT. OF TELECOMMUNICATION	8	7	0	1	0
22	UNION TERRITORY	3	0	0	3	3

S. No.	Department/Sector	Total cases for sanction	Disposal		Pending	Pending for more than 6 months
			Sanctioned	Refused		
23	MINISTRY OF URBAN AFFAIRS	16	14	0	2	0
	<b>Total</b>	<b>465</b>	<b>296</b>	<b>95</b>	<b>74</b>	<b>19</b>

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

**Annexure III-E**

**Work done by CVOs in 2005**

**Details on punishment 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	DEPTT. OF ATOMIC ENERGY	0	0	1	0	2	0	3
2	PUBLIC SECTOR BANKS	311	37	15	13	620	61	1057
3	CHEMICAL & PETROCHEMICALS	0	0	0	0	2	3	5
4	MINISTRY OF CIVIL AVIATION	0	10	0	0	12	2	24
5	COAL	1	49	1	1	102	19	173
6	DEPTT. OF COMMERCE	0	1	0	0	4	2	7
7	MINISTRY OF DEFENCE	14	11	0	0	30	5	60
8	ENVIRONMENT & FORESTS	0	0	0	0	0	1	1
9	FERTILIZERS	0	0	0	0	1	0	1
10	FINANCE	18	0	1	0	7	7	33
11	FOOD & CONSUMER AFFAIRS	245	132	670	5	278	225	1555
12	GOVT. OF NCT OF DELHI	8	4	2	0	1552	1492	3058
13	HEAVY INDUSTRY	0	1	2	1	2	1	7
14	HUMAN RESOURCE DEVELOPMENT	0	5	0	0	0	0	5
15	CENTRAL BOARD OF DIRECT TAXES	1	6	0	1	12	4	24
16	MINISTRY OF INFORMATION & BROADCASTING	0	0	0	0	10	2	12
17	INSURANCE	0	34	1	0	64	8	107
18	LABOUR	6	53	1	2	68	21	151
19	MINISTRY OF HOME AFFAIRS	4	22	2	0	41	0	69
20	MINISTRY OF PETROLEUM	4	11	3	5	88	25	136
21	POWER	9	5	1	11	66	13	105
22	MINISTRY OF RAILWAYS	2	48	2	0	64	11	127
23	SCIENCE & TECHNOLOGY	0	4	1	1	2	1	9
24	STEEL	0	11	5	0	46	0	62
25	MINISTRY OF SURFACE TRANSPORT	5	14	0	0	33	13	65

S. No.	Department/Sector	Reduction to lower stage	Postponement /withholding of increment	Recovery from pay	Withholding of promotion	Censure/ Warning	No Action	Total
26	DEPTT. OF TELECOMMUNICATION	4	22	12	0	90	22	150
27	MINISTRY OF URBAN AFFAIRS	2	5	0	1	16	1	25
	<b>Total</b>	<b>634</b>	<b>485</b>	<b>720</b>	<b>41</b>	<b>3212</b>	<b>1939</b>	<b>7031</b>

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

## Annexure III-F

## Work done by CVOs in 2005

## Details on punishment 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	DEPTT. OF ATOMIC ENERGY	0	0	0	4	1	3	0	8
2	PUBLIC SECTOR BANKS	14	474	792	422	115	116	72	2005
3	MINISTRY OF CIVIL AVIATION	0	4	15	1	18	2	1	41
4	COAL	4	9	49	7	101	165	23	358
5	DEPTT. OF COMMERCE	0	0	0	1	1	16	6	24
6	MINISTRY OF DEFENCE	10	14	19	16	20	20	62	161
7	DEPTT. OF FERTILIZERS	0	2	1	3	1	3	3	13
8	FINANCE	0	7	13	0	0	1	1	22
9	FOOD & CONSUMER AFFAIRS	0	44	80	57	217	48	24	470
10	GOVT. OF NCT OF DELHI	1	72	258	121	0	108	241	801
11	HEALTH & FAMILY WELFARE	0	13	9	15	0	5	10	52
12	HEAVY INDUSTRY	0	1	2	3	1	1	0	8
13	HUMAN RESOURCE DEVELOPMENT	6	0	0	0	3	2	3	14
14	CENTRAL BOARD OF DIRECT TAXES	2	10	3	1	6	3	15	40
15	INFORMATION & BROADCASTING	3	2	3	0	0	1	4	13
16	INSURANCE	5	32	140	6	2	11	14	210
17	LABOUR	25	22	9	34	81	39	65	275
18	MINISTRY OF HOME AFFAIRS	0	85	16	20	0	4	21	146
19	MINES	0	0	3	0	0	3	0	6
20	MINISTRY OF PETROLEUM	0	5	4	13	3	14	12	51
21	POWER	0	0	3	0	8	4	6	21
22	MINISTRY OF RAILWAYS	19	6	7	31	14	6	11	94
23	SCIENCE & TECHNOLOGY	4	9	5	1	3	1	5	28

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
24	STEEL	0	9	5	35	2	3	8	62
25	MINISTRY OF SURFACE TRANSPORT	2	12	14	2	8	2	6	46
26	DEPTT. OF TELECOMMUNICATION	5	10	42	2	6	5	24	94
27	MINISTRY OF URBAN AFFAIRS	0	4	13	13	4	16	6	56
	<b>Total</b>	<b>100</b>	<b>846</b>	<b>1505</b>	<b>808</b>	<b>615</b>	<b>602</b>	<b>643</b>	<b>5119</b>

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

## Annexure-III (G)

### Organisations from whom Annual Report for the year 2005 received

S. No.	Organisation	S. No.	Organisation	S. No.	Organisation
1	A&N Island Forest & Plantation Dev. Corp.	53	Engineers India Ltd.	105	National Buildings Const. Corp.
2	Air India	54	Fertilizer Corp. of India	106	National Dairy Dev. Board
3	Airports Authority of India	55	Fertilizers & Chemicals Travancore Ltd.	107	National Fertilizers Ltd.
4	All India Institute of Medical Sciences	56	Food Corp. of India	108	National Institute of Health & Family Welfare
5	Allahabad Bank	57	Gandhi Darshan Samiti	109	National Institute of Immunology
6	Alliance Air (Sub. of Indian Airlines)	58	Garden Reach Shipbuilders & Engineers	110	National Institute of Small Industries
7	Andhra Bank	59	Gas Authority of India Ltd.	111	National Mineral Development Corp.
8	Artificial Limb Manufacturing Co. Ltd.	60	General Insurance Corp. of India	112	National Thermal Power Corp.
9	Bank of Baroda	61	Goa Shipyard Ltd.	113	National Water Development Agency
10	Bank of India	62	Govt. of NCT of Delhi	114	New Delhi Municipal Council
11	Bank of Maharashtra	63	Heavy Engineering Corp. Ltd.	115	New India Insurance Co. Ltd.
12	Bharat Bhari Udyog Nigam Ltd.	64	Hindustan Antibiotics Ltd.	116	New Mangalore Port Trust
13	Bharat Coking Coal Ltd.	65	Hindustan Latex Ltd.	117	Neyveli Lignite Corp. Ltd.
14	Bharat Dynamics Ltd.	66	Hindustan Organic Chemicals Ltd.	118	North Eastern Electric Power Corp.
15	Bharat Electronics Ltd.	67	Hindustan Paper Corp.	119	Nuclear Power Corp. of India Ltd.
16	Bharat Petroleum Corp. Ltd.	68	Hindustan Salts Ltd.	120	Numaligarh Refinery Ltd.
17	Bongaigaon Refineries & Petrochemicals Ltd.	69	Hindustan Shipyard Ltd.	121	O/o the Coal Mines Provident Fund
18	Brahmaputra Board	70	HMT Ltd.	122	Oil & Natural Gas Corp.
19	Burn Standard Co. Ltd.	71	Hoogly Dock & Port Engineers Ltd.	123	Ordnance Factory Board
20	Canara Bank	72	Housing & Urban Development Corp.	124	Oriental Bank of Commerce
21	Central Bank of India	73	IIM, Ahmedabad	125	Oriental Insurance Co. Ltd.
22	Central Board of Direct Taxes	74	ICAR	126	Paradeep Port Trust
23	Central Board of Workers Education	75	Indian Council of Medical Research	127	Pawan Hans Helicopters Ltd.
24	Central Coalfields Ltd.	76	Indian Oil Corp. Ltd.	128	Power Grid Corp. of India Ltd.
25	Central Electricity Authority	77	Indian Overseas Bank	129	Punjab & Sind Bank
26	Central Electronics Ltd.	78	Indian Plywood Industries Research	130	Punjab National Bank
27	Central Industrial Security Force	79	IRCTC	131	RITES
28	Central Public Works Department	80	Indian Rare Earths Ltd.	132	Rashtriya Ispat Nigam Ltd.
29	Central Reserve Police Force	81	Indian Telephone Industries Ltd.	133	Reserve Bank of India
30	Central Warehousing Corp. Ltd.	82	Indira Gandhi Rashtriya Manav	134	Rural Electrification Corp. Ltd.
31	Chennai Petroleum Corp. Ltd.	83	Industrial Development Bank of India	135	Salar Jung Museum
32	Chennai Port Trust	84	Industrial Investment Bank of India Ltd.	136	Sasastra Seema Bal
33	Coal India Ltd.	85	Instrumentation Ltd.	137	Scooters India Ltd.
34	Cochin Port Trust	86	International Institute for Population	138	SIDBI
35	CGDA	87	Inter-State Council Secretariat	139	South Eastern Coalfields Ltd.
36	Corporation Bank	88	IRCON International Ltd.	140	State Bank of Bikaner & Jaipur
37	CSIR	89	Kochi Refineries Ltd.	141	State Bank of Hyderabad
38	D/o Bio-Technology	90	Kolkata Port Trust	142	State Bank of India
39	D/o Public Enterprises	91	Krishak Bharati Cooperative Ltd.	143	State Bank of Mysore
40	D/o Secondary & Higher Education	92	Lakshdweep Admn.	144	State Bank of Patiala
41	D/o Steel	93	M.M.T.C. Ltd.	145	State Bank of Saurashtra
42	Delhi Metro Rail Corp.	94	M/o Information & Broadcasting	146	State Bank of Travancore
43	Delhi Police	95	M/o Non-Conventional Energy Sources	147	Steel Authority of India Ltd.
44	Delhi Transport Corp.	96	M/o Railways	148	Syndicate Bank
45	Delhi Urban Arts Commission	97	M/o Road Transport & Highways	149	The State Trading Corp. of India
46	Delhi Vidyut Board	98	M/o Rural Development	150	Union Bank of India
47	Directorate General of Assam Rifles	99	M/o Water Resources	151	United India Insurance Co. Ltd.
48	Dredging Corp. of India Ltd.	100	Madras Fertilizers Ltd.	152	University of Hyderabad
49	Eastern Coalfields Ltd.	101	Mahanagar Telephone Nigam Ltd.	153	Vijaya Bank
50	Electronics Corp. of India	102	Mazagon Dock Ltd.	154	Western Coalfields Ltd.
51	Employees Provident Fund Organisation	103	Mishra Dhatu Nigam Ltd.		
52	Employees State Insurance Corp.	104	National Aluminium Co. Ltd.		

**Annexure-IV**

**List of organisations yet to submit reports on complaints forwarded by the Commission**

S. No.	Name of the organization	Complaints pending with CVOs for investigation		
		Upto one year	Between one-three years	More than three years
1.	Air India	2	-	-
2.	Airports Authority of India	3	5	1
3.	All India Council for Technical Education	-	2	1
4.	All India Institute of Medical Sciences	-	-	1
5.	Andaman & Nicobar Admn.	4	3	2
6.	Bharat Coking Coal Ltd.	1	-	-
7.	Bharat Heavy Electricals Ltd.	2	-	-
8.	Bharat Immunologicals & Biologicals	-	2	-
9.	Bharat Refractories Ltd.	1	-	-
10.	Bharat Sanchar Nigam Ltd.	5	7	-
11.	Border Roads Development Board	-	-	1
12.	Border Security Force	1	-	-
13.	British India Corp. Ltd.	1	-	-
14.	Canara Bank	1	-	-
15.	Central Bank of India	1	1	-
16.	Central Board of Direct Taxes	22	13	19
17.	Central Board of Excise & Customs	13	4	3
18.	Central Board of Secondary Education	-	-	2
19.	Central Bureau of Investigation	1	1	-
20.	Central Coalfields Ltd.	3	-	-
21.	Central Public Works Department	6	11	-
22.	Central Reserve Police Force	2	-	-
23.	Chandigarh Admn.	-	1	-
24.	Council for Advancement of Peoples' Action & Rural Technology (CAPART)	-	-	1
25.	Council of Scientific & Industrial Research	-	-	1
26.	D/o Agriculture & Cooperation	1	3	2
27.	D/o Animal Husbandry	-	2	-
28.	D/o Atomic Energy	-	-	1
29.	D/o AYUSH	1	-	1
30.	D/o Bio-Technology	-	1	-
31.	D/o Chemicals & Petrochemicals	1	-	-
32.	D/o Commerce (Spl. Division)	5	-	-

S. No.	Name of the organisation	Complaints pending with CVOs for investigation		
		Upto one year	Between one-three years	More than three years
33.	D/o Company Affairs	2	1	1
34.	D/o Culture	1	2	2
35.	D/o Defence Production & Supplies	1	-	-
36.	D/o Economic Affairs	2	-	1
37.	D/o Economic Affairs (Banking Division)	2	-	-
38.	D/o Education	5	13	12
39.	D/o Fertilizers	2	-	-
40.	D/o Health	1	13	14
41.	D/o Heavy Industry	2	1	5
42.	D/o Industrial Policy & Promotion	-	1	-
43.	D/o Legal Affairs	-	1	-
44.	D/o Mines	2	-	-
45.	D/o Posts	10	1	-
46.	D/o Public Distribution	1	1	-
47.	D/o Revenue	1	-	8
48.	D/o Science & Technology	1	1	-
49.	D/o Shipping	1	1	-
50.	D/o Space	1	-	-
51.	D/o Steel	3	-	-
52.	D/o Telecom	24	2	4
53.	D/o Women & Child Development	-	1	-
54.	D/o Youth Affairs & Sports	1	-	2
55.	Damodar Valley Corp.	4	-	-
56.	Delhi Development Authority	14	9	2
57.	Delhi Jal Board	3	1	1
58.	Delhi Police	-	2	-
59.	Delhi State Industrial Development Corp.	1	1	-
60.	Delhi Transco Ltd./Indraprastha Power Generation Co. Ltd. (Erstwhile DVB)	1	-	24
61.	Delhi Transport Corp.	-	1	-
62.	Dena Bank	2	-	-
63.	Employees Provident Fund Organisation	3	3	-
64.	Employees State Insurance Corp.	-	1	-
65.	Fertilizers & Chemicals Travancore Ltd.	2	-	-
66.	Food Corp. of India	7	2	1
67.	Gas Authority of India Ltd.	1	-	-

S. No.	Name of the organisation	Complaints pending with CVOs for investigation		
		Upto one year	Between one-three years	More than three years
68.	Govt. of NCT of Delhi	22	21	8
69.	Govt. of Pondicherry	5	1	-
70.	Hindustan Prefab Ltd.	-	1	-
71.	HMT Ltd.	-	2	-
72.	HUDCO	2	1	-
73.	IIM, Kanpur	-	1	-
74.	IIM, Lucknow	-	1	-
75.	IIT, Mumbai	-	-	1
76.	Indian Bureau of Mines	1	-	-
77.	Indian Council of Agricultural Research	4	1	3
78.	Indian Council of Philosophical Research	-	-	1
79.	Indian Oil Corp. Ltd.	2	-	-
80.	Indian Overseas Bank	-	1	-
81.	Indian Railway Catering & Tourism Corp. Ltd.	1	-	-
82.	Indira Gandhi National Open University	1	-	-
83.	Jawaharlal Nehru University	-	-	1
84.	Kendriya Vidyalaya Sangathan	1	-	1
85.	Khadi & Village Industries Commission	-	1	-
86.	Konkan Railway Corp. Ltd.	1	-	-
87.	Life Insurance Corp. of India	3	1	-
88.	M/o Commerce	2	1	-
89.	M/o Defence	12	2	3
90.	M/o Environment & Forests	1	3	6
91.	M/o External Affairs	2	2	1
92.	M/o Home Affairs	3	1	1
93.	M/o Information & Broadcasting	6	4	2
94.	M/o Information Technology	4	1	-
95.	M/o Labour	-	2	-
96.	M/o Overseas Indian Affairs	1	-	-
97.	M/o Personnel, PG & Pensions	1	-	-
98.	M/o Power	1	-	-
99.	M/o Railways	18	3	2
100.	M/o Rural Development	-	1	-
101.	M/o Small Scale Industries	1	-	-
102.	M/o Social Justice & Empowerment	-	1	-
103.	M/o Tribal Affairs	-	-	1
104.	M/o Urban Development & Poverty Alleviation	1	7	1

S. No.	Name of the organisation	Complaints pending with CVOs for investigation		
		Upto one year	Between one-three years	More than three years
105.	M/o Water Resources	2	-	-
106.	Mahanagar Telephone Nigam Ltd.	2	2	-
107.	Metal Scrap Trading Corp. Ltd.	2	-	-
108.	Minerals & Metals Trading Corp. Ltd.	1	-	-
109.	Municipal Corp. of Delhi (MCD)	33	25	1
110.	NAFED	1	-	-
111.	Nathpa Jhakri Power Corp.	-	-	1
112.	National Aluminium Co. Ltd.	1	-	-
113.	National Buildings Construction Corp.	1	2	-
114.	National Highways Authority of India	3	-	-
115.	National Insurance Co. Ltd.	7	-	-
116.	National Projects Construction Corp.	2	1	1
117.	National Thermal Power Corp.	1	-	-
118.	New Delhi Municipal Council	-	1	-
119.	New India Assurance Co. Ltd.	1	-	-
120.	Northern Coalfields Ltd.	1	2	-
121.	Numaligarh Refinery Ltd.	1	-	-
122.	O/o Comptroller & Auditor General	1	-	-
123.	Ordnance Factory Board	1	1	-
124.	Oriental Insurance Co. Ltd.	4	1	-
125.	Post Graduate Institute of Medical & Educational Research (PGIMER)	0	1	1
126.	Power Grid Corp. of India Ltd.	1	-	-
127.	Securities & Exchange Board of India	-	-	1
128.	South Eastern Coalfields Ltd.	1	-	-
129.	State Bank of India	1	-	-
130.	Steel Authority of India Ltd.	1	-	-
131.	Syndicate Bank	1	-	-
132.	UCO Bank	1	-	-
133.	Union Bank of India	2	-	-
134.	United India Insurance Co. Ltd.	1	-	-
135.	University Grants Commission	-	1	-
136.	Vijaya Bank	1	-	-
137.	Visakhapatnam Port Trust	-	-	1
138.	Western Coalfields Ltd.	1	-	-
	<b>Total</b>	<b>350</b>	<b>212</b>	<b>151</b>

## List of Organisations yet to appoint CDIs nominated by the Commission

S. No.	Name of the Organisation	No. of nominations pending	
		>3 months but <1 year	>1 year
1.	Airports Authority of India	1	-
2.	Bank of Baroda	1	-
3.	Central Board of Direct Taxes	20	3
4.	Central Board of Excise & Customs	47	1
5.	Central Bureau of Investigation	1	1
6.	Central Coalfields Ltd.	7	-
7.	Central Public Works Department	1	-
8.	Chandigarh Admn.	1	-
9.	D/o Commerce	1	-
10.	D/o Economic Affairs	2	-
11.	D/o Revenue	1	-
12.	D/o Telecom	8	-
13.	Damodar Valley Corp.	3	-
14.	Delhi Jal Board	9	-
15.	Delhi Transport Corp.	1	-
16.	Food Corp. of India	4	-
17.	Hindustan Vegetable Oil Corp. Ltd.	-	2
18.	India Trade Promotion Organisation	7	-
19.	M/o Coal	1	-
20.	M/o Defence	1	-
21.	M/o Home Affairs	6	-
22.	M/o Information & Broadcasting	2	-
23.	M/o Labour	9	-
24.	M/o Law, Justice & Company Affairs	4	-
25.	M/o Personnel, PG & Pensions	2	-
26.	M/o Railways	4	-
27.	M/o Shipping	3	-
28.	Municipal Corp. of Delhi	1	-
29.	National Buildings Construction Corp.	2	-
30.	National Insurance Co. Ltd.	12	-
31.	New India Assurance Co. Ltd.	1	-
32.	Oriental Insurance Co. Ltd.	6	-
33.	Satluj Jal Vidyut Nigam Ltd.	2	-
34.	UCO Bank	2	-
	<b>Total</b>	<b>173</b>	<b>7</b>

**Annexure-VI**

**Organisation-wise list of cases in which Commission has not received information about implementation of its advice**

S. No.	Name of the organisation	No. of cases pending implementation of CVC's advice for more than six months	
		First Stage Advice	Second Stage advice
1.	All India Institute of Medical Sciences	1	-
2.	Allahabad Bank	3	-
3.	Andaman & Nicobar Admn.	4	-
4.	Andhra Bank	3	1
5.	Bank of Baroda	1	1
6.	Betwa River Board	1	-
7.	Bharat Coking Coal Ltd.	5	3
8.	Bharat Earth Movers Ltd.	1	-
9.	Bharat Heavy Electricals Ltd.	2	3
10.	Bharat Petroleum Corp. Ltd.	8	-
11.	Bharat Sanchar Nigam Ltd.	55	2
12.	Border Roads Development Board	2	-
13.	Brahmaputra Board	2	-
14.	Bureau of Indian Standards	16	3
15.	Bureau of Police Research & Development	1	-
16.	Cabinet Secretariat	1	-
17.	CDAC	1	-
18.	Cement Corp. of India	1	1
19.	Central Bank	29	1
20.	Central Board of Direct Taxes	57	49
21.	Central Board of Excise & Customs	94	117
22.	Central Bureau of Investigation	5	6
23.	Central Coalfields Ltd.	1	1
24.	Central Council for Research in Homoeopathy	1	-
25.	Central Council for Research in Yoga, Ayurveda & Siddha	2	-
26.	Central Industrial Security Force	6	5
27.	Central Mines Planning & Development Instt. Ltd.	-	2
28.	Central Public Works Department	17	9
29.	Central Reserve Police Force	1	7
30.	Chandigarh Admn.	19	-
31.	Chennai Port Trust	3	2
32.	Coal India Ltd.	1	-
33.	Coffee Board	1	1
34.	Controller General of Defence Accounts	9	12
35.	Corporation Bank	3	-

S. No.	Name of the organisation	No. of cases pending implementation of CVC's advice for more than six months	
		First Stage Advice	Second Stage advice
36.	Council of Advancement of Peoples' Action & Rural Technology	4	-
37.	Council of Scientific & Industrial Research	6	4
38.	D/o Agriculture & Cooperation	2	2
39.	D/o Animal Husbandry & Dairying	2	-
40.	D/o Atomic Energy	2	1
41.	D/o AYUSH	2	6
42.	D/o Chemicals & Petrochemicals	3	-
43.	D/o Coal	3	-
44.	D/o Company Affairs	2	4
45.	D/o Consumer Affairs	3	1
46.	D/o Culture	6	1
47.	D/o Defence Production & Supplies	3	6
48.	D/o Economic Affairs	5	2
49.	D/o Education	4	1
50.	D/o Fertilizers	-	1
51.	D/o Food & Public Distribution	6	2
52.	D/o Food Processing Industries	1	-
53.	D/o Health	28	7
54.	D/o Heavy Industry	-	1
55.	D/o Industrial Policy & Promotion	2	1
56.	D/o Legal Affairs	-	1
57.	D/o Mines	-	1
58.	D/o Posts	7	9
59.	D/o Revenue	14	2
60.	D/o Science & Technology	1	-
61.	D/o Space	1	1
62.	D/o Steel	1	4
63.	D/o Supply	5	-
64.	D/o Telecom	265	128
65.	D/o Youth Affairs & Sports	6	-
66.	Damodar Valley Corp.	2	-
67.	Delhi Development Authority	76	15
68.	Delhi Jal Board	3	3
69.	Delhi State Industrial Development Corp.	4	-
70.	Delhi Transco Ltd./Indraprastha Power Generation Co. Ltd.	-	1
71.	Delhi Transport Corp.	2	-
72.	Dena Bank	3	-
73.	Dredging Corp. of India	1	4
74.	Eastern Coalfields Ltd.	1	11

S. No.	Name of the organisation	No. of cases pending implementation of CVC's advice for more than six months	
		First Stage Advice	Second Stage advice
75.	Employees Provident Fund Organisation	22	-
76.	Employees State Insurance Corp.	9	2
77.	Engineering Projects India Ltd.	1	-
78.	Export Inspection Council of India	3	-
79.	Food Corp. of India	3	-
80.	General Insurance Corp.	1	1
81.	Govt. of NCT of Delhi	14	25
82.	Govt. of Pondicherry	24	7
83.	Hindustan Aeronautics Ltd.	1	2
84.	Hindustan Antibiotics Ltd.	1	-
85.	Hindustan Fertilizers Corp. Ltd.	-	3
86.	Hindustan Petroleum Corp. Ltd.	6	-
87.	Hindustan Vegetable Oil Corp.	2	-
88.	HMT Ltd.	2	4
89.	Hospital Services Consultancy Corp.	2	-
90.	HUDCO	-	1
91.	IBP Co. Ltd.	10	8
92.	IGNOU	1	-
93.	IIT, Mumbai	1	-
94.	India Tourism Development Corp.	3	1
95.	India Trade Promotion Organisation	1	-
96.	Indian Airlines	1	-
97.	Indian Bank	29	3
98.	Indian Council of Agricultural Research	17	-
99.	Indian Drugs & Pharmaceuticals Ltd.	-	1
100.	Indian Oil Corp. Ltd.	8	2
101.	Indian Overseas Bank	60	9
102.	Intelligence Bureau	1	-
103.	Kendriya Vidyalaya Sangathan	15	2
104.	Khadi & Village Industries Commission	4	4
105.	Kolkata Port Trust	2	-
106.	Lakshdweep Admn.	3	-
107.	Life Insurance Corp.	5	11
108.	M/o Commerce	17	1
109.	M/o Defence	26	7
110.	M/o Development of North Eastern Region	1	-
111.	M/o Environment & Forest	10	5
112.	M/o External Affairs	12	1
113.	M/o Home Affairs	23	10
114.	M/o Information & Broadcasting	60	28

S. No.	Name of the organisation	No. of cases pending implementation of CVC's advice for more than six months	
		First Stage Advice	Second Stage advice
115.	M/o Information Technology	1	-
116.	M/o Labour	13	4
117.	M/o Personnel, P.G. & Pensions	31	12
118.	M/o Petroleum & Natural Gas	1	-
119.	M/o Power	2	1
120.	M/o Railways	82	48
121.	M/o Rural Development	1	-
122.	M/o Shipping	6	3
123.	M/o Small Scale Industries	1	-
124.	M/o Social Justice & Empowerment	4	1
125.	M/o Textiles	8	1
126.	M/o Urban Development	45	39
127.	M/o Water Resources	14	1
128.	Mahanadi Coalfields Ltd.	2	-
129.	Mahanagar Telephone Nigam Ltd.	7	-
130.	Marine Products Export Development Authority	1	-
131.	Mazagon Dock Ltd.	1	-
132.	Mishra Dhatu Nigam Ltd.	-	1
133.	MMTC Ltd.	3	-
134.	Mormugao Port Trust	1	-
135.	Mumbai Port Trust	1	-
136.	Municipal Corp. of Delhi	22	10
137.	Nathpa Jhakri Power Corp. Ltd.	2	-
138.	National Buildings Construction Corp.	3	-
139.	National Consumer Cooperative Federation	1	-
140.	National Cooperative Development Corp.	1	-
141.	National Highways Authority of India	4	-
142.	National Hydro-electric Power Corp. Ltd.	2	-
143.	National Insurance Co. Ltd.	28	11
144.	National Project Construction Corp.	2	-
145.	National Small Scale Industries Corp. Ltd.	2	-
146.	National Textiles Corp. Ltd.	1	-
147.	National Thermal Power Corp. Ltd.	2	-
148.	National Water Development Agency	1	-
149.	Navodaya Vidyalaya Samiti	5	1
150.	NEPA Ltd.	1	-
151.	New India Assurance Co. Ltd.	37	-
152.	North Eastern Electric Power Corp. Ltd.	-	1
153.	Northern Coalfields Ltd.	1	-
154.	Nuclear Power Corp. Ltd.	1	-
155.	O/o Comptroller & Auditor General	10	2

S. No.	Name of the organisation	No. of cases pending implementation of CVC's advice for more than six months	
		First Stage Advice	Second Stage advice
156.	O/o Development Commissioner SSI	2	-
157.	Oil & Natural Gas Corp. Ltd.	3	-
158.	Oil India Ltd.	1	1
159.	Ordnance Factory Board	1	-
160.	Oriental Bank of Commerce	2	-
161.	Oriental Insurance Co. Ltd.	8	3
162.	P.G.I.M.E.R.	4	-
163.	Pawan Hans Helicopters Ltd.	1	-
164.	Planning Commission	1	-
165.	Punjab & Sind Bank	1	-
166.	Punjab National Bank	2	-
167.	Registrar General of India	1	-
168.	Sasastra Seema Bal	2	4
169.	SEBI	-	1
170.	South Eastern Coalfields Ltd.	-	1
171.	Sports Authority of India	4	2
172.	Staff Selection Commission	1	-
173.	State Bank of Bikaner & Jaipur	5	-
174.	State Bank of Hyderabad	14	1
175.	State Bank of India	18	1
176.	State Bank of Indore	4	2
177.	State Bank of Saurashtra	1	1
178.	State Farms Corp. of India	1	-
179.	State Trading Corp. of India Ltd.	1	-
180.	Steel Authority of India Ltd.	1	-
181.	Syndicate Bank	9	3
182.	Tea Trading Corp. of India Ltd.	-	1
183.	TRIFED	4	1
184.	Tuticorin Port Trust	1	-
185.	UCO Bank	13	10
186.	United India Insurance Co. Ltd.	26	5
187.	UT of Daman & Diu and Dadra & Nagar Haveli	29	9
188.	Vijaya Bank	-	1
189.	Western Coalfields Ltd.	1	2
	<b>Total</b>	<b>1747</b>	<b>769</b>

**Annexure-VII**

**Cases inspected by CTE Unit resulting in advice of penalty proceedings by the Commission**

<b>S. No.</b>	<b>Name of the Organisation</b>	<b>Type of cases</b>	<b>Nature of 1<sup>st</sup> stage advice</b>	<b>Number of officers</b>
1.	RITES	C/o Staff quarters and Admn. Building at Mangalore	Major penalty Minor penalty	1 officer 1 officer
2.	M/o Urban Development & Poverty Alleviation	C/o Lab. Building for RMRC (ICMR) at Jabalpur i/c water supply sanitary installation, drainage and pile foundation	Minor PP	1 officer
3.	NBCC	C/o multistoried factory building at Madras Export Processing Zone at Tambaram (Chennai)	Major PP	4 officers
4.	NBCC	I/E of construction of 336 LIG Houses, Sector 82, NOIDA	Major PP	5 officers
5.	ITDC	Civil, Structural, Plumbing, Sanitary, Electrical and Fire-fighting work for 5 star hotel at Chandigarh	Major PP Minor PP	1 officer 2 officers
6.	M/o Urban Development & Poverty Alleviation	C/o 100 bedded hospital at Pooth Khurd, Delhi	Major PP Minor penalty	1 officer 1 officer
7.	ITDC	I/E of redevelopment & conservation of Ghats at Pushkar	Major pp Minor pp	2 officers 1 officer
8.	NBCC	I/E of construction of 336 LIG Houses, Sector 82, NOIDA	Major PP	3 officers