

The Central Vigilance Commission presents its 43<sup>rd</sup> Report relating to the calendar year 2006.

A handwritten signature in black ink, consisting of a series of connected loops and a long horizontal stroke that curves upwards at the end.

**(PRATYUSH SINHA)**  
**CENTRAL VIGILANCE COMMISSIONER**

New Delhi  
Dated: the 22<sup>nd</sup> June, 2007

## **ACKNOWLEDGEMENT**

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## CONTENTS

S. NO.	TITLE	PAGES
1.	<b>INTRODUCTION</b>	1-8
2.	<b>OBSERVATIONS AND INITIATIVES</b>	9-15
3.	<b>COMMISSION'S ACTIVITIES DURING THE YEAR- DEALING WITH VIGILANCE CASES</b>	16-24
4.	<b>COMMISSION'S ACTIVITIES DURING THE YEAR- HANDLING OF COMPLAINTS</b>	25-29
5.	<b>SUPERINTENDENCE OF VIGILANCE ADMINISTRATION</b>	30-36
6.	<b>NON-COMPLIANCE, DELAYS AND OTHER MATTERS OF CONCERN</b>	37-53
7.	<b>CHIEF TECHNICAL EXAMINERS' ORGANISATION</b>	54-62
8.	<b>FUNCTIONING OF DELHI SPECIAL POLICE ESTABLISHMENT (CENTRAL BUREAU OF INVESTIGATION)</b>	63-69
<b>ANNEXURES</b>		
I	Group-wise staff strength and related information	71
II	Organisation-wise details of punishments imposed during 2006 in respect of cases where Commission's advice was obtained	72-75
III	Work done by CVOs during the period 1.1.2006 to 31.12.2006	76-84
IV	List of organizations yet to submit reports on complaints forwarded by the Commission	85-89
V	List of organizations yet to appoint CDIs nominated by the Commission	90-91
VI	Organisation-wise list of cases in which Commission has not received information about implementation of its advice	92-97
VII	Cases inspected by CTE resulting in advice of penalty proceedings by the Commission	98-99

## **CHAPTER-1**

### **Introduction**

During a debate in Parliament in June 1962, many Members of Parliament expressed concern on the growing menace of corruption in administration. In pursuance of the reply to the debate given by Shri Lal Bahadur Shastri, Hon'ble Minister for Home Affairs, a committee was set-up in order to review the existing instruments for checking corruption in central services and to advise practical steps that should be taken to make anti-corruption measures more effective. The committee came to be known as the 'Santhanam Committee'. The Committee observed that the major causes of corruption were (i) administrative delays; (ii) Governments taking upon themselves more than what they can manage by way of regulatory functions; (iii) scope for personal discretions in the exercise of powers vested in different categories of govt. servants; and (iv) cumbersome procedures of dealing with various matters which are of importance to citizens in their day to day affairs. While recognizing the limitations of the existing vigilance arrangements to deal with corrupt activities by public servants and 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 Committee also recommended that the body may undertake an inquiry into the transactions in which public servants were suspected or alleged to have acted for improper purposes or in a corrupt manner. Thus, the Central Vigilance Commission (CVC) came into existence 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 public life. Certain numbers of the Commissioners for Departmental Inquiries (CDI) were also attached to the Commission and the Commission was empowered to cause the oral inquiry in any departmental proceedings to be entrusted to such Commissioners. Subsequently, a Chief Technical Examiner (CTE) Cell was attached to the Commission in order to provide the necessary technical expertise, in formulating its views on technical matters.

### **Present Status**

In the wake of 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', a legal status which had been struck down by the Supreme Court in the Hawala Case. 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 and above in the Central Government, or such officers in the 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 organizations of the Central Government.
- The Commission, while conducting the inquiry, shall have all the powers of a Civil Court with respect to certain aspects.

Following the murder of Satyendra Dubey and in response to a PIL filed on the subject, 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 the Public Interest Disclosure and Protection of Informers' 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 resolution popularly known as the Whistle Blower Resolution, 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 ‘**Public Interest Disclosure and Protection of Informers**’ 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 misuse of office by any employee of the Central Government or of any corporation established under any Central Act, government companies, societies or local authorities owned or controlled by the Central Government.
- 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 the complainants according to 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; and
- 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 the organisations to which the executive power of the Union extends. Section 8(1)(d) of CVC Act restricts its jurisdiction with respect to the 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. In its advisory role on such matters as may be referred to the Commission, there is no such restriction but for practical reasons, the Commission has been restricting this role to the same categories of employees, viz., the 'Group A' officers in Central Government, All India Service Officers, and other

officers of the public sector undertakings, autonomous organisations, local authorities, societies etc. as notified by the Government.

### **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 enquire into any individual case in respect of the employees other than those who are within its normal advisory jurisdiction.** In addition, cases of difference of opinion between the CBI and the administrative authorities concerned, in respect of the 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 of Govt. of India. However, it is mandatory on the part of the organisations to seek the Commission's advice in a matter where earlier a report was 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 facts of each case and the evidence available, the Commission advises (a) initiation of criminal and/or regular departmental action against the public servant(s) concerned; or administrative action against them; (c) or the closure of the case. The Commission's advice at this stage is termed as first stage advice. The regular departmental action could be for the imposition of a major or a minor penalty as specified in the service rules of the organisation concerned.

In those cases where major penalty proceedings were advised, on the conclusion of the inquiry proceedings, the Commission's second stage advice is required to be sought along with the inquiry report and other records relating to the inquiry. In case it is not possible to conduct inquiry proceedings due to special circumstances, the Commission has to be consulted before finalizing the case. In cases where Commission advised initiation of minor penalty proceedings, no second stage advice is required to be obtained if the organisation concerned has decided to impose one of the defined minor penalties; where the administrative authorities propose exoneration after considering the 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. On the retirement of Shri P. Shankar, Shri Pratyush Sinha, IAS (Retd.) has been appointed as the Central Vigilance Commissioner by the President for a period of four years w.e.f. 7.9.2006. Shri Sudhir Kumar, IPS (Retd.) and Smt. Ranjana Kumar (Retd. Chairman, NABARD) were 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) [however, the present incumbent Shri Sujit Banerjee, IAS (UP:72) has been promoted to the post of Secretary to the Government of India w.e.f. 1.8.2006], 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 31.12.2006 and related information is at **Annexure - I**.

### **Technical Wing**

The Technical Wing of the Commission known as The Chief Technical Examiners' (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 the 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 assistance in advising the head of the organisation concerned in all vigilance matters. 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 195. 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 26 officers recommended by the administrative authorities for appointment to the post of CVOs in different organisations. It also approved 82 names of officers for appointment as part time CVOs in various Departments/Ministries/Autonomous Bodies.

**The Commission also accorded 297 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 2006, 681 applications were received and 637 of these were disposed of according to the provisions under the Act. 127 appeal cases as first appeal were filed with the appellate authority of the Commission and 116 of these were disposed of. 16 appellants filed appeals before the Central Information Commission (CIC). Comments in all these cases were sent to the CIC, who after due consideration of the Commission's views decided the appeals. Only one case is pending with the CIC. At the end of the year 2006, 44 RTI applications and 11 appeals to Appellate Authority of CVC were pending for disposal.**

## CHAPTER-2

### Observations and Initiatives

#### General Observations

Over the last few years, globalisation and liberalization have led to an increase in the economic activities and the emergence of more dynamic and complex economy. Many international organizations have become active in the anti-corruption field and are studying and quantifying the improper and corrupt activities taking place in the various aspects of governance in different countries. India, being an emerging economic power is being viewed with special focus by these international agencies and with its growing importance in international trade and commerce, there is a greater need for the country to be viewed as more transparent and less prone to corruption.

The public is also more concerned about the erosion of ethics and a decline in the moral values in various aspects of public administration and governance and has become more vocal in expressing its resentment and dissatisfaction about the state of affairs. All these factors have not only brought the Commission under closer focus as an agency which can contribute significantly in eradicating corruption but have also raised expectations from the Commission.

The Commission's role and activities became more prominent after the Supreme Court judgment in the Hawala case popularly known as the Vineet Narain case. The Supreme Court in the Vineet Narain case had directed the Government to confer a statutory status on the Commission in order to ensure its independence. As a consequence, the CVC Act was notified on September 11, 2003.

The Commission is of the view that transparency and objectivity in dealing with public in matters concerning government business would go a long way in eradicating corruption and making public servants more accountable and answerable for their actions. The Commission in its endeavour to fulfil its obligations as an agency to ensure transparency and accountability in public administration has taken many steps during the year in this direction. Some of the initiatives taken by the Commission are as under:

#### **Leveraging of technology for improving vigilance administration**

The Commission has been emphasizing the use of technology for bringing about transparency in the functioning of the government organizations. A large number of complaints received by the Commission pertain to unseemly delays, ad-hocism and arbitrariness in decision making and in carrying out regulatory functions, like the issue of various kinds of licenses and certificates by the govt. agencies. Public has also been complaining about non-adherence to the first-come-first-served principle and lack of objectivity and consistency in applying rules and procedures while granting licenses, certificates, permissions etc. This creates an opportunity for the public servants to indulge in corrupt practices. The Commission with a view to bringing about systems improvement in order to tackle such malpractices has given directions to all Govt. organizations, making it compulsory for them to provide

detailed information regarding the rules and procedures governing issue of licenses, permissions etc. on their web-sites. The Commission has also directed that all the application forms, proformas are to be made available on the web-sites in a downloadable form. As a logical extension to these steps, it has been directed that the complainants should be kept informed about the status of their applications online.

The Commission had in the past directed all organizations to post every month a summary of all awarded contracts/purchases on their websites. The instructions have been reiterated.

### **Protection against victimization of officials engaged in investigation/vigilance related duties**

The Santhanam Committee had, while recommending a well structured vigilance set up, observed that “those posted to the Vigilance Organisations should not have the fear of returning to their parent cadre with the possibility of facing the anger and displeasure of those against whom they made inquiries”. The Committee had also recommended that “those working in vigilance organizations should have an assurance that good and efficient work in the vigilance organisation will enhance their opportunities for promotion and not become a sort of disqualification”. The Commission, therefore, in order to provide the required independence and freedom to the vigilance functionaries to work without fear, issued directions regarding having a fixed tenure for them which would not be disturbed normally and certainly not without the concurrence of the CVO concerned. The Commission also shielded them by prohibiting the organizations from posting them under those officers against whom they had conducted any kind of investigation while working in vigilance departments.

### **Complaints**

The Commission considers complaints from public and other social organizations as an important source of information on the malpractices which might be taking place in various govt. organizations. The Commission’s aim is to encourage complaints which point toward vigilance related issues instead of minor administrative lapses or public grievances. The Commission has a well laid out complaint handling policy which is given wide publicity through its website. The Commission’s experience has been that many a time complainants indulge in blackmailing honest officers by lodging anonymous/pseudonymous complaints against them when they are within the consideration zone for a promotion or some important assignment. The Commission has, therefore, decided that as a principle such anonymous/pseudonymous complaints would not be entertained. At the same time, in order to ensure that genuine complainants possessing verifiable facts do come forward with such information, the Commission withholds the identity of the complainants, in case they have made a request for the same. As a measure of confidence in the Commission’s ability, it has also been made the “Designated Agency” under the ‘Public Interest Disclosure Protection of Informer Resolution’, known as the ‘Whistle Blowers’ Resolution’. A separate confidential cell has been set up in the Commission, which deals with these complaints where the identity of the complainant is duly protected.

## Vigilance Administration

The Commission in its aim to eradicate corruption from public administration has been making special efforts for putting in place an efficient and effective vigilance administration combining both the preventive and punitive aspects. The Commission does not have a proper investigation wing of its own and is dependent on the Chief Vigilance Officers (CVOs) of respective organisations for the investigation of the complaints and for fixing the responsibilities on the errant public servants, plus to follow up on the appropriate departmental action against them. The Chief Vigilance Officer is the head of the vigilance unit of the organisation and the effectiveness of the vigilance administration rests on the efficiency of the CVO concerned.

The Commission is doing its best to ensure independence, objectiveness and effectiveness of the vigilance units in govt. organisations. The Commission sees to it that only officers with impeccable record and integrity are empanelled for the post of the CVO. **The Commission has strongly advocated the need to have a full time CVO in major govt. departments, particularly, those having a number of important PSUs under their administrative control. The Commission has also felt the need to have outsiders as CVOs in departments like, Railways, Telecom, CPWD, Post & Telegraph, CBDT and CBEC. The Commission tries to ensure that the post of the 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.

During the year, the Commission took a number of meetings with the CVOs of all major govt. ministries/departments/PSUs/Banks in order to review the status of the vigilance administration, in general and to emphasise on the following issues for better vigilance management:-

- (i) In order to improve the credibility of the organisation it was essential that the organisations laid greater emphasis on transparency, fairness and equity. The CVOs were asked to identify sensitive areas and focus on systems improvement in order to provide for greater transparency. The Commission also pointed out that it was important for the vigilance officials to establish their credibility and for that it was necessary that the vigilance officials drawn from outside the organisation familiarised themselves quickly with the policies/procedures of the organisation concerned.
- (ii) It was impressed upon the CVOs that a proper examination of complaints and follow up action on complaints were essential for an effective vigilance management, as complaints threw light on the ills of the system besides exposing abuse of power by corrupt officials. The Commission also stressed the timely investigation of complaints and considered the three months' time limit adequate to send a report to the Commission. It was pointed out that the Whistle Blower complaints should be given utmost priority and report should be submitted within the stipulated period.
- (iii) The CVOs were asked to ensure that the complainants making genuine complaints, particularly supplier-complainants, were not victimized/harassed by the organisation. They were also asked to ensure that no

victimisation/harassment was caused to any internal 'whistle blower' if, by chance, his/her name somehow got revealed/known.

- (iv) The Commission asked the CVOs to ensure that proper advertisement of the tenders/NIT took place in order to attract fair competition. They were also asked to ensure that the tender forms were downloadable from the website and that the details of award of such contracts were put on the website. CVOs were also asked to persuade their Management to go in for 100% e-payments like it had been done in some organisations like GAIL, etc.
- (v) It was pointed out that delay in departmental proceedings was a sad reflection on the functioning of the vigilance units and every conceivable effort should be made to ensure speedy finalisation of departmental proceedings.

### **Public Procurement/Works**

The Commission observed that in many a case works/purchase/consultancy contracts were awarded on nomination basis by the PSUs. The Commission while pointing out that open tendering was the most preferred mode of award of works, felt the need to bring about greater transparency and accountability in the award of the contracts on the nomination basis. The Commission, therefore, issued guidelines making it compulsory to bring to the notice of the boards of the respective PSUs, the details of all works awarded on the nomination basis for their scrutiny and vetting besides having them checked by an audit committee on random basis.

The Commission has been regularly emphasizing the need for a closer scrutiny of the procurement/contracts by govt. organizations in order to ensure adherence to the laid down systems and procedures and to ensure transparency in the process. The Commission directed the CVOs to ensure preparation and updation of works/purchase manuals specially in those organizations where procurement activities were substantial. The CVOs were also asked to impart proper training to the field staff and their familiarization with the extant provisions of the manuals and guidelines issued by the Commission and other agencies. The Commission also issued a comprehensive check list which could be made use of by the vigilance units during the examination of the procurement contracts by their organizations, satisfying themselves whether the award of order was proper. The checks should be conducted both at the pre-tender stage as well as the post-tender stage.

The Commission has been taking every conceivable step to ensure honesty and transparency in the functioning of the govt. organizations through effective vigilance administration. Having accumulated experience over the years on the shortcomings in the system which lead to malpractices and abuse of authority by the govt. functionaries, the Commission from time to time, issues appropriate instructions plugging loopholes and bringing about systemic improvements. But the fact remains that the overall role of the Commission is only an advisory one with limited statutory authority to enforce its recommendations. **It is felt that for the Central Vigilance Commission to play a more proactive and authoritatively significant role in the eradication of corruption, many important measures have to be taken by the Government to provide teeth to the Commission.** Some of these measures are:

- (i) The Central Civil Services, Classification, Control and Appeal Rules, 1965 delineate the procedure for the disciplinary Authorities to institute minor and major penalty proceedings against the Central civil services employees. The Central Vigilance Commission acts as an apex organization in the Government of India to provide integration between the vigilance units in the various Ministries, Government of India, Public Sector Undertakings and Banks. The Central Vigilance Commission acts as an advisory body with respect to all matters pertaining to the Vigilance administration and vigilance advice to the organizations of Government of India including the Public Sector undertakings and banks under its purview. The Commission is consulted at two stages by the organizations under its purview with respect to the vigilance cases investigated by the Disciplinary Authorities concerned. The two-stage consultation mechanism has been outlined in the Central Vigilance Commission's Vigilance Manual and is based on the Central Vigilance Commission's instructions to all organizations under its purview. However, the CCS (CCA) rules of the Government of India do not specifically mandate such consultation with the Commission. The Commission's first stage advice in vigilance cases should be made mandatory to be implemented by all Government of India organizations, Public Sector undertakings and banks. An appropriate amendment to the CCS CCA Rules, 1965 is required to be made by incorporating a clause making the Commission's First Stage Advice mandatory for all Government of India organizations under its purview. A Directive is also required to be issued by Department of Personnel & Training (DOPT) to all Government of India Public Sector undertakings and Banks to incorporate a similar clause in their Disciplinary, Conduct and Appeal rules.
- (ii) The Central Vigilance Commission has been made the Apex Body to ensure proper, just and effective vigilance administration in r/o the Ministries/Departments/Organizations of the Central Government. The Commission's jurisdiction extends to the officers of All India service and all other Group 'A' officers of Central Government. According to the CVC Act, the main function of the Commission relates to exercising superintendence over vigilance administration and to tender advice to these organizations in r/o cases pertaining to irregularities/misconduct/ offences committed by public servants working in these organizations.

The Government is required to approach the Commission for its advice at two different stages, in matters relating to the disciplinary proceedings against the public servants coming within the purview of the Central Vigilance Commission. In respect of the officers of the All India Services and Group 'A' Officers, the Government is also required to approach the UPSC to decide about the quantum of punishment to be imposed on the officers. The UPSC was established in 1952 with the main aim of carrying out selection of officers under All India Services and other Group 'A' posts. As at that time, Central Vigilance Commission was not in existence, UPSC was given the responsibility of deciding about the quantum of punishment to be imposed on these officers in disciplinary cases decided against them.

After the establishment of CVC in 1964, which is the apex body for consultation in matters relating to the disciplinary action against the officers of All India Services and Group 'A' Officers, the provision regarding consultation with UPSC also, not only leads to duality of authority but also is a cause for inordinate delays in finalizing the disciplinary proceedings leading many a time to the superannuation of the charge sheeted official before a penalty could be imposed. Some times there is a conflict of views between CVC and UPSC about the penalty to be imposed due to difference in perception between the two agencies. The Commission being an expert agency on vigilance cases and having been made paramount in matters pertaining to vigilance administration, it is only appropriate that it should have the final word on disciplinary matters. Such an overlapping of authority creates unnecessary delays and hindrances in the finalization of cases, besides undermining the Commission's authority and which would be counter productive. Hence, there is a need to do away with the consultation mechanism with UPSC regarding the quantum of punishment to be imposed on the govt. officials.

- (iii) **It has already been pointed out that there is a 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 only 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.**
- (iv) In accordance with the CVC Act, 2003, the Commission has been given the responsibility to exercise superintendence over the functioning of the Delhi Special Police Establishment, popularly known as CBI, to issue directions and review the progress of investigation under PC Act or any offence committed by public servant charged under CrPC.

Under the CVC Act, Commission's superintendence over CBI is confined to investigation of cases under the PC Act only with a proviso to section 8(1) (a) & (b) and the process of trial continues to be under the government's control only. For all other functions too, the government continues to exercise control over the CBI. Superintendence by two different agencies over different functions of the CBI not only hampers the efficiency of the organization but also causes hindrance in its smooth functioning. There is a need to have an independent superintendence over CBI's function to insulate the organisation.

Apart from the appointment/removal of officers of the rank of SP and above, which are done by a committee headed by CVC, all other administrative controls and powers pertaining to the CBI vest with the Government. The duality of authority leads to confusion and hindrance in CBI's smooth functioning, besides exposing the organization to unwarranted pressures.

In court cases arising out of CBI's investigation, appeals against lower courts judgments are subject to government's approval (through the Law Ministry) CBI should have authority to take an independent professional view in such

matters. Director of prosecution who assists CBI with his legal advice is on deputation from M/o Law. Being an important post, the recruitment needs to be made open and broad-based in order to ensure independence and autonomy, besides ensuring that only competent persons of impeccable integrity are appointed to this post.

## CHAPTER-3

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

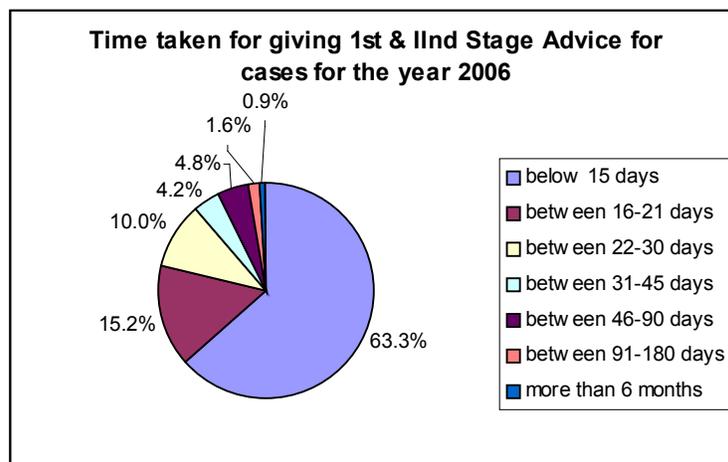
The CVC Act 2003 empowers the Commission to tender its advice regarding the initiation of an appropriate regular departmental action or for imposition of an appropriate penalty in the cases forwarded to it by the various organisations of the Central Government, corporations established by or under any Central Act, Government companies, societies and local authorities owned or controlled by the Central Government. The Commission lays great stress on adhering to a strict time-table in conveying its advice in all such cases and also emphasises that the organisations also complete the disciplinary proceedings in a time bound manner prescribed by the Commission from time to time.

#### In House Improvements

The file tracking software developed by the Department of Personnel & Training has been installed in the Commission and the Commission is able to ensure adherence to a strict time schedule for tendering its advice to the departments 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 Commission makes every possible effort to tender its advice within four weeks and in the year 2006 more than 78 percent of its advices were tendered within three weeks of receipt of the cases.** Only about 11 percent cases were delayed beyond four weeks. The main reason for such delay was non-receipt of complete inputs or some additional details required by the Commission from the organizations concerned. **(Chart-1)**

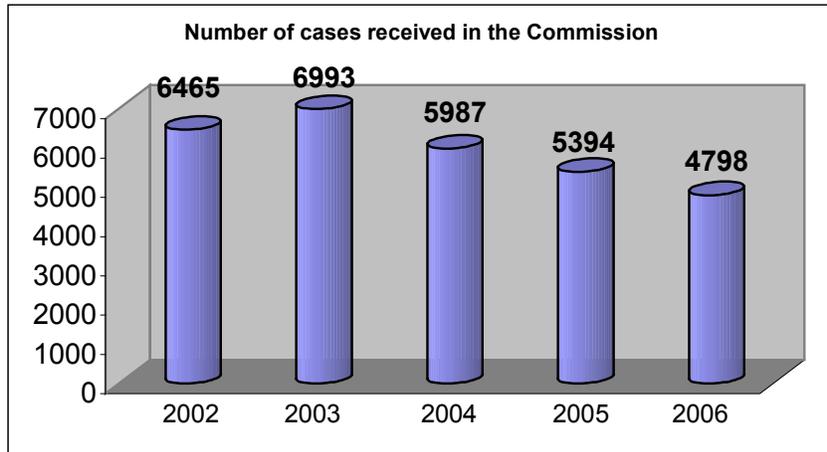
Chart-1



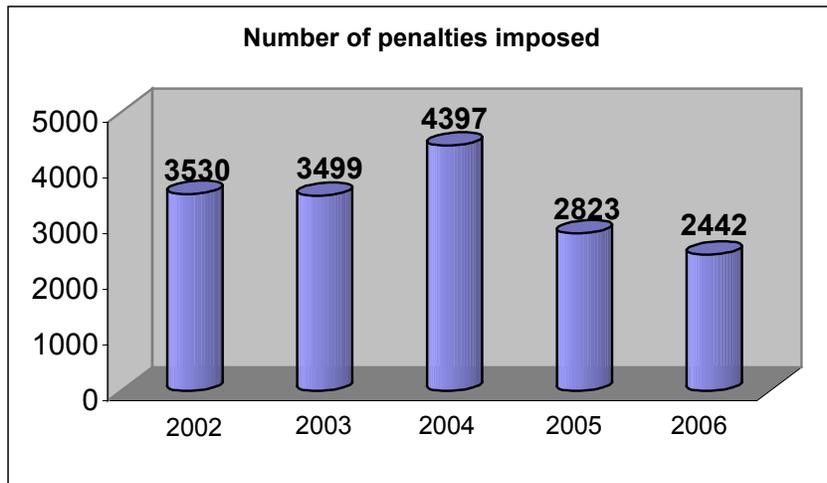
The Commission in its meetings with the CVOs and the CEOs/CMDs, emphasised the importance of timeliness in dealing with the vigilance cases by the organisations. The monthly reports of the CVOs are scrutinized in the Commission thoroughly and

a follow up on various cases through the Branch Officers is done in order to ensure speedy disposal. **As a result of the Commission's persistent efforts, the various organisations imposed penalties against 2442 officers during 2006 where the Commission's advice was obtained. The percentage of the cases wherein punishments were awarded, to the number of cases received in the Commission, works out to more than 50 percent. Thus, overall efficiency in vigilance administration has been one of the important achievements during the year 2006 (Chart- 2, 3, 4).**

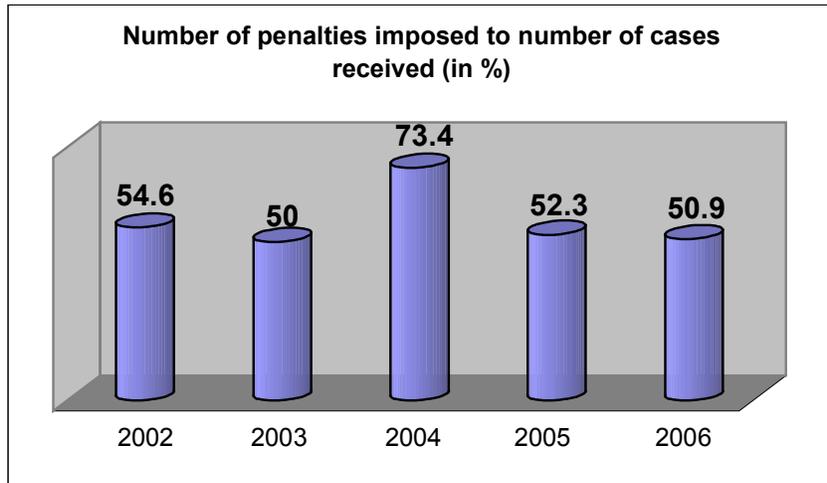
**Chart-2**



**Chart-3**



**Chart-4**



### **Vigilance Cases**

The Commission examines a large number of vigilance cases for tendering its advice arising out of the investigations conducted by the CVOs or by the CBI. The Commission tenders its advice in two stages. At first stage, the Commission is approached for advise on the initiation of criminal and/or departmental proceedings and at the second stage is approached for the imposition of a major or minor penalty after the completion of the departmental proceedings. Its second stage advice is also required before exonerating the charged officer in cases where the Commission had advised a minor penalty proceedings at the first stage.

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

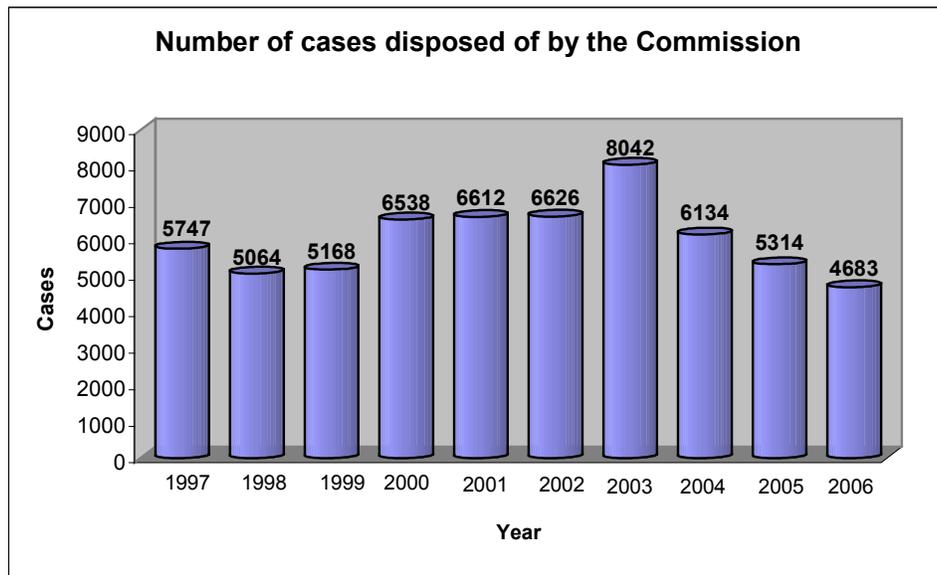
**Previously, the Commission had normal advisory jurisdiction over all gazetted officers of Central Govt. and its equivalent grades in other Central Govt. organizations, besides Scale-III and above officers of the Public Sector Banks. After the enactment of CVC Act 2003, the Commission, in 2004 raised 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's advice was made mandatory against Group-'A' officers. 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 has come down over the last two years. In 2006 the Commission received 4798 cases. Based on the cases received and brought forward the Commission tendered its advice in 4683 cases during 2006. As compared to the last year the total pending cases carried forward to the next year are 441 as against 326 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 2567 cases during the year, of which 294 were on the investigation reports of the CBI and 2273 were on that of the CVOs (Table-1).** Among the CBI investigated cases, it advised prosecution in 31.3 percent of the cases, major penalty proceedings in 28.6 percent cases and minor penalty proceedings in 6.8 percent cases. Among the CVO investigated cases major penalty proceedings were advised in 24 percent cases and

minor penalty proceedings in 10 percent cases. In rest of the cases, the allegations were either not established conclusively or were merely procedural lapses which did not warrant regular departmental action.

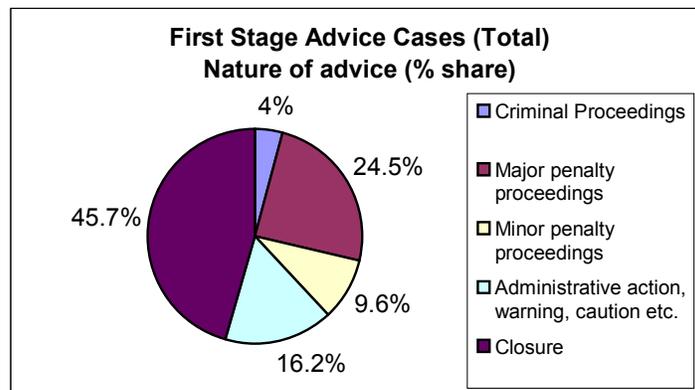
**Table – 1**

**First Stage Advice Cases During 2006**

Nature of advice	On the investigation reports of		Total
	CBI	CVO	
Criminal Proceedings	92	12	<b>104</b>
Major penalty proceedings	84	545	<b>629</b>
Minor penalty proceedings	20	226	<b>246</b>
Administrative action, warning, caution etc.	44	372	<b>416</b>
Closure	54	1118	<b>1172</b>
<b>Total</b>	<b>294</b>	<b>2273</b>	<b>2567</b>

Further it is observed that during 2006, according to the investigation reports received from the CBI and CVOs, in over 50.2 percent of the cases referred to the Commission, some penal action was recommended. (Chart-7).

**Chart- 7**



**Second stage advice cases**

The Commission tendered its second stage advice in 1287 cases during the year, of which Commissioners for Departmental Inquiries (CDI) of the CVC inquired 176 cases and in 1111 cases inquiring authorities were appointed from within the departments/undertakings (Table-2).

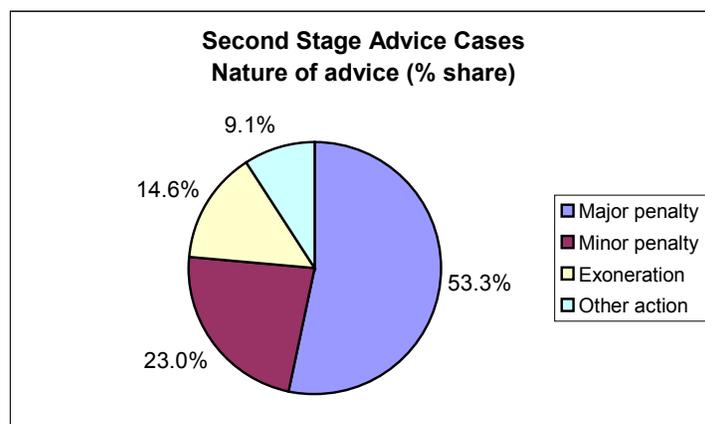
**Table – 2**

**Second Stage Advice Cases During 2006**

<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	119	567	<b>686</b>
Minor penalty	26	270	<b>296</b>
Exoneration	18	170	<b>188</b>
Other action	13	104	<b>117</b>
<b>Total</b>	<b>176</b>	<b>1111</b>	<b>1287</b>

On the whole, the Commission recommended major and minor penalty in 53.3 percent (686) and 23 percent (296) cases respectively. In 14.6 percent of the cases the charges could not be conclusively proved (**Chart-8**).

**Chart- 8**



**Prosecution and Punishments**

In pursuance of the Commission's advice, the competent authorities in various organisations, issued sanction for prosecution against 150 public servants, imposed major penalties on 1024 public servants and minor penalties on 936 public servants during 2006 (**Table-3, Chart-9**).

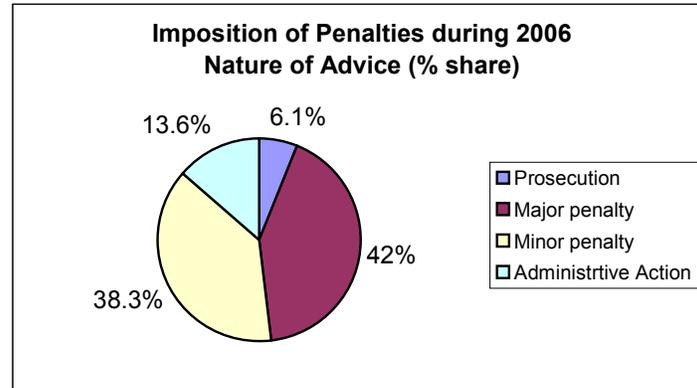
**Table – 3**

**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>	
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>
2006	150	1024	936	332	<b>2442</b>

**Chart-9**



The cases where prosecution sanction was issued includes one doctor of D/o Health, one Asstt. Provident Fund Commissioner of Employees Provident Fund Organisation, three General Managers (one each) from Airports Authority of India, Bharat Sanchar Nigam Ltd. and D/o Telecom. Further, the then Commissioner and one Asstt. Commissioner of CBEC, one Executive Director and one GM of UTI, one GM of Punjab & Sind Bank, one Director of D/o Heavy Industries, one Director of IBP Group of Companies, one Registrar of National Instt. of Fashion Technology, two Joint Directors of Bureau of Indian Standards, one Principal of Kendriya Vidyalaya Sangathan have been dismissed from service. One DGM of a PSU under M/o Social Justice & Empowerment; one Principal of Kendriya Vidyalaya Sangathan have been removed from service; and one GM of Andrew Yule & Co. Ltd. and one Principal of Kendriya Vidyalaya Sangathan have been compulsory retired from service. Entire pension & gratuity has been withheld of two IAS officers and 50% cut in pension & gratuity has been withheld of one Principal Controller of CGDA. A penalty of cut in pension has been imposed on the following officers: one IFS officer (5%); four IAS officers (35%, 25%, 20% & 15% respectively); one IRS officer (25%); the then Controller of Stores, two Dy. Controller of Stores and one Deputy Chief Engineer of M/o Railways (25%, 25%, 20% & 5% respectively); two General Managers of BSNL (20% each); one Chief Post Master of D/o Posts (5%); one Dy. Commissioner and one Asstt. Commissioner of CBDT (10% & 20% respectively); the then Commissioner, one Asstt. Commissioner, one Asstt. Collector and one Joint Director (Comm.) of CBEC (50%, 20%, 100% & 15% respectively); one Director of D/o AYUSH (10%); and three Chief Engineers of Delhi Development Authority (5% each). One CMD from Mahanadi Coalfields Ltd. was imposed a penalty of recovery of 25% gratuity. 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 Airports Authority of India (20); CBEC(18); M/o Railways (17); CBDT (14); BSNL(11); M/o Information & Broadcasting (8); M/o Home Affairs (7); and Allahabad Bank, M/o**

**Defence and M/o Personnel, PG & Pensions each have issued prosecution in five cases; M/o Environment & Forests have issued prosecution in four cases.**

CPWD, Oriental Bank of Commerce and United India Insurance Co. Ltd. each have issued prosecution in three cases. CBI, D/o Telecom, EPFO, Govt. of NCT of Delhi, MCD, National Seeds Corp. and Rashtriya Chemicals & Fertilizers Ltd. have each issued prosecution in two cases. Chandigarh Admn., Corporation Bank, D/o Health, Hindustan Petroleum Corp. Ltd., HUDCO, Indian Bank, Inland Waterways Authority of India, M/o Labour, NDMC, Nehru Yuva Kendra, North East Electric Power Corp., Post Graduate Instt. of Medical Education & Research and State Bank of Patiala have issued sanction for prosecution in one case each.

The maximum number of punishments including Administrative Action during 2006 have been imposed, by the Ministry of Railways (542), Delhi Development Authority (145), Bharat Sanchar Nigam Ltd. (100), State Bank of India (100), Central Board of Excise & Customs (99), Indian Overseas Bank (90), Indian Bank (80), Municipal Corp. of Delhi (63), National Insurance Co. Ltd. (52), D/o Telecom (47), Ministry of Urban Development & Poverty Alleviation (46), and Central Public Works Department (41) besides others.

**Amongst the penalties so imposed, major penalties of the higher order, viz. dismissal, removal and compulsory retirement from service were imposed on 139 officers from various organisations.**

An analysis of the cases where final orders were passed by the organisations during 2006 show that about 8.1 percent of these cases resulted out of the complaints forwarded by the Commission and 1.1 percent of the cases were due to the inspections conducted by the Chief Technical Examiners. About 20.8 percent of the cases originated from investigations conducted by CBI and the majority 70 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 5124 cases including those brought forward, it disposed of 4683 cases – leaving a pendency of 441 cases only at the end of 2006.** Of these, 255 cases were pending for want of clarifications/comments on the CBI reports from the organizations concerned (**Table-4**). Thus only 186 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	253	58	15	<b>326</b>
Received	2659	1303	836	<b>4798</b>
Total	2912	1361	851	<b>5124</b>
Disposed of	2567	1287	829	<b>4683</b>
Pending	345	74	22	<b>441</b>

Thus the Commission has tried to lead by setting an example for promptness in handling the vigilance cases referred to it for advice. **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**

Para 8 (1) (d) of the CVC Act 2003 empowers the Commission 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. The Commission receives complaints through various sources/channels. Apart from receiving complaints through post, a large number of complaints are received through the complaint lodging facilities available on the Commission's website. Apart from the individuals, complaints are received from other external sources like the organizations engaged in fight against corruption. The Chief Technical Examiners Organization in the Commission also gives source information for being taken up for investigation whenever, on independent intensive examination of works and procedures, serious lapses with a vigilance angle, prima-facie, come to their notice.

Under the "Public Interest Disclosure and Protection of Informers" Resolution of Govt. of India dated 21/4/04, the Central Vigilance Commission has been notified as the designated agency to receive written complaints or disclosure of any allegation of corruption or misuse of office by any employee of Central Government and its organizations. The Resolution is popularly known as the Whistle Blower Resolution. Under this Resolution, the complainants' identity is to be kept secret and the Commission has, accordingly, laid down a detailed procedure for submitting a complaint, for the complainant to be entitled to protection. The detailed procedure for making complaint under PIDPI Resolution has been given wide publicity through print and electronic media apart from making the procedure available on the Commission's website for complainants' benefits. The Commission makes every possible effort to ensure the secrecy of the complainant. However, it has been noted that sometimes the complainants who claim secrecy under the PIDPI Resolution had earlier or simultaneously submitted complaints on the same allegations to other authorities concerned. In some cases a copy of the complaint made under PIDPI Resolution had been endorsed to other authorities, thus revealing his identity. However, the Commission has issued clear instructions stating that even if, during the course of investigation, the identity of the complainant gets revealed through any source, the complainant should not be subjected to any kind of harassment because of the fact that he had lodged a complaint. The organisation concerned is required to investigate the complaint and send a factual investigation report to the Commission expeditiously and the Commission, after examining the report decides on the further course of action. Wherever lapses are noticed and accountability is established, besides advising appropriate proceedings against the public servants concerned, corrective systemic measures are also recommended, if required.

#### **General complaints received by the Commission**

The Commission recognizes Complaints as an important source of information on corrupt practices in the Government Organisations. Over a period of time, the public awareness about the Commission and expectations from it have increased manifold. Sometimes people are ignorant of the fact that the Commission has jurisdiction only over a certain notified category of Central Government servants. Moreover, a large

number of complaints either pertain to personal grievances which may be of an administrative nature only or against the official/officials who are outside the jurisdiction of the Central Vigilance Commission. Hence, although the number of complaints received by the Commission is very large, only a small percentage of it is found actionable, having verifiable information with clear vigilance angle. The Commission forwards such complaints to the organisations concerned for taking necessary action at their end under intimation to the complainant.

The Commission being aware of the need for proper and expeditious processing of the complaints has adopted BIS standards 15400 for its complaints handling process. Accordingly, each complaint is registered and processed in the Commission in a prescribed standardised format in order to ensure proper screening. A decision on the further course of action on the complaints is taken at appropriate senior level.

The Commission had observed that the anonymous or pseudonymous complaints were becoming a source of harassment to public servants rather than bringing out corrupt activities against them. Hence, the Commission, as a matter of policy, decided not to entertain anonymous or pseudonymous complaints. The Commission had also issued instructions to this effect to all organisations under its jurisdiction. However, in order to ensure that the verifiable and specific allegations of vigilance nature do not go uninvestigated, the Commission has directed that if any department/organisation proposes to investigate an anonymous or pseudonymous complaint, the same could be undertaken with the prior concurrence of the Commission. Apart from complaints received under PIDPI Resolution, the Commission also maintains confidentiality regarding the identity of the complainant for the complaints received by it in the normal course, in case, the complainant requests for the same.

**While the Commission received 10798 complaints during the year 2006, about 11.2 percent of them were anonymous or pseudonymous and most of them were filed according to its policy.** A large number of complaints were also found to be vague and without specific allegations. There were complaints, which did not contain any 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 normal advisory jurisdiction like public servants working in the state governments etc.

**Only 762 (7.1 percent) complaints received by the Commission (involving officials under its jurisdiction) required follow up action which were duly forwarded to the CVOs of the departments concerned or were referred to the CBI, for investigation and report (Charts 10 and 11).**

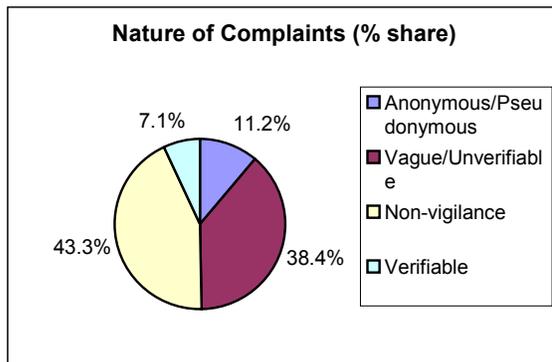
The Commission, out of a total of 11149 complaints (including 351 brought forward from the previous year) disposed of 10775 during 2006. Only 374 complaints were pending scrutiny in the Commission at the end of the year. The nature of complaints and action taken in respect of the disposed complaints during the year are given in **Table-5**.

**Table – 5**

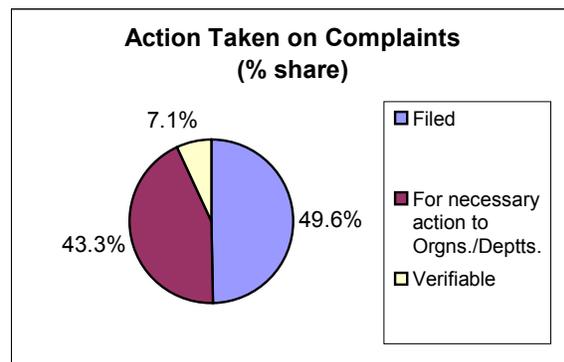
**Complaints received and Disposed of During 2006**

<b>Complaints</b>	<b>Nos.</b>	<b>Action Taken</b>
No. of complaints received and B/F	11149	
Anonymous/Pseudonymous	1205	Filed
Vague/Unverifiable	4145	Filed
Non-vigilance/officials not Under CVC jurisdiction	4663	For necessary action to Orgns./Deptts.
Verifiable	762	Sent for investigation to CVO / CBI
Total disposed of	10775	
Pendency	374	

**Chart-10**



**Chart-11**



The complaints forwarded by the Commission to various departments for investigation and report are complaints of a serious nature. In these cases, the Commission has advised the organizations to send their reports within a period of 3 months. **However, it has been the experience of the Commission that there is considerable delay in finalizing the investigation of the complaints by the various departments. In cases of continued delay by the organisations, the Commission invokes its powers under the CVC Act and summons the CEOs/ CVOs concerned with documents in such matter where it is felt that the delay is unjustified.** A large number of such serious complaints which were pending for a long time were identified by the Commission for direct inquiry and given to its Commissioners for Inquiries, to call for reports and issue summons to present documents, wherever the organisations were not forthcoming.

During 2006, 54 such complaints were entrusted to the Commissioners for Departmental inquiries, for direct inquiries. This had the effect of galvanising the organisations and in 36 cases, the investigation reports of the CVOs were submitted immediately thereafter. The Commission's officers had completed their direct inquiry in 46 cases(including those brought forward from 2005) 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 procedure for making complaints under the PIDPI Resolution (popularly known as Whistle Blower Resolution) has been given wide publicity in the print and electronic media 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 laid down a detailed procedure in order to ensure that the identity of the complainant is not disclosed to the organisation when it is dealing with such complaints. The Joint Secretary (Home), Ministry of Home Affairs has been made the nodal authority to arrange for protection to the complainants wherever required and directed by the Commission.** The Commission has a Screening Committee in place to examine the complaints and to decide the further course of action on such complaints.

Out of 338 complaints received by the Commission in this category during 2006, 85 were sent to the CVO/CBI for investigation and report, which constitute 25.1 percent of the total complaints received by the Commission under PIDPI Resolution. 180 (53.3 percent) of these complaints have been sent for necessary action and 73 i.e. 21.6 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 considerable delay by the organizations in submitting their reports to the Commission. Wherever the Commission feels that submission of the report is being delayed unduly, the Commission would not hesitate to entrust the investigation of such complaints to its own officers, for a direct inquiry into the complaint, to ensure proper and timely action.**

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

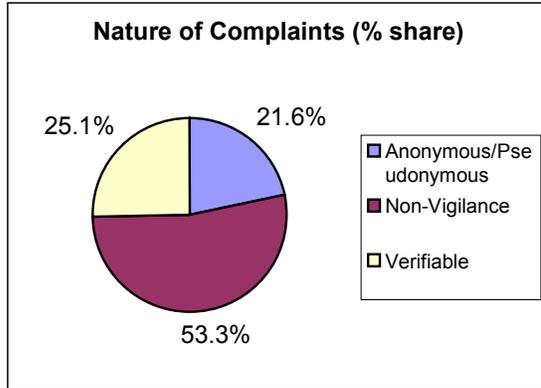
Table – 6

### Complaints Received and Disposed of during 2006 Under the PIDPI Resolution

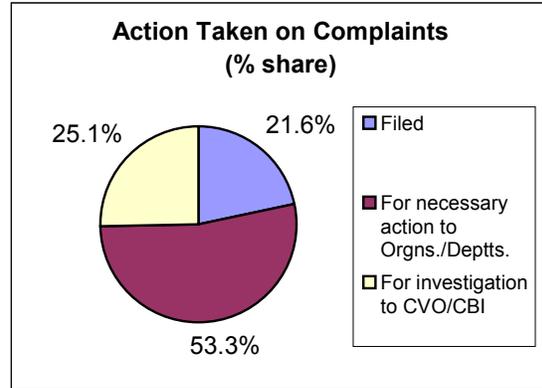
Complaints Received	Nos.	Action Taken
No. of complaints received	338	
Anonymous/Pseudonymous	73	Filed
Non-vigilance	180	For necessary action to Orgns. / Deptts.
Verifiable	85	For investigation to

		CVO / CBI
Total disposed of	338	

**Chart-12**



**Chart-13**



It is observed that the complaints received under the PIDPI Resolution provide more specific and verifiable allegations as compared to complaints received otherwise.

## **CHAPTER-5**

### **Superintendence over Vigilance Administration**

Under the CVC Act, 2003, the Central Vigilance Commission has been entrusted with the powers to exercise superintendence over the Vigilance Administration of the various Ministries of the Central Government or corporations established by or under any Central Act, Government companies, societies and local authorities owned or controlled by that Government. The Central Vigilance Commission has the authority to supervise the vigilance activities but the CEO/Heads of the organizations has the responsibility to ensure proper vigilance administration in their respective organizations under the overall supervision of the Commission. The Commission considers vigilance administration an integral part of efficient administration and good governance. The Commission is of the firm opinion that good governance is the key to minimising corruption. It is, therefore, the responsibility of the organisations to ensure that proper systems and procedures are in place in order to ensure transparency & accountability in all aspects of management/administration. The Commission tenders its advice in an objective manner on the basis of material facts on records. However, the organisations have an important role to play by taking suitable punitive, corrective and preventive actions promptly against the erring public servants, without any discrimination.

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 the CVOs**

The activities relating to vigilance administration and the performance of CVOs of the organizations concerned are reported to the Commission through the prescribed Monthly Reports, Quarterly Progress Reports and Annual Reports. These reports provide 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 also reflected, in these reports, through actions initiated by them on various aspects of preventive vigilance, prompt handling of vigilance cases, ensuring implementation of various guidelines issued by the Commission etc. The CVOs act as a link between the Commission and the organizations concerned in respect of the officers under the Commission's jurisdiction, and the complaints and cases related to them are invariably referred to the Commission. The CVOs are also responsible for overall guidance to the management in ensuring 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 Quarterly Progress Reports indicate 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 CTE type examination to ensure that the award of order has been done in a transparent

manner and in fair competition among bidders placed on equal footing. If they so feel, the CVOs could also 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.**

**Based on the data as in the above annexures, during the year 2006, formal punishments/other actions were awarded in a total of 9130 cases (for all category of officers) dealt with by the CVOs at their end. Major penalty was awarded in 3362 cases and minor penalty was awarded in 5768 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>3362</b>
1.	Cut in pension	88
2.	Dismissal/Removal/Compulsory retirement	916
3.	Reduction to lower scale/rank	1549
4.	Other major penalty	809
	<b>Minor penalty</b>	<b>5768</b>
5.	Minor penalty other than censure	3563
6.	Censure	2205
	<b>Total</b>	<b>9130</b>

*Note: This data is not comprehensive since the data is based on annual reports sent by the organizations and 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 167 CVOs of major organisations including Public Sector Banks, Insurance Companies, Coal Companies & Port Trusts participated. **During the meetings, the Commission emphasized that with the RTI Act coming into force, the complainants were going to assert themselves. The Commission’s main focus was on system improvements and greater transparency in decision making. The Commission asked the organizations to focus on proper examination & prompt investigation of complaints as it is only through complaints that the systemic lacunas and loopholes are brought to notice. The Commission while stressing for transparency and probity in public procurements advised the CVOs to go for regular CTE type inspections and also train their vigilance officials for this purpose. In order to make CVOs more accountable, the Commission made it clear that in case during the investigation, the CVOs failed to detect irregularities, which were later revealed during the direct investigation, the CVOs would be held accountable for the same. The Commission also asked the CVOs to give due attention to the Monthly**

**Reporting system and use it as an effective means of communication with the Commission. 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 also pointed out that e-payment is the best method of expediting payments and ensuring elimination of corruption in handling of cheques. 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 and also to ensure expeditious action on them.**

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

The Commission attaches great importance to the complaints and cases pending with the CVOs and reviews 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 5764 of which 2450 were pending for more than 6 months. The complaints forwarded by the Commission including complaints received under the Whistle Blower Resolution, mainly relating to officers under the Commission's jurisdiction, were 972 of which 352 were still pending at the close of 2006. The number of departmental inquiries pending with the inquiry authorities was 683 in respect of officers under the jurisdiction of the CVC and 4942 in respect of officers outside its jurisdiction.

**During 2006 a total of 579 cases were received from the CBI for sanction of prosecution. The disciplinary authorities gave sanction for prosecution in 440 cases and denied sanction in 51 cases. Only 88 cases were pending for decision with respect to sanction for prosecution, of which 16 were pending for more than 6 months.**

Although, the pendency position with the departments has come down considerably as compared to previous years, there is need to accelerate the process of investigation of the complaints and speedy finalization of cases. As the matters relating to disciplinary cases are basically the function of administration/personnel department of an Organisation, the Commission has been impressing upon the organizations, the need for quick finalisation of disciplinary cases. This is absolutely necessary to punish the guilty officials promptly and at the same time to absolve honest officials early, who might have been implicated in the complaints.

### **Appointment of CVOs**

A CVO is the most important link between the organization and the Commission for enabling it to carry out, effectively, superintendence over vigilance administration as provided for 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 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 & Training, the nodal agency for appointment of CVOs in PSUs, receives applications from the individual officials and forwards the same to the Commission who then selects the appropriate official after a careful scrutiny of records. For appointment of a 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 2006, approved the suitability of 26 officers recommended by the administrative authorities for appointment to the post of CVOs in different organisations. It has also approved 82 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 282 persons, for empanelment for being considered to be posted as CVOs.**

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.

In some organisations, the selection of a successor CVO has taken unduly long time due to factors beyond Commission's control and as a result the organizations appointed part-time CVOs from within the organisation, which is generally not acceptable to the Commission. However, 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, appointed as ad-hoc arrangement, should be taken only with the prior approval of the Commission. The Commission has earlier recommended and would again reiterate that there is a need for full-time CVOs in major ministries/departments, particularly those having a number of important PSUs under their administrative control.

**An important case where there had been considerable delay in the appointment of CVO is listed below:**

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

The post of CVO in JNPT is lying vacant since 20.9.2004. In September 2005, the Deptt. of Personnel & Training (DOPT) forwarded a panel of 2 officers for the post of CVO in JNPT. The Commission, in October, 2005, approved both the names. In February 2006, DOPT was reminded to finalise the appointment of CVO in JNPT and in response, DOPT informed that the panel was rejected by the Ministry on 10.8.2006 with a request to provide a fresh panel. However, an internal arrangement made in the Port Trust was continued and no full time CVO was appointed.

#### **Vigilance Clearance**

The Commission gives vigilance clearance for board level appointments in the Public Sector Undertakings. **During 2006, the Commission issued 297 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**

In order to get quality inputs and independent external opinion from knowledgeable eminent persons on vigilance related matters, the Commission had constituted a Vigilance Advisory Council. During the year, a meeting of Vigilance Advisory Council was held in June 2006. Some of the important recommendations made by the Council in the meeting are as follows: -

- i) Efforts should be made to ensure that all organizations put as much information as possible in public domain so that people are empowered and use RTI Act as an effective tool to combat corruption.
- ii) It was felt that RTI Act was being misused to harass officials working in vigilance units. A mechanism is needed to ensure proper use of RTI Act and to stop such harassment of vigilance functionaries.
- iii) In major organizations like CBDT, CBEC, Railways etc. CVOs should be appointed from outside the organizations.
- iv) Rules needed to be amended to make Commission's 1<sup>st</sup> stage advice binding on the organizations.
- v) The CTEs organization of the Commission should train the technical wings of Govt. departments in handling big and time bound projects while adhering to the guidelines/rules.

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

As already decided by the Commission in 2005, serious complaints where no report was received from the organisations even after the expiry of a considerable period, were taken up for Direct Inquiry by the Commission's own officers, according to the provisions under Section 11 of CVC Act. During 2006, the Commission took up 54 such complaints for direct inquiry, which had the effect of expediting submission of reports by the CVOs themselves in 36 cases. On the basis of records called from the CVOs, the Commission's officers submitted reports in 46 cases which included cases entrusted to them in 2005 also.

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

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

- 1) **Centre for Media Studies (CMS)**
- 2) **Parivartan**
- 3) **Transparency International**

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 these 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, Transparency International had made a presentation to the Govt. organizations about the concept of Integrity Pact which 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 would assure 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 are independent eminent persons of impeccable reputation, who could be approached by either party in case of any violation of the Pact. ONGC has accepted and incorporated this concept in its purchase contracts. The Commission has directed that the panel of such Independent Monitors should be got approved by it.

### **Other Matters**

The Commission organised a workshop to discuss issues relating to e-tendering by Govt. organizations through a tendering portal developed by NIC. The Govt. organizations were explained the advantages of the use of the tendering portal of NIC and were encouraged to register on this portal.

The Commission expressed concern at the instances of harassment and attempts of victimization of vigilance officials in certain organizations. In order to ensure independence and freedom in the functioning of the vigilance officials, the Commission in March 2006 issued instructions providing protection to the officials of vigilance units of the Govt. organizations. The Commission directed that any posting or transfer of the personnel in the vigilance units should be done with the consent of the CVO, besides ensuring that their ACRs is written by the CVO. Further, the Commission directed that the vigilance personnel of all organizations would be deemed to be under the Commission's purview for disciplinary matters.

The Commission is of the view that improvements in the vigilance administration are possible only through systems improvements that prevent the possibilities of corruption. **The Commission, therefore, issued a circular in November 2006, emphasizing the need to leverage technology, as an effective tool in discharging regulatory, enforcement and other functions. The Commission directed the organizations to upload on their websites, information in respect of the rules and procedures governing the issue of licenses/permissions etc. and to make available all the application forms on the websites in a downloadable form besides, making available the status of individual application on the organization's website. The Commission directed the organizations to implement its guidelines in two phases. The first phase relating to the posting of all application forms on the website was to be implemented by 1/1/2007 and the second phase, by 1/4/2007.**

## **Important instructions/guidelines issued by the Commission – January 2006 to December 2006.**

- Instructions relating to reducing delay in departmental proceedings – ensuring availability of documents (Circular No.006/VGL/5 dated 18.01.2006)
- Instructions regarding documents to be enclosed while seeking Commission's first and second stage advice (Circular No.006/PRC/1 dated 13.03.2006)
- Instructions regarding protection against victimization of officials working in the vigilance units of various ministries/departments/organisations (Circular No. 006/VGL/022 dated 28.03.2006)
- Instructions requiring CVOs to ensure that the laid down systems and procedures are followed in public procurement contracts (Circular No.006/VGL/29 dated 01.05.2006)
- Instructions relating to transparency in works/purchase/consultancy contracts awarded on nomination basis (Circular No. 005/CRD/19 dated 09.05.2006)
- Instructions regarding procedure to be followed provided in para 11.2 of Chapter VII of Vigilance Manual (Vol. I) for resolving the difference of opinion between State Anti Corruption Bureaus and Central Govt. Authorities in cases of sanction of prosecution of Central Govt. officials (Circular No. 006/DSP/002 dated 23.06.2006)
- Instructions regarding role of CVOs in improving vigilance administration (Circular No. 006/VGL/065 dated 06.07.2006)
- Instructions requiring CVOs to take up thorough scrutiny of tractor loans and other agricultural loans and look into the aspect of a nexus between the private persons/dealers and bank officials (Circular No. 006/VGL/072 dated 19.07.2006)
- Instructions regarding adherence of time limit in processing of disciplinary cases (Circular No. 006/VGL/025 dated 21.06.2006)
- Instructions regarding CVOs to ensure that details of the tenders awarded above the threshold value by the organizations are uploaded in time on their official website and are updated every month (Circular No.005/VGL/4 dated 01.09.2006)
- Instructions regarding absorption or selection of CVO to a higher post in the organisation where they are working as CVO on deputation (Circular No.. 006/VGL/091 dated 12.09.2006)
- Delay in completion of departmental proceedings (Circular No. 006/PRC/1 dated 21.09.2006)
- Instructions regarding reasons for disagreement with the Commission's advice (Circular No. 006/VGL/098 dated 10.10.2006)
- Improving vigilance administration by leveraging technology: increasing transparency through effective use of websites in discharge of regulatory, enforcement and other functions of Govt. organisations. (Circular No.006/VGL/117 dated 22.11.2006)

## CHAPTER-6

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

#### Non-compliance

The Central Vigilance Commission tenders its advice after a thorough and careful appreciation of the facts of the case received by it. Being an independent authority and an apex body on matters relating to all aspects of vigilance administration, the Commission plays an important role by way of tendering advice in a fair and objective manner. It is a matter of satisfaction that in a vast majority of cases, the disciplinary authority accepts the Commission's advice and acts accordingly which is a measure of acceptance by the organizations concerned, of Commission's objective approach in its handling of cases. However, the Commission has noted with concern that in some cases, either the consultation mechanism with the Commission was not adhered to in respect of the officers who are covered under its normal jurisdiction or there was non-acceptance of the Commission's advice. There were glaring instances where the Commission had advised initiation of major penalty proceedings as a first stage advice, but the department, without consulting the Commission at the second stage, dropped the cases and exonerated the officer.

The Commission is of the firm view that non-consultation with the Commission or non-acceptance of its advice before finalizing the cases by disciplinary authorities concerned, not only weakens the impartiality of the vigilance administration but also creates distrust in the vigilance process, as it may be viewed as a selective approach by the departments concerned to favour or disfavour certain officers. In all such cases the Commission invariably conveys its concerns to the departments concerned. However, a few cases of deviation from the procedure or non-acceptance of the Commission's advice are considered fit for specific mention in order to highlight the glaring instances where the Commission's objective advices have been ignored by the disciplinary authority concerned. The Commission has observed that during the year 2006, there was deviation from the Commission's advice in 225 cases. Some of the significant cases are illustrated below (**Table-8**):

**Table – 8**

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

S. No.	Department/ Organisation	Commission's advice	Action taken by the Department	Remarks
1.	Central Industrial Security Force	Major penalty	Exoneration	Non compliance
2.	Central Public Works Department	Minor penalty proceedings	Closure	Non-consultation
3.	Central Public Works Department	Minor penalty proceedings	Closure	Non-consultation
4.	Department of Personnel & Training	RDA for Major penalty	No action	Non-consultation

5.	Ministry of Finance	Major penalty proceedings	Case dropped	Non acceptance
6.	Ministry of Railways	Suitable minor penalty	Exoneration	Non compliance
7.	Ministry of Railways	Minor penalty	Exoneration	Non compliance
8.	Ministry of Railways	Suitable minor penalty	Case dropped	Non compliance
9.	Ministry of Railways	Major penalty	Case dropped	Non compliance
10.	Ministry of Railways	Major penalty proceedings	Closure	Non-consultation
11.	Ministry of Railways	To fix responsibility for financial mismanagement	Closure	Non-consultation
12.	Ministry of Railways	Major penalty	Minor penalty	Non compliance
13.	Brahmaputra Valley Fertilizer Corp. Ltd.	To fix responsibility for tendering irregularities	Minor penalty	Non-consultation
14.	Satluj Jal Vidyut Nigam Ltd.	Major penalty proceedings	Exoneration	Non-consultation

Detailed notes on the aforementioned cases are as follows:

### **Ministries/Departments**

#### **Central Industrial Security Force (CISF)**

In a disciplinary case against a Commandant of the Central Industrial Security Force (CISF), the Commission on agreeing with the department had advised initiation of RDA for major penalty on 26.2.2001, and after examining the inquiry report had advised imposition of a suitable major penalty on him as the charge of showing undue favour to some candidates in the written test as well as not conducting physical test as per procedure in the selection of constables, was proved against him. However, instead of acting on the advice of the Commission, the CISF exonerated the officer despite the fact that serious charges were proved in the inquiry against him. This amounts to deviation from Commission's advice and shows reluctance on the part of the Disciplinary Authority to punish senior officials involved in a serious misconduct.

#### **Central Public Works Department (CPWD)**

##### **Case-1**

The Commission advised, in October 2002, minor penalty proceedings, inter-alia, against a Superintending Engineer of CPWD in connection with preferential treatment shown to a particular contractor. On a reference for re-consideration of the matter, the Commission reiterated its advice in April 2004.

Ministry of Urban Development, however, was not in agreement with the Commission's advice and had accordingly referred the matter to the DOPT. DOPT endorsed the stand taken by the M/o Urban Development, which was advised to close the matter after recording the reasons for disagreement with the CVC. M/o

Urban Development have accordingly issued orders on 27.6.2006 closing the case against the official.

#### Case-2

In September 2001, the Commission advised initiation of minor penalty proceedings against three senior officials of CPWD in connection with irregularities noted in the execution of a particular work. Subsequently, on the basis of the reply to the charge-sheet, furnished by one of the officials, the Commission advised dropping of the proceedings against him.

In November 2004, a reference was received from the M/o Urban Development saying that the Department had made a statement in the Lok Sabha, in August 1994, in response to a starred question, that the impugned work had been carried out within the overall funds and that no irregularities had been committed in the matter by any official. According to the M/o Urban Development, therefore, taking action against any official would have amounted to contempt of the Parliament. Hence, it was decided by them to drop the proceedings against the 2<sup>nd</sup> official also.

The Commission replied to this saying that there were laid down procedures for correcting/amending the statements made before the Parliament and, therefore, the earlier statement made in the Parliament could not be a justification to let the official go scot-free. In fact withholding the correct information, would tantamount to misleading the Parliament, which in itself would be a grave lapse.

In the case of the 3<sup>rd</sup> official also proceedings were closed by the M/o Urban Development on the advice of the Union Public Service Commission.

Thus, despite the fact that serious lapses/irregularities were detected in the execution of the impugned work, the erring officials escaped punishment on one ground or the other, neither of which were valid.

#### **Department of Personnel & Training (DOPT)**

The CBI after a thorough investigation, had sought to prosecute one IAS officer under PC Act, 1988 for his various acts of omission and commission in the matter of issue of the licenses to various ineligible persons in flagrant violation of Arms Act and Rules framed therein. On receipt of the CBI report, the Commission sought the comments of DOPT on 8.12.2004, within a period of one month, according to the procedure. However, despite issue of several reminders, DOPT did not furnish its comments. Failing to get any comments from the department even after a year, the Commission advised DOPT on 29.9.2006 to accord sanction for prosecution against the officer, but DOPT declined the prosecution sanction. Subsequent to the refusal by the DOPT to accord sanction, the CBI recommended initiation of RDA for major penalty against the officer and, agreeing with the same, the Commission advised DOPT to initiate RDA for major penalty against him. Later, even major penalty proceedings were declined by the Government of Haryana. The officer thus escaped action even though serious allegations were established against him in the CBI investigation and to which the Commission was in agreement with.

### **Ministry of Finance**

The Commission had advised initiation of major penalty proceedings on 9.6.2003 against a senior IRS officer who was working as Executive Director (Vigilance) in FCI at the material time, in a case relating to irregularities in purchase of fire extinguishers during the period 1992-1995. A CDI was nominated for conducting an oral inquiry. Despite repeated reminders the appointment orders in respect of the CDI were not received. The case also came up for reconsideration, on which the Commission reiterated its earlier advice for initiation of major penalty proceedings against the officer. Finally, the Ministry of Finance in December 2006 informed the Commission that the disciplinary authority had decided not to accept the first stage advice of the Commission and dropped the case against the said officer.

### **Ministry of Railways**

#### **Case-1**

Irregularities and malpractices were noticed in recruitment of constables in RPF. Inquiries made by Internal Vigilance Group (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. The Commission, in agreement with recommendation of the Railway Board, advised major penalty proceedings/cut in pension proceedings against four officials and minor penalty proceedings against two officials. Charges were levelled against three members of the Recruitment Committee for alleged irregularities in recruitment and others for their alleged help in cover up. In the minor penalty proceedings against one charged officer, the Commission issued 2<sup>nd</sup> stage advice for imposition of a suitable minor penalty other than censure and stoppage of passes and Privilege Ticket Orders (PTOs). Subsequently, on a reference from the Railway Board, the Commission reconsidered the case and reiterated its earlier advice. However, disagreeing with the Commission's advice, the disciplinary authority dropped the disciplinary proceedings and exonerated the officer.

#### **Case-2**

The case pertains to the irregularities committed in the purchase of Continuous Ambulatory Peritoneal Dialysis (CAPD) fluid by South Eastern Railway at rates higher than MRP and higher than even the rate at which the same firm had supplied the fluid to the hospital at Eastern Railway at the same station. During the period 2002-2004, South Eastern Railway finalized 4 tenders for procurement of CAPD fluid from M/s Baxter at the rate of Rs. 237/- per bag for the total value of Rs. 26,54,400/-. The MRP as per the firm's price list was Rs. 165/- per bag. During the same period the adjoining Eastern Railway procured the same fluid from M/s Baxter at the rate of Rs.145/- per bag. This resulted in extra payment of Rs. 9,65,400/- to the firm. The Commission advised, inter alia, initiation of minor penalty proceedings, with a view to impose penalty other than censure and withholding of passes/PTOs against the CMO. The investigation revealed that the Chief Medical Officer, who was the Tender

Accepting Authority (TAA), accepted exorbitantly high rates recommended by Tender Committee (TC) and also failed to ascertain market price either by conducting a market survey or making enquiries from adjoining Railway. The Disciplinary Authority (DA) on consideration of the Charged Officer's (CO) reply to the charge-sheet referred the case to the Commission for its 2<sup>nd</sup> stage advice. The Commission advised imposition of minor penalty other than censure and withholding of Passes/PTOs on the CMO. The DA, however, disagreed with the advice of the Commission and exonerated the officer.

#### Case-3

The case relates to the procurement of mica tapes by the Chittaranjan Locomotive Works (CLW). A preventive check conducted by CLW Vigilance revealed that the Tender Committee (TC) members ignored unsatisfactory past performance of a firm in part II list and recommended to place the bulk order (42.27%) on it. Thus, not only the order was placed on a firm which did not meet the quality criteria but it also violated the guidelines which permit placement of not more than 15% order on a firm borne on the approved list (Part II). Further, an important condition that the firm would supply mica tape to CLW out of the master rolls imported from NRK, Japan was not incorporated by TC in its proceedings. The Commission advised, inter alia, initiation of disciplinary proceedings against a Chief Executive Engineer (TM), CLW. The Disciplinary Authority (DA) after considering the Charged Officer's (CO) reply to the charge sheet referred the case to the Commission for 2<sup>nd</sup> stage advice recommending exoneration. The Commission observed that DA himself had not absolved the CO of all blames and there were serious omissions on his part. Accordingly, the Commission advised imposition of a suitable minor penalty on the CEE. The DA, however, disagreed with the advice of the Commission and dropped the proceedings.

#### Case-4

The Commission, in November 2005, noticed that a significantly high number of employees had been declared unfit and were decategorised in a Division. In this connection, it was observed that the Medical Boards for the purpose had been constituted in violation of the guidelines. While the three member Medical Boards were required to include a surgeon and a physician, the Board proposed by the Chief Medical Superintendent did not include a surgeon and a physician. Such Medical Boards were proposed despite the stipulated specialists being available in the hospital. The same Chief Medical Superintendent was also found to have entertained time-barred appeals without recording reasons and took back employees, who had been removed/compulsory retired long time back. In view of this, the Commission agreed with the recommendations of the GM and advised initiation of major penalty proceedings against the Chief Medical Superintendent.

On reference from Railway Board (RB), the Commission reconsidered the case and reiterated its previous advice. In its reconsidered advice, the Commission observed that though RB's point of view that the medical Board contained two specialists (which were other than stipulated surgeon and physician) could be conceded, **the more important element of the irregularity related to time-barred appeals being entertained and a large number of discharged personnel being taken back**

**without recorded justification, remained.** The Disciplinary Authority, however, disagreed with the Commission's advice and dropped the proceedings against the Chief Medical Superintendent.

#### Case-5

The case relates to the finalization of a tender for the sale of the workshop refuse in Hubli Workshop. The investigation established that tenders were invited at the estimated cost of Rs. 16.56 lacs. However, by the time Tender Committee (TC) Meeting was held, validity of bids was over and two highest bidders did not extend their validity. Further, TC found aforesaid two highest bidders as ineligible, recommended the 3<sup>rd</sup> highest bidder at the cost of Rs. 51.51 lacs (approx.) and the recommendation was accepted. The Commission observed that TC did not make any efforts to obtain the best possible rates despite knowing that higher offers had been received. In agreement with the recommendation of the GM, the Commission advised Major pp/cut in pension proceedings against three members of TC, the Tender Accepting Authority (TAA) and Chief Office Superintendent. Railway Board referred the case of a Senior Divisional Engineer (DEN) and a Senior Deputy Finance Manager (DFM), members of TC, for reconsideration. The Commission did not find any new facts warranting reconsideration of its advice and therefore reiterated its previous advice. Railway Board, however, disagreed with the Commission's advice and closed the case without taking any action against the aforesaid two officials.

#### Case-6

The case relates to the role of middlemen in the waiver of demurrage charges in the Western Railway. The Commission advised Railway Board (i) to frame guidelines on the range of demurrage that could be allowed in various circumstances; (ii) to constitute a Committee to decide whether the decisions on the abnormally high refunds were prudent or not; and (iii) to fix accountability of officials concerned for not following the Railway Board's instructions in the matter of calculating free time and allowing the racket to go on. Railway Board took action only in respect of the constitution of a Committee. However, the Committee could not give any findings as to whether waivers were prudent or not, the main purpose for which it was constituted. Instead, it concluded that it was difficult to comment on this because the waiver of demurrage charges was discretionary in nature and there was bound to be variation in the decisions taken by the waiving authorities. The Commission observed that the Committee constituted by the Railway Board evidently wanted the discretion to continue whereas in the Petrol Pump Case, even the Supreme Court wanted discretion of the Government to be circumscribed by clear guidelines. The Commission, therefore, reiterated its advice for framing of guidelines on the range of demurrage which could be allowed in various circumstances and to fix responsibility of the officials concerned. Thereby conveying a clear message that Power of Discretion should operate within the permissible guidelines and not be misused. The Railway Board did not revert back to the Commission with a report on the action taken by them in this regard and closed the matter.

## Case-7

This case reveals how senior officers involved in serious misconduct get away with token punishments and how at each stage the action is diluted.

In a case relating to the alleged misappropriation of huge quantities of cement, steel and other material by a contractor, the CBI recommended, inter alia, prosecution against a Dy. Chief Engineer for causing undue benefit of Rs. 23.71 lakhs to a contractor and consequent loss to the Govt. The Railway Board, however, observed that there was no case for prosecution of Dy. CE, but he could be proceeded against departmentally for not following the proper procedure in contract management and for his failure to ensure due recovery from the contractor for Railway material issued etc. In agreement with the Railway Board, the Commission advised initiation of major penalty proceedings against him. Inquiry Officer (IO) held charges as proved. GM and Railway Board agreed with the findings of IO and recommended to impose a suitable major penalty. In view of the gravity of established charges, the Commission advised to impose suitable major penalty. After considering the representation of the officer, the Railway Board now concluded that one of the charges was not substantiated and the other charge was only partly substantiated. It proposed to impose a minor penalty and referred the case for reconsideration. The Commission observed that the Railway Board had based its conclusions on a para of the Engineering Code which had not been mentioned in the charge sheet and not even referred to by the charged officer. The Railway Board appeared to have made extra efforts to dilute the charge. Therefore, the Commission reiterated its previous advice. However, the Railway Board disagreed with the Commission's advice and imposed a minor penalty.

## Public Sector Enterprises

### **Brahmaputra Valley Fertilizer Corp. Ltd. (BVFCL)**

A complaint was received in the Commission that the management of BVFCL had committed serious irregularities while calling for the offers, for the insurance of their plant and machinery. The allegations were, that the price bids were opened only in the presence of two of the bidders, (while the other bidders were absent); fresh quotations were invited without the approval of the competent authority; ex-post facto approval was taken for inviting quotations on fax from private insurance companies and lastly, that the tender was issued in favour of a private insurance company which had submitted revised quotation and offered a 10% discount on its earlier offer, which now made this party L-1, from its original position of L-2.

An investigation report on these allegations was called for, from CVO, BVFCL, who confirmed the veracity of the above allegations. The Commission, upon examination of the CVO's report, advised him to send a specific recommendation in respect of each of the BVFCL officials involved in the matter, after identifying their individual roles and obtaining the Disciplinary Authority's (DA) (CMD in this case) comments.

While this was being awaited, the DA issued a minor penalty of "Censure", against three officials of the Finance Department and an "advisory memo" to the Director (Finance) of

the Company and thus presented the Commission with a fait accompli. This lapse of the DA, in not obtaining the first stage advice of the Commission and then going directly for the imposition of a minor penalty, thereby diluting punishment of the officials involved, when the Commission had advised initiation of a major penalty has been viewed seriously by the Commission.

### **Satluj Jal Vidyut Nigam Ltd. (SJVNL)**

A contract for the construction of pressure shaft and powerhouse complex had been awarded by Satluj Jal Vidyut Nigam Ltd. (SJVNL) to a private company at a cost of Rs.475/- crores. While the work was in progress the company applied for an ad hoc/advance payment for a total amount of Rs. 42.46 crores, which was released to this company in three installments. On a consideration of the investigation report from the CVO, SJVNL, the Commission observed that the release of the advance payments, which had not been adjusted, was not justified and thereby undue favour was granted in the process to that company. Further, no precautions were taken at any level for recovery/settling of the outstanding advances with the contractor, who was also being given payment on the basis of the running account bills. It was also noticed that while only the Board of the Directors had the power to approve the payments, the decision was taken at the level of the then CMD only. In view of the above irregularities, the Commission advised the Disciplinary Authority (CMD, SJVNL) for the initiation of major penalty proceedings against eight officers for their respective roles in the matter. A Commissioner for Departmental Inquiries (CDI) from the Commission was nominated as Inquiring Authority for these eight cases, but subsequently appointment orders with respect to only six of these officers, were issued by the Disciplinary Authority.

It was noted that in the case of the then Sr. Manager (Contract), no charge sheet was issued for five crucial months by the CMD/DA, SJVNL until the said officer was promoted, for which order was issued in August, 2005. For such a lapse on part of the CMD a strong advisory note had been issued from the Commission, to remain careful in future.

Subsequently, after the promotion of the then Sr. Manager was effected, a charge sheet was issued in his case for not agreeing to the proposal to recover 50% of the payable amount from the bills of the private company. The officer in turn had suggested that the regular payment could be released till such time the balance value of work to be executed remained approximately 70 to 80 percent of the ad hoc amount of Rs. 40.16 crores. That in the process the said officer also ignored the huge amount of interest that had accrued in case of that private company, on the advances given to them. After receiving a reply to the charge sheet from the then Sr. Manager, the CMD/DA, exonerated the officer of all the charges without consulting the Commission, which is a mandatory requirement, in terms of para 22.2 of Chapter 10 of Vigilance Manual – I, in all cases where the Commission has given its first stage advice for initiation of major penalty proceedings.

Similarly, in case of another officer also, the CMD/DA after considering the reply of this officer to the charge sheet has exonerated this officer without consulting the Commission, which he was required in terms of the Vigilance Manual.

## **Delays and Deficiencies**

The Commission has been impressing upon the organizations the need for prompt action in matters relating to vigilance. The Commission emphasises expeditious investigation of complaints in order to determine the accountability for an improper action and the finalisation of the disciplinary proceedings within the prescribed time-schedule. These factors not only contribute to the efficiency of the organizations but also send a message to the erring officials that any inappropriate action on their part would not go unpunished. The Commission also feels that honest officials implicated in complaints/cases should be cleared of the allegations/charges expeditiously. It is with this view that the Commission had, in the year 2005, decided to include undue/unjustified delays in the disposal of a case as one of the elements of the existence of a vigilance angle in any case. The Commission, however, notices with concern that adequate attention to promptness in disposal is not being paid by the organizations and top- level functionaries. It has been observed that the delay in taking action in disciplinary matters is due to the general apathy shown at the various levels of processing and decision making in the area of vigilance administration. Despite Commission's sustained efforts, many organisations perform the vigilance related functions in a routine manner showing insensitivity to the implications of delay, on the officers concerned. **The main areas noted, where the delays were found to occur, were investigation of complaints/cases, issue of chargesheet for initiating departmental 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 various sources. Each complaint is carefully scrutinised and in accordance with the Commission's Complaint Handling Policy, a large number of complaints which are found to be anonymous/pseudonymous, are filed. The Complaints which contain administrative or procedural lapses and have no vigilance angle and those complaints where the officials named are not within the Commission's normal advisory jurisdiction, are sent to the CVOs concerned for necessary action at their end. Only such complaints, which contain serious, verifiable allegations with a perceptible vigilance angle, are forwarded to the CVOs concerned for thorough investigation and sending a report to the Commission. Though the percentage of complaints forwarded by the Commission for investigation and report is small in relation to the total number of complaints received (7.1 percent of the complaints received during 2006 were sent for investigation and report), still the submission of reports by the CVOs concerned is delayed beyond the prescribed time-limit of three months. The delays assume more significance when the complaints sent for investigation and report contain serious allegations against senior functionaries of the organisations.

According to the time schedule prescribed by the Commission for investigation of a complaint, the administrative authorities are required to complete the investigation and send a report to the Commission 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 2006, investigation reports were awaited in 705 complaints forwarded by the Commission to the CVOs concerned for

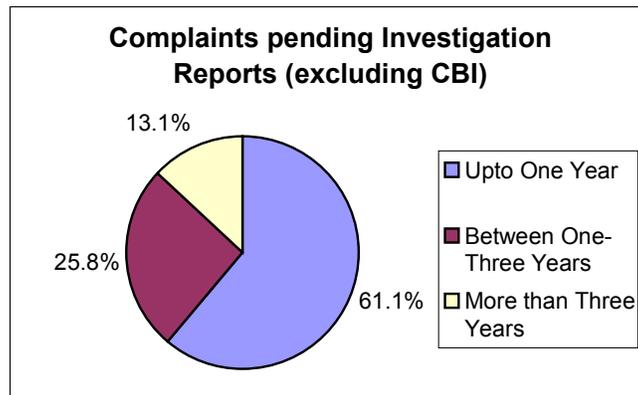
investigation and reports. Of these, 92 (nearly 13 percent) complaints were pending investigation for more than three years and 183 (nearly 26 percent) complaints for the period ranging between one to three years and 431 (nearly 61 percent) complaints were pending upto one year. The **Table-9** and **Chart-14** below give the details of complaints where submission of investigation report has been delayed during 2005 and 2006:

**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>
2005	336	207	145
2006	431	183	92

**Chart – 14**



**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	64
Central Board of Direct Taxes	62
Govt. of NCT Delhi	46
D/o Education	30
Central Board of Excise & Customs	27
D/o Health	22

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

### **Central Coalfields Ltd. (CCL)**

In 1992, CCL received a complaint alleging irregularities in several appointments in one of its collieries. No action was taken on this complaint till 1996 when it was taken up for investigation. Investigations revealed twelve cases of fraudulent appointments.

The then Sr. Personnel Officer (Sr. PO) was one of the many officials held responsible for some of the aforesaid fraudulent appointments. Accordingly, disciplinary proceedings were instituted against this official, as also, separately, against the fraudulent appointee.

The Inquiry Officer concerned submitted his report in r/o the Sr. PO in August, 2000. Action on the same was, however, kept in abeyance, pending the outcome of the ongoing disciplinary proceedings against the fraudulent appointee. Eventually, the latter was dismissed from service on 2.4.2003. Meanwhile, the Sr. PO, who rose to the position of General Manager during the interregnum, retired from service in December 2002.

CCL approached the Commission, for the first time, in August 2006, seeking its advice on action to be taken against the retired GM on the basis of the inquiry report of August 2000, aforesaid.

It was noted by the Commission that the impugned events were already 28 years old i.e. dating back to 1978. No action was taken on the original complaint for four years. Chargesheet was issued to the officer concerned in January 1999 and the IO submitted his report in August 2000. The fact that the Charged Officer was to retire in December 2002 was known to every one and, as such, it was expected of the management to bring the matter to its logical conclusion well before the retirement of the officer. This was not ensured.

As mentioned above, the case against the fraudulent appointee culminated in his dismissal from service on 2.4.2003. Even at that time the pending inquiry report in the case of the retired General Manager was not processed and, instead, CCL took another 3-1/2 years to take up the matter and to seek the Commission's advice.

It is clear from the above chronology of events that this was a badly handled and inordinately delayed case raising serious questions about the efficiency and probity of the management.

### **Delhi Transport Corporation (DTC)**

A complaint received by the Commission, alleging serious irregularities/corruption in the matter of hiring of private buses, was forwarded to DTC in May 1999 for investigation. DTC, in turn, forwarded the complaint to the Govt. of National Capital Territory of Delhi (GNCTD). Despite repeated reminders no report was received either from DTC or GNCTD. The Commission, therefore, decided to entrust the investigation to one of its own officers.

Scrutiny of the relevant records, requisitioned from DTC, by the Officer entrusted with the investigation-job, brought to light a whole lot of serious and deliberate acts of omission and commission on part of a particular official (of DTC) in the hiring of buses owned by private individuals/entities. Malafide on part of the said official were obvious from the facts and circumstances of the case. The Commission's conclusions/findings in this regard were communicated to the DTC in May 2006, with a direction to process the case further with a view to initiate major penalty proceedings against the officer. DTC's response is, however, still awaited.

It is thus evident that the DTC and GNCTD had failed to take effective cognizance of the impugned complaint for over seven years.

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

A complaint against one Director, Doordarshan Kendra, was forwarded by the Commission to the Ministry of Information & Broadcasting for investigation and report on 10.1.2001. The investigation of the said complaint was entrusted to one Dy. Director General (DDG) level officer, who submitted the report to the Ministry in the month of January 2001 itself. However, the Ministry took nearly five years in obtaining the clarifications from Prasar Bharti. The case surfaced again only when the Commission took up the matter for direct investigation. Thus the Ministry caused inordinate delay in sending the report thereby not adhering to the time-limit set by the Commission for the purpose of investigation. This delayed action on part of the Ministry runs contrary to the tenets of vigilance administration.

### **Municipal Corp. of Delhi (MCD)**

A complaint received by the Commission, alleging unauthorized construction activities in a residential colony in Delhi, was forwarded to the MCD in May 1990 for report. MCD came back after more than 5 years, conceding that the allegation was true, at least in regard to one particular property. MCD was, therefore, advised by the Commission, in May 1995, to identify the officials responsible for this. On the basis of MCD's reply in this regard, the Commission advised, in August 1996, initiation of major penalty proceedings against one official.

MCD came back in July 2006 saying that the official concerned had already resigned from service and that the case had become time-barred for departmental proceedings. Further, no action was also feasible, for similar reasons, against those identified for delaying the follow up action on the Commission's aforesaid advice of August 1996.

Thus, on account of inaction and delay on part of the concerned officials, the culprits escaped action and the case had to be closed.

## **Delay in holding oral inquiry**

The Commission has laid down a detailed schedule for the completion of an oral inquiry, according to which the inquiry proceedings are expected to be completed within a period of six months after the appointment of the Inquiry Officer. It also provides two months' time to appoint an Inquiry officer after the receipt of the Commission's advice for the initiation of major penalty proceedings which includes one month time to the disciplinary authority for issuing charge sheet to the delinquent official.

**The Commission nominates its officers to be the Inquiry Officer(IO) in the departmental proceedings selectively and only in those cases where the charged officers are very senior in rank and the charges are considered sufficiently serious/complicated. Although, the Commission nominated its officers as IOs only in a limited number of cases, there was considerable delay in issuing their appointment orders as Inquiry Officers, by the Disciplinary Authorities concerned. During the year 2006, the disciplinary authorities concerned delayed issue of appointment orders for the Commissioners for Departmental Inquiries (CDI), nominated by the Commission as Inquiry Officers (IO) within the scheduled time frame in 170 cases. Of these, 108 cases were more than one year old and 62 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 in the absence of which it is not possible for the I.O. to proceed with the inquiry proceedings. At the end of the year 2006, in 2 cases these documents were not made available by the disciplinary authorities to the CDIs (Inquiry Officers nominated by the Commission).

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

**At the end of the year 2006, as many as 2174 cases were pending for over six months for the implementation of the first stage advice of the Commission and 863 cases were pending for over six months for the implementation of the second stage advice of the Commission. The organisation-wise break-up of these cases is given in Annexure-VI. Details of some of the organizations who have delayed considerable number of cases are as follows:-**

**Table – 10**

### **Delay in the implementation of Commission's advice for over 6 months**

<b>Organisations/Departments</b>	<b>First State Advice</b>	<b>Second Stage Advice</b>
Bharat Sanchar Nigam Ltd.	499	100
Central Board of Excise & Customs	159	44
Central Board of Direct Taxes	99	58
M/o Railways	62	62
M/o Information & Broadcasting	74	36

Hindustan Petroleum Corp. Ltd.	8	35
D/o Telecom	17	31
M/o Urban Development	32	31
Govt. of NCT of Delhi	19	29
Central Public Works Department	25	13
Delhi Development Authority	33	9
Mahanagar Telephone Nigam Ltd.	29	12
Municipal Corp. of Delhi	41	12
New India Assurance Co. Ltd.	48	5
UT of Daman & Diu and Dadra & Nagar Haveli	30	10

### **Delay in seeking advice/conduct of disciplinary proceedings**

The Commission has been repeatedly emphasizing to the organizations the need for timely completion of disciplinary proceedings. The delay in the proceedings, on the one hand lead to prolonged harassment of the charged officials in case they are innocent, whereas on the other hand, sometimes, a guilty official escapes punishment. 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:**

#### **Ministry of Coal**

Ministry of Coal approached the Commission in May 2006, soliciting its advice in a case where one of the accused officers was due for retirement on 31.5.2006. From a perusal of the case records, it was noted by the Commission that the case had its origin in a complaint, received by the Ministry, dating back to September 2003. It was disconcerting to observe that it took the Ministry more than 2-1/2 years to complete the investigation process, whereas it should have been completed in a period of six months or so. Evidently, it was the impending retirement of the officer referred to above that prompted the Ministry to rush to the Commission for advice in May 2006.

It is needless to emphasise that investigations into serious complaints ought to be completed within a reasonable time frame. Unless this is done the offender/culprits would manage to escape unpunished, using the retirement route. The 32 months' time taken by M/o Coal in the investigation of the complaint referred to above was unjustifiable by any norms.

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

The Commission had advised initiation of minor penalty proceedings in a case against an Administrative Officer of All India Radio (AIR), Prasar Bharati on 6.6.1994, under the Ministry of Information & Broadcasting.

The Commission had noted that the charge-sheet was not served to the officer on the pretext of his transfer from All India Radio to Doordarshan (DD) and also from one place to another. The Commission further observed that prima-facie this delay appeared intentional as charge-sheet was served on 18.6.1997, 22 days after his promotion as Dy. Director. The inept handling of the case and the deliberate delay is reinforced by the fact that the charge-sheet already served on him on 18.6.1997 was eventually withdrawn on 21.5.2000 on the plea that there was a change in the Disciplinary Authority. A fresh charge-sheet was issued by the Ministry of Information & Broadcasting on 9.11.2001 i.e. after seven years.

The above facts show that the delay in initiating action was intentional and reflected poorly on the state of vigilance administration in DG:DD/DG:AIR.

### **Other Areas of Concern**

The indifferent attitude of vigilance units and the administrative authorities in some departments has been an area of serious concern for the Commission as such an attitude sends inappropriate signals regarding the willingness of the authorities to tackle the menace of corruption. Some examples of laxity on the part of departments/organisations are given below:

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

##### **Case-1**

The Commission had advised Ministry of Information & Broadcasting to issue sanction order for prosecution and also to initiate RDA for major penalty against four officers of Doordarshan on 18.10.2002. While the case of one officer was already time-barred at the time of Commission's advice in 2002, the case of another officer became time-barred after about a week of Commission's advice. In the case of third officer, who was a Station Director, sufficient time (nearly two years) was available with the Ministry to initiate RDA against him, but the Ministry failed to take timely action, with the result the officer retired on 31.5.2004 and his case became time-barred under Pension Rules, as the events in his case pertained to the month October 1998.

Though the Commission advised initiation of major penalty proceedings against all four officers in 2002, yet the Ministry/DG:DD failed to take timely action. The Ministry/DG:DD indulged in a protracted correspondence with the CBI for almost three years on the plea of obtaining authenticated documents for the departmental inquiry, despite CBI informing the Ministry that they had already supplied all relevant documents/papers to CVO, Prasar Bharati. The Commission has noted that there was no sense of urgency in the Ministry for initiating RDA against the officer and the delay smacked of being deliberate and collusive. Such casualness enabled the delinquents to evade punishment.

##### **Case-2**

Serious irregularities were committed by one Executive Engineer of CCW, All India

Radio (AIR), Leh in the purchase of 4 diesel generator sets in the year 1987. However, the case was not investigated in time and it was sent for advice of the Commission only towards the end of December, 2001 i.e. after a lapse of more than 14 years. The Commission advised RDA for major penalty against the officer in February 2002 but the M/o Information & Broadcasting did not take immediate action and the charge sheet was issued to him in July 2003 i.e. after a lapse of more than a year. M/o I&B also delayed the processing of the case further and took almost a year and a half to appoint Inquiry Officer. In the meantime, the charged officer moved to the Central Administrative Tribunal (CAT), which quashed the charge sheet against him on the ground of delay. Even on appeal, the Hon'ble High Court upheld the decision of the CAT, following which the charges were dropped against the officer. Thus, primarily due to the abnormal delay caused in investigation and subsequent processing of the case by the Ministry/DG:AIR, the officer could not be punished despite having committed serious irregularities in the case. The Ministry has shown utmost casual attitude which reflects poorly on its vigilance administration.

### **Ministry of Railways**

#### **Case-1**

This case relates to fake appointment of Group 'D' staff in the Jhansi Workshop. The Commission advised, inter alia, initiation of major penalty proceedings against a Senior Personnel Officer for allowing persons to join without verifying the fact that their names were included in the approved list. Due to this lapse, those persons succeeded in getting fraudulent postings on the basis of fake documents. Inquiry Officer (IO) held the charge as proved. The Commission, in agreement with the General Manager (GM) and Railway Board, advised to impose a penalty of suitable cut in pension of the charged officer. The case was then referred to the UPSC by the department. UPSC, however, concluded that the officer was responsible only for supervisory negligence and the established charge did not constitute grave misconduct or gross negligence. It advised that cut in pension was not warranted. The Disciplinary Authority, who had earlier recommended for imposition of a penalty of cut in pension and had subsequently accepted this Commission's advice for such penalty, dropped the charge against the officer.

#### **Case-2**

The case relates to irregularities in the matter of award of parcel handling contract to a dubious Society and grant of subsequent extensions to the party. In agreement with the Railway Board (RB), the Commission advised initiation of major penalty proceedings against a Senior Divisional Commercial Manager. Inquiry Officer (IO) held all the charges as proved. Disciplinary Authority (DA) agreed with the findings of IO and recommended cut in pension. Similar recommendation was given by the Railway Board. The Commission agreed with the department and advised for a suitable cut in pension. The case was then referred to UPSC by the department. UPSC, however, held all charges as not proved and advised exoneration of the official. Thereafter, the official was exonerated by the department. Thus, despite there being unanimity about proposed action as well as the penalty till the second

stage advice of the Commission, department exonerated the official.

### **Semiconductor Complex Ltd. (SCL)**

On receipt of a complaint alleging favoritism by officials of the SCL in granting of master franchisee to a particular agency in the conduct of information technology (IT) courses, the Commission called for a report from the CVO, Department of Space. As the procedure adopted in selection of agencies for conduct of IT courses was without issue of any advertisements, the Department of Space recommended "strict action" against two Executive Directors and one DGM (IT).

The CVO, SCL was subsequently advised to identify the specific irregularities on part of the individual officers and refer the matter back to the Commission with the recommendation of the Disciplinary Authority. Further reference received from the Department of Space, indicated that they had set up a two-member committee to enquire into the matter which revealed that major irregularities had been noticed in as much as the selection of the firm had not been done through the process of tender formalities and due diligence of evaluating the technical competence, the training infrastructure, faculty strength and proficiency of the firm in their relevant domain. Reportedly, the DGM (IT) in SCL was not found entirely accountable in the matter as the proposal for tie up with the firm was vetted by a Committee and later approved by the CMD, SCL on 28.6.2002. The Department of Space has, accordingly, recommended closure of the case as no malafide has been noted and informed that the Disciplinary Authority has already censured the DGM (IT) for the procedural lapses.

The Commission observed that Department of Space had made light the serious irregularities observed in this case and had even passed orders "censuring" the DGM (IT) for his lapses, even when the Commission was seized of the matter and it was required of the Disciplinary Authority to have sought Commission's advice before passing the above penalty order of "censure" against the DGM (IT). In fact, the lapses on the part of the DGM (IT) were serious enough to warrant initiation of major penalty proceedings in the case, keeping in view the fact that not only no tendering was done in the case but also the fact that the agreement with the firm had been signed by the DGM (IT) on 25.6.2002 itself, while it was approved by the CMD on 26.8.2002. Further, the DGM (IT) was not even authorized to sign the said agreement.

Thus, when the Commission had sought a report in the matter and had been issuing reminders, it was highly inappropriate on part of the Disciplinary Authority to have passed an order of "Censure" on the DGM (IT) by treating the lapses on his part as procedural, though these were quite grave and serious. The gravity is compounded by not consulting the Commission, on the issue pending at department's end.

## CHAPTER-7

### CHIEF TECHNICAL EXAMINERS' ORGANISATION

The Santhanam Committee on Prevention of Corruption had, while recommending establishment of the Central Vigilance Commission, also felt the need to make available to it the necessary technical expertise for it to examine the cases relating to the Civil/Electrical/Horticulture Works and to inspect stores/purchase contracts. Accordingly, the Chief Technical Examiners' (CTEs') Organisation was made a part of the Commission.

The CTEs' organisation conducts inspection of Civil/Electrical/Horticulture works being carried out by organizations of the Govt. of India. **Stores/purchases contracts, which are a major source of corruption, are also taken up for intensive examination. During the year, the main thrust of CTEs' organisation was on the inspection of the power sector works.**

The works for inspection/intensive examination are selected from amongst the works above a threshold value, the details of which are provided by the CVOs in the quarterly progress reports being sent by them to the CTEs' organisation. At present, the threshold value, above which the works are taken up for inspection/intensive examination by CTEs' organisation has been decided as Rs. 1 crore for tenders pertaining to the Civil works in progress, Rs. 30 lacs for electrical/mechanical/ electronics works, Rs. 2 lacs for horticulture works and Rs. 2 crores for store purchase contracts. The CVOs are however, required to provide details of all the other contracts such as consultancy contracts, service contracts, transportation contracts, catering, equipment & supplies of medicines to hospitals etc. in the Quarterly Progress Reports. The intensive examination of works carried out by the CTE's Organisation helps in detecting cases relating to the execution of work with substandard material, avoidable and/or ostentatious expenditure, undue favours or overpayment to contractors besides bringing to surface other deficiencies and malpractices, loopholes in the systems and procedures, etc. Such inspections lead to introducing systemic improvements and other remedial measures which help to prevent recurrence of such instances.

#### Technical Examinations

During the year, quarterly progress reports were received from about 450 organisations, out of which CTEs' Organisation inspected works of 92 organisations and submitted 155 intensive examination (I.E.) reports. The details of these examinations are given below in Table-11:

Table - 11

#### Inspection by the CTEO during 2006

Details of Organisation	No. of Deptts./PSUs	No. of I.E. Reports
Government Departments	18	32

Banks/Insurance Companies & Financial Institutions	8	11
Public Sector Undertakings, Autonomous Bodies, etc.	66	112
<b>Total</b>	<b>92</b>	<b>155</b>

Some of the important organisations inspected by the CTEs' organisation during 2006 were NTPC, PGCIL, BHEL, HPCL, HSCL, JNPT, ONGC, IOCL, DDA, CPWD, GAIL, MTNL, BPCL, Mb.PT, CCL, ITI, etc.

**The inspection reports are forwarded to the CVOs concerned or the CBI for conducting detailed investigation from vigilance angle, if required, on the basis of the seriousness of the lapses/ irregularities noticed during the inspection process. During the year, 109 such cases were referred to the CVOs for investigation out of which 96 reports pertained to Civil Works, 8 related to electrical works and 5 were in respect of stores and purchases.**

As a result of the CTEs' organisation's inspections conducted during the year, recoveries to the extent of Rs. 19.83 crores were effected on account of overpayments made to the contractors, deficiencies noticed in the quality of materials/works, or for non-fulfilment of contract conditions etc. **Table - 12 below indicates recoveries effected during the last three years.**

**Table – 12**

Recoveries effected during last three years

Year	Amount (Rs. In crores)
2004	41.10
2005	25.27
2006	19.83

**The Commission has been laying stress on preventive vigilance and in pursuance of this objective CTEs' organisation emphasized creating awareness for quality control, economy and adherence to rules and procedures. For an effective quality control the CTEs' organisation has been functioning more like a vigilance audit wing where serious irregularities/lapses noticed during the inspections were sent for detailed investigation to the organisations concerned.**

**The Commission has noted with concern that prompt response is not forthcoming from many organisations regarding the CTEs' organisation's observations although they are pursued constantly.**

## **CTE Inspection of important organisations**

The inspections conducted by CTEs' organisation revealed that even in organisations reputed for efficiency and professionalism, deviations from the established norms and sub-standard work took place, which, apart from eroding the credibility had the potential for a nexus between employees and contractors and resultant corruption. The deficiencies thus noticed were recommended for further investigation by the CVOs from vigilance angle, wherever required.

### **Lapses Detected**

Some of the serious irregularities detected by the CTEs' organisation during 2006 are detailed below:

#### **Undue favour to the contractor by altering tender conditions**

In a project costing Rs.1850 Crores, major concessions having huge financial implications were allowed to the L-1 firm after opening of the price bid. The upfront payment of Rs.40.8 crores towards the machinery and other facilities to be taken over by the lowest bidder from the department, was to be paid in 10 half yearly installments with the balance amount after each payment to carry interest of 10% per annum. But, this payment term was relaxed to 8 yearly installments with reduced installment amount in the early years. The provision regarding rate of interest was changed to 6.75%. Ground Rent was excluded from the Gross Revenue earned by the licensee for the calculation of Royalty payment, which was around 10% of the bill amount. Insurance cover against loss, damage, or destruction of the Project Facilities and services at replacement basis, third party liability etc., as stipulated in the tender documents was not insisted upon the contractor. Rent charged to the tune of Rs.6.0 crores (apprx.) was waived off.

The licensee was allowed to maintain the records of revenue in a conventional manner against the tender conditions of maintaining records/data in electronic form to be made available to the licensor online.

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

- (i) In one Power Project costing Rs.220 Crores, L-1 was awarded the work on the basis of experience in an on-going work against the requirement of satisfactorily completed work in support of past experience whereas eligible contractors were ignored on flimsy grounds which left only two bidders, out of which one was ineligible. Advance payment of Rs. 11.36 Crores was allowed to the contractor without any provision in the contract agreement.
- (ii) In another project, open tenders were invited on two-cover system (cover-I: Technical Bid & Cover-II: Price Bid) and tender documents were to be issued on production of documentary evidence for having completed at least one single contract of similar work of 300 lacs or more in the last five years. However, one firm which did not have the required work experience was

issued tender documents. Finally the work was awarded to this ineligible firm on the ground of urgency.

Even two months after stipulated date of completion had expired only 7% of the work was completed. Since the incompetent agency was awarded the contract, the work got delayed.

### **Shortcomings in the process of evaluation of pre-qualification criteria**

In one of the works, detailed estimates were prepared on the basis of last accepted tender rate for a similar work enhanced by 5%. The procedure for the preparation of the estimates was not in order.

#### **Pre-qualification criteria not being enforced**

- (i) In a case, according to PQ criteria, the firm should have successfully completed a similar work during the previous 7 years. The work cited as complete by one of the competing firms was found incomplete according to the evaluation report, but the firm was short listed on the basis of the said work.
- (ii) In yet another case, the completion certificate furnished by the firm was only a fax copy and that too unauthenticated by any authority.

#### **Irregularities in the appointment of a consultant on the nomination basis/ arbitrary appointment of consultants**

- (i) A PSU was appointed as a detailed feasibility report (DFR) consultant and project management consultant (PMC) by another PSU on the nomination basis without inviting open tenders. The consultancy work was awarded to the same firm which estimated the cost of consultancy at Rs.55 crores without revealing the basis on which the cost was arrived at.
- (ii) In one of the works by a govt. institute, it was found that the third party quality assurance consultant was appointed through an arbitrarily selected panel even though the provision of the third party quality assurance consultant did not exist in the administrative approval/expenditure sanction. No fixed date/ time for opening of the price bid was found mentioned. The bids were opened as and when received. One of the firms was wrongly disqualified by awarding it fewer marks.
- (iii) In another work, it was found that a firm was appointed as project management consultant (PMC) on pick and choose basis. The criteria for deciding pre qualification were too stringent. It took 14 months to finalise the tender which resulted in huge escalation in the cost. The escalation cost agreed upon by the organisation was much higher than stipulated in the tender documents and over payments were made despite the objections of the consultant.

- (iv) A work costing Rs.1701 crores pertaining to a PSU was awarded on the nomination basis, without any competition and was being supervised by four different agencies leading to the overlapping of work.
- (v) In one of the works it was found that a consultant for a fees of Rs.15.56 crore was selected through limited tender enquiry and shortfall in the recovery of the mobilization advance and plant & equipment advance was also observed.

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

In a work of supplying and stacking of machine crushed track stone ballast (hard stone), the work was awarded to two contractors at rates significantly higher than the rates of other work of similar nature awarded by the department at the same time. The half quantity of the work was awarded to a contractor who was not eligible on the date of the opening of the tenders.

#### **Work awarded at higher rates**

In one of the government departments tender was accepted at higher rates without negotiating the estimated cost (EC) on the basis of the updated rates for similar ongoing works.

#### **Execution of work in violation of the tender conditions**

During examination of one of the works it was found that according to the tender clause the concrete to be used as design mix concrete was to be produced in automatic concrete batching and mixing plants but the design mix at the site was prepared in a manually operated mixer. Further, The mobilisation advance was to be released in suitable installments but it was found that the mobilisation advance of Rs.30 lacs was released in one go.

#### **Improper planning, designing and estimation**

- (i) In one of the works the basis of deciding the specification of work was not specified in the designs and past experience of similar works was not included as one of the eligibility criteria. The tendered amount was not calculated appropriately.
- (ii) In another work contingency was added as 10% over the total cost whereas normally contingency is added @ 3%. The architect was appointed on the nomination basis. The organisation had not accorded approval/technical sanction to the detailed estimate.
- (iii) In one of the tenders detailed break up of monitory provisions for different parts of work was not mentioned. Against the approval for the complete work, at the time of tendering, work was split into three packages. Different yardsticks were adopted for deciding the eligibility criteria for different firms.
- (iv) In one of the high value works neither detailed estimate was prepared nor technical sanction was accorded by the competent authority for the work, and

international publicity was also not given. The work was awarded for a price of Rs. 2,04,34,03,847/- without ensuring proper competition.

### **Lapses involving vigilance angle**

- (a) In a pre-tender association of a PSU and a private firm the original offers collected from the other competing parties were not available on record. There was no transparency in the selection of the firm for pre-tender tie up and fixing of margin money, as (i) approval note was initiated much after the signing of the pretender association agreement, (ii) uninterested and overloaded parties were selected resulting in a single offer for the piling work and for the civil work, (iii) the number of packages was not pre-decided like civil works, finishing items, structural work etc. (iv) no specific date for receiving and opening of the offers given, (v) no item wise comparative statement available, (vi) comparative statement also seemed to have been prepared based on the offer submitted by the private firm.

No item wise comparative statement was found prepared for the civil and structural work in order to assess the lowest tenderer and the reasonableness of the rates. It also appeared that the rates/quotations were taken by the PSU from different agencies without any cut off date of receipt and opening for rates/quotations.

- (b) In a case pertaining to a govt. institute, the consultant was finalised without following any procedure, from the list furnished by the PWD and after adding a few more names arbitrarily. Further, it was noticed that the proper procedure for open tendering was not adopted. No upper ceiling in terms of the value was stipulated in the agreement which should have been fixed in order to arrest the tendency of increasing the cost. No standardization of the tender documents was done and bids were invited in the most unprofessional manner.

No fixed date/time for opening of the price bid was mentioned. Bids from parties were opened as and when received. Thus the rates were open to the party bidding the last, who may have quoted accordingly. Some fixed time frame for the receipt and opening of the bids should have been specified. Bids invited in this way do not have any confidentiality of rates.

One of the eligible firms was disqualified by misinterpreting the qualifying criteria. The contractor who was awarded the work was given undue benefit by allowing him deviations/substitutions of the terms and conditions agreed upon for the execution of the work and by making overpayments. He was also allowed to use substandard material. The observations made by an independent technical organisation were ignored.

- (c) In the case of a PSU, it was observed that despite the availability of sufficient time with the organisation, consultants for a fee of Rs.15.56 crore were selected through limited tender enquiry and not through open press advertisement giving wide publicity. Interest free mobilization advance @10%

of contract sum was also paid to the contractor violating the Commission's guidelines.

- (d) In the case of a PSU, it was observed that the agencies for various contracts were selected in an arbitrary manner and the selected contractors were asked to accept the work on a schedule of rates dictated by the PSU. The methodology adopted was not transparent at all.
- (e) In the case of another PSU, it was noticed that a plant was designed without assessing the actual requirement. The consultant appointed by the PSU did not do any field work regarding the actual requirements which was in the scope of the work of the consultant. As the built plant was of excess capacity the running cost of the plant would be more causing wasteful expenditure.

Payment for the supply of equipment/material received was released without verifying the quantity received or without ensuring that the supplied items were in a working condition. Receipt of sub-standard material could not be ruled out. Due to poor supervision, the work could not be completed in time

- (f) In the case of a bank, an electrical contract was awarded without ascertaining the reasonableness of quoted rates which were 20.21% higher than the estimated cost. The work was awarded without obtaining the approval of the competent authority and the work order was not vetted from the legal point of view. The material used was in deviation of the tender clauses.
- (g) In the case of another bank, it was observed that no insurance cover for the equipment supplied was insisted upon which was stipulated in the tender conditions. 10% payment which was to be released after one year was released in advance causing an undue benefit to the contractor. Liquidated damages for the late delivery/installation were not insisted upon.
- (h) In the case of a Central govt. organisation, it was found that a firm which was not meeting the pre-qualification criteria and was earlier disqualified for the same work, was finally awarded the tender, overlooking the valid objections of the other applicants. The firm was neither capable of doing the work nor the equipment offered by them was in line with the tender specifications. As a result the firm was not able to start the work after even 15 months of the award of the work.
- (i) In the case of a PSU for the procurement of equipment, the PSU did not conduct comparative survey and awarded the contract at the higher rates. Elsewhere, orders for the same equipment were placed at the lower rates at about the same time. Post tender revision in prices was also allowed to the contractor and the contractor firm was allowed payment for spares according to the prevailing price list, which was neither disclosed by the firm in their offer nor indicated in the contract.
- (j) In the case of another PSU, the samples submitted by the bidders were not subjected to any testing in order to ensure that they met the specified requirements. Orders were placed on two firms from the same group of

companies, thus violating the tender conditions of not allowing more than one bid from firms/companies having common partners/directors.

- (k) In the case of a public sector bank, in a tender for supply of approx. 85 items the L-1 status of vendors was decided by the bank based on a wrong methodology i.e. evaluating offers based on collective financial implications of 7 core items. This allowed the firms to quote higher prices for some items. The bank should have identified L-1 rates, item/firm wise rather than identifying firms for a group of items and taking them L-1 for every item.

## Important Initiatives taken by CTEO during 2006

**Following initiatives have been taken by the CTEs' organisation during the year 2006 to increase the effectiveness of the organisation and the intensive examination reports:**

1. In order to have proper focus, action has been taken to classify the various lapses observed in the intensive examination reports into categories A,B & C wherein category A prefers to the paras that prima facie involve vigilance angle, paras B pertaining to recoveries and where clarifications are required and paras C pertaining to system deficiencies and improvements suggested.
2. Monitoring mechanism has been intensified to reduce the life span of CTE examination files to 2 years from the date of report.
3. A number of training programmes/workshops have been held for the benefit of the field officers of various organizations in order to sensitize them about vigilance in public procurement.
4. According to the Commission's directives and in order to increase the number of intensive examinations (of the CTE type) CVOs and Vigilance Officers were trained and a detailed circular was also issued giving the check list that should be used by them as a ready reckoner.
5. Sector specific presentations for some important sectors like the Coal, Shipping, Banking and Insurance etc. were also organized to understand and appreciate the sector specific problems and help the management to arrive at the solutions.
6. CTEs' organisation also brought out a booklet for the benefit of banks who are presently involved in large scale I.T. procurements.
7. Progress on the initiatives taken by the organizations in leveraging technology as envisaged by the Commission in the field of public procurement specifically in e-tendering, e-procurement, e-payment noticed during intensive examinations was reported to the Commission.
8. CTEs' intensive examinations have resulted in a number of system improvements like the initiatives taken by the organizations in the preparation of purchase/works manuals and modifications in the procedure to bring about more transparency. Various circulars have been issued such as – on the subject of negotiation with L-1, guidance to CVOs and check lists, awarding of contracts on nomination basis etc.

## CHAPTER-8

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

Hon'ble Supreme Court of India in its judgement dated 18.12.1997 in a PIL filed by Shri Vineet Narain (popularly known as Hawala case) had issued directions that "The CVC shall be responsible for the efficient functioning of the CBI. While Government shall remain answerable for the CBI's functioning, to introduce visible objectivity in the mechanism to be established for over viewing the CBI's working, the CVC shall be entrusted with the responsibility of superintendence over the CBI's functioning. The CBI shall report to the CVC about cases taken up by it for investigation; progress of investigations; cases in which chargesheets are filed and their progress. The CVC shall review the progress of all cases moved by the CBI for sanction of prosecution of public servants which are pending with competent authorities, especially those in which sanction has been delayed or refused". Accordingly, as per the CVC Act, 2003, the Commission has been given the responsibility to exercise superintendence over the functioning of the 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.

**As already stated in this Annual Report, the independence and objectivity of CBI under the set up as envisaged by the Supreme Court is still incomplete and some more steps are required to be taken in this direction so that the CBI's functioning is viewed as objective, politically neutral and impartial in the eyes of the public.** Some of these measures are discussed below:

- (i) Under the CVC Act, Commission's superintendence over CBI is confined to investigation of cases under the PC Act only with a proviso to section 8(1) (a) & (b) of the Act and the process of trial continues to be under the government's control only. For all other functions of the CBI also, the government continues to exercise control over the CBI. Superintendence by two different agencies over different functions of the CBI not only hampers the efficiency of the organization but also causes hindrance in its smooth functioning. There is a need to have an independent superintendence over CBI's functioning to insulate the organization from potential unwarranted interference from outside agencies. Apart from appointment/removal of the officers of the rank of the SP and above, which are done by a committee headed by CVC, all other administrative controls and powers pertaining to the CBI vest with the Government. The duality of authority thus leads to confusion and hindrance in the smooth functioning, besides exposing the organization to unwarranted pressures. The Central Vigilance Commission being an apex agency responsible for effective vigilance administration and having an independent statutory status is ideally suited for overseeing administrative control over all the functions of the CBI.
- (ii) The Director, CBI does not enjoy financial/administrative autonomy as compared to the heads of other Central Police Organizations. Apart from vesting the administrative control over CBI in the Central Vigilance

Commission, Director, CBI also needs to be given greater administrative/financial powers to enjoy independence in functioning. This “empowerment” –as it were, will go a long way in increasing the level of involvement of the officials in the organizational efforts.

- (iii) In court cases arising out of the CBI’s investigation, appeals against lower courts judgments are subject to government’s approval (through the Law Ministry), CBI should have authority to take an independent professional view in such matters. Director of prosecution who assists CBI with his legal advice is on deputation from M/o Law. Being an important post, the recruitment needs to be made open and broad-based to ensure independence and autonomy, besides ensuring that only competent persons of impeccable integrity are appointed to this post.

**Monthly Review Meetings with Director, CBI**

The Commission considers a regular, free and frank exchange of views and ideas as a valuable part of efficient administration. With a view to having effective superintendence over the CBI, the Commission has adopted a mechanism of holding monthly review meetings with the Director, CBI where focus is laid on the progress and quality of the cases investigated by the CBI. The cases where the CBI’s recommendations for sanction for prosecution against public servants are endorsed by the Commission are followed-up periodically with the organisations concerned, in order to expedite the sanction of prosecution. In those cases, where the sanctioning authorities and the CBI have the difference of opinion on the need for prosecution, the Commission holds joint-meetings with the department concerned and the CBI representatives to resolve the issues. Commission’s efforts have been successful to a great extent.

**Prosecution against Central Government employees**

The Commission, as empowered under section 8(1)(f) of the CVC Act, constantly reviews the progress of applications pending for sanction of prosecution with various organizations, under the PC Act, 1988. CBI also brought to the Commission’s notice the fact that there were 19 cases pending for prosecution sanction with the State Governments.

The month-wise total number of cases against public servants pending for prosecution sanction with the organizations concerned and sanctions received by the CBI during the year 2006 are given in the table below (Table-13):

**Table-13**

<b>Month</b>	<b>No. of cases pending for sanction for prosecution of public servants</b>	<b>Sanctions Received</b>
Jan.2006	95	18
Feb.2006	92	53
Mar.2006	92	53

Apr.2006	91	21
May2006	93	29
Jun 2006	91	50
July 2006	92	29
Aug.2006	105	33
Sep.2006	129	45
Oct.2006	141	52
Nov.2006	152	81
Dec.2006	111	107
	Total Sanctions received during the Year	571

The number of cases pending with respective organisation for granting sanction for prosecution as on 31.12.2006 are given below in Table-14:

**Table-14**

**Number of cases pending for sanction for prosecution as on 31.12.2006**

<b>Ministry</b>	<b>Number of cases</b>
Ministry of Civil Aviation	1
Ministry of Coal & Mines	4
Ministry of Commerce	1
Ministry of Communication	15
Ministry of Defence	2
Ministry of External Affairs	1
Ministry of Finance (Banking)	20
Ministry of Finance (Custom & Central Excise)	10
Ministry of Finance (Income Tax)	6
Ministry of Finance (Insurance)	5
Ministry of Food	1
Ministry of Health & Family Welfare	5
Ministry of Home Affairs	5
Ministry of Information & Broadcasting	2
Ministry of Labour	8
Ministry of Personnel, Public Grievances & Pensions	2
Ministry of Petroleum & Natural Gas	1
Ministry of Railways	4
Ministry of Surface Transport	2
Ministry of Textiles	1
Ministry of Tribal Affairs	1
Ministry of Urban Development & Poverty Alleviation	1
Ministry of Welfare	1
Govt. of Arunachal Pradesh	2
Govt. of Chhatisgarh	1
Govt. of NCT Delhi	9
Govt. of Karnataka	1
Govt. of Madhya Pradesh	1
Govt. of Mizoram	1

Govt. of Rajasthan	1
Govt. of Tamilnadu	2
Govt. of Uttar Pradesh	1
<b>Total</b>	<b>118*</b>

*\*There are 7 cases in which sanction for prosecution is awaited from both Central and State Governments concerned.*

With the Commission's efforts and constant follow-up by CBI with the organizations concerned the matter of sanction for prosecution is being expedited, but it is seen that in some cases there is inordinate delay in granting sanction. Out of 118 cases as listed above, a total of 31 cases were pending for more than 2 years, 3 of which were pending even beyond 5 years. The Commission feels that with the DOPT's guidelines for checking delay in grant of sanction for prosecution, the same would now be expedited and issued within the stipulated time.

The Commission has noted with concern that Section 6A of the DSPE Act providing for prior permission of the Government before the 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 is being used in many cases to delay registration of cases against senior public functionaries. It is learnt that the validity of this provision has been challenged in the Supreme Court and currently the matter is under consideration of a Constitutional Bench of the Court. **The Commission is of the view that the process of permission or refusal to register cases needs to be streamlined and a decision in this regard should be taken in a time-bound manner.**

Further, in those cases also where **the Commission seeks 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 requires the permission of the competent authority under the above-mentioned Section 6A of the DSPE Act. The Commission finds this interpretation inconsistent with the objectives of the CVC Act and the functions and powers entrusted to it under Section 8 of the Act.**

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

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

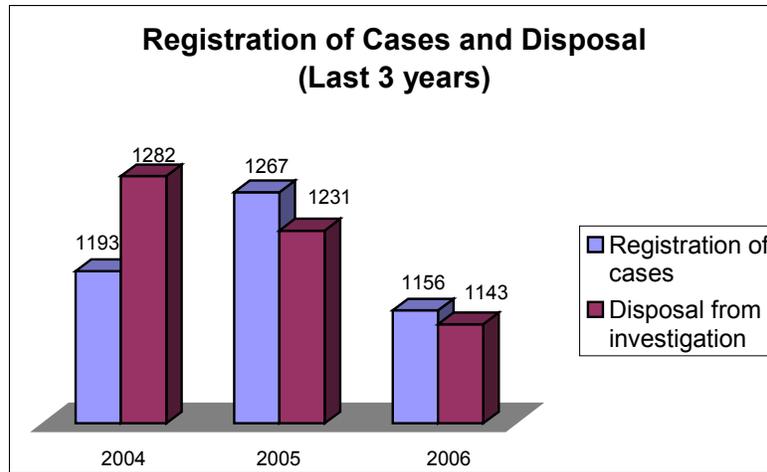
During the year 2006, 1156 cases were registered as against 1267 cases registered in the previous year. The cases registered included 22 cases taken up at the instance of State Government/Union Territory Administrations and 220 cases taken up for investigation on the directions of the Supreme Court/High Courts.

These 1156 cases included 995 Regular Cases and 161 PE cases. These cases mainly pertained to criminal misconduct by showing undue favour, obtaining bribes, amassing assets disproportionate to known source of income, etc. The registered cases included 199 trap cases and 89 cases of possession of disproportionate assets by public servants. At the end of the year, a total of 1417 cases were under investigation. During the year charge-sheets were filed in 782 cases and judgements delivered by the Courts in 650 cases. The conviction rate for the year

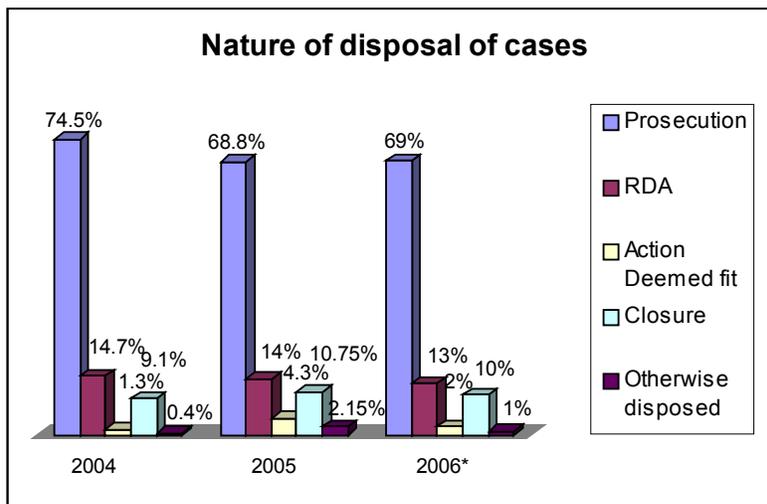
2006 was 72.9%. There were as many as 8293 cases under trial in various courts at the end of the year. The number of cases under investigation for more than 2 years were 139 at the end of 2006 as against 137 as on 31.12.2005.

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**



\*Besides, 5% cases were converted from preliminary enquiry to regular cases

**Cases pending investigation:**

During 2006, the CBI completed investigations of 1143 cases, which included 984 RCs and 159 PEs. Chargesheets were filed in 782 cases after receipt of sanction for prosecution wherever necessary. On the other hand, at the end of the year 2006, 1417 cases were pending investigation in comparison to 1402 cases pending as on

31.12.2005. 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:**

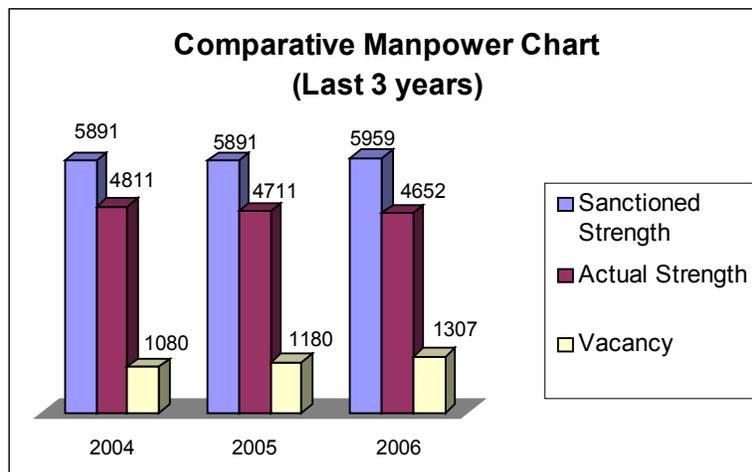
During the year 2006, various courts disposed of 650 cases under trial, as compared to 594 cases in 2005 and 549 in 2004. Out of these 650 cases, 436 cases resulted in conviction, 137 in acquittal, 25 discharged, 52 cases were disposed of for other reasons. The overall rate of conviction in CBI cases during 2006 was 72.9 percent as compared to 65.6 percent in 2005 and 66.3 percent in 2004. 8293 cases were pending trial as on 31.12.2006, as compared to 6898 cases as on 31.12.2005. 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.

**Manpower**

The total sanctioned strength of the CBI as on 31.12.2006 was 5959. However, the actual manpower available was 4652. There were 1307 posts lying vacant at the end of the year (Chart-17). These vacancies were in the ranks of Senior Superintendent of Police (SSP)-1; Superintendent of Police (SP)-24; Additional Superintendent of Police (ASP)-15; Deputy Superintendent of Police (DSP)-118; Inspectors-168; Sub-Inspectors-95; Asstt. Sub-Inspectors-24; Head Constables -38; and Constables-322. Besides, there were vacancies of 75 Law Officers at various levels. 94 Technical posts were also lying vacant.

It is felt that the large number of vacancies especially in the cadre of Investigating Officers viz. DSPs and Inspectors seriously hampers the progress of investigation of cases by CBI, more so when CBI is being entrusted with more and more cases of sensitive nature, while being under the constant gaze of courts. The measures required to fill the vacancies would include simplifying the process of direct recruitment besides providing attractive incentives to officers willing to come on deputation to the CBI.

**Chart 17**



## Training – CBI Academy

CBI has a permanent Training Academy at Ghaziabad, which organises training courses of varying durations depending upon the nature of training to be imparted, both for in-service officers of CBI as well as for other Government officials. They are also conducting training in vigilance related matters to the newly appointed CVOs of the various organizations, which includes an interactive session with the Commission also.

During the year 2006, the Academy conducted a total of 75 courses and trained 1969 officers/officials, including 814 from CBI and 1155 from State Police and other organisations. The comparative chart/graph of the training activities for the last three years i.e. from 2004 to 2006 are as under:-

Year	Total No. of courses	No. of participants			Training Mandays
		CBI	State Police & other organisations	Total	
2004	60	909	836	1745	29564
2005	66	822	1100	1922	15722
2006	75	814	1155	1969	21670

# ANNEXURES

**Group wise Staff Strength and related information, as on 31.12.2006**

	Group 'A'	Group 'B'	Group 'C'	Group 'D'	Total
Sanctioned Strength	44*	92	73	73	282
Officials in position	39	75	53	69	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 31.12.2006 is given below:

	Group "A"	Group "B"	Group "C"	Group "D"
Scheduled Castes	25%	16.27%	13.8%	39.7%
Scheduled Tribes	12.5%	2.70%	2.77%	2.73%
OBC	-	8.10%	11.1%	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 according to 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. Message of the Hon'ble Home Minister and message of the Cabinet Secretary were also circulated in the Commission.

## Annexure-II

**Organisation-wise details of Punishments imposed during 2006 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	20	4	1	-
2.	Allahabad Bank	5	6	6	11
3.	Andaman & Nicobar Admn.	-	-	2	-
4.	Andhra Bank	-	2	3	-
5.	Andrew Yule & Co. Ltd.	-	4	-	-
6.	Bank of Baroda	-	11	10	-
7.	Bank of India	-	4	17	3
8.	Bank of Maharashtra	-	20	9	1
9.	Bharat Coking Coal Ltd.	-	3	8	-
10.	Bharat Dynamics Ltd.	-	2	-	-
11.	Bharat Heavy Electricals Ltd.	-	3	2	-
12.	Bharat Sanchar Nigam Ltd.	11	72	22	6
13.	Border Roads Development Board	-	1	1	-
14.	Bureau of Indian Standards	-	6	11	8
15.	Canara Bank	-	9	8	-
16.	Cement Corp. of India Ltd.	-	-	2	-
17.	Central Bank	-	22	3	4
18.	Central Board of Direct Taxes	14	6	8	-
19.	Central Board of Excise & Customs	18	47	52	-
20.	Central Bureau of Investigation	2	1	-	-
21.	Central Industrial Security Force	-	1	3	-
22.	Central Public Works Department	3	10	19	12
23.	Central Reserve Police Force	-	3	1	-
24.	Central Warehousing Corp.	-	1	1	-
25.	Chandigarh Admn.	1	1	2	-
26.	Coal India Ltd.	-	-	4	-
27.	Controller General of Defence Accounts	-	2	-	-
28.	Corporation Bank	1	12	15	10
29.	Council of Scientific & Industrial Research	-	4	2	-
30.	D/o Animal Husbandry & Dairying	-	-	2	-
31.	D/o Atomic Energy	-	1	-	-
32.	D/o AYUSH	-	1	-	1
33.	D/o Chemicals & Petrochemicals	-	-	3	-
34.	D/o Coal	-	4	1	-
35.	D/o Commerce	-	-	1	-
36.	D/o Company Affairs	-	1	-	-
37.	D/o Culture	-	1	3	-
38.	D/o Defence Production & Supplies	-	9	-	-
39.	D/o Fertilizers	-	-	3	-
40.	D/o Food & Public Distribution	-	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>
41.	D/o Health	1	1	1	2
42.	D/o Heavy Industries	-	1	-	-
43.	D/o Mines	-	1	-	-
44.	D/o Posts	-	4	4	-
45.	D/o Revenue	-	-	1	-
46.	D/o Science & Industrial Research	-	1	-	-
47.	D/o Space	-	-	1	-
48.	D/o Steel	-	-	1	1
49.	D/o Telecom	2	19	27	1
50.	Delhi Development Authority	-	47	85	13
51.	Delhi Jal Board	-	18	2	1
52.	Delhi State Industrial Development Corp.	-	-	5	1
53.	Delhi Transco Ltd./Indraprastha Power Generation Co. Ltd.	-	1	3	-
54.	Dena Bank	-	2	-	-
55.	Dredging Corp. of India Ltd.	-	1	3	-
56.	Eastern Coalfields Ltd.	-	4	-	-
57.	Employees Provident Fund Organisation	2	2	3	2
58.	Employees State Insurance Corp.	-	4	1	-
59.	Food Corp. of India	-	1	10	3
60.	Gas Authority of India Ltd.	-	-	3	-
61.	Govt. of NCT of Delhi	2	13	11	1
62.	Hindustan Aeronautics Ltd.	-	-	1	-
63.	Hindustan Paper Corp.	-	-	1	-
64.	Hindustan Petroleum Corp. Ltd.	1	1	-	-
65.	HUDCO	1	-	-	-
66.	IBP Balmer Lawried Group of Companies	-	5	-	1
67.	India Tourism Development Corp.	-	-	1	-
68.	Indian Bank	1	53	25	2
69.	Indian Council of Agricultural Research	-	2	3	2
70.	Indian Oil Corp. Ltd.	-	-	1	-
71.	Indian Overseas Bank	-	71	19	-
72.	Indira Gandhi National Open University	-	1	1	3
73.	Industrial Development Bank of India	-	-	4	-
74.	Industrial Investment Bank of India	-	-	1	-
75.	Inland Waterways Authority of India	1	-	-	-
76.	Intelligence Bureau	-	1	-	-
77.	IRCON	-	-	-	2
78.	Kendriya Bhandar	-	-	2	-
79.	Kendriya Vidyalaya Samiti	-	10	-	-

<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.	Khadi & Village Industries Commission	-	-	1	-
81.	Life Insurance Corp. of India	-	1	4	2
82.	M/o Commerce	-	-	1	-
83.	M/o Defence	5	8	12	-
84.	M/o Environment & Forests	4	1	1	-
85.	M/o External Affairs	-	1	-	-
86.	M/o Home Affairs	7	2	2	-
87.	M/o Information & Broadcasting	8	4	7	-
88.	M/o Labour	1	2	-	1
89.	M/o Personnel, PG & Pensions	5	4	-	-
90.	M/o Power	-	-	3	-
91.	M/o Railways	17	139	225	178
92.	M/o Social Justice & Empowerment	-	2	-	-
93.	M/o Textiles	-	2	-	-
94.	M/o Urban Development & Poverty Alleviation	-	22	13	11
95.	M/o Water Resources	-	-	-	1
96.	Mahanagar Telephone Nigam Ltd.	-	7	4	2
97.	Mazagon Dock Ltd.	-	-	5	-
98.	Minerals & Metals Trading Corp.	-	4	3	-
99.	Mishra Dhatu Nigam Ltd.	-	-	1	-
100.	Mumbai Port Trust	-	1	1	-
101.	Municipal Corp. of Delhi	2	41	20	2
102.	National Consumer Cooperative Federation	-	-	6	-
103.	National Highways Authority of India	-	-	1	-
104.	National Hydro Electric Power Corp. Ltd.	-	-	5	-
105.	National Insurance Co. Ltd.	-	38	12	2
106.	National Seeds Corp.	2	-	-	-
107.	National Small Industries Corp. Ltd.	-	1	1	-
108.	National Thermal Power Corp.	-	1	8	-
109.	Nehru Yuva Kendra	1	-	-	-
110.	New Delhi Municipal Council	1	-	-	-
111.	New India Assurance Co. Ltd.	-	6	14	4
112.	North Eastern Electric Power Corp.	1	-	-	-
113.	Oil & Natural Gas Corp. Ltd.	-	9	15	1
114.	Oriental Bank of Commerce	3	10	1	-
115.	Oriental Insurance Co. Ltd.	-	21	13	2
116.	Post Graduate Instt. of Medical Education & Research	1	-	-	-
117.	Power Grid Corp. of India Ltd.	-	-	-	3
118.	Punjab & Sind Bank	-	4	5	1
119.	Punjab National Bank	-	13	12	-
120.	Rashtriya Chemicals & Fertilizers Ltd.	2	-	-	-

<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.	Sasastra Seema Bal	-	2	-	-
122.	Small Industries Development Bank of India	-	1	-	-
123.	South Eastern Coalfields Ltd.	-	4	2	2
124.	State Bank of Bikaner & Jaipur	-	2	1	-
125.	State Bank of Hyderabad	-	1	4	2
126.	State Bank of India	-	61	28	11
127.	State Bank of Indore	-	2	-	1
128.	State Bank of Mysore	-	3	1	-
129.	State Bank of Patiala	1	1	1	-
130.	State Bank of Saurashtra	-	3	1	-
131.	State Bank of Travancore	-	3	1	-
132.	State Farms Corp.	-	1	-	-
133.	State Trading Corp. of India	-	1	-	-
134.	Steel Authority of India Ltd.	-	2	4	-
135.	Syndicate Bank	-	12	8	-
136.	UCO Bank	-	13	6	4
137.	Union Bank	-	14	18	7
138.	Unit Trust of India	-	1	-	-
139.	United India Insurance Co. Ltd.	3	13	7	-
140.	Vijaya Bank	-	1	11	3
141.	Western Coalfields Ltd.	-	-	2	-
	<b>Total</b>	<b>150</b>	<b>1024</b>	<b>936</b>	<b>332</b>

## Work done by CVOs in 2006

## Details of Complaints regarding other employees

S. No.	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
1.	Atomic Energy	14	5	9	0
2.	Chemicals & Petrochemicals	21	9	12	3
3.	Civil Aviation	205	144	61	19
4.	Coal	1450	1317	133	22
5.	Commerce	9	8	1	0
6.	Defence	266	233	33	12
7.	Fertilizers	67	53	14	2
8.	Finance	35	29	6	1
9.	Food & Consumer Affairs	1450	970	480	109
10.	Govt. of NCT Delhi	2983	2492	491	275
11.	Health & Family Welfare	0	0	0	0
12.	Heavy Industry	155	86	69	36
13.	Human Resource Development	183	146	37	0
14.	Insurance	949	642	307	171
15.	Labour	448	242	206	106
16.	M/o Home Affairs	18	16	2	2
17.	M/o Industrial Development	26	15	11	5
18.	Mines	79	68	11	2
19.	Non-Conventional Energy Sources	9	8	1	0
20.	Petroleum	1655	1436	219	103
21.	Power	223	146	77	31
22.	President's Secretariat	1	0	1	1
23.	Public Sector Banks	3236	2799	437	110
24.	Railways	8313	6290	2023	1012
25.	Steel	1034	926	108	15
26.	Surface Transport	411	317	94	33
27.	Telecommunication	1059	705	354	153
28.	Tourism	23	19	4	1
29.	Urban Affairs	487	279	208	97
30.	Water Resources	4	1	3	3
	<b>Total</b>	<b>24813</b>	<b>19401</b>	<b>5412</b>	<b>2324</b>

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

## Annexure III-A(ii)

## Work done by CVOs in 2006

## Details of Complaints sent by CVC including Whistle Blower

S. No.	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
1.	Atomic Energy	5	3	2	0
2.	Chemicals & Petrochemicals	0	0	0	0
3.	Civil Aviation	33	25	8	3
4.	Coal	44	36	8	1
5.	Commerce	6	5	1	1
6.	Defence	14	12	2	0
7.	Fertilizers	8	5	3	0
8.	Finance	11	8	3	0
9.	Food & Consumer Affairs	21	9	12	4
10.	Govt. of NCT Delhi	119	59	60	37
11.	Health & Family Welfare	2	0	2	2
12.	Heavy Industry	14	2	12	6
13.	Human Resource Development	4	3	1	0
14.	Insurance	39	25	14	6
15.	Labour	25	9	16	5
16.	M/o Home Affairs	0	0	0	0
17.	M/o Industrial Development	6	1	5	2
18.	Mines	9	7	2	0
19.	Non-Conventional Energy Sources	1	1	0	0
20.	Petroleum	80	51	29	9
21.	Power	33	14	19	10
22.	President's Secretariat	0	0	0	0
23.	Public Sector Banks	208	175	33	4
24.	Railways	59	40	19	7
25.	Steel	64	35	29	11
26.	Surface Transport	21	17	4	1
27.	Telecommunication	51	17	34	7
28.	Tourism	14	11	3	1
29.	Urban Affairs	80	50	30	9
30.	Water Resources	1	0	1	0
	<b>Total</b>	<b>972</b>	<b>620</b>	<b>352</b>	<b>126</b>

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

## Work done by CVOs in 2006

## Details of Complaints regarding all category of employees

S. No.	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
1.	Atomic Energy	19	8	11	0
2.	Chemicals & Petrochemicals	21	9	12	3
3.	Civil Aviation	238	169	69	22
4.	Coal	1494	1353	141	23
5.	Commerce	15	13	2	1
6.	Defence	280	245	35	12
7.	Fertilizers	75	58	17	2
8.	Finance	46	37	9	1
9.	Food & Consumer Affairs	1471	979	492	113
10.	Govt. of NCT Delhi	3102	2551	551	312
11.	Health & Family Welfare	2	0	2	2
12.	Heavy Industry	169	88	81	42
13.	Human Resource Development	187	149	38	0
14.	Insurance	988	667	321	177
15.	Labour	473	251	222	111
16.	M/o Home Affairs	18	16	2	2
17.	M/o Industrial Development	32	16	16	7
18.	Mines	88	75	13	2
19.	Non-Conventional Energy Sources	10	9	1	0
20.	Petroleum	1735	1487	248	112
21.	Power	256	160	96	41
22.	President's Secretariat	1	0	1	1
23.	Public Sector Banks	3444	2974	470	114
24.	Railways	8372	6330	2042	1019
25.	Steel	1098	961	137	26
26.	Surface Transport	432	334	98	34
27.	Telecommunication	1110	722	388	160
28.	Tourism	37	30	7	2
29.	Urban Affairs	567	329	238	106
30.	Water Resources	5	1	4	3
	<b>Total</b>	<b>25785</b>	<b>20021</b>	<b>5764</b>	<b>2450</b>

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

## Work done by CVOs in 2006

**Details of Departmental Inquires against officers**  
(UNDER THE CVC JURISDICTION)

S. No.	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
1.	Atomic Energy	0	0	0	0
2.	Chemical & Petrochemicals	5	0	5	5
3.	Civil Aviation	20	13	7	2
4.	Coal	32	12	20	4
5.	Commerce	21	12	9	1
6.	Defence	22	10	12	2
7.	Fertilizers	0	0	0	0
8.	Finance	1	0	1	0
9.	Food & Consumer Affairs	0	0	0	0
10.	Govt. of NCT Delhi	38	10	28	5
11.	Health & Family Welfare	0	0	0	0
12.	Heavy Industry	23	10	13	10
13.	Human Resource Development	25	8	17	0
14.	Insurance	186	60	126	39
15.	Labour	41	8	33	6
16.	M/o Home Affairs	0	0	0	0
17.	M/o Industrial Development	1	1	0	0
18.	Mines	0	0	0	0
19.	Non-Conventional Energy Sources	0	0	0	0
20.	Petroleum	133	51	82	21
21.	Power	10	4	6	1
22.	President's Secretariat	0	0	0	0
23.	Public Sector Banks	351	243	108	47
24.	Railways	174	74	100	28
25.	Science & Technology	0	0	0	0
26.	Social Justice & Empowerment	0	0	0	0
27.	Steel	11	3	8	5
28.	Surface Transport	31	14	17	0
29.	Telecommunication	59	18	41	9
30.	Tourism	4	0	4	0
31.	Urban Affairs	61	18	43	0
32.	Water Resources	3	0	3	1
	<b>Total</b>	<b>1252</b>	<b>569</b>	<b>683</b>	<b>186</b>

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

## Work done by CVOs in 2006

## Details of Departmental Inquires against other employees

S. No.	Department/Sector	Total Received	Disposal	Pending	Pending for more than 6 months
1.	Atomic Energy	42	31	11	3
2.	Chemical & Petrochemicals	30	0	30	3
3.	Civil Aviation	100	45	55	22
4.	Coal	235	120	115	42
5.	Commerce	12	4	8	2
6.	Defence	395	216	179	100
7.	Fertilizers	146	10	136	14
8.	Finance	26	19	7	4
9.	Food & Consumer Affairs	918	741	177	82
10.	Govt. Of Nct Delhi	158	45	113	36
11.	Health & Family Welfare	5	2	3	0
12.	Heavy Industry	55	31	24	17
13.	Human Resource Development	39	14	25	0
14.	Insurance	473	235	238	112
15.	Labour	707	261	446	100
16.	M/o Home Affairs	11	8	3	2
17.	M/o Industrial Development	4	3	1	0
18.	Mines	7	5	2	0
19.	Non-Conventional Energy Sources	0	0	0	0
20.	Petroleum	342	120	222	29
21.	Power	71	39	32	21
22.	President's Secretariat	1	0	1	1
23.	Public Sector Banks	3952	2519	1433	893
24.	Railways	2375	1202	1173	469
25.	Science & Technology	0	0	0	0
26.	Social Justice & Empowerment	0	0	0	0
27.	Steel	103	61	42	40
28.	Surface Transport	96	43	53	21
29.	Telecommunication	462	108	354	24
30.	Tourism	52	7	45	0
31.	Urban Affairs	25	13	12	8
32.	Water Resources	2	0	2	0
	<b>Total</b>	<b>10844</b>	<b>5902</b>	<b>4942</b>	<b>2045</b>

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

## Work done by CVOs in 2006

## Details of 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	177	102	49	26	3
2.	Chemical & Petrochemicals	4	4	0	0	0
3.	Telecommunication	76	58	0	18	2
4.	Coal	27	24	0	3	0
5.	Defence	7	7	0	0	0
6.	Food & Consumer Affairs	5	5	0	0	0
7.	Industrial Development	1	1	0	0	0
8.	Insurance	25	19	0	6	0
9.	Labour	23	18	0	5	1
10.	Petroleum	9	8	0	1	0
11.	Railways	27	26	0	1	0
12.	Steel	2	2	0	0	0
13.	Surface Transport	1	1	0	0	0
14.	Urban Affairs	4	4	0	0	0
15.	Govt. of NCT Delhi	186	157	2	27	10
16.	Fertilizers	2	2	0	0	0
17.	Civil Aviation	3	2	0	1	0
	<b>Total</b>	<b>579</b>	<b>440</b>	<b>51</b>	<b>88</b>	<b>16</b>

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

Annexure III-E

Work done by CVOs in 2006

Details of 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.	Civil Aviation	0	2	0	0	6	0	8
2.	Coal	2	27	3	0	131	15	178
3.	Defence	37	13	1	0	61	23	135
4.	Fertilizers	0	0	0	0	11	0	11
5.	Finance	3	0	0	0	3	1	7
6.	Food & Consumer Affairs	209	190	1448	2	343	298	2490
7.	Govt. of NCT Delhi	14	6	0	1	21	8	50
8.	Heavy Industry	0	14	3	1	22	2	42
9.	Human Resource Development	1	0	0	0	0	0	1
10.	Insurance	0	26	5	0	41	2	74
11.	Labour	4	45	0	1	64	14	128
12.	M/o Home Affairs	0	1	6	0	9	1	17
13.	Petroleum	5	16	0	3	146	23	193
14.	Power	6	9	0	2	53	9	79
15.	Public Sector Banks	431	50	14	5	657	21	1178
16.	Railways	8	75	1	4	60	14	162
17.	Steel	0	51	0	0	46	1	98
18.	Surface Transport	3	45	1	0	43	18	110
19.	Telecommunication	11	56	13	2	101	38	221
20.	Urban Affairs	7	5	0	2	15	19	48
	<b>Total</b>	<b>741</b>	<b>631</b>	<b>1495</b>	<b>23</b>	<b>1833</b>	<b>507</b>	<b>5230</b>

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

## Annexure III-F

## Work done by CVOs in 2006

## 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.	Atomic Energy	0	0	0	0	12	17	2	31
2.	Civil Aviation	1	2	18	5	14	6	5	51
3.	Coal	0	16	34	29	20	27	20	146
4.	Commerce	12	0	8	2	3	2	1	28
5.	Defence	1	62	23	31	36	4	35	192
6.	Fertilizers	0	0	5	0	2	12	3	22
7.	Finance	0	2	1	1	0	0	0	4
8.	Food & Consumer Affairs	0	79	42	100	306	39	25	591
9.	Govt. of NCT Delhi	5	9	21	10	4	15	5	69
10.	Health & Family Welfare	0	0	0	0	2	2	4	8
11.	Heavy Industry	0	3	5	8	0	6	0	22
12.	Human Resource Development	6	2	4	2	0	3	2	19
13.	Insurance	12	29	132	18	0	11	24	226
14.	Labour	11	29	12	64	92	37	42	287
15.	M/o Home Affairs	0	0	3	0	0	0	0	3
16.	M/o Industrial Development	0	1	0	0	0	1	2	4
17.	Mines	0	1	1	0	0	3	0	5
18.	Petroleum	0	7	50	9	29	59	32	186
19.	Power	0	2	3	2	11	1	9	28
20.	Public Sector Banks	9	556	1057	418	91	94	101	2326
21.	Railways	23	4	5	37	27	6	7	109
22.	Steel	0	4	8	39	6	5	11	73
23.	Surface Transport	1	8	10	11	7	10	11	58
24.	Telecommunication	3	100	98	4	11	8	61	285
25.	Urban Affairs	4	0	9	19	0	4	6	42
	<b>Total</b>	<b>88</b>	<b>916</b>	<b>1549</b>	<b>809</b>	<b>673</b>	<b>372</b>	<b>408</b>	<b>4815</b>

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

## Annexure III-G

### Organisations from whom Annual Report for the year 2006 received

S. No.	Organisation	S. No.	Organisation	S. No.	Organisation
1	Air India	52	Govt. of NCT of Delhi	103	National Institute of Health & Family Welfare
2	Airports Authority of India	53	Heavy Engineering Corp. Ltd.	104	National Insurance Co. Ltd.
3	Allahabad Bank	54	Hindustan Aeronautics Ltd.	105	National Mineral Development Corp.
4	Alliance Air (Sub. of Indian Airlines)	55	Hindustan Insecticides Ltd.	106	National Thermal Power Corp.
5	Andhra Bank	56	Hindustan Organic Chemicals Ltd.	107	National Water Development Agency
6	Artificial Limb Manufacturing Co. Ltd.	57	Hindustan Paper Corp.	108	New Delhi Municipal Council
7	Bank of Baroda	58	Hindustan Petroleum Corp. Ltd.	109	New India Insurance Co. Ltd.
8	Bank of India	59	Hindustan Shipyard Ltd.	110	New Mangalore Port Trust
9	Bank of Maharashtra	60	Hindustan Steelworks Construction Ltd.	111	Neyveli Lignite Corp. Ltd.
10	Bharat Bhari Udyog Nigam Ltd.	61	HMT Ltd.	112	North Eastern Electric Power Corp.
11	Bharat Coking Coal Ltd.	62	Housing & Urban Development Corp.	113	Numaligarh Refinery Ltd.
12	Bharat Dynamics Ltd.	63	IBP Balmer Lawrie Group of Companies	114	O/o the Coal Mines Provident Fund
13	Bharat Earth Movers Ltd.	64	IIM, Ahmedabad	115	Oil & Natural Gas Corp.
14	Bharat Electronics Ltd.	65	India Tourism Development Corp.	116	Ordnance Factory Board
15	Bharat Heavy Electricals Ltd.	66	Indian Airlines Ltd.	117	Oriental Bank of Commerce
16	Bharat Petroleum Corp. Ltd.	67	Indian Bank	118	Oriental Insurance Co. Ltd.
17	Bharat Sanchar Nigam Ltd.	68	Indian Council of Medical Research	119	Paradeep Port Trust
18	Burn Standard Co. Ltd.	69	Indian Oil Corp. Ltd.	120	Pawan Hans Helicopters Ltd.
19	Canara Bank	70	Indian Overseas Bank	121	Power Finance Corp. Ltd.
20	Central Bank of India	71	IRCTC	122	Power Grid Corp. of India Ltd.
21	Central Board of Workers Education	72	Indian Rare Earths Ltd.	123	President Secretariat
22	Central Coalfields Ltd.	73	Indian Renewable Energy Development Agency	124	Punjab & Sind Bank
23	Central Electronics Ltd.	74	Indian Telephone Industries Ltd.	125	Punjab National Bank
24	Central Mine Planning & Design Instt. Ltd.	75	Industrial Development Bank of India	126	RITES
25	Central Public Works Department	76	Industrial Investment Bank of India Ltd.	127	Rashtriya Chemicals & Fertilizers Ltd.
26	Chennai Petroleum Corp. Ltd.	77	Instrumentation Ltd.	128	Rashtriya Ispat Nigam Ltd.
27	Chennai Port Trust	78	International Institute for Population Sciences	129	Repatriates Coop. Finance & Development Bank Ltd.
28	Coal India Ltd.	79	IRCON International Ltd.	130	Reserve Bank of India
29	Corporation Bank	80	Jawaharlal Nehru Port Trust	131	Sasastra Seema Bal
30	Cotton Corp. of India	81	Kendriya Vidyalaya Sangathan	132	SIDBI
31	D/o Industrial Policy & Promotion	82	Kochi Port Trust	133	South Eastern Coalfields Ltd.
32	D/o Official Languages	83	Kochi Shipyard Ltd.	134	Sponge Iron India Ltd.
33	Damodar Valley Corp.	84	Kolkata Port Trust	135	State Bank of Bikaner & Jaipur
34	Delhi Metro Rail Corp.	85	Krishak Bharati Cooperative Ltd.	136	State Bank of Hyderabad
35	Delhi Transport Corp.	86	Kudremukh Iron & Ore Co. Ltd.	137	State Bank of India
36	Directorate General of Assam Rifles	87	M.M.T.C. Ltd.	138	State Bank of Indore
37	DOEACC Society	88	M/o Information Technology	139	State Bank of Mysore
38	Dredging Corp. of India Ltd.	89	M/o Railways	140	State Bank of Patiala
39	Eastern Coalfields Ltd.	90	M/o Steel	141	State Bank of Saurashtra
40	Electronics Service Training Centre	91	Madras Fertilizers Ltd.	142	State Bank of Travancore
41	Employees Provident Fund Organisation	92	Mahanagar Telephone Nigam Ltd.	143	State Trading Corp. of India
42	Employees State Insurance Corp.	93	Mazagon Dock Ltd.	144	Steel Authority of India Ltd.
43	Engineers India Ltd.	94	Mishra Dhatu Nigam Ltd.	145	Syndicate Bank
44	Fertilizer Corp. of India	95	Mormugao Port Trust	146	Tuticorin Port Trust
45	Fertilizers & Chemicals Travancore Ltd.	96	Mumbai Port Trust	147	UCO Bank
46	Food Corp. of India	97	National Aluminium Co. Ltd.	148	Union Bank of India
47	Gandhi Smriti & Darshan Samiti	98	National Bank for Agricultural & Rural Development	149	United India Insurance Co. Ltd.
48	Garden Reach Shipbuilders & Engineers	99	National Book Trust	150	Vijaya Bank
49	Gas Authority of India Ltd.	100	National Buildings Const. Corp.	151	Western Coalfields Ltd.
50	General Insurance Corp. of India	101	National Fertilizers Ltd.		
51	Goa Shipyard Ltd.	102	National Housing Bank		

## Annexure-IV

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

S. No.	Name of the organisation	Complaints pending with CVOs for investigation		
		Upto one year	Between one-three years	More than three years
1.	Air India	4	-	-
2.	Airports Authority of India	5	-	-
3.	All India Council of Technical Education	-	1	2
4.	Andaman & Nicobar Admn.	1	1	-
5.	Andhra Bank	2	-	-
6.	Atomic Energy Education Society	-	-	1
7.	Bank of Maharashtra	-	-	2
8.	Bharat Heavy Electricals Ltd.	2	1	-
9.	Bharat Heavy Plates & Vessels Ltd.	1	-	-
10.	Bharat Sanchar Nigam Ltd.	13	1	-
11.	Bharat Wagon & Engineering Co. Ltd.	1	-	-
12.	Border Roads Development Board	1	-	-
13.	Border Security Force	2	-	-
14.	Central Bank of India	1	2	-
15.	Central Board of Direct Taxes	32	20	10
16.	Central Board of Excise & Customs	21	6	-
17.	Central Bureau of Investigation	-	1	-
18.	Central Public Works Department	5	7	-
19.	Central Reserve Police Force	1	-	-
20.	Chandigarh Admn.	1	-	-
21.	Coal India Ltd.	1	-	-
22.	Council for Advancement of Peoples' Action & Rural Technology	1	-	-
23.	Council of Scientific & Industrial Research	2	-	-
24.	D/o Agriculture & Cooperation	1	2	-
25.	D/o Animal Husbandry	-	1	1
26.	D/o AYUSH	-	1	-
27.	D/o Coal	5	1	-
28.	D/o Company Affairs	1	2	-
29.	D/o Culture	-	-	2
30.	D/o Defence Production & Supplies	1	1	-
31.	D/o Economic Affairs	1	1	1
32.	D/o Education	14	4	12

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 Fertilizers	2	1	-
34.	D/o Food Processing Industries	-	-	2
35.	D/o Health	8	6	8
36.	D/o Heavy Industry	-	1	2
37.	D/o Legal Affairs	1	1	-
38.	D/o Mines	2	-	-
39.	D/o Posts	6	5	-
40.	D/o Public Distribution	-	2	-
41.	D/o Revenue	5	-	5
42.	D/o Science & Technology	5	1	-
43.	D/o Shipping	8	-	-
44.	D/o Supply	1	-	-
45.	D/o Telecom	7	3	-
46.	D/o Youth Affairs & Sports	-	1	2
47.	Damodar Valley Corp.	1	3	-
48.	Delhi Development Authority	8	4	3
49.	Delhi Jal Board	2	1	-
50.	Delhi Metro Rail Corp.	1	-	-
51.	Delhi Police	6	2	1
52.	Delhi State Industrial Development Corp.	2	-	1
53.	Delhi Transco Ltd./Indraprastha Power Generation Co. Ltd. (erstwhile DVB)	1	-	-
54.	Delhi Transport Corp.	2	-	-
55.	Employees Provident Fund Organisation	8	3	1
56.	Employees State Insurance Corp.	2	-	-
57.	Fertilizers & Chemicals Travancore Ltd.	1	-	-
58.	Food Corp. of India	8	-	3
59.	Gas Authority of India Ltd.	1	-	-
60.	Govt. of NCT of Delhi	23	14	9
61.	Govt. of Pondicherry	4	3	-
62.	Hindustan Paper Corp.	1	-	-
63.	Hindustan Prefab Ltd.	-	1	-
64.	HUDCO	-	1	-
65.	IIM, Kanpur	-	-	1
66.	IIM, Lucknow	-	-	1
67.	IIT, Mumbai	-	-	1
68.	India Tourism Development Corp.	2	-	-

S. No.	Name of the organisation	Complaints pending with CVOs for investigation		
		Upto one year	Between one-three years	More than three years
69.	India Trade Promotion Organisation	1	-	-
70.	Indian Airlines Ltd.	1	-	-
71.	Indian Bureau of Mines	1	-	-
72.	Indian Council of Philosophical Research	-	-	1
73.	Indian Oil Corp.	2	-	-
74.	Indian Overseas Bank	-	-	1
75.	Indian Railway Catering & Tourism Corp.	1	-	-
76.	Indian Telephone Industries Ltd.	1	-	-
77.	Indira Gandhi National Open University	-	2	-
78.	Industrial Investment Bank of India	-	-	1
79.	Instrumentation Ltd.	1	-	-
80.	Intelligence Bureau	2	-	-
81.	Jawaharlal Nehru University	-	-	1
82.	Life Insurance Corp.	2	2	-
83.	M/o Commerce	1	1	-
84.	M/o Defence	3	5	-
85.	M/o Development of North East Region	-	1	-
86.	M/o Environment & Forests	3	2	5
87.	M/o External Affairs	14	1	-
88.	M/o Finance (Banking Division)	2	-	-
89.	M/o Home Affairs	3	1	1
90.	M/o Information & Broadcasting	4	2	1
91.	M/o Labour	2	-	-
92.	M/o Overseas Indian Affairs	-	1	-
93.	M/o Petroleum & Natural Gas	1	-	-
94.	M/o Power	4	-	-
95.	M/o Railways	11	-	-
96.	M/o Rural Development	1	-	-
97.	M/o Steel	5	1	-
98.	M/o Textiles	10	-	-
99.	M/o Tourism	1	-	-
100.	M/o Tribal Affairs	-	1	1
101.	M/o Urban Development & Poverty Alleviation	8	2	3
102.	Mahanadi Coalfields Ltd.	1	-	-
103.	Mahanagar Telephone Nigam Ltd.	1	1	-
104.	Metal Scrap Trading Corp.	1	-	-
105.	Metallurgical Engineering Consultants of India	1	-	-

S. No.	Name of the organisation	Complaints pending with CVOs for investigation		
		Upto one year	Between one-three years	More than three years
106.	Mineral Exploration Corp.	1	-	-
107.	Minerals & Metals Trading Corp.	1	-	-
108.	Municipal Corp. of Delhi	28	36	-
109.	NAFED	1	-	-
110.	National Aluminium Co. Ltd.	1	-	-
111.	National Bank for Agricultural & Rural Development	1	-	-
112.	National Buildings Construction Corp.	-	-	1
113.	National Fertilizers Ltd.	1	-	-
114.	National Highways Authority of India	3	-	-
115.	National Hydroelectric Power Corp.	1	-	-
116.	National Insurance Co. Ltd.	-	6	-
117.	National Projects Construction Corp.	-	4	1
118.	National Small Scale Industries	1	-	-
119.	New Delhi Municipal Council	2	1	1
120.	New India Assurance Co. Ltd.	2	-	-
121.	Neyveli Lignite Corp.	4	-	-
122.	Numaligarh Refineries Ltd.	1	-	-
123.	Oil & Natural Gas Corp.	2	-	-
124.	Ordnance Factory Board	3	-	-
125.	Oriental Insurance Co. Ltd.	3	-	-
126.	Post Graduate Instt. of Medical Education & Research	-	-	1
127.	Power Grid Corp. of India Ltd.	1	-	-
128.	Prasar Bharati	-	1	-
129.	Punjab National Bank	1	-	-
130.	Rashtriya Chemicals & Fertilizers Ltd.	1	-	-
131.	Rashtriya Ispat Nigam Ltd.	5	-	-
132.	Shipping Corp. of India	5	-	-
133.	South Eastern Coalfields Ltd.	4	-	-
134.	State Bank of Bikaner & Jaipur	2	-	-
135.	State Bank of India	1	1	-
136.	Steel Authority of India Ltd.	6	-	-
137.	UCO Bank	1	1	-
138.	Union Bank	5	2	-
139.	Union Territory of Daman & Diu and Dadra & Nagar Haveli	1	-	-
140.	Unit Trust of India	1	-	-

S. No.	Name of the organisation	Complaints pending with CVOs for investigation		
		Upto one year	Between one-three years	More than three years
141.	United Bank of India	-	-	2
142.	United India Insurance Co. Ltd.	7	1	-
143.	University of Delhi	2	-	-
144.	Vijaya Bank	1	1	-
145.	Western Coalfields Ltd.	4	-	-
	<b>Total</b>	<b>431</b>	<b>183</b>	<b>92</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.	Bank of Maharashtra	1	-
4.	Bureau of Indian Standards	1	-
5.	Central Bank of India	2	-
6.	Central Board of Direct Taxes	15	12
7.	Central Board of Excise & Customs	5	45
8.	Central Bureau of Investigation	-	1
9.	Central Public Works Department	1	1
10.	Chandigarh Admn.	-	2
11.	D/o Commerce	4	-
12.	D/o Economic Affairs	1	1
13.	D/o Revenue	1	-
14.	D/o Telecom	-	5
15.	Damodar Valley Corp.	-	1
16.	Delhi Development Authority	-	1
17.	Delhi Transport Corp.	2	-
18.	Directorate General Foreign Trade	-	1
19.	Food Corp. of India	1	3
20.	Govt. of NCT of Delhi	2	-
21.	Hindustan Vegetable Oils Corp.	-	2
22.	HUDCO	1	-
23.	IBP Balmer Lawrie Group of Companies	5	-
24.	India Tourism Development Corp.	1	-
25.	India Trade Promotion Organisation	-	2
26.	M/o Defence	1	1
27.	M/o Home Affairs	-	4
28.	M/o Information & Broadcasting	1	2
29.	M/o Labour	-	8
30.	M/o Law, Justice & Co. Affairs	-	3
31.	M/o Personnel, PG & Pensions	1	2
32.	M/o Railways	1	-
33.	M/o Shipping	-	1
34.	M/o Urban Development	2	-
35.	Municipal Corp. of Delhi	1	1
36.	National Instt. of Educational Planning & Administration	1	-
37.	National Insurance Co. Ltd.	-	4
38.	National Thermal Power Corp.	4	1
39.	New India Assurance Co. Ltd.	-	1
40.	Nuclear Power Corp.	2	-

S. No.	Name of the Organisation	No. of nominations pending	
		>3 months but <1 year	>1 year
41.	Rashtriya Chemicals & Fertilizers Ltd.	2	-
42.	Salar Jung Museum	1	-
43.	Satluj Jal Vidyut Nigam Ltd.	-	2
44.	UCO Bank	-	2
	<b>Total</b>	<b>62</b>	<b>108</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.	Air India	1	-
2.	Airports Authority of India Ltd.	3	-
3.	All India Instt. of Medical Sciences	5	-
4.	Allahabad Bank	3	-
5.	Andaman & Nicobar Admn.	16	2
6.	Andhra Bank	4	1
7.	Bank of Baroda	2	-
8.	Bank of India	9	-
9.	Bank of Maharashtra	-	1
10.	Betwa River Board	1	-
11.	Bhakra Beas Management Board	1	-
12.	Bharat Coking Coal Ltd.	7	-
13.	Bharat Heavy Electricals Ltd.	1	-
14.	Bharat Petroleum Corp. Ltd.	11	-
15.	Bharat Sanchar Nigam Ltd.	499	100
16.	Borders Road Development Board	5	2
17.	British India Corp. Ltd.	1	-
18.	Bureau of Indian Standards	15	1
19.	Cabinet Secretariat	1	-
20.	Canara Bank	6	-
21.	CCR	1	-
22.	Cement Corp. of India Ltd.	1	-
23.	Central Bank of India	31	1
24.	Central Board of Direct Taxes	99	58
25.	Central Board of Excise & Customs	159	44
26.	Central Bureau of Investigation	7	6
27.	Central Coalfields Ltd.	10	1
28.	Central Council for Research in Yoga, Ayurveda & Siddha	2	-
29.	Central Industrial Security Force	4	4
30.	Central Mine Planning & Design Instt. Ltd.	1	3
31.	Central Public Works Department	25	13
32.	Central Reserve Police Force	6	3
33.	Central Warehousing Corp.	1	-
34.	Chandigarh Admn.	14	8
35.	Chennai Port Trust	4	1
36.	Coal India Ltd.	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
37.	Coffee Board	1	1
38.	Coir Board	1	-
39.	Corporation Bank	2	-
40.	Council for Advancement of Peoples' Action & Rural Technology	4	-
41.	Council of Scientific & Industrial Research	13	8
42.	D/o Agriculture & Cooperation	5	3
43.	D/o Animal Husbandry & Dairying	2	-
44.	D/o Atomic Energy	3	2
45.	D/o AYUSH	4	3
46.	D/o Chemicals & Petrochemicals	5	-
47.	D/o Coal	8	1
48.	D/o Company Affairs	-	5
49.	D/o Consumer Affairs	2	1
50.	D/o Culture	6	2
51.	D/o Economic Affairs	5	1
52.	D/o Education	5	2
53.	D/o Fertilizers	2	-
54.	D/o Food & Public Distribution	5	1
55.	D/o Food Processing Industries	2	-
56.	D/o Health	27	8
57.	D/o Heavy Industry	2	1
58.	D/o Industrial Policy & Promotion	10	2
59.	D/o Legal Affairs	1	1
60.	D/o Mines	1	2
61.	D/o Posts	12	1
62.	D/o Revenue	17	2
63.	D/o Science & Technology	4	4
64.	D/o Shipping	2	4
65.	D/o Space	1	1
66.	D/o Supply	6	2
67.	D/o Telecom	17	31
68.	D/o Youth Affairs & Sports	3	-
69.	Damodar Valley Corp.	3	-
70.	Delhi Development Authority	33	9
71.	Delhi Jal Board	5	7
72.	Delhi State Industrial Development Corp.	3	-
73.	Delhi Transco Ltd./Indraprastha Power Generation Co. Ltd.	1	11
74.	Delhi Transport Corp.	12	4
75.	Dena Bank	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
76.	Eastern Coalfields Ltd.	1	10
77.	Employees Provident Fund Organisation	20	-
78.	Employees State Insurance Corp.	6	-
79.	Engineering Projects India Ltd.	2	-
80.	Engineers India Ltd.	-	1
81.	Export Inspection Council of India	3	-
82.	Food Corp. of India	7	2
83.	Gas Authority of India Ltd.	1	-
84.	General Insurance Corp.	2	4
85.	Govt. of NCT of Delhi	19	29
86.	Govt. of Pondicherry	26	9
87.	Hindustan Antibiotics Ltd.	1	-
88.	Hindustan Fertilizers Corp. Ltd.	-	2
89.	Hindustan Latex Ltd.	2	-
90.	Hindustan Paper Corp. Ltd.	2	1
91.	Hindustan Petroleum Corp. Ltd.	8	35
92.	Hindustan Steelworks Construction Corp.	1	-
93.	Hindustan Vegetable Oil Corp.	2	-
94.	Hindustan Zinc Ltd.	1	-
95.	HMT Ltd.	2	3
96.	Hospital Services Consultancy Corp.	2	-
97.	HUDCO	11	3
98.	IBP Balmer Lawrie Group of Cos.	18	12
99.	India Tourism Development Corp.	6	1
100.	India Trade Promotion Organisation	2	-
101.	Indian Airlines	1	-
102.	Indian Bank	9	-
103.	Indian Council of Agricultural Research	11	1
104.	Indian Drugs & Pharmaceuticals Ltd.	-	3
105.	Indian Oil Corp. Ltd.	13	9
106.	Indian Overseas Bank	2	-
107.	Indian Telephone Industries Ltd.	2	-
108.	Indira Gandhi National Open University	3	-
109.	Industrial Development Bank of India	2	-
110.	Industrial Investment Bank of India	1	1
111.	IRCON Ltd.	1	-
112.	Kendriya Vidyalaya Sangathan	18	1
113.	Khadi & Village Industries Commission	12	7
114.	Kolkata Port Trust	6	-
115.	Lakshdweep Admn.	3	2
116.	Life Insurance Corp. of India	6	29

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
117.	M/o Commerce	15	1
118.	M/o Defence	34	2
119.	M/o Development of North East Region	4	-
120.	M/o Environment & Forests	16	4
121.	M/o External Affairs	8	1
122.	M/o Home Affairs	25	12
123.	M/o Information & Broadcasting	74	36
124.	M/o Information Technology	2	-
125.	M/o Labour	19	2
126.	M/o Personnel, PG & Pensions	23	13
127.	M/o Petroleum & Natural Gas	5	1
128.	M/o Power	4	3
129.	M/o Railways	62	62
130.	M/o Small Scale Industries	3	1
131.	M/o Social Justice & Empowerment	6	-
132.	M/o Steel	2	9
133.	M/o Textiles	10	13
134.	M/o Urban Development & Poverty Alleviation	32	31
135.	M/o Water Resources	16	3
136.	Mahanadi Coalfields Ltd.	2	6
137.	Mahanagar Telephone Nigam Ltd.	29	12
138.	Marine Products Exports Development Authority	1	-
139.	Mazagon Dock Ltd.	-	2
140.	Minerals & Metals Trading Corp. Ltd.	8	5
141.	Mumbai Port Trust	-	3
142.	Municipal Corp. of Delhi	41	12
143.	Nathpa Jhakri Power Corp.	3	-
144.	National Bank for Agricultural & Rural Development	2	-
145.	National Buildings Construction Corp.	7	13
146.	National Cooperative Development Corp.	1	-
147.	National Highways Authority of India	2	-
148.	National Hydroelectric Power Corp. Ltd.	3	-
149.	National Institute of Design	1	-
150.	National Insurance Co. Ltd.	23	5
151.	National Project Construction Corp.	5	-
152.	National Small Industries Corp.	1	-
153.	National Textiles Corp.	1	6
154.	National Thermal Power Corp. Ltd.	-	1
155.	Navodaya Vidyalaya Samiti	6	1

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.	NEPA Ltd.	1	-
157.	New Delhi Municipal Council	1	2
158.	New India Assurance Co. Ltd.	48	5
159.	North Eastern Electric Power Corp. Ltd.	1	1
160.	Northern Coalfields Ltd.	1	-
161.	Nuclear Power Corp. Ltd.	2	-
162.	O/o Comptroller & Auditor General	9	1
163.	O/o Controller General of Defence Accounts	3	3
164.	O/o Development Commissioner Small Scale Industries	4	-
165.	Oil India Ltd.	4	1
166.	Ordnance Factory Board	-	3
167.	Oriental Bank of Commerce	2	1
168.	Oriental Insurance Co. Ltd.	11	-
169.	Pawan Hans Helicopters Ltd.	2	-
170.	Planning Commission	1	-
171.	Post Graduate Instt. of Medical Education & Research	4	-
172.	Power Finance Corp.	1	-
173.	Punjab National Bank	3	-
174.	Pyrites, Phosphates & Chemicals Ltd.	-	3
175.	rites Ltd.	1	-
176.	Sasastra Seema Bal	1	1
177.	Securities & Exchange Board of India	-	1
178.	South Eastern Coalfields Ltd.	1	1
179.	Sponge Iron India Ltd.	1	-
180.	Sports Authority of India	4	2
181.	Staff Selection Commission	2	-
182.	State Bank of Bikaner & Jaipur	7	-
183.	State Bank of Hyderabad	20	1
184.	State Bank of India	25	2
185.	State Bank of Indore	1	1
186.	State Bank of Patiala	3	1
187.	State Bank of Saurashtra	3	1
188.	State Trading Corp. of India	1	-
189.	Steel Authority of India Ltd.	1	-
190.	Syndicate Bank	1	-
191.	Tata Memorial Centre	-	1
192.	Tea Trading Corp. of India Ltd.	-	1
193.	Tribal Cooperative Marketing Federation	4	2
194.	Triveni Structurals Ltd.	1	-

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
195.	UCO Bank	10	18
196.	Union Bank of India	1	-
197.	Union Territory of Daman & Diu and Dadra & Nagar Haveli	30	10
198.	United Bank of India	10	-
199.	United India Insurance Co. Ltd.	18	-
200.	Visakhapatnam Port Trust	2	1
201.	Western Coalfields Ltd.	1	5
	<b>Total</b>	<b>2174</b>	<b>863</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.	CONCOR	I/E of concrete pavement drainage, cable trench, box culvert etc. at ICD/Dadri, Distt. Gautam Budh Nagar, NOIDA	Minor PP	3 officers
2.	NBCC	I/E of the work of Longowal Instt. Punjab Phase-II	Minor PP	2 officers
3.	DDA	I/E of the work of strengthening of the existing 2 lane carriage way constructing additional 4 lane, service road, footpath, drainage, X-drainage work and fixing kerb stone, constructing bridges, culverts etc. Group-1, Phase-I at Dwarka Project, New Delhi	Major PP	2 officers
4.	ITDC	Investigation in r/o paras 8.5 and 9.2 relating to intensive examination of the work of external development at Kanake Dam, Ranchi	Major PP	1 officer
5.	WCL	I/E of industrial road i.e. widening and strengthening of existing road from Parasia to Chinda at Punch area	Minor PP	2 officers
6.	NPCIL	I/E report on procurement of fire protection system and portable fire extinguishers by NPCIL	Minor PP	5 officers
7.	D/o Fertilizers	Irregularities in procurement of Urea Handling System by BVFCL	Major PP Minor PP	3 officers 1 officer
8.	DDA	I/E of the work of 526 SFS Houses using hollow block masonry including internal water supply, sanitary and electrical installation along with internal development in Pocket-1, Sector-18, Rohini	Major PP	1 officer
9.	CWC	Complaint against Executive Engineer & others regarding the construction of CFS yard, Visakhapatnam	Minor PP	2 officers

<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>
10.	Visakhapatnam Port Trust	I/E of work Design, Supply, Installation, Testing & Commissioning of 4 nos. 20 Ton capacity ELL Wharf Cranes at EQ-7 Berth-reg.	Major PP	2 officers