

# VIGILANCE MANUAL-2012 COMPENDIUM OF CIRCULARS

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## CHAPTER-2

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1.3.4.1 ***Jurisdiction:*** Clause 8(1)(g) of the CVC Act requires the Commission to tender advice to the Central Government, corporations established by or under any Central Act, Government companies, societies and local authorities owned or controlled by the Central Government on such matters as may be referred to it by that Government, said Government companies, societies and local authorities owned or controlled by the Central Government or otherwise. Thus, the types of cases to be referred to the Commission for advice, and also the status of officers against whom the cases would be referred to the Commission, may require a notification by the Government in the rules to be framed under the Act or through administrative instructions on the recommendation made by the Commission. However, till such time the instructions are notified, the Commission would continue to advise on ***vigilance cases*** against following categories of employees:

- (a) Group 'A' officers of the Central Government;
- (b) Members of All India Services if misconduct was committed while serving in connection with the Affairs of the Union; or if the State Govt. proposes to impose a penalty of dismissal, removal or compulsory retirement for the misconduct committed by him while serving in connection with the affairs of that State Government;
- (c) Executives holding top positions up to two levels below the Board-level in the public sector undertakings;
- (d) Officers in Scale-V and above in the public sector banks;
- (e) Officers of the rank of Assistant Manager and above in the insurance sector (covered by LIC and GIC); and
- (f) Officers drawing basic pay of Rs.8700 and above in autonomous bodies/local authorities/societies etc.

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## **JURISDICTION OF CVC**

The Commission's jurisdiction is co-terminus with the executive powers of the Union. It can undertake any inquiry into any transaction in which a public servant is suspected or alleged to have acted for an improper or corrupt purpose; or cause such an inquiry or investigation to be made into any complaint of corruption, gross negligence, misconduct, recklessness, lack of integrity or other kinds of malpractices or misdemeanours on the part of a public servant. The Commission tenders appropriate advice to the concerned disciplinary authorities in all such matters.

Prior to 27th October, 1986, the CVC had the jurisdiction over employees of PSEs who were then placed in pay scales whose minimum was not less than Rs. 1800/- p.m. The Government decided on 27.10.86 that vigilance cases of only Board-level appointees of PSEs need be referred to the CVC for advice as they were appointed by the Government. As regards others, no reference ordinarily need be made to the CVC as the responsibility for initiating disciplinary proceedings against them rests either with the Board of Directors or an authority subordinate to it. This position was reviewed in consultation with PSEs and it was decided that as decision-making in most of the PSEs is related to two levels - below the Board level, the CVC's jurisdiction may be restricted, to begin with, only to that level. Therefore, cases involving vigilance angle in respect of all employees two levels below the Board level may not ordinarily be referred to the Commission.

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No.000/VGL/187  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 8<sup>th</sup> January, 2004

**Office Order No. 2/1/04**

To  
All CVOs of Public Sector Enterprises

**Subject:- Obtaining Commission's advice in composite cases.**

Sir,

Para 16.2 of Special Chapter on Vigilance Management in Public Sector Enterprises provides that if an employee of a PSU involved in a case, falls within the Commission's jurisdiction, latter's advice would be required and any decision of the disciplinary authority at this juncture may be treated as tentative. Such a reference would be required to be made even in respect of an officer/staff who are not within the Commission's jurisdiction if they are involved alongwith other officers who are within the jurisdiction of the Commission, as the case would than become a composite case and falls within the Commission's jurisdiction.

2. However, it has been observed by the Commission that a number of organisations are not following this procedure and de-linking the suspected employees in a composite case. This is not in consonance with the Commission's directives. The Commission again reiterates that a composite case should be processed as 'one' and action against every individual employee should be taken only on Commission's advice, even if there is only one official who comes within Commission's jurisdiction.

Yours faithfully,  
Sd/-  
(Anjana Dube)  
Deputy Secretary



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No.006/PRC/1  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 6<sup>th</sup> August, 2009

Circular No.21/8/09

**Subject:** References to the Commission for first stage advice – procedure regarding.

**Reference:** (i) Commission's circular No.NZ/PRC/1 dated 26.2.2004;  
(ii) Commission's circular No.NZ/PRC/1 dated 9.5.2005;  
(iii) Commission's circular No. 006/PRC/1 dated 13.3.2006; and  
(iv) Commission's circular No.006/PRC/1 dated 1.12.2008

The Commission receives preliminary inquiry reports from the Chief Vigilance Officers (CVOs) of Departments/Organisations, seeking the first stage advice. Reports for similar action also emanate from the CVOs in response to the Commission's directions for investigation issued u/s 8(1)(d) of the CVC Act, 2003. However, these reports are often found lacking in cogent analysis of misconduct or allegations, evidence on record and the recommendation of line of action. The supporting documents catered are also very often disjointed, casually arranged or unduly bulky, making the examination cumbersome and leading to protracted correspondence and delays.

2. With a view to improving the quality and focus of these investigation reports, the Commission has devised a new reporting format. Accordingly, it is directed that henceforth, a vigilance report should broadly conform to the parameters specified in Annexure A. Further, as the Commission lays utmost emphasis on facts, evidence and recommendations made by the CVOs, an investigation report should invariably be accompanied by an Assurance Memorandum (Annexure B) signed by the CVO, taking due responsibility and giving assurance of a comprehensive application of mind while submitting the report.

3. In supercession, therefore, of earlier instructions of the Commission on submission of investigation reports, the following instructions should be followed scrupulously while seeking the first stage advice:

- (i) All vigilance reports of the CVOs should conform to the parameters prescribed in **Annexure-A**.
- (ii) They would be accompanied by an Assurance Memo, in the form of **Annexure-B**.

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- (iii) Bio-data of suspect officials, figuring in the investigation reports, should be enclosed as per the format provided at **Annexure-C**.
- (iv) Tabular statements, as prescribed vide the Commission's circular dated 1.12.2008, shall continue and be kept objective and precise.
- (v) Draft charge-sheets and imputation of charge in respect of suspect officials where disciplinary action, such as major penalty or minor penalty proceedings, is proposed, would accompany the investigation reports.

4. The CVOs would ensure that all documents/exhibits, constituting the basic evidence for the charge, are systematically identified and arranged. Superfluous and voluminous documents, with little or no relevance to the misconduct under examination, should be retained at the CVOs' end. In case any additional material or evidence is required, it can always be recalled by the Commission before an advice is tendered.

5. The aforesaid reporting procedure would become operative with immediate effect.

  
6/8/09  
(Shalini Darbari)  
Director

**All Chief Vigilance Officers**

**Encl: As proposed.**



**Vigilance Report**

**Title of the report**

**1. Source**

- Background of the report – whether based on source information, complaint referred to by the CVC, CTE/CTE type inspection or direct enquiry.

**2. Gist of allegations**

**3. Facts**

- The relevant facts relating to the issue under examination should be presented in chronological or activity-wise sequence.
- Each fact should be supported by documentary evidence (other forms of evidence may also be presented) denoted as E1, E2, and E3 etc. Since the facts occur in chronological order, the evidence E1, E2, E3, etc., should necessarily be arranged under the report in the same order, thus making it easier for reference.
- While annexing the evidence, the relevant portion of the document should be highlighted and annexed. For example, the evidence for educational qualifications for promotion should consist of the Xerox copy of only the clause prescribing the qualifications and not the whole 20 pages of the promotion policy.
- There may be several issues in a report which may be conveniently arranged as different paras viz. 2.1, 2.2 etc.
- All relevant facts needed to support the observations/conclusion should be gathered and presented. Irrelevant facts, bearing no consequence on the issues under inquiry should be avoided.
- Evidence presented should be credible and adequate.

**4. Observations**

- Ordinarily, observations are logical deductions arrived at through a set of facts. They are in the nature of objections or anomalies observed with reference to the gathered facts. There may be several observations arising out of the analysis of facts.

- Observations are also arrived at by evaluating the facts against certain criteria viz. rules, regulations, policies, procedures, norms, good practices or normative principles. Evidence of these criteria (extracts of rules, procedures, etc.) should also be presented as E1, E2, etc.

#### **5. Response of the officials concerned**

- It is necessary to elicit the reasons and clarifications of the management or the officers concerned for the anomalies pointed out in the observations. Every deviation from rules or procedure cannot be attributed to a malafide/corrupt intent. There may be situations where it may be difficult to achieve the objectives of a task by strictly abiding by the rules. Rules may be circumvented, while expediting the work or in the larger interest of the work, with good intentions. It is, therefore, essential for Vigilance to distinguish between acts of omission and acts of commission. Therefore, obtaining the response of the officers concerned is essential in order to arrive at an objective conclusion.
- Response of the management is also necessary in order to clarify differences in interpretation or an understanding of the issues between vigilance and the management.

#### **6. Counter to the response**

- In order to sustain the observations made by Vigilance, it is necessary to counter the defence given by the management/officers concerned with facts and supporting evidence. It should be clearly and convincingly brought out why the explanation given by the management is not tenable.

#### **7. Conclusion**

- Conclusion is the logical summation of the observations. The observations denoting various counts of irregularity, lapses or impropriety should finally lead to a logical conclusion on whether the case involves commission of irregularity/impropriety with the intention of corruption.
- Undue favour given to a party or obtained for self and its adverse impact on the government or the citizens in terms of



additional cost, poor quality or delayed service should be clearly highlighted.

#### **8. Responsibility of officials**

- Having determined the vigilance angle in the case, the next step is to fix the accountability of the individuals involved in the misconduct. Name of officers should be clearly stated in this para.
- The role of each officer should be judged with reference to his prescribed charter of duties. In case the tender committee is responsible for the misconduct then, as far as possible, all members should be equally and collectively held responsible.
- Comments of Disciplinary Authority should invariably be included.

#### **9. Recommendation for action**

- Recommendation for closure of the case in case there is no discernable vigilance angle or criminal misconduct, should be clearly spelt out.
- Bio-data of the officials reported against in the investigation report should be included in the given format.

#### **10. Recommendation for systemic improvement**

- Punitive action on detection of corruption does not by itself lead to a logical conclusion unless it is able to prevent recurrence of the lapse. Any fraud, corruption, irregularity or impropriety indicates a failure of control mechanism or gaps in systems and procedures. Therefore, each case throws up an opportunity to identify these control failures and suggest ways of plugging them to prevent recurrence of the lapse. Therefore, at the end of the report the CVO should also try to recommend systemic improvements in order to prevent the risk of a recurrence of the lapse/misconduct.

**ASSURANCE MEMO**

This is to provide reasonable assurance to the Commission:

- (a) That all necessary facts and relevant evidence have been gathered.
- (b) That all facts and supporting evidence have been duly verified.
- (c) That contested evidence, if any, have been conclusively handled with reference to the facts at the disposal of Vigilance.

Chief Vigilance Officer

**Format of Bio-Data of officer(s) against whom Commission's advice is sought**

**(To be incorporated in the Vigilance Report of the CVO)**

1. Name of the officer :
2. Designation  
(a) At present :  
(b) At the time of alleged misconduct :
3. Service to which belongs :  
(Cadre and year of allotment in case of officers of the organized/All India Services)
4. Date of birth :
5. Date of superannuation :
6. Level/group of the present post and pay scale :
7. Date of suspension [if under suspension] :
8. Disciplinary Rules applicable to the officer :

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No.004/VGL/3  
GOVERNMENT OF INDIA  
CENTRAL VIGILANCE COMMISSION

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Satarkata Bhawan, A, Block,  
GPO Complex, INA,  
New Delhi-1100 23.  
Dtd:19<sup>th</sup> February, 2004

**Office Order No.11/02/04**

To,

- (1) All Secretaries to the GOI.
- (2) Chief Executives of all PSUs/Banks/Orgn.
- (3) All CVOs
- (4) Dy. Secy.(AVD.III), DOPT

**SUB: Commission's advice in cases not having vigilance angle.**

Sir,

The Commission has observed that the Deptts./Ministries are not properly interpreting and appreciating the advice of the Commission that "there is no vigilance angle to the alleged lapses and the Department may take appropriate action in the matter".

2. The Cases where the lapses are not having vigilance angle, it does not automatically mean that no disciplinary proceedings have to be taken. In such cases the disciplinary authority may take appropriate action under the Conduct and Disciplinary Rules and the matter need not be referred to the Commission again for consultation.

Yours faithfully,  
Sd/-  
(Anjana Dube)  
Deputy Secretary



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**RBV No. 02/2007**

**GOVERNMENT OF INDIA  
MINISTRY OF RAILWAYS  
RAILWAY BOARD**

No. 2007/V-1/CVC/1/1 New Delhi, dated , March 12 ,2007

**The General Managers,**

CR, ER, ECR, ECOR, NR, NCR, NER, NFR, NWR, SR, SCR, SER, SECR, SWR, WR, WCR, CLW, DLW, ICF, RCF, RWF, CORE, METRO & NF (Constn.)

**The General Managers(Vigilance)**

All Zonal Railways

**Managing Directors**

ITES, IRCON, KRC Ltd. CONCOR, IRFC, MRVC, **IRCTC,**

**RAILTEL, CRIS, RVNL and IRWO.**

**Director General**

RDSO/LKO and RSCBRC

**The Directors,**

IRICEN, IRISER & IRITM. IRIEEN, IRIMEE ,CCRS/LKO

**The Chief Vigilance Officers**

PUs/PSUs, RDSO, METRO, CORE

**Sub:- Mandatory consultation with CVC for its second stage advice.**

Attention is invited to Para 513 of the Indian Railways Vigilance Manual-2006, laying down that CVC's second stage advice is mandatory in all cases (including composite cases) where its first stage advice has been sought. This was reiterated earlier also vide Board's letter No. 2006/V- 1/CVC/1/8 dated 24-07-2006.

2. The CVC has expressed its concern, during the meeting held with it on 06-03-2007, pointing out that in a number of cases the respective Disciplinary Authorities(DAs) have passed final speaking orders, and issued notices imposing penalty (NIP) without referring the case back to the CVC with their provisional decision for CVC's second stage advice, in utter disregard of the prescribed procedure.

3. In case DAs differ with the second stage advice of CVC, after considering the defence of CO on the Inquiry Report and disagreement memo, if any, they are required to send the case back to vigilance along with a detailed note giving reasons for their decision (which will be treated as a provisional decision) for sending it further to CVC for its reconsideration. When the difference of opinion persists despite reconsideration, DA will finally take a decision duly recording reasons for disagreement with the CVC's advice. However, such cases of disagreement may be included by CVC in its Annual Report, which is placed on the floor of both Houses of Parliament, and can be discussed by Hon'ble MPs.

4. These instructions should be brought to the notice of all concerned with the directions that the same are scrupulously followed to avoid adverse comments from the CVC. Cases of non-adherence of these instructions shall be viewed seriously.

**(Sanjay Goel)**  
**Director Vigilance (M)**  
**Railway Board**

Copy to:- All Officers and the Branches of Vigilance Directorate.

(\*8)

No.372/19/2011-AVD-III(Pt.1)

**Government of India**  
**Ministry of Personnel, Public Grievances & Pensions**  
**Department of Personnel & Training**  
New Delhi the 26111 September, 2011.

**OFFICE MEMORANDUM**

**Subject: Dispensing with second stage consultation with the CVC in disciplinary cases.**

The Government had constituted a Group of Ministers (GoM), on 6 th January, 2011 with the approval of the Prime Minister to consider measures that can be taken by the Government to tackle corruption. One of the terms of reference (ToR) of the GoM was to consider and advise on "*Fast tracking of all cases of public servants accused of corruption*". The GoM, while considering this (ToR) also considered certain important recommendations of the Hota Committee (*Committee of Experts to review the procedure of Disciplinary/Vigilance Inquiries and recommended measures for their expeditious disposal*) and decided that second stage consultation with CVC in disciplinary matters may be dispensed with. However, in those cases where consultation with UPSC is not required as per extant rules/instructions, the second stage consultation with CVC should continue.

The above recommendation of the GoM has been accepted by the Government with the approval of the Prime Minister. All Ministries/Departments are, therefore, advised to strictly adhere to the new procedure with immediate effect.

The Central Vigilance Commission has been separately requested to amend its Vigilance Manual and other relevant instructions accordingly.

(V.M. Rathntil)  
Deputy Secretary to the Government of India  
Tel. No. 011-23094637

To

1. All Ministries/Departments as per standard list.
  2. Central Bureau of Investigation, CGO Complex, New Delhi.
  3. Prime Minister's Office, South Block, New Delhi.
- "NIC, DoP&T for uploading on the website of the Department.

Copy to:-

1. Central Vigilance Commission, Satarkata Bhawan, New Delhi.

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**Para 508 of Railway Vigilance Manual.**

By and large, the recommendations made by the Zonal Railways and Board are agreed to by the CVC. In such cases, the CVC's advice is conveyed to the Railway/PU concerned for further necessary action. However, there may be cases where there is a difference of opinion between the Board and the CVC. In such cases, where the CVC's advice is at variance with Board's recommendations, the following two courses of action are available:-

- (a) to accept the Commission's advice with the approval of the concerned Board Member; or
- (b) refer the case back to the Commission seeking reconsideration of the advice. Such a course of action also requires the approval of the concerned Board Member and must be accompanied by detailed reasons why Commission's advice cannot be accepted and needs reconsideration.

(\*10)

No.006/VGL/ 098  
Government of India  
Central Vigilance Commission

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Satarkta Bhawan, Block –A,  
GPO Complex,  
INA, NEW DELHI-110 023.  
New Delhi, the 10<sup>th</sup> October, 2006

**Circular No.39/10/06**

**Subject: Difference of opinion with CVC's advice regarding quantum of penalty, etc.**

Reference is invited to the Department of Personnel & Training O.M. No. 134/2/95-AVD-I dated 13.6.1995 and the earlier instructions contained in Department of Personnel & Administrative Reforms O.M. No.118/2/78-AVD-I dated 28.9.78 on the above subject.

The Commission has observed that in a number of cases of disagreement with the Commission's advice, the Commission has not been informed about the reasons for disagreement or whether a reference to the DOPT, as required under the above instructions, was made. The CVOs are, therefore, directed to ensure that before it is finally decided to disagree with the Commission's advice on further action on a complaint or on an investigation report, or in a vigilance case, reference is made to the Department of Personnel in respect of all such cases, where the appointing authority is the President or the disagreement is due to UPSC's advice.

The CVOs may please note these instructions for strict compliance. They should also ensure that wherever it has been finally decided to disagree with the Commission's advice, reasons for the same are communicated to the Commission along with a final order in the case, to enable the Commission to decide about inclusion of the case in its Annual Report.

SD/-  
(V.KANNAN)  
DIRECTOR

All Chief Vigilance Officers

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**Para 511 of Railway Vigilance Manual**

**Procedure for obtaining CVC's first stage advice in cases relating to CBI's request for prosecution:**

511.1 In established cases of demand and acceptance of bribes and possession of assets disproportionate to known sources of income, the CBI, by and large, recommend that the charged official should be prosecuted. As per extant procedure, the comments on the CBI's report are to be furnished to CVC in the case of Presidential appointees, i.e. Group A officers, within one month of receipt, failing which the CVC is at liberty to furnish its advice without waiting for the comments. As soon as CBI's report is received, the comments of the Zonal Railway Vigilance, along with the General Manager's views must be obtained within a period of 15 days so that the case may be processed for reference to CVC within the specified time limit. If, due to non receipt of relevant documents from CBI, or for any other reason, it is not possible to adhere to the schedule, the CVC must be kept informed so that the Commission does not furnish its advice unilaterally.

511.2 On receipt of the CVC's advice, the same will be considered and a decision taken whether or not to sanction prosecution. In the event there is a disagreement between Board, the CBI and CVC, the case may be referred back to CVC for reconsideration after obtaining the approval of the concerned Board Member. Before CVC gives its reconsidered advice, it may call for a tripartite meeting to help resolve areas of disagreement. On receipt of the CVC's reconsidered advice, if disagreement still persists, the matter is referred to the Department of Personnel and Training which will submit the case to the Minister in charge of Personnel for a final decision. The sanction of prosecution is within the competence of MR.

511.3 In cases where CBI recommends prosecution of non Presidential appointees (Group B officers and non ga zatted officials) the cases are to be processed by the competent administrative authorities and will not be referred to CVC, except in cases of disagreement, in which case the procedure as brought out in 511.2 above will be followed. The sanction of prosecution of Group B Officers is within the competence of concerned Board Member (Secretary to the Govt. of India).

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No. 000/VGL/18  
Government of India  
Central Vigilance Commission

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Satarkta Bhavan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 27<sup>th</sup> February 2004

**Office Order No. 13/02/04**

To

All Chief Vigilance officers of Ministries / Departments / autonomous organisations and societies.

**Sub: Delay in finalising of Vigilance cases.**

Sir/Madam,

The Commission has observed that a large number of departmental inquiries remain pending with the disciplinary authorities for long periods. The Commission has laid down the time limits in conducting investigations and departmental inquiries vide instruction No. 000/VGL/18 dt. 23.5.2000 and dated 3.3.2003. However, it is seen that these time limits are not adhered to by various organisations and there is no mechanism to monitor the progress made in the inquiries.

2. It has come to notice of the Commission, that one of the PSUs has formed a vigilance committee consisting of Director (P), Director (OP) and CVO to monitor the progress of the departmental inquiries. This committee reviews the progress of the departmental inquiries quarterly.

3. The Commission suggests that similar type of system should be adopted in other organisations, suited to their requirement, to monitor the progress made in departmental inquiries and check delays in completion of inquiries.

4. Action taken in this regard may be intimated.

Yours faithfully,  
Sd/-  
(Anjana Dube)  
Deputy Secretary

(\*13)

**RBV No.01/2009  
Government of India  
Ministry of Railways  
(Railway Board)**

No. 2009/V-1/CVC/1/1 New Delhi, dated January 20, 2009

**The General Managers (P)**

All Indian Railways, PUs, CORE & METRO.

**Chief Administrative Officers**

DLMW, COFMOW

**Director General**

RDSO & RSC

**The General Managers (Vigilance)**

All Indian Railways, PUs & CORE

**Chief Vigilance Officers**

RDSO & METRO

**Sub: Time limit for referring the cases to CVC for its advice in cases relating to officers on the verge of retirement.**

A case has come to the notice of the Board in which the investigation report and comments of the administrative authority (ies) thereon were sent to the CVC for its advice only a day prior to the retirement of one of the officials involved in the case.

2. The CVC have taken the delay in submission of the case seriously. Accordingly, apart from fixing responsibilities for the delay in the case, CVC have desired that the cases involving officials on the verge of retirement should be referred to the Commission at least three months prior to their retirement. Thus, Zonal Railways/Units should send such cases to Board Vigilance at least six months prior to the date of retirement so that CVC's directives can be complied with. Such cases should be clearly superscribed 'Retirement Case' followed by name, designation and date of retirement of Suspected Public Servant.

3. It may be ensured by all concerned that the CVC's directive in the matter is followed scrupulously in all cases, in future.

DA/Nil.

**(Sanjay Goel)  
Director Vigilance (M)  
Railway Board**

No. 2009/V-1/CVC/1/1 New Delhi, dated January 20, 2009

Copy to :- The Secretary, Central Vigilance Commission, Satarkata

Bhawan, GPO Complex, Block 'A', INA, New Delhi-21 – for

information w.r.t. their I.D. No. 0083/RLY/76/25020 dated 31.10.2008.

**(Sanjay Goel)  
Director Vigilance (M)  
Railway Board**



(\*14)

No.006/VGL/ 065  
Government of India  
Central Vigilance Commission

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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi-110 023  
Dated the 6<sup>th</sup> July, 2006

**Circular No.25/7/06**

**Sub: Vigilance Administration – Role of CVO- regarding.**

The Commission has issued a number of instructions on different aspects of vigilance administration and the CVO's role in the same. During the Annual Zonal Meetings and interactive sessions with the CVOs, a number of issues were raised on most subjects, on which, though already instructions exist, the Commission has felt the need to reiterate/clarify and focus on some of the select issues raised in these meetings. Accordingly, the following guidelines are laid down:-

**i) Complaints.**

Meaningful and prompt investigation of complaints with desired follow up action is an important aspect of effective vigilance administration. Inordinate delay in investigation of the complaint sent by the Commission for investigation and report, reflects poorly on the performance of the CVO. Therefore, complaints need to be attended to promptly. Any anonymous complaint sent by the Commission for investigation, needs to be treated as source information and duly investigated, and report sent to the Commission.

It is also seen that in many a case, the complainant is not able to clearly articulate his allegations. In such cases, the CVO should contact the complainant for such additional information/clarification that the complainant could provide so that investigation, if need be, could be undertaken on serious allegations, in a focused manner. Further, wherever the complainant is addressed either for verification or for additional information, in order to avoid delay, the CVO should simultaneously call for the records of the case, scrutinize the same in the light of the allegations made, and take necessary action.

The Commission's prior approval is necessary to take up any anonymous/pseudonymous complaint for investigation. Even though such complaints apparently contain verifiable information, the CVO is expected to conduct a preliminary enquiry and if it is considered that a detailed investigation is called for, then the Commission should be approached for seeking its approval.

While complaints against Board level officials are within the purview of the administrative Ministry's CVO, if it is referred to the CVO of the organisation under the Ministry, he should gather all factual information and submit the same to the Ministry's CVO. He is not required to make analysis or draw conclusions. A copy of his report, whenever called by the Ministry CVO should be sent to the Commission for information. It is also reiterated that no vigilance complaint against any official under the Commission's jurisdiction should be closed without the prior approval of the Commission.

On receipt of any complaint containing allegations against any tender in process, the tender process need not be stopped. However, the allegations should be brought to the notice of the competent authority, including the purchase committee, tender committee, negotiation committee, etc, and the complaint should be taken up for investigation independently.

It should be borne in mind that if a CVO fails to notice a serious irregularity or to take necessary follow up action, and if such an irregularity is unearthed on investigation of a complaint received by the Commission, it would reflect poorly on the performance of the CVO, and he would need to explain in this regard.

#### ii) Consultation with CVOs.

The CVO has an important role in effective vigilance administration and functions as an extension of the Commission. While the Commission's jurisdiction is confined to Group 'A' officers and other officials of and above the level notified, and the Commission's advice is only to the Disciplinary Authority, there is no such restriction on the CVOs. They are required to be consulted by the Disciplinary Authority/Appellate Authority, irrespective of the level of officers involved. Wherever the Appellate Authority has disagreed with the Commission's advice, which was accepted by the Disciplinary Authority, the CVOs should scrutinise the matter carefully to take up the matter with the reviewing authority and also report such cases to the Commission. In respect of officials not under the jurisdiction of the Commission, where the Disciplinary Authority has disagreed with the CVO's advice, such cases should be specifically brought to the notice of the Board.

While CVOs may be consulted by the management in formulating a policy, to provide for necessary checks and balances as a preventive vigilance measure, they should not get involved in decisions in individual cases like works/procurement, etc, having financial implications.

The Commission further directs that the CVOs should not be given any operational duties. If any such duty with financial implications is assigned to him, the CVO should promptly bring it to the notice of the Commission for its intervention.

#### iii) Review of Vigilance work by Board

The Commission's instructions vide No.98/VGL/51 dated 9/12/2003 requires that the Board of Directors review the Vigilance Work in the organisation and the CVO should send a copy of such review to the Commission. It has been observed that in a number of organisations, the CVOs are not invited to the Board Meeting. In the absence of the CVO, the review of the vigilance work by the Board would not be meaningful. The Commission has, therefore, decided that the CMDs/CEOs should ensure that the CVO of the organisation is invited and remains present at the time of the review of vigilance work by the Board.

#### iv) Monthly/Quarterly/Annual Report of the CVOs

The CVOs should take utmost care in sending the monthly report, which enables the Commission to assess their performance. They can attach additional sheets if they want to bring any special vigilance related issue to the notice of the Commission. A statement should also be enclosed along with the monthly report giving details of complaints/vigilance cases relating to officials falling under the Commission's jurisdiction, which are pending for more than a year, giving reasons for delay.

The QPR should contain details of all projects and progress relating thereto and the CVO would be responsible for its accuracy. As the annual reports of CVOs form the

basis for certain incorporations in the Commission's Annual Report, the CVOs should ensure that their Annual Reports are sent positively by 31<sup>st</sup> January of the year following the completed calendar year.

v) Reference to the Commission

The Commission has issued detailed instructions regarding the manner of seeking the advice of the Commission. The CVOs should invariably ensure that the reference to the Commission for seeking first stage/second stage advice is made along with the views of the Disciplinary Authority, etc. However, in respect of such officials where the President is the Disciplinary Authority, the case could be referred to the Commission for seeking first stage advice with the views of the Secretary of the concerned administrative department.

vi) Disciplinary Cases

The CVOs should ensure that charge-sheets are carefully drafted covering all lapses. It is seen that in some CBI cases, there is delay in obtaining the documents. It should be ensured that the listed documents are obtained from the CBI before issuing the chargesheet and, where parallel proceedings are to be initiated, a set of listed documents, duly certified, is obtained from the CBI.

vii) Irregularities in Recruitment:

The Commission has been seriously concerned with certain instances of irregularities in recruitment. Every organisation is expected to have a recruitment policy and proper recruitment rules in keeping with the guidelines of the GOI. The CVOs should monitor and take up for necessary action, any case of recruitment in violation of the laid down rules and procedures, and wherever necessary, report the matter to the Commission.

(V.Kannan)  
Director

To  
All CVOs  
All CMDs/CEOs

(\*15)

No.010NGU012  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A'  
GPO Complex, INA,  
New Delhi- 110023  
Dated the 5th March 2010

**Office Order No. 12/03/10**

**Subject: Monthly/Quarterly structured meetings for review of vigilance work - reg.**

The Vigilance Manual Volume-I (6th edition) vide Para 2.16.2 provides for review of vigilance work in an organisation to be taken by the Secretary of the Ministry/ Department or the Chief Executive of the Organisation. The Commission has been emphasising on the need for a structured regular and continuous review of the vigilance work in every Organisation/Department. During the Annual Zonal Review Meetings held with the CVOs, it has been observed that even though some organisations have been undertaking such reviews, the same is not institutionalised and carried out on uniform pattern.

2. Commission would, therefore, advise that all Organisations/Departments need to hold regular meetings for review of vigilance work/activities either on a monthly or quarterly basis in a structured manner between the CVO and the Chief Executive in the organisations and between the CVO and Secretary of the Ministries/Departments. Minutes of such review meetings held are to be drawn up with actionable points. CVOs of all organisations would report the status of such monthly/quarterly review held in their monthly reports to the Commission.

*Sd/-*  
**(Vineet Mathur)**  
**.Director**

To

- (i) All Secretaries of Ministries/Departments
- (ii) All CMDs of CPSUs/Public Sector Banks/Insurance Companies
- (iii) All CVOs of Ministries/Departments
- (iv) All CVOs of CPSUs/Public Sector Banks/Insurance Companies

(\*16)

No. 98/VGL/25  
Government of India  
Central Vigilance Commission  
(CTE's Organisation)

Satarkata Bhavan, Block A  
4<sup>th</sup> Floor, GPO Complex,  
INA, New Delhi 110 023  
Dated : 20<sup>th</sup> October, 1998

**Office Memorandum**

Sub : Examination of works by the Chief Technical Examiners' Organisation - raising monetary limit for reporting the works in progress to Chief Technical Examiners.

1. Please refer to the Commission's O.M. No. 7AA-VGL-10 dated 22.7.1996 requiring submission of quarterly progress reports (QPRs) to the CTE's Organisation in respect of Civil Works costing more than Rs. 70 lakhs, Electrical Works costing more than Rs. 10 lakhs and Horticulture works costing more than Rs. 1 lakh.

2. In view of the rise in the cost indices for construction of building and the related materials, the Commission has been considering to raise the monetary limit of the works to be reported by the Organisations to the CTEs. It has been decided that henceforth all the Organisations may include only those works in the returns to be submitted to the CTE's Organisation whose accepted/tender value exceeds Rs. 1 crore for Civil works, Rs. 15 lakhs for Electrical Works and Rs. 2 lakhs for Horticulture work. The works whose accepted/tendered value is less than these limits need not be included in the returns.

3. While submitting the returns to the CTE's Organisation, the following points may be kept in mind:

- a) The cost of the work relates to the accepted/tendered value of the work and not the estimated cost.
- b) If the work has been entrusted by one Ministry/Deptt./Undertaking of the Central Govt. for execution it may be included in the return to be submitted by the executing Organisation.
- c) The return should be submitted only in the prescribed form circulated vide Commission's letter no. 9U-CRD-51 dated 24.09.1990.
- d) The location of the work must be indicated.
- e) Use of abbreviations which are not known to a common man should be avoided.
- f) Mechanical (including airconditioning), Electronics & Telecommunication engineering works may be treated as "Electrical Works" and marine work and other engineering works may be treated as "Civil Works" for the purpose of reporting to the CTE's Organisation.
- g) The purchase of ready-built properties, materials and stores, if not purchased on DGS&D approved rates or at the rates approved by any other Govt. agency, may also be treated as works for the purchase of inclusion in the Quarterly Progress Reports.

However, the cases in which the supplier is a Central Govt. Department or Central Govt. Undertakings need not be included.

h) Some of the Departments have set-up Civil Wings for execution of their Civil works. While each Civil Wings submitted QPRs with regard to the works being executed by them, the other works being executed through the contractors or any other agency are not being reported to the CTE. Such works should also be reported to the CTE's organisation by the concerned departments.

i) All the works undertaken by the Organisation whether in India or outside India should be included in the QPRs.

j) QPRs should be sent to the CTE's Organisation every quarter even if the information is nil.

k) All works in progress, contracts awarded, and the works completed during quarter should be included in the QPRs in respect of works completed during the relevant quarter, the actual date of completion should be indicated.

l) The QPRs in respect of Civil Works, Electrical Works and Horticulture works should be submitted on the separate sheet of paper so that it can be detached and given to the concerned Technical Examiner.

The receipt of this letter may please be acknowledged.

Sd/-  
Chief Technical Examiner

Encls : 1 (Statement)

**Horticulture works costing Rs. 2 lakhs and above.**

[illegible]

(\*17)

No.98/VGL/51  
Government of India  
Central Vigilance Commission

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Satarkta Bhavan, Block 'A',  
G.P.O. Complex, I.N.A.,  
New Delhi- 110 023  
Dated the 9<sup>th</sup> December, 2003

**Office Order No.59/12/03**

To

- (i) The Secretary, Department of Personnel & Training
- (ii) The Secretary, Department of Public Enterprises
- (iii) The Secretary, Department of Administrative Reforms & Public Grievances
- (iv) All Secretaries to the Ministries/Departments of the Govt. of India
- (v) The Director, CBI
- (vi) The Chairman, SCOPE
- (vii) All Chief Executives of Public Sector Enterprises
- (viii) All CVOs of Ministries/Departments/PSEs

**Subject: Special Chapter on Vigilance Management in Public Sector Enterprises and the Role and Functions of the CVC-Amendment to Para 32.3 thereof.**

Sir/Madam,

Special Chapter on Vigilance Management in Public Sector Enterprises, notified by the Commission vide No. 3(v)/99/3 dated 7.7.1999 provide for review of vigilance matters in PSEs by Board of Directors. The provision for review of progress of vigilance work by the Board of Directors of PSEs was withdrawn by the Commission vide circular letter No. 98/VGL/51 dated the 28<sup>th</sup> March, 2002 because too many reviews were felt uncalled for.

2. The matter has been once again reviewed and the Commission has decided that the Board of Directors should review the vigilance work once in six months and CVO will send a copy of the review done by the Board to the Commission. Necessary provision of Special Chapter on Vigilance Management in PSEs relating to review of vigilance matters stands amended to that extent.

3. The report sent by the Chief Vigilance Officer to the Commission would be in the following format. A copy of the Memorandum put up to the Board reviewing vigilance cases should also be endorsed to the report of the CVO.

Name of the PSU Period of Review No. of cases reviewed Specific remarks, if any

Yours faithfully,  
Sd/-  
(Anjana Dube)



Deputy Secretary

(\*18)

No.003/VGL/41  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 23rd Feb. 2005

**Office Order No. 8/02/05**

To  
All CVOs of Ministries/Departments/PSBs/PSUs/Organisations located in Delhi.

**Sub: Receipt of letters/files etc.**

Generally the Commission sends letters/files to various offices located in Delhi through dak messengers. Most of the correspondence are meant for the Chief Vigilance Officers and are to be received by their personal staff. As a token of the receipt of the files/letters, they are to affix their signatures on the peon book. It has been observed that many a times it is difficult to identify as to who had actually received the letters.

2. To ensure that the letters/files are received by the CVOs, they are requested to ensure that the letters sent by the Commission are properly acknowledged by authorized official who should affix the official seal of the CVO including the telephone number. This would enable the Commission to obtain a confirmation wherever necessary.

3. This may please be noted for strict compliance.

Sd/-  
(Anjana Dube)  
Deputy Secretary

## **CHAPTER-4**

**(\*1)**

### **NO.3(v)/99/7 Central Vigilance Commission \*\*\*\*\***

**Satarkta Bhavan, Block "A  
GPO Complex, I.N.A.  
New Delhi -110023  
Dated the 6th September 1999**

**Subject:- Improving vigilance administration- Reducing delays in  
Departmental Inquiries.**

Prolonged departmental inquiries not only delay justice to the honest persons but also help the guilty to breath freely. The Central Vigilance Commission issued an instruction in this regard vide No.8 (1)(g)/99(3) dated the 3<sup>rd</sup> March, 1999 thereby stipulating a model time schedule for conducting departmental inquiries. In order to eliminate the delays in the departmental inquiries, by virtue of the powers vested in the CVC under para 3(v) of the Ministry of Personnel, Public Grievances & Pension, Department of Personnel and Training Resolution No.371/20/99-AVD.III dated the 4<sup>th</sup> April, 1999, the Commission issues the following guidelines after having identified some of the reasons for delay in the departmental inquiries:-

#### **1.1 Certified photocopies of documents**

As per the extant instructions, while the CBI can pursue the prosecution cases in the Courts, simultaneously departmental inquiries can also be held. In order to ensure that the critical documents needed in the departmental inquiries are made available, the responsibility has been put on the CBI to make photocopies of seized documents within four days so that the departmental proceedings can be proceeded with. A large number of cases are pending for more than two years because of non-availability of documents for inspection, which are already before the Court.

It has therefore, been decided with immediate effect that the CBI should make legible certified photocopies of all the documents, which they seize, for launching the prosecution against the charged officer to concerned departments. It is also the responsibility of the CVOs to ensure that these certified legible photocopies of documents are made available when the CBI seizes the documents in any Government organisation. This is applicable to all Government organisations Public Sector Undertakings and Banks.

#### **1.2 Availability of documents to CDIs/IOs**

In many cases the concerned departments do not make the documents available during the departmental inquiries conducted by the Commissioner for Departmental Inquiries (CDIs). This may be either due to inefficiency or collusion. There have been a lot of cases where

important/critical files have disappeared. As failure to safeguard documents is an offence it has been decided that henceforth the following practice will be adopted by all concerned:-

The inquiry officer/CDI will ask the concerned departments to produce the documents within a time limit fixed by the IO/CDI. While doing so it will be indicated that if within the stipulated time frame the concerned department is not able to produce the documents the disciplinary authority will fix responsibility for the loss of the documents and compliance reported to the Commission within a period of 3 months. These documents would cover not only those listed in the charge-sheet but also additional documents as sought out by the charged officer and permitted by the Inquiring Authority.

2. All CVOs must ensure that strict compliance of the above guidelines of the Commission.

3. This order is also available on web site of the CVC at <http://cvc.nic.in>

To

- (i) The Secretaries of All Ministries/Departments of Government of India
- (ii) The Chief Secretaries to All Union Territories
- (iii) The Chief Executives of PSUs/Banks/Organisations
- (iv) The Comptroller & Auditor General of India
- (v) The Chairman, Union Public Service Commission.
- (v) The Director, CBI
- (vii) All Chief Vigilance Officers in the Ministries/Departments/PSEs/Public Sector Banks/Insurance Companies/Autonomous Organisations/Societies.
- (viii) President's Secretariat/Vic-President's Secretariat/Lok Sabha Secretariat/Rajya Sabha Secretariat/PMO.

**DOPT's O.M. No.142/10/97 AVD I dated 14.1.98 on  
Sanction for prosecution.**

- Under Section 19 of the Prevention of Corruption Act, 1988 as also Section 197 of the Cr. PC, it is necessary for the prosecuting authority to have the previous sanction of the competent authority for launching prosecution against a public servant in order that the Court concerned can take cognizance of the matter.
- The Supreme Court in WP (Criminal) No.340-343 of 1993 Vineet Narain and Others Vs. Union of India and another has inter alia given the following direction vide judgment dated 18.12.97:-

"Time limit of 3 months in grant of sanction for prosecution must be strictly adhered to. However, additional time of one month may be allowed where consultation is required with the Attorney General or any other Law Officer in the AG's Office."

- The above direction of the Supreme Court is hereby brought to the attention of all Ministries and Departments for the purpose of strict compliance and with the request that it may, similarly, be brought to the attention of all Organisations under the Ministries and Departments vested with the authority of sanction for prosecution under the Prevention of Corruption Act, 1988 and the Code of Criminal Procedure, 1973. It is further emphasized that while the Supreme Court has laid down the maximum limit, the efforts should be to convey the decision regarding such requests as early as possible in each case.

Sd/- (Arvind Varma)  
Secretary(P)

**No. 005/VGL/11  
Central Vigilance Commission  
Coordination I  
\*\*\*\*\***

Satarkta Bhawan, Block 'A'  
INA, New Delhi-110023  
The, 12<sup>th</sup> May, 2005.

**OFFICE ORDER NO. 31/5/05**

**Sub:- Guidelines to be followed by the authorities competent to accord sanction for prosecution u/s. 19 of the PC Act.**

.....  
The Commission has been concerned that there have been serious delays in according sanction for prosecution under section 19 of the PC Act and u/s 197 of CrPC by the competent authorities. The time limit prescribed by the Hon'ble Supreme Court for this is 3 months generally speaking. The Commission feels this delay could be partly due to the lack of appreciation of what the competent authority is expected to do while processing such requests. There have been a number of decisions of the Supreme Court in which the law has been clearly laid down on this issue:-

1. Jagjit Singh Vs. State of Punjab, 1996 Cr.L.J. 2962.
2. State of Bihar Vs. P.P. Sharma, AIR 1991 SC 1260.
3. Superintendent of Police (CBI) Vs. Deepak Chowdhary, AIR 1996 SC 186.
4. Vineet Narain Vs. Union of India, AIR 1998 SC 889.

2. The guidelines to be followed by the sanctioning authority, as declared by the Supreme Court are summarized hereunder:-

i) Grant of sanction is an administrative act. The purpose is to protect the public servant from harassment by frivolous or vexatious prosecution and not to shield the corrupt. The question of giving opportunity to the public servant at that stage does not arise. The sanctioning authority has only to see whether the facts would prima-facie constitutes the offence.

ii) The competent authority cannot embark upon an inquiry to judge the truth of the allegations on the basis of representation which may be filed by the accused person before the Sanctioning Authority, by asking the I.O. to offer his comments or to further investigate the matter in the light of representation made by the accused person or by otherwise holding a parallel investigation/enquiry by calling for the record/report of his department.

iii) When an offence alleged to have been committed under the P.C. Act has been investigated by the SPE, the report of the IO is invariably scrutinized by the DIG, IG and thereafter by DG (CBI). Then the matter is further scrutinized by the concerned Law Officers in CBI.

iv) When the matter has been investigated by such a specialized agency and the report of the IO of such agency has been scrutinized so many times at such high levels, there will hardly be any case where the Government would find it difficult to disagree with the request for sanction.

v) The accused person has the liberty to file representations when the matter is pending investigation. When the representations so made have already been considered and the comments of the IO are already before the Competent Authority, there can be no need for any further comments of IO on any further representation.

vi) A representation subsequent to the completion of investigation is not known to law, as the law is well established that the material to be considered by the Competent Authority is the material which was collected during investigation and was placed before the Competent Authority.

vii) However, if in any case, the Sanctioning Authority after consideration of the entire material placed before it, entertains any doubt on any point the competent authority may specify the doubt with sufficient particulars and may request the Authority who has sought sanction to clear the doubt. But that would be only to clear the doubt in order that the authority may apply its mind proper, and not for the purpose of considering the representations of the accused which may be filed while the matter is pending sanction.

viii) If the Sanctioning Authority seeks the comments of the IO while the matter is pending before it for sanction, it will almost be impossible for the Sanctioning Authority to adhere to the time limit allowed by the Supreme Court in Vineet Narain's case.

The Commission has directed that these guidelines as at para 2(i)- (vii) should be noted by all concerned authorities for their guidance and strict compliance.

Sd/-  
(Sujit Banerjee)  
Secretary

To  
Secretaries of All Ministries/Departments  
CMDs/CEOs of all PSEs/PSUs/PSBs/Financial Institutions  
Autonomous Organisations  
All CVOs

No. 425/04/2012-AVD-IV(A)  
Ministry of Personnel, Public Grievances & Pension  
Department of Personnel & Training  
North Block, New Delhi

29th November, 2012

**OFFICE MEMORANDUM**

**Subject:** Guidelines for monitoring and expeditious disposal of the disciplinary proceeding cases — reg.

Instructions have been issued in the past for expeditious disposal of disciplinary proceedings against delinquent government servants. However, it has been observed that disciplinary proceedings are generally taking a long time which defeats the very purpose of initiating the said proceedings. Therefore, it has been considered necessary to issue the following guidelines for monitoring and expeditious disposal of disciplinary proceedings:-

i. There are a number of instances where the Courts have set aside the order of penalty due to inordinate delay in initiating action. Therefore, it has to be ensured that disciplinary proceedings are initiated without undue delay.

ii. The Administrative Department/Competent Authority should study the allegations more carefully and resort to minor penalty proceedings instead of initiating major penalty proceedings, where the circumstances involve minor infringements or cases of procedural irregularities. It has to be kept in mind that a minor penalty swiftly but judiciously imposed by a Disciplinary Authority is much more effective than a major penalty imposed after years spent on a protracted enquiry.

iii. There is undue delay due to repeated requests of the charged officer for time to give his written statement in reply to the charge sheet. As per existing instructions, the charged officer is allowed 10 days to submit his written statement. The charged officer may be allowed 3 — 4 days absence by the Controlling Officer for preparing his written statement in which case, no extension of time should be allowed beyond the stipulated period of 10 days. (DoP&T's OM No.142/5/2003-AVD.I dated 6th April, 2004)

iv. If vigilance angle is involved in a complaint, the case should be referred to CVC for their 1st stage advice within one month from the date of receipt of investigation report. If vigilance angle is not involved, case should be put up to the disciplinary authority for taking decision to initiate disciplinary action for major or minor penalty against delinquent officer under CCS(CCA) Rules within one month from the date of receipt of investigation report.

v. After receipt of first stage advice of CVC, the case should be put up to the disciplinary authority for taking decision to initiate disciplinary action for major or minor penalty against delinquent officer under CCS(CCA) Rules within one month from the date of receipt of 1st stage advice of CVC.

vi. The chargesheet should be issued to the charged officer within a week from the date of receipt of decision of the disciplinary authority to initiate major or minor penalty proceedings against him. In any case, it should be ensured that the chargesheet is issued within one month from the date of receipt of the 1st stage advice of CVC.

vii. Simultaneously with the issuance of chargesheet, names of suitable officer to be appointed as IO & PO may be selected tentatively. If the charged officer, in his written statement of defence, denies the charges leveled against him, orders regarding appointment of IO & PO should be

issued immediately after receipt and consideration of defence statement. Copies of all the relevant papers/documents should also be provided to IO/PO along with the order.

viii. The charge sheet should be drafted with utmost accuracy and precision based on the facts revealed during the investigation or otherwise and the misconduct involved. It should be ensured that no relevant material is left out and at the same time no irrelevant material or witnesses are included. (DoP&T's DO No.134/2/83-AVD.I dated 2nd May, 1985)

ix. As far as possible, copies of all the documents relied upon and the statements of witnesses cited on behalf of the Disciplinary Authority should be supplied to the Government servant along with the charge sheet, so that the time taken by the charged officer to submit his written statement of defense is reduced. (DoP&T's DO No.134/2/83-AVD.I dated 2nd May, 1985)

x. IO should submit his report within six months from the date of receipt of order of his appointment as IO. Where it is not possible to adhere to this time limit, the IO should submit reasons for delay to the disciplinary authority in writing.

xi. A copy of the inquiry report and also disagreement of the disciplinary authority, if any, on it should be provided to the Charged Officer within 15 days from the date of receipt of Inquiry Report alongwith reasons for disagreement of the Disciplinary Authority with IO's findings, if any. (CVC Circular No. 00ONGL/18 dated 231-d May, 2000). The Charged Officer may be allowed 15 days to submit, if he so desires, his written representation or submission to the disciplinary authority irrespective of whether the report is favourable or not to the government servant (DoP&T's O.M. No.11012/13/85-Estt. dated 26th June, 1989)

xii. After the receipt of the representation of charged officer on Inquiry Report, the case may be sent to CVC, wherever required, for their second stage advice, or to UPSC for their advice, as the case may be, within one month. (CVC's Circular No 00ONGL/18 dated 231-d May, 2000)

xiii. Penalty order should be issued within a month from the date of advice of UPSC. (DoP&T's DO No 134/2/83-AVD.I dated 2nd May, 1985)

xiv. The time-limits indicated above should be strictly adhered to. The CVO concerned would be directly responsible to adhere to these time limits.

xv. Each Ministry/Department may keep ready a panel of IO/PO from their retired government officers which may be used when no serving government servant is available for appointment of IO/PO. The services of IOs/POs who would be available on the panel maintained by CVC may also be utilized in consultation with CVC.

xvi. In some Departments a large number of oral inquiries are pending. In order to expedite completion of inquiries within a specified time limit, some officers on a full time basis may be earmarked by the concerned Department to act as IO/PO.

xvii. In order to ensure expeditious disposal of disciplinary proceedings, vide DoP&T's OM No.372/19/2011-AVD-III) (Pt.1) dated 26.09.2011, the second stage consultation with CVC in disciplinary matters has been dispensed with except in those cases where consultation with UPSC is not required as per extant rules/instructions. This may be followed. Since there will be only one consultation after receipt of IO's report (either with CVC or the UPSC, as the case may be), it is expected that the new procedure would substantially reduce the time taken in finalizing disciplinary

proceedings after receipt of the IO's report.

xviii. Wherever a Departmental officer is appointed as the IO in Departmental Proceedings, the officer concerned may be relieved from his normal duties for a period up to 20 days in two spells during which he should complete the inquiry and submit the report. During this period so allowed, he will attend to the inquiry on full time basis. These time spells may depend on the need and the feasibility of conducting full-time hearings on a day to day basis. (DoP&T's OM No.142/5/2003-AVD.I dated 6th April, 2004)

xix. For effective monitoring of the disciplinary proceedings cases, the Vigilance set up must be strengthened in every Ministry/Department. Instructions issued vide DOPT OM No.

372/19/2011-AVD-III (Pt.1) dated 26.09.2011 are hereby reiterated. All Ministries/Departments are requested to take appropriate action in the matter.

All the Ministries/Departments are requested to follow the above guidelines in letter and spirit so that disciplinary proceedings are concluded expeditiously.

( marji mg  
Deputy Secretary to the Govt. of India

To,

1. Secretary, all Ministry/Department (As per standard list)

Copy to:

1. Secretary, Central Vigilance Commission, New Delhi.

2. Prime Minister's Office, South Block, New Delhi.

3. Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.

i4. NIC, DoP&T for uploading on the website of the Department.



**\*6**

**No: 105/1/66-AVD-I  
Government of India  
Ministry of Home Affairs**

**New Delhi- 1, the 28<sup>th</sup> October, 1969  
6<sup>th</sup> Kartika, 1891**

**OFFICE MEMORANDUM**

**Subject:-** Scheme for preparation, maintenance and custody of lists of public servants of gazetted status of doubtful integrity.

The undersigned is directed to enclose a copy of the scheme mentioned above with the request that appropriate action may kindly be taken as indicated therein.

2. The revised lists prepared in accordance with the enclosed scheme will supersede the lists circulated to Secretariat by the Director, Central Bureau of Investigation on with his D.O. letter No. 21/7/63-GD, dated the 7<sup>th</sup> May, 1964.

3. The revised lists prepared in accordance with the enclosed scheme will not affect the continuance of the annual agreed lists of suspected officers which are being prepared in accordance with para 6 to 10 of the programme for vigilance and anti-corruption work during 1966 circulated with this Ministry's O.M. No. 130/1/66-AVD, dated the th May 1966 (as continued from time to time).

4. Receipt of this communication may kindly be acknowledged.

Sd/- R.C.Joshi  
Under Secy. to the Govt. of India

To  
All Chief Vigilance Officers  
of Ministries/Departments.  
No. 105/1/66-AVD, dated the 28<sup>th</sup> October, 1969.

Copy with a copy of the scheme forwarded to:

1. Chief Secretaries of all Union Territories for similar action in so far as they are concerned; and
2. Director, Central Bureau of Investigation(Shri D.Sen, Joint Director, Special IGP), New Delhi.

Sd/- R.C.Joshi  
Under Secy. to the Govt. of India

## SECRET SCHEME FOR PREPARATION, MAINTENANCE AND CUSTODY OF LIST OF PUBLIC SERVANTS OF GAZETTED STATUS OF DOUBTFUL INTEGRITY INTRODUCTION NOMENCLATURE & CRITERIA FOR ENTRY IN THE LISTS

In accordance with the recommendation made in the statement laid on the Table of the Lok Sabha on the 10<sup>th</sup> August, 1961, and the Rajya Sabha on the 24<sup>th</sup> August, 1961 measures are to be taken to locate officials against whom suspicions exist regarding their integrity amount to moral conviction. It has already been decided that Secretaries to the Ministries and the Heads of the Departments have the duty of locating and suitably dealing with corrupt officials. As a further step in this direction, it has been decided to prepare lists of public servants of gazetted status of doubtful integrity. This scheme gives in detail the purpose of these lists and procedure for their preparation and maintenance.

2. The lists will be termed as the 'list of Public Servants of Gazetted status of Doubtful Integrity'. It will include names of those officers only who, after enquiry or during the course of enquiry, have been found to be lacking in integrity. It will thus include the names of the officers, with certain exceptions mentioned below, falling under one of the following categories:

i) Convicted in a court of law on a charge of lack of integrity or for an offence involving moral turpitude but on whom, in view of exceptional circumstances, a penalty other than dismissal, removal or compulsory retirement is imposed.

ii) Awarded departmentally a major penalty.

a) on charges of lack of integrity

b) on charges of gross dereliction of duty in protecting the interests of Government although the corrupt motive may not be capable of proof.

iii) Against whom proceedings for a major penalty or a court trial are in progress for alleged acts involving lack of integrity or moral turpitude.

iv) Who were prosecuted but acquitted on technical grounds, and in whose case on the basis of evidence during the trial there remained a reasonable suspicion against their integrity.

The names of the officers of the following categories should not be included in this list.:

## PURPOSE OF THE LISTS PROCEDURE FOR PREPARATION OF THE LISTS

(a) Officers who have been cleared or honourably acquitted as a result of disciplinary proceedings or court trial.

(b) Officers against whom an enquiry or investigation has not brought forth sufficient evidence for recommending even a disciplinary case.

(c) Officers who have been convicted of offences not involving lack of integrity or moral turpitude.

(d) Officers against whom disciplinary proceedings have been completed or are in progress in respect of administrative lapses, minor violation of Conduct Rules and the like.

3. These lists are intended to keep the Ministries/Departments/ Undertakings concerned informed about such officers of doubtful integrity to ensure that they are not posted to 'sensitive' assignments and that this fact is given due consideration when deciding administrative matters affecting the service of these officers. These lists would also help the Ministries to know about the officers whose work and conduct need both special attention and closer supervisory scrutiny.

4. (i) Vigilance Organisation of Ministries/Departments/ Undertakings will prepare a list of public servants of Gazetted status against whom any disciplinary proceedings for a major penalty are in progress or who have been punished in disciplinary proceedings on a charge involving lack of integrity. A copy of these lists will be sent by the vigilance Organisation to the Central Bureau of Investigation every year in the last week of February.

(ii) As soon as an adverse report against an officer of the nature mentioned in the scheme is received, the Vigilance Officer should bring it to the notice of the Secretary/Head of the

Ministry/Department concerned immediately. A decision in regard to the inclusion of the name of such officer in the list should be taken as soon as possible.

(iii) The Central Bureau of Investigation will suggest addition or deletion of names on the basis of information available with them and return the lists to Secretaries/Heads of Departments concerned.

#### ACTION OF THE LISTS

(iv) If the Ministry/Department/Public Undertakings concerned does not agree to the inclusion or deletion of any particular name or names, it will be settled by mutual discussion. The decision of the Secretary/Head of the Ministry/Department would be final.

5. The purpose of maintenance of these lists is to also enable the Ministries/Departments to take such administrative action as is necessary and feasible. The following courses of administrative action are open:-

(1) Withholding Certificate of integrity;

(2) Transfer from a 'sensitive' posts;

(3) Non-promotion, after consideration of his case, to a service, grade or post to which he is eligible for promotion.

(4) Compulsory retirement in the public interest (otherwise than as penalty) in accordance with the orders issued by the Government. This is now permissible on completion of the age of 50 with certain exceptions.

(5) Refusal of extension of service or re-employment either under Government or in a Public Sector Undertakings.

(6) Non-sponsoring of names for foreign assignment/deputation.

(7) Refusal of permission for commercial re-employment after retirement.

6. The orders of Government that provide for these administrative measures under certain conditions are:-

(i) Papers on measures for strengthening of administration, particularly paragraph 3 (11) of the statement laid in the Lok Sabha on 10 August, 1961 that corrupt officials should be located and action taken to improve them or retire them.

(ii) Note 1 under article 465-A, Civil Services Regulations, under which Government retain an absolute right to retire certain officers after they have completed 25 years, qualifying service without assigning any reasons.

(iii) Rule 2(2), Liberalised Pension Rules, permits retirement of an officer who has completed 30 years of qualifying service.

(iv) M.H.A. O.M. No. 33/18/62-Ests.(A), dated 30-11-62 raising the age of compulsory retirement from 55 years to 58 years which provided that officers who have reached the age of 55 years may be retired after giving three months notice without assigning any reason.

#### TRANSFER OF SUCH OFFICERS PERIODICITY OF CIRCULATION BY THE C.B.I.

(v) M.H.A. O.M. No. 41/2/55 (II) Ests.(A) dated April, 23, 1965 provides that officers who do not have a reputation for honesty should not be placed in position where there is considerable scope for discretion.

(vi) M.H.A. O.M. No. 1/7/64-Ests (D), dt. July 30, 1964 provides that particular attention should be given to integrity when considering officers for promotion. It also provides for the recording of a certificate of integrity when sponsoring a name for promotion.

(vii) M.H.A. O.M. NO. 33/11/64-Ests (A), dt. September 11, 1964 requires that an officer, who does not have a good reputation for integrity, should not be considered eligible for grant of extension/re-employment in service.

- (viii) M.H.A. letter No. 29/67/66-AIS(II) dt. 5-9-67 regarding premature retirement of A.I.S. officers under Rule 16 (3) of the AIS (D.C.R.B.) Rules.
- (ix) M.H.A. O.M. NO. 20/22/68-Ests (A) dt. 6-5-69 and O.M. No. 33/13/61-Ests (A) dt. 23-6-69.
- (x) M.H.A. O.M. No. 39/17/63-Ests (A), dt. 6-9-69.

7. When the name of an officer has been entered in the list for good and adequate reasons, it will not be removed until a period of three years has elapsed. The period of three years for which the name will be current on the list will count from the date of punishment in disciplinary proceedings or from the date of conviction in a court trial. On the conclusion of this period the cases of such officers may be reviewed by the Ministry/Department concerned in consultation with the Central Bureau of Investigation and if during the intervening period there has been no further complaint or information against the officer touching on his integrity, the name may be removed from the list. If at the time of review, it is proposed to continue the name of an officer on the list, cogent reason for doing so should exist.

8. In the event of the officers being transferred to another Ministry/Department/Undertakings, the Vigilance Officer concerned should intimate to his opposite number in the Ministry/Department/Undertaking the fact of the officer's name being on the list, endorsing a copy to the Central Bureau of Investigation.

9. Lists of such officers consolidated by the Central Bureau of Investigation will be circulated to Ministries once every year i.e. in June. While communicating the name of the officer the material

#### MAINTENANCE & CUSTODY OF THE LISTS

against him should be briefly indicated by the Central Bureau of Investigation. Five copies of the list covering all Ministries/ Departments/Undertakings will be sent to the Ministry of Home Affairs(AVD), four copies for the use of E.O., J.S(E), J.S.(P), J.S.(AIS) and one for record on the AVD communication and references should be directly between the Central Bureau of Investigation and the Ministry concerned.

10. It will be the duty of the Chief Vigilance Officer/Vigilance Officer of the Ministry/Department/Undertaking to maintain these lists upto date, The list will be treated as 'SECRET' and the Head of the Ministry/Department/Undertaking will be responsible for its safe custody.

11. The lists cannot be and are not meant to be fully exhaustive and these will not fetter the discretion of the Government in any way.

**\*7**

No. 372/19/2011-AVD-III(Pt.I)  
Government of India  
Ministry of Personnel, Public Grievances and Pension  
Department of Personnel and Training

New Delhi, the 26<sup>th</sup> September, 2011

**OFFICE MEMORANDUM**

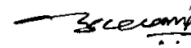
**Subject: Permission to initiate investigation by the CBI in respect of officers of the rank of Joint Secretary and above serving the Central Government – Provisions of section 6A of the Delhi Special Police Establishment (DSPE) Act, 1946 – recommendations of the Group of Ministers – regarding**

The undersigned is directed to state that the provision of section 6A of the DSPE Act, 1946 provides for safeguarding senior public officials against undue and vexatious harassment by the investigating agency. It had been observed that the requests being made by the investigating agency under said provision were not being accorded due priority and the examination of such proposals at times lacked objectivity. The matter was under consideration of the Group of Ministers constituted to consider measures that can be taken by the Government to tackle Corruption.

The Government has accepted the following recommendation of the Group of Ministers, as reflected in para 25 of the First Report of the Group of Ministers:-

- (a) The competent authority shall decide the matter within three months of receipt of request accompanied with relevant documents
- (b) The competent authority will give a Speaking Order, giving reasons for its decision
- (c) In the event a decision is taken to refuse permission, the reasons thereof shall be put up to the next higher authority for information within one week of taking the decision
- (d) Since section 6A specifically covers officers of the Central Government, above the rank of Joint Secretary, the competent authority in these cases will be the Minister in charge in the Government of India. In such cases, intimation of refusal to grant permission along with reasons thereof, will have to be put up to the Prime Minister.

The above decision of the Government is brought to the notice of all Ministries/Departments for due adherence and strict compliance.

  
(V.M. Rathnam)

Deputy Secretary to the Government of India  
Tel. No. 23094637

1. Secretaries, all Ministries/Departments – as per standard Mailing list
2. Secretary, Central Vigilance Commission, Satarkata Bhawan, INA, New Delhi
3. Joint Director, CBI, North Block New Delhi
4. CVOs of all Ministries/Departments.
5. NIC, DoP&T for uploading on the website of the Department.

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**No. 008/MM/DCBI-15244**  
**Government of India**  
**Central Vigilance Commission**  
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**Satarkta Bhavan,**  
**GPO Complex, Block – A,**  
**INA, New Delhi – 110 023**  
**Dated: 08-07-2008**

**Circular No. 20/7/08**

**Sub: Non-interference with investigation of CBI**

It has come to the notice of the Commission that in a 'trap' case which was still under investigation by the CBI, the departmental authorities concerned wrote to the CBI contending that it was a false/cooked-up case and claiming that the accused was 'innocent'. The Department's action as above was based, entirely, on a representation made by the accused.

2. This has been viewed seriously by the Commission. It was not proper-even objectionable – on the part of the Department to have written to the CBI questioning the fairness of investigation based on the version of the accused. This, in fact, amounted to undue interference with the due process of law. It needs to be kept in mind that the CBI is a professional agency and that in the course of its investigation, the accused person will also be afforded reasonable opportunity to explain their version of events. Interference by departmental authorities at a time when a case is still under investigation by CBI is, therefore, neither desirable nor justified.

3. All concerned are requested to take due note of the above for strict compliance.

**(P M PILLAI)**  
**OFFICER ON SPECIAL DUTY**

**No.3(v)/99/10**  
**CENTRAL VIGILANCE COMMISSION**  
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**Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 1st December 1999**

**Subject: Effective punishment of the corrupt through traps**

One of the main weaknesses in the present system of vigilance is that the corrupt public servants many a time escape punishment. Effective and prompt punishment of the corrupt is a *sin qua non* to change the present atmosphere of cynical apathy in the organisations under the purview of the CVC. There is a need to the issue of tackling corruption to create a healthy atmosphere that corruption will not be tolerated.

2. There are two courses of action possible against the corrupt public servant. The first is prosecution and the second is departmental action. So far as prosecution is concerned, once the papers go to the court, there is no way in which the action can be expedited. So far as departmental action is concerned, it is within the powers of the disciplinary authorities to ensure that the punishment is effectively meted out. The CVC has already issued instruction No. 8(1)(h)/98(1) dated 18.11.98 that the departmental proceedings should be completed within a period of six months. In order to achieve this goal, the engagement of retired honest persons as inquiry officers has also been suggested.

3. While systematic application of these instructions will help in bringing down the overall pendency of corruption cases and also ensure that the corrupt public servants are punished, still the problem of the current atmosphere of cynicism and apathy against corruption remains.

4. In order to ensure that effective punishment is quickly meted out to the corrupt, the following instructions are issued under the powers vested in the CVC in para 3(v) of DOPT Resolution No. 371/20/99-AVD III dated April 4, 1999.

(i) In every organisation, those who are corrupt are well known. The Disciplinary Authorities and the CVOs as well as those who are hurt by such corrupt persons can arrange for traps against such public servants. The local Police or CBI can be contacted for arranging the traps.

(ii) The CBI and the Police will complete the documentation after the traps within a period of two months. They will make available legible, authorized photocopies of all the documents to the disciplinary authority within two months from the date of trap for action at their end.

(iii) Once the photocopies of the documents are received, the disciplinary authority should initiate action to launch departmental inquiry. There will be no danger of double jeopardy because the prosecution which will be launched by the CBI or the Police based on the trap documents would relate to the criminal aspect of the case and the disciplinary proceedings will relate to the misconduct under the Conduct, Discipline and Appeal Rules.

(iv) Retired, honest people may be appointed as special inquiry officers so that within a period of two months, the inquiry against the corrupt public servants involved in traps can be completed.

(v) On completion of the departmental process, appropriate punishment must be awarded to the trapped charged officer or public servant, if the charge is held as proved.



(vi) If and when the court judgement comes in the prosecution case, action to implement the court decision may be taken appropriately.

5. The intention of the above instruction is to ensure that there is a sharp focus on meting out effective punishment to the corrupt in every organisation. Once these instructions are implemented, the atmosphere in organisations is bound to improve because the corrupt will get the signal that they could not survive as in the past banking on the delays taking place both in the departmental inquiry process as well as in the prosecution process.

6. This order may be implemented by all departments effectively.

7. This order is also available on web site of the CVC at <http://cvc.nic.in>

To

- (i) The Secretaries of All Ministries/Departments of Government of India
- (ii) The Chief Secretaries of All Union Territories
- (iii) The Chief Executives of PSUs/Banks/Organisations
- (iv) The Comptroller & Auditor General of India
- (v) The Chairman, Union Public Service Commission
- (vi) The Director, CBI
- (vii) All Chief Vigilance Officers in the Ministries/Departments/PSEs/Public Sector Banks/Insurance Companies/Autonomous Organisations/Societies etc.
- (viii) President's Secretariat/Vice-President's Secretariat/Lok Sabha Secretariat/ Rajya Sabha Secretariat/PMO

**RBV No.12/2008**  
**Government of India**  
**Ministry of Railways**  
**(Railway Board)**

No. 2008/V-1/VP/1/6 New Delhi, dated December 16, 2008

**The General Managers (Vigilance)**  
**Zonal Railways & CORE**  
**The Chief Vigilance Officers**  
**PU, PSUs, METRO & RDSO.**

**Sub: Departmental Trap cases – Procedure & guidelines.**

Para 307 of Indian Railways Vigilance Manual, 2006 lays down the procedures and guidelines for conducting departmental trap cases. Para 307.3 deals with the selection of the “decoy” and reads as follows:-

“The selection of the decoy has also to be done very carefully. If he is a Government Servant, he should have a clear past and should not have any enmity against the person who is to be trapped. If the decoy is a non- Government person, then he should be adequately informed of the purpose of this trap. The decoy should be one who would always stand with the Vigilance agency under all circumstances and not be bought over or pressurized by the trapped person. He would have to be told before-hand that his commitment in the case would last a long while, he would face cross examination in the subsequent inquiry process and, hence, should be willing to cooperate with the Vigilance till the very end.”

In a decoy check conducted by Vigilance on one of the Zonal Railways at a Health Unit, regarding demand of illegal gratification in lieu of issue of Sick/Fit certificates, a Khalasi from the Vigilance branch was sent as the “decoy” patient. In this case, CVC while furnishing its advice, had observed that the decoy was an employee of the Vigilance department and, in real terms, cannot be termed as an independent witness. The Commission has further observed that the decoy selected for departmental trap cases should be an independent person.

In view of the above, it has been decided that the decoy selected for departmental trap cases should not be an official of the vigilance department.

These instructions may please be noted for strict compliance.

**(Sanjay Goel)**  
**Director Vigilance (M)**  
**Railway Board**

No. 2008/V-1/VP/1/6 New Delhi, dated December 16, 2008

**Copy to :-** The Secretary, { Kind Attention : Shri K.L.Ahuja, Director }  
CVC, Satarkata Bhawan, Block-A, GPO Complex, INA, New Delhi-110  
021– for information w.r.t. their I. D. No. 0076/RLY/11-13356 dated  
16.06.2008.

**(Sanjay Goel)**  
**Director Vigilance (M)**  
**Railway Board**

**Copy to :-** All Officers and Branches of Vigilance Directorate – for  
information and necessary action.

**RBV No.01/2010  
Government of India  
Ministry of Railways  
(Railway Board)**

**No.2009/V-1/VP/1/10 New Delhi, dated January 12, 2010**

**The General Managers,**

All Zonal Railways, PUs, CORE & METRO

**The DGs/RDSO & RSC**

**The SDGMs/CVOs,**

All Zonal Railways/CORE, METRO, RDSO, PUs & PSUs

**The CAO/DLMW The Managing Directors/All PSUs**

**Sub: Authorization of the Central Government to file an application u/s 3 of the Criminal Law (Amendment) Ordinance, 1944 for attachment of the money or property procured by means of the scheduled offence.**

A copy of the Department of Personnel & Training's Office Memorandum No. 219/12/2009-AVD-II dated 13.05.2009, on the above subject is sent herewith for information and necessary action.

Accordingly, Ministry of Railways (Railway Board) have decided to incorporate the provisions relating to authorization by inserting a new para 212A after Para 212 and before Para 213 to the Indian Railway Vigilance Manual (2006 Edition), in Chapter II as per the enclosed Advance Correction Slip No.5.

DA/As above.

**(Sanjay Goel)  
Director Vigilance (M)  
Railway Board**

**No.2009/V-1/VP/1/10 New Delhi, dated January 12, 2010**

Copy to :- The Deputy Secretary (Ms Manisha Saxena), Ministry of Personnel, Public Grievances & Pensions, DOP&T in reference to their O.M.No. 219/12/2009-AVD-II dated 13-5-2009.

**(Sanjay Goel)  
Director Vigilance (M)  
Railway Board**

**All Officers and branches of Vigilance Directorate  
ADVANCE CORRECTION SLIP NO.5**

Addition/Modification in Chapter-II of Indian Railways Vigilance Manual (2006 Edition)

A new para 212A after para 212.9 and before para 213 may be inserted, specifying the procedure to be followed in Authorisation cases in the Vigilance Directorate of Ministry of Railways as under:-

New para 212A shall read as follows:-

**212A. Procedure to be followed in cases of authorization for attachment of money or public property.**

212A.1 In order to attach and forfeit illegally acquired property of public servants, the CBI/Prosecution Agency is presently invoking the provisions of the Criminal Law (Amendment) Ordinance, 1944 (Ordinance No.38 of 1944). Accordingly, if the State Government or the Central Government, as the case may be has reason to believe that any person has committed (whether after commencement of this ordinance or not) any scheduled offence, the State Government or the Central Government, as the case may be, may whether or not any court has taken cognizance of the offence, authorize for making of an application to the District Judge within the local limits of whose jurisdiction the said person ordinarily resides or carries on business, for the attachment under this ordinance of the money or other property which the State Government or the Central Government believes the said person to have procured by means, of the offence, or if such money or property cannot for any reason, be attached or other property of the said person of value as nearly as may be equivalent to that of the aforesaid money or other property.

212A.2 Therefore, a decision has been taken that all references from Central Bureau of Investigation seeking authorization of the Ministry of Railways to file an application u/s 3 of the Criminal Law (Amendment) Ordinance, 1944, for attachment of the money or property procured by means of the scheduled offence by the person, who is employed in connection with the affairs of the Union and is not removable from his office save by or with the sanction of the Central Government, shall be addressed to the authority competent to accord sanction u/s 19 of the PC Act, 1988 and the said Competent Authority would give the said authorization also.

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## CHAPTER 5

(\*1)

**Model vigilance structure for PSUs. (DPE O.M. No.15(7)/98(GL-009)/GM dated 25th September, 1998)**

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### **CHAPTER II** **PERSONNEL POLICIES**

#### **(g) Vigilance Policies**

**DPE/Guidelines/II(g)/6**

**Model vigilance structure for PSUs.**

The Government having expressed its concern to tackle corruption and make the functioning of investigating and vigilance agencies more independent, effective, credible and prompt entrusted the Department of AR & PG to conduct a study on vigilance set up in respect of CPSUs. The study observed that the nature of functions and operations of PSUs is different, dissimilar and largely of a heterogeneous type. Nevertheless, it stated that the vigilance division in PSUs by and large deals with investigations, disciplinary proceedings, anti-corruption work, preventive vigilance and in some cases technical and audit work and all vigilance units in the PSUs should have adequate personnel to carry out all these functions. The study concluded that it would be impractical to recommend a uniform vigilance set up for all PSUs but emphasised the need for a vigilance set up in each PSU to have the desired manpower requirements of skilled and trained vigilance personnel and recommended the following model of vigilance set up for the PSUs as a broad guideline to be adopted with such modifications as may be appropriate to their requirement:-

#### **1. CORPORATE OFFICE:**

- i. Chief Vigilance Officer
- ii. Dy. CVO (For Schedule 'A' and 'B' PSUs)
- iii. Vigilance Wings

#### **a) Investigation Wing**

- Sr. Vigilance Officer	One
- Investigators	Two
- Steno	Two

#### **b) Anti-Corruption and Vigilance Wing**

- Sr. Vigilance Officer	One
- Vigilance Assistant	Two
- Steno	One

**c) Disciplinary Proceedings Wing**

- Sr. Vigilance Officer	One
- Vigilance Assistant	Two
- Steno	One

**d) Preventive Vigilance Wing**

- Sr. Vigilance Officer	One
- Vigilance Officer	One
- Steno	One

**e) Technical Wing** (This is applicable to PSUs engaged in engineering and other technical operations).

- Sr. Vigilance Officer	One
- Vigilance Officer	One
- Expert	One
- Steno	One

**2. Regional/Project/Plant Office:** (This is applicable to Schedule 'A' and 'B' PSUs only)

- Sr. Vigilance Officer	One
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- Investigator	One
- Steno	One

3. This recommendation has been examined in this Department and it has been decided that PSUs should take immediate steps for adoption of the model vigilance structure with suitable modifications depending upon the size, function and operation of the organisation.

4. All the Administrative Ministries/Departments, therefore, are requested to advise the PSUs under their administrative control to take necessary action on the above lines and furnish action taken report to the DPE within a period of six months from the date of issue of this OM

**(DPE O.M. No.15(7)/98(GL-009)/GM dated 25th September, 1998)**

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(\*2)

*CHIEF VIGILANCE OFFICERS GUIDELINES*

GOVERNMENT OF INDIA  
MINISTRY OF PERSONNEL,  
PUBLIC GRIEVANCES AND PENSIONS

(DEPARTMENT OF PERSONNEL & TRAINING)  
NEW DELHI

January, 2001

(Web site <http://persmin.nic.in>)

NO. 372/8/99-AVD. III dated the 18<sup>th</sup> January, 2001.

*OFFICE MEMORANDUM*

**SUBJECT:** Procedure for selection and appointment of Chief Vigilance Officers in the various Central Public Sector Undertakings etc.

The basic guidelines on the above subject were issued vide Department of Personnel and Training O.M. No. 36(9)-EO/89-SM (I) dated the 7th February 1992. Thereafter, instructions have been issued from time to time as approved by the Government. All these instructions issued by the Department of Personnel & Training have been consolidated and reproduced below for the information and guidance of all concerned. The posts of Chief Vigilance Officers are to be treated as Central Staffing Scheme Posts and except where specific provisions have been made in respect of CVOs, the provisions contained in this Department's OM No. 36/77/94-EO (SM.I) dated 5.1.1996 shall be applicable.

## **2. GUIDELINES FOR APPOINTMENT OF CHIEF VIGILANCE OFFICER (CVO)**

(i) As far as practicable, a Chief Vigilance Officer should not belong to the organisation to which he is appointed and should be from outside.

(ii) Once an officer has worked as a Chief Vigilance Officer in a particular organisation, he should not go back as CVO to the same Organisation again.

(iii) The cadre controlling authorities of the various organised services as well as Public Sector Undertakings, who would like to offer the services of the officers, would be asked from time to time to offer the names of suitable candidates with proven integrity for the posts of CVOs likely to fall vacant.

(iv) The officers deputed as CVOs to Public Sector Undertakings may draw pay as per the scale prescribed for the posts or their grade pay as is permissible under the rules.

(v) The CVOs would be eligible for an initial deputation tenure of three years in PSUs which is extendable upto a further period of two years in the same PSU (total 5 years) with the prior clearance of the CVC or upto a further period of three years on transfer to another PSU on completion of initial tenure of three years in the previous PSU.

(vi) The posts of Chief Vigilance Officers (CVOs) in the Central Public Sector Undertakings are treated as Central Staffing Scheme posts as those filled as per the procedure followed under the Central Staffing Scheme for posts in the Central Government. However, in order to attract officers for manning the posts of CVOs in various Public Sector Undertakings certain special dispensations which are applicable to non-Central Staffing Scheme posts have been made. For instance, if a request is received from an officer occupying a post under the Central Staffing Scheme on deputation, duly recommended by the Ministry/Department in which he is posted, with the approval of the Minister-in-Charge, for being considered for appointment as CVO, at least one year before the expiry of his tenure on the Central Staffing Scheme Post, such an officer, if selected for appointment as CVO may be allowed a tenure of 3 years as CVO subject to a maximum of 7 years' combined tenure on the Central Staffing Scheme post and the post of CVO.

(vii) Prior approval of the Central Vigilance Commission would be obtained before the names are offered to the respective Ministries/ Departments for the posts of CVOs in Public Sector Undertakings under their charge.

(viii) A panel of officers cleared by the Central Vigilance Commission will be suggested to the administrative Ministry/Department concerned with the approval of the Minister of State in the Ministry of Personnel, Public Grievances and Pensions, Department of Personnel & Training. The administrative Ministry is required to select an officer out of the panel with the approval of its Minister-in-charge and communicate the same to the Department of Personnel and Training for obtaining the approval of the Competent Authority.

### **3.ELIGIBILITY CRITERIA**

(i) The officers should be holding JS/ IG/ DIRECTOR/DIG / DS level posts.

(ii) The officers should have completed the requisite 'cooling off' period in their parent cadre before they are recommended for a second central deputation.

(iii) Such of the officers, who were sponsored earlier for the post of CVOs/Executive Director (Vig) but not found suitable should not be sponsored again.

(iv) The officers sponsored for the post of CVO in the PSUs would not be allowed to withdraw their candidature subsequently and it will be the responsibility of the respective cadre controlling authorities to ensure the release of the officers in the event of their selection.

(v) If an officer does not join within the prescribed time, his appointment would be treated as cancelled and the officer concerned would stand debarred from Central deputation for a period of five years from the date of issuing orders of his/her appointment. Further, the officer would also be debarred from being considered for any foreign training as also from being given cadre clearance for being deputed on foreign assignments/ consultancies abroad during the period of debarment.

(vi) The officers debarred for central deputation should not be sponsored for consideration for the post of CVOs till they complete their debarment period/become eligible for consideration.

#### **4. WHEN, HOW AND TO WHOM TO APPLY**

- (i) The vacant posts of CVOs are generally circulated by the Department of Personnel and Training to various cadre controlling authorities of Group 'A' services and the State Governments towards the end of every calendar year inviting names for consideration of officers in the offer list for the next calendar year.
- (ii) The eligible officers should [apply](#) along with their bio-data (in duplicate) to their respective cadre controlling authorities that would make their recommendations to the Department of Personnel and Training and furnish up-to-date CR dossiers along with vigilance clearance in respect of the officers concerned.
- (iii) The cadre authorities as well as the officers on the offer list would also be required to indicate choice of location since a large number of these posts are located outside Delhi.
- (iv) The offer list would be obtained so as to be operative for one calendar year.

#### **5. ELIGIBILITY FOR GENERAL POOL ACCOMMODATION**

- (i) The officers on their appointment as Chief Vigilance Officers in Central Public Sector Undertakings are not entitled to General Pool accommodation but are to be provided with accommodation by the Public Sector Undertakings concerned, as per the guidelines issued by the Department of Public Enterprises, from time to time.
- (ii) The government officers who are mandatorily posted to Public Sector Undertakings/Statutory bodies/ineligible organisations may be permitted to retain General Pool accommodation in their occupation on payment of special licence fee by the organisation till their superannuation or reversion to an eligible office, provided the Establishment Officer, DOPT, certifies that the said posting was mandatory and in exigency of Public service.

#### **6. ASSOCIATION OF CVOs WITH DEPARTMENTAL DUTIES, HANDLING SENSITIVE MATTERS.**

The vigilance functionaries should not be a party to processing and decision making process or in other similar administrative transactions of such nature

which are likely to have a clear vigilance sensitivity. While it should not be difficult for full time vigilance officers to comply with this requirement by disassociating themselves with decision making process in the substantive work of sensitive nature in their organisations, similar compliance of these instructions could be achieved in respect of part time vigilance functionaries also by confining their duties (other than those connected with vigilance work), as far as possible to such items of work, that are either free from vigilance angle or preferably serve as input to vigilance activity, for example, inspections and audit etc.

## ***7. PERMANENT ABSORPTION OF CHIEF VIGILANCE OFFICERS IN PUBLIC SECTOR UNDERTAKINGS.***

Once a Chief Vigilance Officer has worked in a particular Organisation, he should not be posted as CVO in the same Organisation. This aims at ensuring that an officer appointed as CVO in an Organisation is able to inspire confidence that in deciding vigilance cases, he will not be hampered by any past association with the organisation. The appointment of an outsider CVO also ensures objectivity in dealing with vigilance cases. It has also been observed that if any assurance is extended to an outsider CVO for permanent absorption, there is distinct possibility, that it would impair his objectivity in deciding vigilance cases and would negate the very purpose of appointing outsider CVOs. Keeping in view the above policy guidelines, an outsider officer appointed as CVO in any Central Public Undertaking shall not be permanently absorbed in the same organisation on expiry or in continuation of his tenure as CVO in that organisation.

## ***8. GRANT OF HIGHER GRADE PAY CONSEQUENT ON THE PROFORMA PROMOTION IN THE CADRE UNDER THE NEXT BELOW RULE.***

- (i) The officers in the rank of Additional Secretary should not be posted as CVOs;
- (ii) The officers appointed in the rank of Joint Secretary and subsequently picking up promotions in their respective parent cadres to the rank of Additional Secretary should be governed by the instructions issued by the Department of Personnel and Training in its O.M.No 2/29/91-Estt. (Pay.II) dated 5<sup>th</sup> January, 1994. Accordingly, such officers will either have the option to

continue in the rank of Joint Secretary (without availing of proforma promotion) for the rest of the term or revert to their parent cadre within a period of six months as prescribed in the above Office Memorandum;

- (iii) In the case of officers initially appointed as CVOs either in the rank of Deputy Secretary or Director, and later on receiving offer of promotion to higher ranks in their parent cadres as Director/Joint Secretary, a proposal, if received from the concerned Administrative Ministry/Department, for allowing them to pick up the grade pay in the higher scale (Director or Joint Secretary as the case may be), can be agreed to by the Department of Personnel and Training with the approval of Secretary (Personnel)/ Minister of State for Personnel, Public Grievances and Pensions, without further reference to ACC, provided that in the case of Joint Secretary's grade, an officer of his batch in the service to which the officer (CVO) belongs, has been empanelled to hold Joint Secretary/equivalent level post at the Centre.

#### ***9. SPECIAL INCENTIVES FOR CVOs IN PSUs LOCATED OTHER THAN METROPOLITAN CITIES***

- (i) Grant of special allowance @ 15% of the basic pay to the Chief Vigilance Officers / Executive Directors (Vigilance) of the Public Sector Undertakings (PSUs). Those who are granted such special allowance will not be eligible for special pay/deputation (duty) allowance. Further, the special allowance would be given only to the deputationists posted on a regular basis and not to PSU employees of Vigilance Wing holding additional charge of the post of CVO.

- (ii) Appropriate education allowance if such allowances are already available to their own employees of the relevant PSU.

- (iii) The tenure shall be treated as 50% of the Central Deputation tenure, for the purpose of considering such officers for further posting in Government of India under Central deputation; provided the officer has served the PSU as CVO/ED(Vigilance) for at least three years, and provided further that consideration for

appointment to the post at the level of Joint Secretary under Central Staffing Scheme will be subject to his empanelment for holding a post at the level of Joint Secretary.

(iv) After an initial term of 3 years, posting in Government of India under Central deputation to be considered on priority basis subject to the condition that the total tenure including the 50% tenure of CVO shall not exceed 7 years. The calculation of tenure for CVOs for assignments under Central Staffing Scheme is explained in the [Annexure](#).

(v) A posting as Chief Vigilance Officer in a Public Sector Undertaking could be allowed, located at places other than Metropolitan cities in continuation of a posting with the Government of India, subject to the condition that the total period including the earlier tenure, shall not exceed 7 years. Thus, if an officer has served on a post under the Central Staffing Scheme for 4 years and then proceeds on deputation to a post of CVO in a PSU located at places other than Metropolitan Cities, he will have a tenure of 3 years on the post of CVO subject to an overall ceiling of seven years of combined tenure on the Central Staffing Scheme post and the post of CVO.

(vi) Reduction in the "Cooling Off" period from 3 years to 2 years for an officer who had worked as a Chief Vigilance Officer in a Public Sector undertaking located at a place other than Metropolitan Cities immediately before the "Cooling Off" period or on his posting as such, immediately after the 'Cooling off' period.

Sd/-

( D.C. GUPTA )

Additional Secretary to the Government of India

(\*3)

No.005/VGL/15  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 4<sup>th</sup> May, 2005.

**Office Order No.24/4/05**

**Subject: No prior approval/sanction of CVO's tour programmes by CMDs/ CEOs – reg.**

As per instructions contained in para 2(b) of Chapter XVIII of Vigilance Manual Vol. I, the CVOs are required to conduct regular inspections/surprise visits for detecting failures in quality and speed of work or malpractices as an integral part of vigilance activities. In this regard it is clarified that the CVOs of PSUs/PSBs need not to take formal prior approval/sanction of CMDs/CEOs for undertaking such tours and inspections but an intimation to the management would suffice in the matter. However, at the end of the tour, CVOs should send an inspection report to the CMDs/CEOs for information.

2. The above instructions may please be noted for strict compliance.

Sd/-  
(Anjana Dube)  
Deputy Secretary

All Secretaries to the Govt. of India.  
All Chairman & Managing Directors/Chief Executive Officers of  
PSUs/PSBs/Autonomous Organisations.  
All Chief Vigilance Officers of PSUs/ PSBs/ Departments/ Ministries/ Autonomous  
Organisations.



(\*4)

Telegraphic Address :  
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फैक्स/Fax : 24616286



सत्यमेव जयते

केन्द्रीय सतर्कता आयोग  
CENTRAL VIGILANCE COMMISSION



सतर्कता भवन, जी.पी.ओ. कॉम्प्लेक्स,  
ब्लॉक-ए, आई.एन.ए., नई दिल्ली-110023  
Satarkta Bhawan, G.P.O. Complex,  
Block A, INA, New Delhi 110023

सं./No.009-VGC-117(Misc.)/106181

दिनांक / Dated.....27.10.2010.....

To

All Chief Vigilance Officers.

All Chief Vigilance Officers (including Part-time Chief Vigilance Officers) are requested to furnish their official e-mail ID, Phone/Fax/Mobile numbers to the Commission urgently. Any change in e-mail ID & Phone numbers in future may also be communicated to the Commission for updating its records.

Yours faithfully,

(P.M.Pillai)  
Director

Telefax No.24651013

(\*5)

No.003/VGL/2  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 20<sup>th</sup> March 2003

To  
All Chief Vigilance Officers

**Subject: Reconciliation of figures of pending cases with the Deptt./Organisation.**

Sir/Madam,

During the recent review meetings with the CVOs held in the Commission, it was observed that there are differences in the list of cases shown pending in the records of the Commission with that of the concerned department. One of the reasons appeared to be that copies of charge sheet and penalty orders issued by the disciplinary authorities were not endorsed to the Commission.

2. It has been decided that the CVO would tie up with the administrative wing of the department/organisation concerned and would arrange to endorse copies of charge sheet and the final orders passed, to the Commission invariably.

Yours faithfully,  
Sd/-  
(Mange Lal)  
Deputy Secretary

(\*7)

No. 004/VGL/96  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block'A',  
GPO Complex, INA,  
New Delhi-110023  
Dated, the 4<sup>th</sup> April, 2005

**Office Order No. 20/4/05**

**Sub:- Guidelines issued by the Central Vigilance Commission for Vigilance Administration - regarding.**

The Commission regularly issues guidelines/instructions regarding important policy decisions etc. These guidelines are mainly meant for the Chief Vigilance Officers. However, a number of guidelines relate to tender matters/operational aspects, these should be circulated to all concerned by the CVO. Further, some of the C&MDs/CEOs desire to have all the guidelines/instructions issued by the Commission irrespective of whether they are meant for CVOs only. The Commission has considered the issue and has decided that all the important communications/Circulars issued by the Commission to the Chief Vigilance Officers should be brought into the notice of C&MDs/CEOs by the Chief Vigilance Officers.

Sd/-  
(Anjana Dube)  
Deputy Secretary  
All Chief Vigilance Officers

(\*8)

**Department of Public Enterprises' O.M. No.15/2/99/GI-017/DPE(GM) dated the 6th April, 1999 regarding certain facilities to Chief Vigilance Officers in PSUs.**

Sub: Chief Vigilance Officers in PSUs

(a) Ref. No.15/14/85-GM dated 1.1.86 - CVO to Report directly to Chief Executive

(b) Ref. No.16/48/87-GM dated 2.2.88 - Chief Vigilance Officers in PSUs - Grant of Incentives - Regarding

(c) Ref. No.16/48/87-GM dated 19.7.88 - Chief Vigilance Officers in PSUs - Grant of Incentive - Regarding

Consequent upon the deletion/cancellation of a number of guidelines on the recommendation of the Vittal Committee and on receipt of a reference from the central Vigilance Commission thereafter to restore the position of three deleted/cancelled guidelines cited above having importance from the vigilance point of view, the Government after due consideration, have decided to restore the earlier position with the following modifications:-

1) The Chief Vigilance Officer of a PSU will report directly to the Chief Executive as required under the approved Action Plan on anti-corruption measures. The Chief Vigilance Officer (CVO) in all Schedule "A" and "B" companies may be given a designation of Executive Director (Vigilance) as a special case as mentioned in BPE's OM No.16(48)/87-GM dated 12.4.89. Further in order to avoid giving designation of Executive Director (Vigilance) to very junior officers, who are heading the Vigilance Department, on deputation basis, it may be desirable that while giving such designation the officer should be at least in the scale of pay of Rs.9500-400-11,500 on Industrial DA or Rs.18,400-500-22,400 revised as per Fifth Central Pay Commission.

2) The Chief Vigilance Officers, being the head of the Department of Vigilance in the PSU, may be treated as "key officials" and accommodation may, therefore, be arranged by the PSU for Chief Vigilance Officers on the lines admissible to key officials as indicated in DPE's OM No.2(8)/91-DPE(WC) dated 3.3.92 and 2(42)/97-DPE(WC) dated 20.7.98 as applicable. The recovery towards rent for the accommodation so provided would be at the rate of 10% of the basic pay opted by the officer. This facility would be applicable only to the CVOs of Schedule "A" and "B" PSUs and to CVOs who have come from other organisation/All India Services on deputation basis to PSU to work as full-time CVO and not to the officer belonging to the same PSU, who has been given the work of a CVO in addition to his normal duties.

3) The CVO may be provided staff car facilities for official duties including pick and drop at residence as a special case and this facility will be in lieu of car allowance. The officer may be allowed to exercise his option in favour of either of these two.

All Administrative Ministries are requested to bring the above to the notice of the public enterprises under their administrative control for their information and compliance.

**Sd/- A. Luikham, Director, DPE**

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**Strengthening Vigilance Machinery in Public Sector Undertakings. (DPE O.M. No. 15(7)/2002-DPE(GM)/GL-50 dated 15th December, 2003)**

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**CHAPTER II**  
**PERSONNEL POLICIES**

**(g) Vigilance Policies**

**DPE/Guidelines/II(g)/9**

**Strengthening Vigilance Machinery in Public Sector Undertakings.**

**References:**

1. No. 18/5/83-BPE(GM-II) dated 15.11.83-appointment of persons designated as Special Directors, Executive Directors.
2. No. 16(48)/87-GM dated 12.4.89-Chief Vigilance Officers in PSUs-Grant of incentives regarding.
3. No. BPE OM No, 16(28)/88-GM, dated 9th June, 1989-Strengthening of Vigilance Machinery of Public Sector Undertakings.
4. No. 16(48)/87-GM dated 2.8.96-Strengthening Vigilance Machinery in Public Sector Undertakings.
5. No. 16(48)/87-GL-013/DPE(GM) dated 6.1.99-Strengthening Vigilance Machinery in Public Sector Undertakings.
6. No. 15/2/99-GL-017/DPE(GM) dated 6.4.1999.
7. No. 15/14/85-GM dated 1.1.86-CVO to report directly to Chief Executive
8. No. 16(48)/87-GM dated 2.2.88-Chief Vigilance Officers in PSUs-Grant of Incentives-regarding
9. No. 16(48)/87-GM dated 19.7.88-Chief Vigilance Officers in PSUs-Grant of Incentive-Regarding
10. No. 16(48)/87-GM dated 6.7.2000-Satus, facilities and perquisites of Head of Vigilance of the level of Jt. Secretary and above in PSEs.

The undersigned is directed to refer to the above noted OMs of this Department on the subject mentioned above and to state that it has been decided to modify and merge all these guidelines suitably as follows:

(i) The Chief Vigilance Officer (CVO) of a PSU will report directly to the Chief Executive as required under the approved Action Plan on anti-corruption measures.

(ii) It has been observed by the Department of Company Affairs that the practice of designating executives of companies who are not Members of the Board of Directors as Special Director, Executive Directors, etc. is patently wrong as it gives an impression to public at large that they are full-fledged Directors and entitled to act as such on behalf of the company. The Department of Company Affairs has advised companies to desist from giving such designations. Keeping this in view, as decided by the CVC in its latest guidelines circulated vide communication No.

3(V)99/5 dated 27.9.99 all Heads of Vigilance Divisions in the PSEs will be designated only as "Chief Vigilance Officer" irrespective of their status in the present organization.

(iii) CVOs in Schedule 'A' and 'B' companies who are of the level of Joint Secretary to the Government of India and above may exercise such administrative and financial powers which are considered essential for efficient functioning of the vigilance machinery of the PSU subject to the condition that the financial powers are exercised within the allocated budget to the vigilance unit and in accordance with the financial discipline and accountability, at par with other functional Directors.

(iv) CVOs in Schedule 'A' and 'B' companies who are of the level of Joint Secretary to the Government of India and above may be given status equivalent to that of a functional Director without allowing the scale of pay (of functional Directors) in the PSU but it is not necessary for him to attend Board Meetings even as an invitee, on a regular basis, because in the process his neutral position may be compromised. However, he may attend Board meetings on rare occasions when an issue relating to vigilance is discussed.

(v) CVOs in Schedule 'A' and 'B' companies who are of the level of Joint Secretary to the Government of India and above will continue to be entitled to such accommodation and staff car facility which are available to other functional Directors in the PSU.

(vi) CVOs, being head of the Department of Vigilance in the PSU, may be treated as "key official" and accommodation may, therefore, be arranged by the PSU for the CVOs on the lines admissible to key officials as indicated in DPE OMs No. 2(8)/91-DPE(WC) dated 19.7.95 and 25.6.99 (below Board level) and 2(42)/97-DPE(WC) dated 20.7.98 as applicable.

(vii) CVO who are below the rank of Jt. Secretary to Government of India may be provided staff car facilities for official duties including pick and drop at residence as a special case and this facility will be in lieu of car allowance. The officer may be allowed to exercise his option in favour of either of these two.

(viii) Progress of vigilance work/disciplinary cases needs to be reviewed periodically and it has been decided that the Board of Directors of PSUs will continue to undertake such review at least once in six months.

(ix) If the CVO of an administrative Ministry asks for a factual report against a Board level appointee from the CVO of the PSE, the latter will send the same to the CVO of the Ministry, after endorsing a copy of the report to the CMD to keep him informed of the development. However, if the CMD himself is the subject matter of the investigation, the CVO of the PSE need not endorse a copy of the report to him. It would thus be the responsibility of the CVO of the Ministry to obtain the version of CMD (qua suspect person) at the appropriate time. The CVO of the Ministry may make reference to the CVC after collecting all the relevant facts and following the prescribed procedure.

(x) In case of difference of opinion between the Chief Vigilance Officer and the CMD in respect of corruption cases and consequent action to be taken against below Board level appointees it will be the responsibility of CMD to bring the case to the Board.

(xi) It will be the responsibility of the CMD to inform the Secretary of the administrative Ministry/Department about any major irregularity brought to his notice by the Chief Vigilance Officer.

All the administrative Ministries/Departments are requested to take note of the above consolidated instructions and advise the PSUs under their administrative control to comply with these instructions.

**(DPE O.M. No. 15(7)/2002-DPE(GM)/GL-50 dated 15th December, 2003)**

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(\*10)

001/VGL/5  
Government of India  
Central Vigilance Commission

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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated: 10-12-2001.

To

All Chief Vigilance Officers

**Sub: System improvement to fight corruption through better synergy between  
CAG & CVC.**

Sir,

Attention is invited to the Commission's Circular No. 001/VGL/5 dated 25.4.2001 and No. 3(v)/99/14 dated 16.5.2001 on the subject cited above.

2. It is informed that all Audit Reports are simultaneously displayed in the CAG's web-site viz. "<http://www.cagindia.org>" on the date of placement.

3. The Commission desires that all CVOs should access the Audit Reports issued after the date of this circular to identify cases of corruption arising from those Audit Reports that pertain to their organisation. In all such cases immediate action must be initiated against the public servants concerned through the standard practice of referring vigilance cases to CVC.

4. This is issued for strict compliance by all concerned.

Yours faithfully,

**(C.J. Mathew)**

**Deputy Secretary**

(\*11)

**No. 001/TRG/01**  
**Government of India**  
**Central Vigilance Commission**  
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Satarkta Bhawan, Block 'A'  
GPO Complex, INA,  
New Delhi- 110023  
Dated the 17<sup>th</sup> September 2009

**Circular No. 30/09/09**

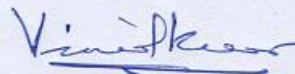
**Subject: CVOs training/visits abroad - regarding.**

While the Commission has always been appreciative of the need for the exposure of CVOs and officers working in vigilance set-ups in various Organisations/Departments to certain training programmes held abroad in fighting corruption in order to update themselves with the modern techniques adopted by other countries and international bodies engaged in this arduous task, it has also been insisting on ensuring that CVOs and vigilance officers attend only appropriate training programmes, which are really useful in improving vigilance administration. It had issued instructions vide Office Order No. 6/2/04 dated 3.2.2004, that the Administrative Ministry/PSEs should take prior concurrence of the Commission. Later, the Commission vide Order No. 6/2/05 dated 24.02.2005, stipulated that it would not be advisable to recommend officers for such trainings abroad, if similar programmes are available in India and that the same should have relevance to vigilance work.

2. Of late, it is observed that in certain cases, not only Commission's prior concurrence was not obtained for undertaking foreign visits of CVOs, but some of the visits, were for purposes which were neither relevant nor related to the vigilance work of the CVOs. The Commission has viewed these instances seriously and, would therefore, reiterate its earlier Office Orders and emphasise that Commission's prior approval should be obtained before the CVOs go on official visits abroad, either on training or otherwise. While seeking the Commission's approval, the exact purpose of the visit/details of the training programme, its relevance to vigilance work and all other relevant details should be submitted. On completion of the foreign visit, along-with their monthly report, the CVO should submit a report on the programme attended and its utility for the Commission's perusal.

3. In addition, the Commission has also decided that all full time CVOs would mandatorily send a copy of their tour programme of visits undertaken to places other than their headquarters in connection with official work within the country. All full time CVOs may, therefore, furnish the requisite details of official tours to the Commission together with their monthly reports to the Commission.

4. The above said instructions may be noted for strict compliance in future.

  
(J. Vinod Kumar)  
Under Secretary

To,

**The Secretaries of Ministries/Department of Govt. of India**  
**All CMDs/CEOs of PSBs/PSUs**  
**All Chief Vigilance Officers.**

(\*13)

No.372/9/2012-AVD-III  
Government of India  
Ministry of Personnel, Public Grievances & Pensions  
Department of Personnel and Training

North Block, New Delhi,  
Dated the 12th July, 2012.

**OFFICE MEMORANDUM**

**Subject: Creation of post of Chief Vigilance Officers and status facilities, perks and perquisites in CPSEs etc.-reg.**

Attention is invited to the Central Vigilance Commission's letter No.3(v)/99/5 dated 29th July, 1999 and the Commission's subsequent Office Order No.45/9/03 dated 17th September, 2003 on the subject mentioned above.

2. It is envisaged in the aforesaid communications/orders of the CVC that officers of Joint Secretary level joining as CVO would be accorded the status and perks of a functional Director of Board and officers of Director/Deputy Secretary level joining as CVO would be provided the status and perks of Executive Director. The Commission has also advised that as a first step towards implementation of its instructions, the post of CVO may be created at the functional director level in Schedule "A" PSUs and at one level below the board in Schedule "B" and "C" PSUs.

3. The pay structure, allowances, perks and benefits of the Executives of the Central Public Sector Enterprises (CPSEs) have since undergone change on the revision of the scales of pay of Board Level and below Board Level Executives and non-unionized supervisors in CPSEs vide DPE OM No. 2(70)/08-DPE(WC) on 26th November, 2008.

4. This Department has also thereafter issued O.M. No.372/21/2009-AVD-III dated 12th October, 2010 wherein it was laid down that CVOs and other officers on deputation to the Vigilance Departments of CPSEs may be allowed the option of electing to draw either the pay of the post in the scale of pay of the CPSE concerned or pay in the parent cadre plus deputation (duty) allowance thereon plus personal pay, if any, and that the CVOs and other officers on deputation to the Vigilance Departments of CPSEs may also be allowed all the perks, benefits and perquisites applicable to equivalent level of officers in concerned CPSEs.

5. In spite of the above instructions, this Department is receiving repeated references from Ministries/Departments as to status and perks to be given to officers who join as CVOs in CPSEs. A need was felt to re-look into the matter in consultation with Central Vigilance Commission (CVC) and Department of Public Enterprises (DPE).

6. Taking into account the viewpoints conveyed by CVC and DPE vide letter No. 003-VGL-18/163022 dated 25.1.2012 and OM No. 9(8)/2011-GM dated 29.12.2011 respectively, the following decisions have been taken for implementation with immediate effect:-

a) **Level of posts of CVO:** In modification of the earlier guidelines, the post of CVOs in all CPSEs irrespective of the level/status/schedule of such CPSE shall be in the scale of pay equivalent to the level of functional Director in that CPSE. This would imply creation of a post by the Administrative Ministry in the scale of pay equivalent to the level of functional Director where no formal post of CVO exist or upgradation of the existing post where the post has been created at a lower scale of pay. In case of Autonomous Bodies, Societies & Federations, Trusts etc. where there are no functional Directors, the CVOs may be allowed the status, pay and perks

of post immediately below the post of CEO of the organization. The CVO, however, will not be a Board Member of the CPSE/ Bodies/Societies.

**b) Level of officers posted as CVO:** In future, officers of the rank of Joint Secretary to the Government of India or equivalent shall only be appointed as CVO in Schedule 'A' CPSEs, officers of the level of Director in the Government of India or equivalent in Schedule 'B' CPSEs and officers of the level of Deputy Secretary to the Government of India or equivalent in Schedule 'C' CPSEs. The level of officers required to be posted as CVOs in Autonomous bodies, Societies, Trusts, Statutory body etc. may be determined by the administrative Ministries concerned and intimated to this Department keeping in view (a) above.

**c) Procedure for creation/upgradation of post of CVO:** In modification of the extant guidelines, such posts shall be created/upgraded by the concerned administrative Ministry/Department for the CPSE in the pay scale equivalent to that of the functional Director of the concerned CPSE and no further approval of DPE/DOPT shall be required in this regard. Similar action may be taken by concerned Ministries/Departments in respect of Autonomous bodies, Statutory bodies, Societies, Trusts etc.

**d) Status, perks, benefits & perquisites:** The CVOs shall be entitled to pay, status, benefits & perquisites as are admissible to the functional Directors of the concerned CPSE, read with this Department's OM No. 372/21/2009- AVD-III dated 12 91 October, 2010.

e) There will be no change in the pay scale, etc., of the present incumbent CVOs of Schedule "A" CPSEs who are of the rank of Director in the Government of India or equivalent in their parent cadre. Such posts may continue to be operated in the existing scales till completion of the tenure of such officers. Thereafter, these posts may be operated and filled up in accordance with the above instructions.

7. All Ministries/Departments are requested to comply with the above instructions.

(N. R

**Deputy Secretary to the Government of India**

**Tel No. 23094542**

1. Secretary, Department of Public Enterprises, CGO Complex, Lodhi Road, New Delhi with reference to DPE letter No.9(8)2011-GM dated 29.12.2011.

2. Secretary, Central Vigilance Commission, Satarkata Bhawan, New Delhi with reference to CVC letter No.003-VGL-18/177980 dated 14.6.2012.

3. All Ministries/Departments of the Government of India.

4. Secretary, Department of Expenditure, North Block, New Delhi.

5. Secretary, PESB, CGO complex, New Delhi.

6. All Chief Executives of Central PSEs.

7. All CVOs of CPSEs.

8. NIC Cell with the request to upload the same on the website.

(\*14)

No.003/VGL/18  
Government of India  
Central Vigilance Commission

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Satarkata Bhawan,Block 'A',  
GPO Complex, INA,s  
New Delhi- 110 023  
Dated the 17<sup>th</sup> September 2003

**Officer Order No.45/9/03**

To

All Chief Executives of PSUs

**Subject:- Chief Vigilance Officers - status & perquisites in Public Sector Undertakings.**

Reference:- Commission's letter No. 3(V)/99/5 dated 29.07.1999.

Sir/Madam,

The Commission in the past had examined the role and functions of Chief Vigilance Officers in PSUs and to ensure their authority and functional independence, had issued instructions regarding their status and perquisites. It was envisaged that officers of Joint Secretary level joining as CVO would be accorded the status and perks of a functional director of board and officers of Director/Deputy Secretary level joining as CVO would be provided the status and perks of Executive Director.

2. Recently some CVOs have brought it to the notice of the Commission that the instructions of the Commission on the status and perks are not being implemented by PSUs for one reason or another. The Commission has considered the matter in detail and has observed that the basic reason for the problem is absence of categorization of CVO's post at the requisite level. Therefore as a first step towards implementation of its instructions, the post of CVO may be created at the functional director level in schedule "A" PSUs and at one level below the board in schedule "B", "C", and "D" PSUs. Once the posts are created at the requisite level, the status and perks will be automatically available to the incumbent joining as CVO.

3. The Commission desires that PSUs may take suitable action along the above lines at the earliest while keeping it advised of the progress.

4. The above instructions will not apply in the case of CVOs of public sector banks where the post of the CVO has already been appropriately categorized.

5. Kindly acknowledge receipt.

Yours faithfully,  
Sd/-  
(Mange Lal)  
Deputy Secretary  
Telefax- 24651010

**Government of India  
Ministry of Railways  
Railway Board**

**No.2005/V-1/CVC/1/8 New Delhi, dated May 12, 2006**

**(I) General Manager (Vigilance)**

CR, ER, ECR, ECoR, NR, NCR, NER, NFR, NWR, SR, SCR, SER, SECR, SWR, WR, and WCR.

**(II) Chief Vigilance Officer (CVO)**

CLW, DLMW, DLW, ICF, RCF, RWF, CORE, METRO, RDSO, IRCON, RITES, IRFC, CONCOR, KRCL, IRCTC, RAILTEL, MRVC and RVNL

**Sub: Protection against victimization of Vigilance officials.**

Please refer to Board's letter of even number dated 24/06/2005 (RBV No.12/2005), laying down parameters for protection of the Vigilance officials/ ex-Vigilance officials.

2. The Commission has viewed seriously certain instances of harassment and attempts of victimization of vigilance officials of certain organizations. The need to allow the vigilance officials to work independently and freely without any fear, which is the foundation for effective vigilance administration in any organization, has been recognized since long. In fact, the Committee on Prevention of Corruption (Santhanam Committee) had recommended 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 Organisation 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".

3. The Commission has considered the problem of possible victimization of Vigilance officials after they finish their tenure in the vigilance Department and revert to their normal duties. In the case of CVOs, already the Commission, as Accepting Authority, is in a position to moderate, if necessary, any biased reporting against the CVO in his ACR. Similarly, the Commission has always been extremely careful and cautious while taking cognizance of complaints against the CVOs and as a matter of principle always obtains the CVOs response before coming to any conclusion on the need to investigate such complaints.

4. In order that the required degree of protection is conferred on the Vigilance officials supporting the CVO and keeping in view the spirit of the Santhanam Committee which with commendable foresight had anticipated very clearly some of these issues, the Commission issues the following consolidated instructions in exercise of its powers under Section 8(1) (h) of the CVC Act:

(i) All personnel in vigilance Units will be posted only in consultation with and the concurrence of the CVOs. Any premature reversion before the expiry of their tenure

will only be with the concurrence of the CVO. The CVO shall bring to the notice of the Commission any deviation from the above.

(ii) The ACR of personnel working in the Vigilance Department will be written by the CVO and reviewed by appropriate authority prescribed under the relevant conduct rules. The remarks in review shall be perused by the CVO and in case he has reservations about the comments made under the review, he shall take it up with the Chief Executive/HOD to resolve the issue. In case he is unable to do this, he shall report the matter to the Commission who will intercede in the matter suitably.

(iii) Since the problem of victimization occurs, if at all, after the reversion of the personnel to their normal line departments, the Commission would reiterate the following:

(a) On such reversion the vigilance personnel shall not be posted to work under an officer against whom, while working in the vigilance department, he had undertaken verification of complaints or detailed investigation thereafter. Needless to say his ACR shall not be written by such officer(s).

(b) All such Vigilance personnel will be deemed to be under the Commission's purview for purposes of consultation in disciplinary matters. This is irrespective of their grade. This cover will be extended to a period of not less than five years from the date of reversion from the vigilance department.

(c) All Vigilance personnel on reversion shall be entitled to represent through the CVO and chief executive of the organization to the Commission if they perceive any victimization as a consequence of their working in the Vigilance department. This would include transfers, denial of promotion or any administrative action not considered routine or normal. This protection will be extended for a period not less than five years after the reversion of such personnel from the Vigilance department.

5. The above instructions may be noted for strict compliance. The CVO should report promptly to the Commission, the details of any real or perceived victimization of any official who is working in the vigilance unit. Similarly, he should also report such instances pertaining to the former officials of the Vigilance Units, up to a period of five years after they had completed their tenure in the Vigilance Unit. He should also report where such deserving officials are ignored/superseded in matters of promotion.

**(Sanjay Goel)**  
**Director Vigilance (M)**  
**Railway Board**



(\*16)

No.006/VGL/022  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 28<sup>th</sup> March 2006

**Circular No.16/3/06**

**Sub: Protection against victimisation of officials of the Vigilance Units of various Ministries/Departments/organisations.**

The Commission has viewed seriously certain instances of harassment and attempts at victimisation of vigilance officials of certain organisations. The need to allow the vigilance officials to work independently and freely without any fear, which is the foundation for effective vigilance administration in any organisation, has been recognized since long. In fact, the Committee on Prevention of Corruption (Santhanam Committee) had recommended 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 Organisations 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".

2. The Commission has considered the problem of possible victimisation of Vigilance officials after they finish their tenure in the Vigilance Department and revert to their normal duties. In the case of CVOs, already, the Commission, as Accepting Authority, is in a position to moderate, if necessary, any biased reporting against the CVO in his ACR. Similarly, the Commission has always been extremely careful and cautious while taking cognizance of complaints against the CVOs and as a matter of principle always obtains the CVOs' response before coming to any conclusion on the need to investigate such complaints.

3. In order that the required degree of protection is conferred on the Vigilance officials supporting the CVO and keeping in view the spirit of the Santhanam Committee which with commendable foresight had anticipated very clearly some of these issues, the Commission issues the following consolidated instructions in exercise of its powers under Section 8 (1) (h) of the CVC Act:

(i) All personnel in Vigilance Units will be posted only in consultation with and the concurrence of the CVOs. They will be for an initial tenure of three years extendable up to five years. Any premature reversion before the expiry of such tenure will only be with the concurrence of the CVO. The CVO shall bring to the notice of the Commission any deviation from the above.

(ii) The ACR of personnel working in the Vigilance Department will be written by the CVO and reviewed by appropriate authority prescribed under the relevant conduct rules. The remarks in review shall be perused by the CVO and in case



he has reservations about the comments made under the review, he shall take it up with the Chief Executive/HOD to resolve the issue. In case he is unable to do this, he shall report the matter to the Commission who will intercede in the matter suitably.

(iii) Since the problem of victimisation occurs, if at all, after the reversion of the personnel to their normal line departments, the Commission would reiterate the following:

(a) On such reversion the vigilance personnel shall not be posted to work under an officer against whom, while working in the vigilance department, he had undertaken verification of complaints or detailed investigation thereafter. Needless to say his ACR shall not be written by such officer/s.

(b) All such Vigilance personnel will be deemed to be under the Commission's purview for purposes of consultation in disciplinary matters. This is irrespective of their grade. This cover will be extended to a period of not less than five years from the date of reversion from the vigilance department.

(c) All Vigilance personnel on reversion shall be entitled to represent through the CVO and chief executive of the organisation to the Commission if they perceive any victimisation as a consequence of their working in the Vigilance department. This would include transfers, denial of promotion or any administrative action not considered routine or normal. This protection will be extended for a period not less than five years after the reversion of such personnel from the vigilance department.

4. The above instructions may be noted for strict compliance. The CVO should report promptly to the Commission, the details of any real or perceived victimization of any official who is working in the Vigilance Unit. Similarly, he should also report such instances pertaining to the former officials of the Vigilance Unit, up to a period of five years after they had completed their tenure in the Vigilance Unit. He should also report where such deserving officials are ignored/superseded in matters of promotion.

(V. Kannan)  
Director

All CMDs of Public Sector Undertakings/Public Sector Banks  
All Chief Vigilance Officers

(\*17)

(\*18)

No. 15(7)/2002-DPE(GM)-GL-96  
Government of India  
Ministry of Heavy Industries and Public Enterprises  
(Department of Public Enterprises)

Public Enterprises Bhawan  
Block No. 14, C.G.O. Complex  
Lodhi Road, New Delhi-110 003

Dated the 11<sup>th</sup> August, 2009

**OFFICE MEMORANDUM**

Subject: Purchase of shares by CVOs and other officials in vigilance set up of Central Public Sector Enterprises (CPSEs) under preferential quota meant for employees in Public issues

The undersigned is directed to invite attention to the subject mentioned above and to state that it has come to the notice of Central Vigilance Commission (CVC) where the Chief Vigilance Officer (CVO) of a CPSE was allotted shares in the IPO out of quota reserved for employees of the CPSE. CVC felt that such extraordinary benefits compromise the independence and objectivity of CVOs in overseeing vigilance administration in the CPSEs. CVC has, therefore, indicated that outsider full-time CVOs in the CPSEs should not be considered for allotment of shares in IPOs under the preferential quota meant for employees in IPOs of CPSEs.

2. The matter has been considered by the Government and it has been decided to restrict the CVO who is not an employee of that CPSE from applying/allotment of shares under employees quota in Public Issues of CPSEs.

3. This Department had earlier issued consolidated guidelines vide O.M No. 15(7)/2003-DPE(GM) dated 15<sup>th</sup> December, 2003 on 'Strengthening Vigilance Machinery in Public Sector Enterprises'. In view of the above mentioned observation of CVC, a new Clause (xii) would deemed to have been incorporated therein, which would read as under:

(xii) "CVOs and other officials in vigilance set up of CPSEs, who are not employees in the concerned CPSEs shall not be eligible for allotment of shares in Public Issue under the quota meant for employees of CPSEs. Such extraordinary benefits compromise on independence and objectivity of CVOs in overseeing the vigilance administration in CPSEs."

2. All the administrative Ministries/Departments are requested to suitably instruct the CPSEs under their administrative control in this regard.



(Rakesh Bhartiya)  
Director  
Tele: 24360218

Secretaries of administrative Ministries /Departments concerned with CPSEs.

Copy to:

1. Chief Executives of all CPSEs
2. Central Vigilance Commission (Ms. Shalini Darbari, Director), Satarkata Bhavan, G.P.O. Complex, Block A, INA, New Delhi-110023 w.r.t. O.M No. 003/VGL/1(pt)/50390 dated 27.7.09.

(\*19)

**RBV NO.17/2009**  
**Government of India**  
**Ministry of Railways ,**  
**( Railway Board**

No. 2009/V-1/CVC/1/10 New Delhi,

dated September 03, 2009

**The General Managers,**  
All Zonal Railways, All PUs, CORE & Metro  
**The SDGMs/CVOs,**  
All Zonal Railways/PUs & PSUs/CORE/METRO/RDSO  
**The Managing Directors/All PSUs**  
**The CAOs/DLMW & COFMOW**  
**The Director Generals/RDSO & RSC,**  
**The Directors**  
All Centralized Training Institutes

**Sub: Maintenance of data bank for private foreign visits by Government employees.**

In terms of the directives received from the Central Vigilance Commission, it is mandatory for Vigilance Directorate to maintain a data bank of the private foreign visits undertaken by the Railway officials and to furnish declaration, in this regard, to the CVC every year by the end of February that the updated information along with all details is available, so that it could be made available to the Commission at a short notice, as and when desired by them.

2. It is, therefore, desired that a data bank, indicating the details of the private foreign visits undertaken by the Railway employees, should be maintained by the SDGMs/CVOs of the Zonal Railway/Units in the proforma prescribed below, for onward submission to furnishing the same to Railway Board:-

S.No.	Name & Designation of the Officer	Name of the country visited	Duration of stay	Source of funding	Remarks
1	2	3	4	5	6

**(Sanjay Goel)**  
**Director Vigilance (M)**  
**Railway Board**

(\*21)

**RBV No.10 / 2008**

**Government of India  
Ministry of Railways  
(Railway Board)**

No.2008/V-1/CVC/1/4 New Delhi, Dated, August 11, 2008

**The General Managers,**

All Zonal Railways, PUs, CORE & Metro

**The DGs,**

RDSO & RSC,

**The CAO/DLMW,**

**The Managing Directors,**

All PSUs

**The SDGMs/CVOs,**

All Zonal Railways/PUs & PSUs

**Sub: Rotation of officials working in sensitive posts.**

The CVC vide their Circular No.17/4/08 dated 01.05.2008, on the above subject have directed to identify the sensitive posts and to send a list of such posts to the CVC to ensure that officials posted on sensitive posts are rotated every two/three years to avoid developing vested interests.

2. The CVC's various circulars on the above subject, read together direct as under :-

(a) CVO should identify list of sensitive posts;

(b) List of the sensitive posts, so prepared should be sent to CVC;

(c) Officials posted on the sensitive posts should be rotated every two/three years to avoid developing vested interests;

(d) CVO/Secretary to ensure rotational transfer;

(e) Violation, if any, to be intimated to CVC; &

(f) CVOs to certify annually that rotational transfers are being implemented in letter and spirit.

3. The list of gazetted sensitive posts (department-wise), operating in the Zonal Railways/Production Units etc. as also in the Railway Board is enclosed. The non-gazetted posts, department-wise, identified as sensitive are contained in Board's letter No. E(NG)/I/87/TR/34/NFIR/JCM/DC dated 27.09.1989 (RBE No.244/89) and its subsequent modifications/amplifications issued from time to time.

4. It is desired that the officials manning the sensitive posts as contained in (3) above, should be rotated every 2 or 3 years to avoid developing vested interests and any violation in this regard may be intimated to the Adviser (Vigilance) and CVO of the Ministry of Railways for remedial action by SDGM/CVO of the Railway through the MCDOs.

**(Sanjay Goel)**  
**Director Vigilance (Mech.)**  
**Railway Board**

No.2008/V-1/CVC/1/4 New Delhi, Dated, August 11, 2008

**Copy to:** The Secretary/CVC (Kind Attention: Shri Rajiv Verma, Under Secretary), Satarkata Bhawan, Block 'A', GPO Complex, INA, New Delhi – 110 023, along with list of the sensitive posts w.r.t. their Circular No.17/4/08 dated 01.05.2008.

**(Sanjay Goel)**  
**Director Vigilance (Mech.)**  
**Railway Board**

**Copy to:** The Secretary/Railway Board – for information and necessary action.

## **List of Sensitive posts in Gazetted Cadre**

### **1. Engineering Department**

#### **Zonal Railway Headquarters**

- (i) PCE, CAO, CTE, CBE, CETP, CETM, CE (Const.), Dy. CE (Const.), Dy. CE (Works), Dy. CE(TM) , Dy. CM(TP), Dy. CE (Bridges)
- (ii) Senior Scale / Junior Scale Officers dealing with Tenders, Quotations and Bills.

#### **Division Level**

- (i) Sr. DEN (Co-ord.) , Sr. DEN (Line), Dy. CE(TM), Dy. CE (Const.)
- (ii) Senior Scale / Junior Scale Officers dealing with Tenders, Quotations and Bills including in Construction Field Units.

#### **Sub Division Level**

- (i) Senior Scale / Junior Scale Officers in charge of sub-divisions.

#### **Engineering Workshops**

- (i) CWM, Dy. CE (Bridge Workshop)
- (ii) Senior Scale / Junior Scale officers dealing with Tenders, Quotations and Bills.

#### **RDSO**

- (i) ED(QA) Civil, Dir (QA) Civil, Director (Civil)
- (ii) Senior Scale/Junior Scale officers of QA Directorate.

**Note: In some of the Railways, some of the SAG/JAG officers who are holding the post of CE (Planning), CGE or Dy. CE (Planning) or Dy. CE (Works) might also be dealing with the tenders, then they will also come under the category of sensitive posts.**

### **2. Electrical Department**

#### **I. At Headquarter level**

- (i) CEE
- (ii) CEE/RS or CEE/Loco
- (iii) Dy. CEE/RS
- (iv) CECE & CESE
- (v) Sr.Scale and Jr. Scale Officers dealing with Tenders, Quotations and Bills including in Construction Units.

#### **II. At Divisional level**

- (i) Sr. DEE/ Loco shed
- (ii) Sr. DEE/G
- (iii) Sr.Scale and Jr.Scale Officers dealing with Tenders, Quotations and Bills including in Loco Sheds.

#### **III. In Construction**

- (i) CEE/ Construction
- (ii) All Dy. CEE/ Construction but for posts in HQrs Construction.
- (iii) AEE(Cons.) & XEE (Cons.) in field units of Construction Organization

#### **IV. CLW**

- (i) CEE dealing with tenders.
- (ii) Sr.Scale & Jr.Scale Officers dealing with Tenders, Quotations and Bills.

## **V. COFMOW**

- (i) CEE
- (ii) Sr.Scale & Jr.Scale Officers dealing with Tenders, Quotations and Bills.

## **VI. In RDSO**

- (i) Sr.Scale and Jr. Scale Officers dealing with Inspections, including the Units outside Lucknow also.

## **3. Mechanical Department**

### **I. In the Zonal Railway**

- (i) CME, CWE, CRSE (Coaching), CRSE (Freight), CMPE (Diesel), CME (Planning), Dy. CME (Diesel), Dy. CME (Coaching), Dy. CME (Freight), Dy. CME (Workshop)
- (ii) SME(Coaching), SME(Freight), SME(Diesel), SME(Workshop) AME(Coaching), AME(Freight), AME(Diesel), AME(Workshop)

### **II. In the Division**

- (i) Sr. DME (Diesel), Sr. DME (Power), Sr. DME (Coaching)
- (ii) DME(Diesel), DME(Power), DME(Coaching), DME(C&W), CDO AME(Diesel), AME(Power), AME(Coaching), AME(C&W), ACDO

### **III. In the Workshops**

- (i) CWM, Dy. CME
- (ii) WM & AWM

### **IV. In the Production Units**

- (i) CME, CME (Production), CME (Design), Dy. CME
- (ii) Sr.Scale and Junior Scale Officers of Inspection, Material Control and Laboratory Organisation.

### **V. In RDSO**

- (i) EDS/MP, EDS/ Carriage, EDS/ Wagon, EDS/ QA, EDS/ Testing, Director/ Coaching, Director/ Wagon, Director/ Motive Power, Director/ I & L (Delhi, Mumbai, Kolkata and Lucknow)
- (ii) Senior Scale and Junior Scale Officers in QA (Mech.), Wagon, Carriage, Motive Power, I&L and M&C Directorates.

### **VI. In COFMOW**

- (i) CME, Dy. CME

**Note:** At some of the places, some of the SAG/ JAG officer may not be dealing with any tender/ contracts. In such cases, the posts may be excluded from the list of sensitive posts.

#### **4. S & T Department**

##### **I. At Headquarters**

- (i) CSTE, CSTE/ Construction, CSTE/ Projects, CCE, Dy. CSTE/ Micro-Wave/ Maintenance, Dy.CSTE/ Management Information System.
- (ii) Sr.Scale & Jr.Scale Officers dealing with Tenders, Quotations and Bills including in Construction Organization.

##### **II. At Field level**

- (i) Sr. DSTE, DSTE, Dy.CSTE/Construction, DSTE/Construction, Dy. CSTE/ Projects, Dy.CSTE/Tele/Projects, DSTE/Projects.
- (ii) Sr.Scale & Jr.Scale Officers dealing with Tenders, Quotations and Bills in divisions.
- (iii) DSTE/Construction, DSTE/Project
- (iv) AXSTE/Construction, AXSTE/Project

##### **IV. In RDSO**

- (i) ED/QA/S&T, Director/S&T/ Inspection at Bangalore, Mumbai, Kolkata & Delhi, Director/ I&L at Delhi, Kolkata & Mumbai
- (ii) Sr.Scale & Jr.Scale Officers dealing with Inspections including the Units outside Lucknow also.

#### **5. Traffic & Commercial Department**

##### **I. Zonal Railway Head Quarters.**

COM, CCM, CFTM, CCO, Dy. CCM (Claims), Dy. HOD/ HOD allotting Catering and leasing contracts, SCM(Reservation)

##### **II. Divisional Level**

Sr. DOM, Sr. DCM, CTM/ Dy.CTM/ Area Superintendent, DOM & DCM working as independent Branch Officer, Area Officer and ACM incharge of Reservation.

##### **III. Training Centers**

Principal, ZTC

**Note: Sensitive posts involve dealing with customers, contractors and selections.**

#### **6. Accounts Department**

##### **I. Zonal Railway Headquarters**

- (i) All FA&CAOs i.e. FA&CAO, FA&CAO (Const.), FA&CAO(WST), FA&CAO(F&B)
- (ii) Dy.FA&CAO(Stores), Dy.FA&CAO(Workshop), Dy.FA&CAO(Traffic Accounts), Dy.FA&CAO(F&B), Dy.FA&CAO(Const.), Dy.CAO(G), Chief Cashier.
- (iii) All Jr.Scale/Sr.Scale posts of Accounts Deptt. are sensitive posts.

##### **II. Divisional level**

- (i) Sr. DFM
- (ii) All Jr.Scale/Sr.Scale posts of Accounts Deptt. are sensitive posts.

##### **III. In RDSO**

- (i) ED/ Finance



- (ii) Dir/ Finance
- (iii) Jt. Dir/ Finance
- (iv) All Jr.Scale/Sr.Scale posts of Accounts Deptt. are sensitive posts.

**Note: All Finance & Accounts Officers at Zonal and Divisional levels are on sensitive posts.**

## **7. Stores Department**

All posts are sensitive except the following posts:

- (i) Posts manned by Stores Officers in EDP Centre
- (ii) Dy.CMM/ Inventory Control in Headquarter, wherever he is not dealing with purchase work also
- (iii) All the Junior and the Senior Scale posts are sensitive except the following:-
  - 1. Posts manned by Stores Officers in EDP Centre.
  - 2. AMM/SMM not dealing with purchase work in Headquarter office.
  - 3. AMM/SMM not dealing with receipt/inspection and local purchases in Stores Depots.

## **8. Security Organisation**

- (i) Zonal Headquarters : CSC/Addl. CSC, Staff Officer to CSC
- (ii) Division : Sr. DSC, DSC, ASC

## **9. Medical Department**

- (i) Posts on which Doctors are nominated for conducting PME and medical examination for new recruits
- (ii) Posts on which Doctors are made in charge of Hospital Medical Stores and Local Purchases

## **10. Personnel Department**

### **(i) Zonal Headquarters :**

- a) CPO
- b) CPO (A)
- c) Dy.CPO (Gaz.)
- d) Dy.CPO (HQ) or (NG)
- e) Dy.CPO (Rectt.)
- f) Dy.CPO(Const.)
- g) All posts of SPOs and APOs other than those dealing with Industrial Relations

### **(ii) Divisions:**

- (a) All posts in Divisions like Sr. DPO/DPO are sensitive.
- (b) In divisions, all Senior Scale Officers holding independent charge as DPOs; all APOs who are dealing with the cadres of various departments; APO(Bills)

### **(iii) Workshops and Production Units:**

All Senior Scale and Junior Scale posts

## **11. Railway Board**

- (i) Adv/Loco, Adv/LM, Adv/Finance,

- (ii) ED/LM, EDF/C, EDF/S, ED FX I, ED FX II, EDE(GC), EDE(RRB), ED/Health, EDTk(P), EDTk(M), EDTk(MC), EDME/Coaching, EDME/Freight, ED/Traction, ED/RE, EDEE(G), ED(TD), ED(Signal), JS
- (iii) Director/LM, DF/Stores, DF/Comml., DE(GC), Director/Health, DME/ Coaching, DME/Traction, DME/Freight, DME/PU, Director/Tele, DIG/Admn, DIG(RS), DS(G), DS(D), DS (Confdl), Director/Sports, Director (I&P), All Directors in Security Directorate
- (iv) DD/JD E(GP), DD/SO (Sports), SO/Stationary, SO/DD (Development Cell), SO/DD (Track Branch), SO/DD/JD Training, DD/Public Relations, DDF(LM), DD/Sports, DD/Finance (Stores), US/Protocol, US (Admn), DD/Finance (Stores), PAO, SO/Transport Cell, All Dy. Directors in Security Directorate, ASC/Intelligence
- (v) OSD/Sr.PPS/PPS/PS to CRB, Board Members, AMs, DGs, Secretary, Railway Board
- (vi) All Posts in Stores Directorate except DRS(IC), DDS(G), SO/RS(IC), SO/RS(G)
- (vii) All Posts in Traffic Directorate
- (viii) All gazetted and non gazetted posts in Vigilance Directorate

## **12. Vigilance Department**

All Gazetted and non-gazetted Posts in Vigilance Department of Railways/Production Units

## **13. Railway Recruitment Boards**

Chairman, Member Secretary/RRB.

## **14. General Management**

- (i) GM
- (ii) AGM
- (iii) DRM
- (iv) ADRM.

## **15. Others (Senior Scale and above)**

- (i) Secretary to GM,
- (ii) Secretary to DG/RDSO
- (iii) Secretary to CAO(R)/DMW/PTA,
- (iv) Secretary to AGM,
- (v) Secretary to PHODs/CHODs,
- (vi) CPRO
- (vii) DGM/G

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## **LIST OF SENSITIVE POSTS IN NON-GAZETTED CADRE**

### **A. ACCOUNTS DEPARTMENT**

- (i) Staff passing contractors/firms bills.
- (ii) Staff dealing with claims/refund and wharfage/demurrage for general public.
- (iii) Cheque writers.
- (iv) Cashiers.
- (v) Staff dealing with pension/PF claims.
- (vi) Staff dealing with passes/release of unpaid wages.
- (vii) Staff dealing with post audit of paid vouchers and issue of acquittance.
- (viii) TIA/ISAs

### **B. CIVIL ENGINEERING**

- (i) IOWs/PWIs incharge of Stores.
- (ii) Bills Clerks.
- (iii) Material checking Clerk/Store Clerk.
- (iv) Time Keepers.
- (v) Works Accountants.
- (vi) Asstt. Superintendents/Superintendents incharge of Stores Accountal.
- (vii) Staff dealing with transfers/promotions/loans and advances and issue of passes/PTOs/Leave accounts/Local purchases.
- (viii) Draftsmen/Estimators in Divisional Drawing office checking Contractors bills.

### **C. COMMERCIAL DEPARTMENT**

- (i) Goods/Parcel/Luggage Clerks.
- (ii) Reservation/Booking Clerks.
- (iii) Ticket Collector/TTEs/Conductors.
- (iv) Reservation/Goods Supervisors.
- (v) Staff dealing with wharfage/demurrage cases.
- (vi) Staff dealing with all types of Commercial contracts/licenses.
- (vii) Staff dealing with city booking/outages/RTSA (Railway Ticket Service Agents).
- (viii) Staff dealing with claims.
- (ix) Sectional CMIs and Sectional Claims Inspectors.
- (x) Staff dealing with revenue earning and commercial publicity.
- (xi) Review of the performance of Supervisors directly concerned with safety of train operation after a stay of 5 years in the same place of posting is to be carried out and a decision taken based on their past performance, as to whether their continuance in the same place is desirable or not, on merit of each case.

### **D. ELECTRICAL DEPARTMENT**

- (i) Stores Clerk.
- (ii) Establishment Clerk/Time Keeper.
- (iii) Asstt. Superintendent/Superintendent Stores in Divisional Office.
- (iv) Asstt. Superintendent/Superintendent Works in Divisional Office.
- (v) Air-conditioned coach incharge/coach attendant.
- (vi) Foremen Incharge of Shop.
- (vii) Mileage Clerk/Shed Notice Clerk.
- (viii) Staf dealing with tenders/contracts and purchasing Stores.

### **E. MECHANICAL DEPARTMENT**

- (i) Store Clerk.
- (ii) Bill Clerk/Establishment Clerk.

- (iii) Time Keeper.
- (iv) Fuel Inspector/Fuel Issuer/Fuel Clerk in sheds.
- (v) Mileage Clerk/Shed Notice Clerk in sheds.
- (vi) Staff dealing with tenders/contracts, purchases of stores.
- (vii) Section Engineer/Senior Section Engineer dealing with disposal of scrap

#### **F. MEDICAL DEPARTMENT**

- (i) Pharmacists looking after the drug stores.
- (ii) Staff Incharge of kitchen stores.
- (iii) Staff writing out sick/fit certificates.
- (iv) Clerks/Pharmacists dealing with Periodical Medical Examination.
- (v) Staff dealing with passing of bills of firms supplying materials to Railways.
- (vi) Staff dealing with passing of medical re-imbursement bills to non-Railway hospitals.

#### **G. PERSONNEL DEPARTMENT**

- (i) Bill Clerk.
- (ii) Staff dealing with settlement cases/advances.
- (iii) Cadre section staff or staff dealing with recruitment/promotion/transfer.

#### **H. STORES DEPARTMENT**

- (i) Tender Clerk/Disposal Clerk/Purchase Section Incharge/Head Clerk/AS/Demand Clerk (dealing with operation of rate contract).
- (ii) Asstt. Confidential Tender Clerk/Tender opening Clerk/Sample Clerk/Superintendent/CTC.
- (iii) Section Incharge (Head Clerk/AS)/ Registration Clerk in Purchase General Registration.
- (iv) Receipt /Inspection Supervisor Incharge (Ward Keeper ASKP/DSKP) and Group 'C' staff working under them, Local Purchase Staff.
- (v) Sales Section Incharge (ASKP/DSKP) and staff working under them.
- (vi) Scrap Yard/Returned Store Section Incharge (ASKP/DSKP), Ward Keeper and Group'C' staff working under them.
- (vii) Staff in Purchase Section of EA/DRM or DCOS of Division.

#### **I. OPERATING DEPARTMENT**

- (i) Station Superintendents.
- (ii) Station Masters/Assistant Station Masters except those working/posted as Cabin Station Master and at Way Side/Crossing Stations, involved only in train passing duties and not doing any commercial duties.
- (iii) Station Clerk.
- (iv) Train Clerk dealing with package work.
- (v) Stock Controller/Coaching Controller in Control Rooms.
- (vi) The Desks dealing with mileage bills/operating restrictions, distribution of uniforms, traffic stores and chargesheets/Wagon allotment, section dealing assistants in the office of DOSs/DSCs.
- (vii) Desks dealing with commodity section and stores section in the COPS's office.

#### **J. S&T DEPARTMENT**

- (i) JEs/SEs (Signal) and JEs/SEs (Telecom) independent incharge of Stores Depots, handling Tender and Contracts and preparation of bills.
- (ii) Bill Clerk/Time Keeper/Establishment Clerk.
- (iii) Store Clerk/Store Issuer.

- (iv) Office Clerks/Superintendents dealing with tenders and contracts, verification of bills and indents for purchase of Stores.

#### **K. SECURITY (RPF/RPSF) DEPARTMENT**

- (i) Inspection/RPF – Open line post Incharge
- (ii) Sub-Inspectors/ASIs – Open line out post Incharge
- (iii) Inspectors/Crime Intelligence Branch – Zone/Division
- (iv) Inspectors/Special Intelligence Branch – Zone/Division
- (v) IVG (Internal Vigilance Group) Cell – All ranks
- (vi) CA/Director/RPF

## CHAPTER 6

(\*1)

**No.3(v)/99/1**  
**Central Vigilance Commission**  
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**Satarkta Bhawan, Block "A"**  
**GPO Complex, I.N.A.,**  
**New Delhi-110023**  
**Dated the 21<sup>st</sup> June 1999**

**Subject:- Improving vigilance Administration- Bringing in  
accountability- Regarding.**  
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Accountability is one of the major factors in the effective administration of the Organisations. Administration without accountability is disastrous and provides ample scope for corruption. Dealing with the complaints is one of the areas, which calls for more accountability. Therefore, in order to bring in a sense of accountability both in the complainant and in the office receiving the complaint, the Commission, in exercise of its powers conferred on it vide Section 3(v) of the Resolution No.371/20/99-AVD.III dated 4/4/99, hereby directs all Departments/Organisations under its purview to compulsorily give proper receipt of the complaints being received in person to the complainant, with immediate effect.

2. This is subject to surprise check by the Commission.

### **CENTRAL VIGILANCE COMMISSIONER**

To

- (i) The Secretaries of All Ministries/Departments of Government of India
- (ii) The Chief Secretaries to All Union Territories
- (iii) The Comptroller & Auditor General of India
- (iv) The Chairman, Union Public Service Commission
- (v) All Chief Vigilance Officers in the Ministries /Departments/PSEs /Public Sector Banks/Insurance Companies/Autonomous Organisations/Societies
- (vi) President's Secretariat/ Vice-President's Secretariat/Lok Sabha Secretariat/Rajya Sabha Secretariat/PMO

No. 012/VGL/022  
CENTRAL VIGILANCE COMMISSION

SATARKTA BHAVAN,  
BLOCK-A, GPO COMPLEX,  
INA, NEW DELHI-110023  
Dated: 29.03.2012

**CIRCULAR No.09/03/12**

Subject: IT enabled application in CVC for the Core Processes.

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Central Vigilance Commission has been working towards leveraging IT for not only simplification of processes but also enhancing interaction with all the stakeholders in the fight against corruption. An IT enabled Application for Complaints processing online has been developed and implemented in the Commission. This Application handles complaints from all sources in electronic form and ensures expeditious disposal.

2. In this process, complaints on which it has been decided to send the same for 'Necessary Action' (NA) are being forwarded to the CVO concerned by the Commission through this Application. Such complaints sent for necessary action would henceforth not be sent in hard copy and will be transmitted electronically. However, the complaints sent for investigation and report to the CVO will continue to be handled/sent by post. In addition, the CVOs can also send the Monthly Reports electronically through this Portal.
3. E-mails and SMS systems are also being integrated by this application for sending alerts to all the CVOs and for status updates to the complainants.
4. All CVOs have to access their accounts with User ID and Passwords, through the CVC portal <http://portal.cvc.gov.in>. For any further query/help please contact the following numbers: 011-24657642 & 24651087.



(J.Vinod Kumar)

Officer on Special Duty

All Chief Vigilance Officers of Ministries / Departments / PSUs / Banks / Insurance Companies / Autonomous Organizations / Societies / UTs.

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4

THE GAZETTE OF INDIA : EXTRAORDINARY

[PART I—SEC. 1]

MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES & PENSIONS

(Department of Personnel & Training)

RESOLUTION

New Delhi, the 4th April, 1999

No. 371/20/99-AVD. III.—WHEREAS the Supreme Court of India Vide its Order dated the 18th December, 1997 in Criminal Writ Petition numbers 340-343 of 1993 - Vineet Narain and others versus Union of India has inter alia given directions that statutory status should be conferred upon the Central Vigilance Commission;

AND WHEREAS the President was pleased to promulgate the Central Vigilance Commission Ordinance, 1998 (Ord.15 of 1998) on the 25th day of August, 1998 and the Central Vigilance Commission (Amendment) Ordinance, 1998 (Ord.18 of 1998) on the 27th day of October, 1998 for the said purpose;

AND WHEREAS the Central Vigilance Commission Bill, 1998 was introduced in the House of the People on the 7th day of December, 1998 to replace the said Ordinances;

AND WHEREAS the President was pleased to promulgate the Central Vigilance Commission Ordinance, 1999 (Ord.4 of 1999) on the 8th day of January, 1999 inter alia to give effect to the provisions of the aforesaid Bill;

AND WHEREAS the aforesaid Bill has been passed by the House of the People and is pending before the Council of States;

AND WHEREAS the Central Vigilance Commission Ordinance, 1999 (Ord.4 of 1999) is expiring on the 5th April, 1999 in terms of sub-clause(a) of clause (2) of article 123 of the Constitution;



AND WHEREAS it has become necessary to continue the Central Vigilance Commission beyond the 5th day of April, 1999;

NOW, THEREFORE; the Central Government hereby resolves that the Central Vigilance Commission constituted under section 3 of the Central Vigilance Commission Ordinance, 1998 and existing under section 3 on the date of this Resolution shall, notwithstanding the fact that the Central Vigilance Commission Ordinance, 1999 (Ord.4 of 1999) will cease to operate on the 5th day of April, 1999 in terms of sub-clause (a) of clause (2) of article 123 of the Constitution, continue to discharge its duties and exercise its powers under this Resolution which shall come into operation immediately after the expiry of the Ordinance.

2. The Central Vigilance Commissioner, other Vigilance Commissioner, officers and employees of the Commission constituted under the Central Vigilance Commission Ordinance, 1999 shall continue to hold office as such on the same terms and conditions of their appointment as on the date of this Resolution.

3. The Central Vigilance Commission shall have the following functions and powers, namely:-

- (i) To inquire or cause an inquiry or investigation to be made on a reference made by the Central Government wherein it is alleged that a public servant being an employee of the Central Government or a corporation established by or under any Central Act, Government company, society and any local authority owned or controlled by that Government, has committed an offence under the Prevention of Corruption Act, 1988;
- (ii) To cause an inquiry or investigation to be made into any complaint against any official belonging to the following category of officials, namely :—

- (a) Group 'A' Officers of the Central Government;
- (b) Such level of officers of the Corporations established by or under any Central Act,

Government companies, societies and other local authorities, owned or controlled by the Central Government, as that Government may, by notification in the Official Gazette, specify in this behalf,

wherein it is alleged that such official has committed an offence under the Prevention of Corruption Act, 1988;

- (iii) Review the progress of applications pending with the competent authorities for sanction of prosecution under the Prevention of Corruption Act, 1988;
- (iv) tender advice to the Central Government, corporations established by or under any Central Act, Government companies, societies and local authorities owned or controlled by the Central Government on such matters as may be referred to it by that Government, said Government companies, societies and local authorities owned or controlled by the Central Government or otherwise;
- (v) 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.

4. The proceedings of the Commission shall be conducted at its present headquarters.
5. The Commission shall observe such rules of procedure and the principles of the natural justice in regard to transaction of its business.
6. The Central Vigilance Commissioner, or, if for any reason he is unable to attend any meeting of the Commission, the senior most Vigilance Commissioner present at the meeting, shall preside at the meeting.

V. LAKSHMI RATAN, Addl. Secy.

(\*4)

**No.3 (v)/99/2**  
**Central Vigilance Commission**  
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**Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 29<sup>th</sup> June 1999**

**Subject: Improving vigilance administration - no action to be taken on anonymous/pseudonymous petitions/complaints.**

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By virtue of the powers invested in the CVC under para 3(v) of the Ministry of Personnel, Public Grievances & Pensions, Department of Personnel & Training Resolution No.371/20/99-AVD.III dated 4<sup>th</sup> April 1999, the CVC is empowered to exercise superintendence over the vigilance administration of the various Ministries of the Central Government or Corporations established under any Central Act, Government Companies, Societies and local authorities owned or controlled by that Government.

2. One of the facts of life in today's administration is the widespread use of anonymous and pseudonymous petitions by disgruntled elements to blackmail honest officials. Under the existing orders, issued by Department of Personnel & Training letter No.321/4/91-AVD.III dt.29.9.92, no action should be taken on anonymous and pseudonymous complaints and should be ignored and only filed. However, there is a provision available in this order that in case such complaints contain verifiable details, they may be enquired into in accordance with existing instructions. It is, however, seen that the exception provided in this order has become a convenient loophole for blackmailing. The public servants who receive the anonymous/pseudonymous complaints, generally, follow the path of least resistance and order inquiries on these complaints. A peculiar feature of these complaints is that these are resorted to especially when a public servant's promotion is due or when an executive is likely to be called by the Public Enterprises Selection Board for interview for a post of Director/CMD etc. If nothing else, the anonymous/pseudonymous petition achieves the objective of delaying the promotion if not denying the promotion. These complaints demoralise many honest public servants.

3. A person will resort to anonymous or pseudonymous complaints because of the following reasons:

- i. He is an honest person who is a whistle blower but he is afraid to reveal his identity because of fear of consequences of the powerful elements in the organisation.
- ii. He is a blackmailer who wants to psychologically pressurise the public servant complained against

4. There could be a view that if the anonymous/pseudonymous complaints contain an element of truth and if no action is to be taken on them then an important source of information will be lost. To that extent, corrupt practices may get a boost. At the same time the Central Vigilance Commission has initiated a number of steps to provide a channel of communication against the corrupt public servants. These measures include the following:

- i. Under CVC's order No.8 (1)(h)(1) dated 18.11.98, even junior officers can complain to the CVC in cases of corruption against the seniors;

- ii. The CVC has issued instructions that the name of the complainant will not be revealed when the complaint is sent to the appropriate authorities for getting their comments or launching inquiries;
- iii. Under CVC Order No. 8(1)(g)/99(4) dated 12<sup>th</sup> March 1999, in every office there should be public notice displayed directing that no bribe should be paid. If any bribe is demanded, the complaint should be made to the appropriate authority like CVO, CVC etc.; and
- iv. The CVC is now available on web - <http://cvc.nic.in> If anybody wants to complain they can easily lodge complaints on the website of CVC and also through e-mail - **vigilance@hub.nic.in**

5. In view of the above measures taken, there is very little possibility that genuine cases of corruption will not be brought to the notice of the appropriate authorities by those who were earlier resorting to anonymous/pseudonymous complaint route.

**6. It is, therefore, ordered under powers vested in the CVC under para 3(v) of the DOPT Resolution No.371/20/99-AVD.III dated 4<sup>th</sup> April 1999 that with immediate effect no action should at all be taken on any anonymous or pseudonymous complaints. They must just be filed.**

7. This order is also available on web site of the CVC at <http://cvc.nic.in> All CVOs must ensure that these instructions are strictly complied with.

To

- (i) The Secretaries of All Ministries/Departments of Government of India
- (ii) The Chief Secretaries to All Union Territories
- (iii) The Comptroller & Auditor General of India
- (iv) The Chairman, Union Public Service Commission
- (v) All Chief Vigilance Officers in the Ministries /Departments/PSEs /Public Sector Banks/Insurance Companies/Autonomous Organisations/Societies
- (vi) President's Secretariat/ Vice-President's Secretariat/Lok Sabha Secretariat/ Rajya Sabha Secretariat/PMO

(\*5)

No.002/VGL/61  
Government of India  
Central Vigilance Commission

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Satarkta Bhavan, Block 'A',  
GPO Complex, I.N.A.,  
New Delhi- 110 023  
Dated the 23<sup>rd</sup> September 2003

**Office Order No. 53/09/03**

To  
All Chief Vigilance Officers.

**Subject:- Disposal of complaints- regarding**  
Sir/Madam,

The Commission has received a number of references from the various departments/organisations seeking clarifications whether a complaint forwarded by the Commission for report may be first got confirmed from the complainant before taking up for investigations.

2. The Commission has examined the issue and decided that once it calls for a report on a complaint, the departments/organisations, should treat it as a signed complaint though on the face of it the complaint may be anonymous/ pseudonymous. Clarifications, if required, could be obtained from the complainant(s), as part of the enquiry into the matter.

3. CVOs may bring it to the notice of the concerned officials.

**Sd/-**  
**(Mange Lal)**  
**Deputy Secretary**  
**Telefax- 24651010**

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No.007/VGL/013  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 23<sup>rd</sup> February 2007

**Circular No.3/2/07**

**Subject: Investigation of complaints by the CVOs - seizure of records reg.**

It has come to the Commission's notice that when a complaint is received by the CVO either from the Commission or from other sources, the time taken by the department for investigating the complaint is unduly long and beyond the time-limit of three months stipulated by the Commission vide its circular No.000/VGL/18 dated 23.5.2000. The main reason cited by the CVOs for the delay is non-availability of records/documents pertaining to that particular complaint/allegation. The Commission vide Para 4.4 (a) of Vigilance Manual, 6<sup>th</sup> Edition has already issued guidelines stating that "if the allegations contain information which can be verified from any document or file or any other departmental records, the investigating / vigilance officer should, without loss of time, secure such records, etc., for personal inspection. If any of the papers examined is found to contain evidence supporting the allegations, such papers should be taken over by him for retention in his personal custody to guard against the possibility of available evidence being tampered with".

2. The Commission observes that these guidelines are not being adhered to and would therefore reiterate its aforementioned guidelines and direct the CVOs to ensure that all relevant records/documents/files etc. are taken into personal custody by the investigating officer immediately on receipt of the reference/complaint for processing the allegations, and finalizing the investigation within the stipulated three months' time-limit prescribed by the Commission.

3. The Commission, exercising its authority as contained in para 8(1)(c&d) and para 11 of CVC Act, 2003, also conducts direct inquiry into complaints through Direct Inquiry Officers as nominated by the Commission. It is directed that as soon as a direct inquiry is ordered by the Commission, the CVOs should immediately seize the relevant records pertaining to the case and produce them before the Direct Inquiry Officers (DIOs) without any delay.

4. The above instructions may be noted for strict compliance.

(Vineet Mathur)  
Deputy Secretary

All Chief Vigilance Officers

**No. 002/VGL/61  
Central Vigilance Commission**

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Satarkta Bhawan, Block 'A'  
GPO Complex, I.N.A.,  
New Delhi- 110023  
Dated the 19.05.2010

**Office Order No. 20/05/10**


**Subject: Adherence to time limits for investigation of complaints - reg.**

**Reference: (i) Commission's office order No. 16/03/04 dated 01.04.2004  
(ii) Commission's office order No. 4/2/09 dated 27.02.2009  
(iii) Commission's circular No. 9/5/09 dated 12.05.2009**

As per provisions contained in Para 4.13.1 of Chapter IV of the Vigilance Manual Volume -I (Sixth Edition - 2004), the Chief Vigilance Officers of Organisations/Departments are required to furnish investigation reports on complaints referred by the Commission for investigation and report within three months of the date of receipt of such references. In so far as PIDPI complaints, the Commission has prescribed a period of one month for submission of investigation reports.

2. The Commission observes that Organisations/Departments do not adhere to the time limits prescribed and there is undue delay in submission of investigation reports. While emphasising the need for strict adherence to the prescribed time limits for furnishing reports, in case, if it is not possible for completing investigations within the specified periods, the Chief Vigilance Officer of the Organisations/Departments concerned should personally look into the matter and send an interim reply/report to the Commission seeking extension of time limit, indicating the progress of investigation and reasons for delay without fail in each complaint case.

3. All CVOs should ensure strict compliance to the above guidelines.

  
19/5/2010 (Vineet Mathur)  
Director

To  
All Chief Vigilance Officers.



(\*8)

No.002/VGL/61  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 1<sup>st</sup> April 2004

**Office Order No.16/03/04**

To  
All Chief Vigilance Officers  
The Deputy Secretary (AVD.III), DOPT

**Subject: Disposal of complaints.**

Reference is invited to the Commission's Office Order No. 53/9/03 dated 23.9.2003 and para 4.2, Chapter 2 of Vigilance Manual Vol.I on the above subject.

2. In case the complaint does not attract vigilance angle, or the issue is of petty nature which could be settled at the level of the department/organisation, the Commission forwards such a complaint to the organisation for **necessary action** at their end, to redress the grievances of the complainant. The action on these complaints is **not required to** be sent to the Commission for further advice until and unless something more serious is brought out during the investigation. The departments/organisations may themselves dispose of and close these complaints after necessary action. The concurrence of Commission for closure of such complaints is not required. The CVOs may close the complaints at their level. However if the complaint is sent for **action and report**, the organisations should submit an investigation report within 3 months of receipt of complaint for obtaining necessary advice of the Commission. It has been observed that there is a long delay in matter of investigation of complaints, the organisations are advised to strictly adhere to the time-schedule in this regard.

Sd/-  
(Anjana Dube)  
Deputy Secretary

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**RBV No 06/2011  
GOVERNMENT OF INDIA  
MINISTRY OF RAILWAYS  
(RAILWAY BOARD)**

**No. 2011/V-1/CVC/1/4**

**New Delhi, dt. 28.4. 11**

**The General Managers**

Zonal Railways/PUs/CORE/ALD NF(CONST)/METRO/KOLKATA

**The General Managers**

**(Vigilance)**

Zonal Railways

**Managing Directors**

PSUs,

**Director Generals**

RDSO/LKO & RSC/BRC

**Chief Vigilance Officers**

PSUs/PUs/RDSO/METRO/CORE/ RSC

**Sub: Adherence to time-limit while furnishing investigation report on complaints (other than CVC referred complaints for investigation and report).**

While pointing out the inordinate delay in submission of investigation reports arising out of complaints (other than CVC referred complaints for investigation and report) The Central Vigilance Commission, have advised the following time frame for conducting investigation and processing/sending the investigation report.

- **Six months** for conducting detailed investigation (inclusive of time consumed for obtaining clarifications from the suspected officials);
- **Two months** for processing and sending the recommendation to the Board Vigilance and
- **One month** for processing the case in Railway Board (Vigilance).

It is desired that the prescribed time-limit for sending the investigation reports to Board (Vigilance) should be strictly complied with.

**(VIKAS PURWAR)  
Director/Vigilance (Mech.)  
Railway Board.**

**No. 2011/V-1/CVC/1/4 New Delhi, dt. .11**

Copy to :- (i) The Secretary, Central Vigilance Commission, Satarkata Bhawan  
w.r.t their ID No.0096/RLY/36/121656 dated 14.03.2011

(ii) AIRF, NFIR, IRPOF, FROA & AIRPFA

(iii) All Officers and the Branches of Vigilance Directorate.

(\*10)

**RBV NO. 21/2009  
GOVERNMENT OF INDIA  
MINISTRY OF RAILWAYS  
(RAILWAY BOARD)**

**No. 2009/V-1/CVC/1/5 New Delhi,**

**dated 19.11.2009**

**The General Managers (Vigilance),**

All Zonal Railways & CORE

**The Chief Vigilance Officers,**

PU, PSUs, Metro & RDSO

**The DGs, RDSO & RSC The Managing Directors, All PSUs**

**The CAO/DLMW**

**Sub: Usage of full forms of abbreviations in the Investigation Report.**

In a recent meeting held in the CVC, the Vigilance Commissioner directed that full forms of the various abbreviations should be used at least once, wherever they appear first in the Investigation Report or a separate table of abbreviations used along with their full forms should be incorporated at the beginning of the Investigation Report itself to avoid confusions/back references etc.

2. All concerned may please note for compliance.

**(Sanjay Goel)  
Director Vigilance (M)  
Railway Board**

**No. 2009/V-1/CVC/1/5 New Delhi, dated 19.11.2009**

Copy to :- The Commissioner, Central Vigilance Commission, Satarkata  
Bhawan, GPO Complex, Block 'A', INA, New Delhi-21 – w.r.t the meeting held  
in the Commission with Adviser(Vigilance) on 23.10.2009

**(Sanjay Goel)  
Director Vigilance (M)  
Railway Board**

Copy to :- i) The AIRF, NFIR, IRPOF, FROA and AIRPFA  
ii) All Officers and the Branches of Vigilance Dte.

(\*11)

No.000/VGL/166  
Government of India  
Central Vigilance Commission  
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Satarkata Bhavan, Block "A"  
GPO Complex, I.N.A.,  
New Delhi-110023  
Dated the 16<sup>th</sup> January 2001

To  
All CVOs of Ministries/Departments of Govt. of India/Nationalised Banks/ PSUs/Autonomous Bodies etc.

**Subject: Advance copy of CVO investigation report to CVC.**

Please refer to instructions issued under the Commission's Circular of even number dated 9/11/2000 regarding advance copy of CVO investigation report to CVC. Consequent upon the issue of the instructions, certain clarifications have been sought by some Departments/Organisations on the issue. The matter has been considered in the Commission and it is clarified as under:

- i) The Commission's circular dated 9.11.2000 refers to investigations carried out by the Vigilance Wing of the concerned Ministries/Departments/ Organisations into acts of omission and commission on the part of officers coming within the purview of the Commission's jurisdiction.
- ii) It is reiterated that notwithstanding the submission of advance copy by the CVO, a separate reference in accordance with the usual procedure needs to be made to the Commission to enable tendering of advice.
- iii) CVOs are to furnish advance copies to the Secretary, Central Vigilance Commission and not to the undersigned.

This issues with the approval of the Commission.

Yours faithfully,  
Sd/-  
(C.J.Mathew)  
Deputy Secretary

(\*12)

No. 005/VGL/5  
Government of India  
Central Vigilance Commission

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Satarkta Bhawan Block 'A',  
GPO Complex, INA,  
NEW DELHI – 110023  
Dated the 10<sup>TH</sup> March, 2005

**Office order No.10/02/05**

**Subject: - Protection and non-victimization of suppliers/contractors.**

The GOI Resolution on “Public interest Disclosure and Protection of informer” seeks to provide protection to all complainants from harassment and victimization in the organization concerned. While special care has been taken to ensure that the names of complainants are not disclosed, in actual practice it is seen that sometime it is possible to deduce the identity of the complainants within the organisation. The CVOs have to take special care to ensure that under no circumstances the complainants are harassed simply because they dared to blow the whistle on procedurally incorrect or wrong actions especially on the part of the higher officers.

2. Besides this, the commission has also decided that the all complaints received by it from the employees of the organisation will be sent only as “source complaint” and it would not reveal the name of complaint to ensure they are not victimized. However any complaint of perceived victimization by such persons should also be looked into immediately and a report sent to the Commission.

3. The commission has also received representations that apart from complainants who are members of the staff there are also complainants in the whistle blower category who may be suppliers of material or contractors working for an organization. It is necessary that this category of complaints is also ensured protection. The CVOs will have to take particular care to inquire into complaints of victimization in future contracts made by “ the whistle blower suppliers”, Such victimization could be in the form of unjustified disqualification in tender, application of more than normal inspection of material and workers within a view to harass them, delays in payments etc.

Sd/-  
(Anjana Dube)  
Deputy Secretary

(\*13)

**No. 8(1)(g)/99(4)**  
**CENTRAL VIGILANCE COMMISSION**

**SATARKTA BHAVAN,**  
**Block A, GPO Complex,**  
**INA, New Delhi - 110023**  
**Dated the 12th March, 1999**

**SUB: Improving Vigilance Administration - Sensitising the Public about corruption.**

Prevention is better than cure and prevention of corruption is better than the post corruption hunt for the guilty. Keeping this in view, the Commission is determined to improve the vigilance administration vis-'a-vis system improvements to prevent the possibilities of corruption. Therefore, in exercise of powers conferred on the Commission vide Section 8(1)(g) of the CVC Ordinance, 1999, assuming the role of a whistle blower and authority cautioning against misuse of official powers leading to corruption, directs all Departments/Organisations under the preview of the CVC to prominently display a standard notice board, at the Reception of each of their offices to catch the attention of the Public, written in English as well as in the vernacular Languages, saying:

**"DO NOT PAY BRIBES. IF ANYBODY OF THIS OFFICE ASKS FOR BRIBE OR IF YOU HAVE ANY INFORMATION ON CORRUPTION IN THIS OFFICE OR IF YOU ARE A VICTIM OF CORRUPTION IN THIS OFFICE, YOU CAN COMPLAIN TO THE HEAD OF THIS DEPARTMENT OR THE CHIEF VIGILANCE OFFICER AND THE CENTRAL VIGILANCE COMMISSION (Name, complete address and telephone numbers have also to be mentioned against each)"**

2. This is subject to surprise inspections by the Central Vigilance Commission.  
To

- 1) The Secretaries of All Ministries/Departments of Government of India
- 2) The Chief Secretaries of All Union Territories
- 3) The Chief Executives of all PSUs/Banks/Financial Institutions
- 4) The Comptroller & Auditor General of India
- 5) The Chairman, Union Public Service Commission
- 6) All Chief Vigilance Officers in the Ministries/Departments/PSEs/Public Sector Banks/Insurance Companies/Autonomous Organisations/Societies
- 7) President's Secretariat/Vice-President's Secretariat/Lok Sabha Secretariat/Rajya Sabha Secretariat/PMO

(\*14)

No. 004/VGL/62  
Government of India  
Central Vigilance Commission

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Satarkta Bhawan Block 'A',  
GPO Complex, I.N.A.  
NEW DELHI – 110023  
Dated, the 8<sup>th</sup> February 2005

**Office Order No, 03/01/05**

To,

**CVOs of Public Sector Undertakings / Public Sectors Banks.**

**SUB: - Granting of Vigilance clearance-processing of cases for Board level appointment.**

The DOPT in their OM NO. 27 (12)(EO)/94/ACC dated 30.7.99 regarding guidelines for processing cases of Board level appointments in PSEs have taken cognizance of the fact that there are sometimes spate of complaints against individuals whose names are being considered/finalized by the PESB. It has also come to the notice of the commission that sometimes when an official is due for promotion, some old complaints are taken cognizance of and investigations strayed against the official.

2. The matter has been considered by the commission and to avoid unnecessary harassment to the officials, against whom frivolous complaint are received at the time of their promotion/selection the commission has decided that:

(i) As a rule, complaints which are pending investigation and which are lying dormant for more than a year without investigation should not be suddenly resurrected at the time of selection process of candidates. This will be particularly true of complaints received at the time of selection process and a pattern to actions by the officer concerned five years or more prior to the date of complaints.

(ii) Similarly complaints received six months prior to initiation of selection for senior posts should not also be cited as reasons for denying vigilance clearance. At the same time, the decision on whether the complaints are serious enough for investigation has to be taken separately and there is no bar to investigation of such complaints in the normal course. The intention is merely to ensure that motivated complaints are discouraged as also attempts to revive dormant complaints just at the time of finalization of selection of important posts.

3. This is in supersession of the Commission's office Order No. 57/8/04 dated 31.08.2004 on the subject "Time limit for investigation for complaints – regarding"

Yours Faithfully,  
Sd/-  
(Anjana Dube)  
Deputy Secretary

## CHAPTER-7

(\*1)

Annexure-1

**GOVERNMENT OF INDIA  
MINISTRY OF RAILWAYS  
RAILWAY BOARD  
OFFICE ORDER NO. 31 OF 1999**

### **GUIDELINES FOR VIGILANCE CLEARANCE AND MANAGEMENT DECISION**

After the issue of office order No. 10 of 1980, a number of amendments have been issued on various dates. This office order is being issued by consolidating all the instructions issued so far. It supersedes Office Orders No. 10 of 1980, No.13 of 1980, No.48 of 1981, No.52 of 1987, No.24 of 1995, No.46 of 1995 and No.43 of 1998. Board have decided that the following guidelines for the information to be furnished by the Vigilance Directorate as also for taking decision by the Competent Authority in the light of information so furnished shall henceforth be followed:

#### **1. Deputation of Railway Servants including foreign assignment**

1.1 Vigilance Directorate will furnish the following information:

- (i) all current vigilance cases under investigation or in which disciplinary proceedings are pending;
- (ii) all substantiated vigilance case(s) finalised during the last 3 years ;
- (iii) information about any other vigilance case which resulted in a major penalty in the career of the officer where he was not exonerated.
- (iv) Cases where the officer is currently undergoing punishment;

1.2 While the vigilance clearance should initially be obtained at the stage of forwarding names for deputation , it should again be taken before issuing the release order if the intervening period is more than a week and for lesser period it may be got checked on telephone.

1.3 The copies of the Sanction order for deputation of officers should be endorsed to Confidential Branch of Vigilance Directorate.

1.4 Where the case against a Government Servant is only at the investigation stage and no prima-facie case has been established against him, the competent authority may sponsor his name for deputation without any comments. However, the competent authority should reserve the right of not releasing the officer, if necessary. If by the time the offer comes, the preliminary investigations are not over, the Competent Authority should decide whether to release the official or to detain him in public interest. Nevertheless, the name of a Government Servant who is facing disciplinary proceedings or undergoing punishment should be withheld by Competent Authority.

1.5 The Officers and the staff who are on 'Agreed List' or on 'Secret List' should not be sent on deputation. (Authority : Office Order No. 43 of 1998).

#### **2. Training of Railway servants abroad**

(i) Officer's vigilance record for past 3 years in respect of substantiated cases only would be furnished by the Vigilance Directorate to enable the competent authority to decide whether he would still be considered for training abroad;



- (ii) Railway servants facing disciplinary proceedings under DAR should not be deputed for training abroad;
- (iii) For Railway servants having current cases under investigation, it will be especially indicated whether prima-facie a decision has been taken for initiating major penalty proceedings. Such railway servants should not be deputed for longer duration training courses abroad (more than 2 weeks) as it would affect the progress of major penalty proceedings;
- (iv) If the vigilance record indicates that the official is currently undergoing a punishment, he should not be deputed. In case of training of over 6 month's duration it will also be indicated as to whether a prima- facie decision has been taken to initiate any of the disciplinary administrative action other than major penalty proceedings. In case, any such action is contemplated, the concerned Directorate will put up the case to the competent authority for a specific order whether to allow the officers for training abroad or not.

The above criteria would not apply for training within the country for which no vigilance clearance is necessary. However, for training programs of more than 6 months duration in non-railway institutions, the above instruction will be applicable.

### **3. No-objection certificate for issue of passport**

Vigilance Directorate will only furnish information in regard to all current cases in which investigations/ disciplinary proceedings are pending against the officer or those which resulted in the imposition of penalty in the last three years. In regard to current cases under investigations, it should also be indicated if any one of them is likely to result in major penalty action, as per information available at that point of time. All vigilance investigations which are likely to result in sanction for prosecution, dismissal/ removal would normally debar issue of 'No Objection Certificate'. If a major penalty action is in progress or if the Competent Authority considers that there is a prima-facie case established for major penalty, no objection certificate should generally be withheld except in special deserving cases. In other cases, 'No Objection Certificate' should be freely given.

### **4. Award**

4.1 Vigilance Directorate will furnish details of:

- (i) current cases under DAR / Investigation with an indication whether prima-facie decision has been taken to initiate major penalty proceedings in any one of them.
- (ii) Vigilance record of substantiated cases during the preceding three years.

4.2 In following cases the award should not be given to an officer.

- (i) When he is undergoing punishment;
- (ii) when a major penalty has been imposed upon him in the last one year, or
- (iii) when a prima- facie case for major penalty proceedings has been established.

### **5. Re-employment / extension of service / commercial employment after retirement**

5.1 Vigilance Directorate would furnish information in regard to:

- (i) Current vigilance cases of investigation/Disciplinary proceedings;
- (ii) Complete vigilance history during the service period excluding the unsubstantiated cases.

5.2 Persons borne on "Secret/ Agreed List" or involved in any current vigilance cases should not be considered for re-employment/ extension or for grant of permission for commercial employment after retirement.

### **6. Posting / Promotions/ Special assignments/ Confirmation/ Normal retirements/ Voluntary retirements/ Resignations etc.**

Vigilance Directorate will furnish the following information:

- (i) Current vigilance cases under DAR Investigation with an indication whether any prima- facie decision has been taken to initiate major penalty proceedings in any one of them;
- (ii) Vigilance history of substantiated cases during preceding five years will be provided by Vigilance Directorate. However, for promotion of Group 'B' officers to Group 'A' full vigilance history excluding unsubstantiated cases will be provided. (Authority: Office Order No. 46 of 1995).

(iii) Cases where officer is undergoing punishment.

The extant rules and instructions which adequately cover these types of cases may be followed by the Competent Authority. It is, however, clarified that promotions or confirmations should not be withheld merely because a Regular Case has been registered by the Central Bureau of Investigation against a Gazetted Officer or that complaints against him/ her are being looked into by departmental agency. Regarding withholding of promotions, confirmations or keeping in sealed covers, the instructions issued by Railway Board from time to time should be followed. The latest instructions are contained in RBE 14/93 dated 21.1.93. However, in respect of JA Grade offices and above, on finalisation of the Vigilance DAR proceedings, the copy of the closure advice will be endorsed by Vigilance Directorate to JS(C).

**Note:** Special Assignments include sensitive important postings which need not necessarily be postings on immediate promotion such as DRMs, AGMs, etc.

## **7. Premature retirement through review**

Vigilance Directorate will furnish the complete vigilance record of the officer. A single vigilance case of major penalty finalised or in progress should not be considered enough for premature retirement unless supplemented by other reasons like poor overall record of service.

## **8. Posting to Railway Board/ RDSO and other offices directly under the administrative control of the Board**

8.1 The Vigilance Directorate will furnish the following information:

- (i) Current vigilance cases under investigation with an indication whether a prima facie decision has been taken for initiation of major penalty proceedings;
- (ii) Current pending disciplinary proceedings;
- (iii) Vigilance record of substantiated cases during preceding 3 years.
- (iv) Vigilance cases resulting in award of major penalty during service period.

8.2 Where disciplinary cases are in progress or the officer is undergoing punishment, the officers will not be posted in positions carrying special pay. Officers borne on 'Agreed/ Secret List' will not be brought to Board/ RDSO or in sensitive posts.

## **9. Posting of SDGMs and Officers in the Vigilance Directorate / Vigilance Organisation of the railways**

9.1 Vigilance Directorate will furnish complete record of the officers, excluding unsubstantiated cases.

9.2 These are very sensitive posts and vigilance record must be given due consideration while empanelling / posting on these positions. Officers borne on 'Agreed / Secret List' should not be posted as SDGMs and Vigilance Officers. Postings of SDGMs/officers in Vigilance Directorate will require clearance from Chief Vigilance Officers of the Ministry (Adviser/Vigilance).

## **10. Engagement of consultants and employment/ re - employment of retired Railway Officers in the PSUs under Ministry of Railways**

In this regard, instructions issued under Board's letter No.87 /V(C)/13-1 dated 28.2.1990 will continue to be followed. As per these instructions, the Vigilance Directorate will not furnish

history of the officer but only the eligibility or otherwise from vigilance point of view as per the guidelines laid down therein.

**11. Vigilance clearance in regard to Board level/ higher than Board level appointees for Public Sector Enterprises under Ministry of Railways**

For appointment to Board level / higher than Board level posts in Public Sector Enterprises under Ministry of Railways, Vigilance clearance will be required to be obtained from Central Vigilance Commission even if any of the candidate(s) is/ are holding a Board level post at the time of consideration. The names of all the candidate officers recommended by PESB for appointment to any Board level/ higher than Board level position will be forwarded to CVO of the Ministry who after scrutinizing the records will forward the same to Central Vigilance Commission for obtaining the clearance of the Commission. In case any of the proposed candidates is not from Railway, the same shall be brought to the notice of the CVO of the Ministry giving details of the past experience of the candidate so that the concerned organizations can be contacted for obtaining the Vigilance history of the candidate before referring the matter to Central Vigilance Commission for clearance. (Authority: CVC's OM NO. 3(V)/99/4 dated 12<sup>th</sup> July, 1999).

**12. General**

In general, the officers borne on the Agreed/ Secret List should not be posted to sensitive/ highly sensitive posts.

S/d.  
(D.P. TRIPATHI)  
Secretary  
Railway Board

No. 95/V(C)/00/1 Dated : 20-08-1999

Copy to:

1. PPSs/PSs to MR, MOSR, CRB, FC, ME, MM, MS, ML, MT, Secretary, All Additional Members.
2. OSD/MR, OSD/CRB, ED/CC
3. JS, JS(C), JS (G), DS(D), DS(E)-II with 10 spare copies.
4. ED(T&MPP), JDE/RRB, JDE(GP) with 10 spare copies
5. All Officers/ Branches of Vigilance Directorate
6. G (Acc) with 5 spare copies.

**GOVERNMENT OF INDIA  
MINISTRY OF RAILWAYS  
(RAILWAY BOARD)**

No. 2005/V-I/O.O/1 New Delhi, dated 27.7.05

**(I) General Manager/Vigilance**

1. Central Railway, Mumbai.
2. Eastern Railway, Kolkata.
3. East Central Railway, Hajipur.
4. East Coast Railway, Bhubaneswar.
5. Northern Railway, New Delhi.
6. North Central Railway, Allahabad.
7. North Eastern Railway, Gorakhpur.
8. Northeast Frontier Railway, Maligaon.
9. North Western Railway, Jaipur.
10. Southern Railway, Chennai.
11. South Central Railway, Secundrabad.
12. South Eastern Railway, Kolkata.
13. South East Central Railway, Bilaspur.
14. South Western Railway, Hubli.
15. Western Railway, Mumbai.
16. West Central Railway, Jabalpur.

**(II) Chief Vigilance Officer (CVO)**

1. Chittaranjan Locomotive Works, Chittaranjan.
2. Diesel Locomotive Modernisation Works, Patiala.
3. Diesel Locomotive Works, Varanasi.
4. Integral Coach Factory, Chennai.
5. Rail Coach Factory, Kapurthala.
6. Rail Wheel Factory, Yelahanka, Bangalore.
7. CORE, Allahabad.
8. Metro Rail Corporation, Kolkata.
9. R.D.S.O., Manak Nagar, Lucknow.
10. IRCON/Palika Bhavan, R.K.Puram, Sector-XIII, New Delhi.
11. RITES, 1, Sector-9, Gurgaon-122001, Haryana.
12. IRFC, NBCC Place, East Tower, Upper Ground Floor, Bhisham Pitamah Marg, Pragati Vihar, Lodhi Road, New Delhi-3.
13. CONCOR, Mathura Road, Opposite Apollo Hospital, New Delhi.
14. KRCL, Belapur Bhavan, Plot No.6, Sector 11, CBD Belapur, Navi Mumbai.
15. RAILTEL, 10<sup>th</sup> Floor, Bank of Baroda Bldg. Parliament Street, New Delhi-1.
16. MRVC (Mumbai Railway Vikas Corpn.), 2<sup>nd</sup> Floor, Churchgate Station Building/ New Mumbai.

**Sub:- Guidelines for Vigilance Clearance for Promotion and Deputation.**

The existing guidelines for Vigilance Clearance of Officers for the purpose of promotion and deputation were discussed in the Board Meetings held on 09-06-2005 and 19-07-2005 and after due deliberations the following decisions were taken by the Board:-

2. Necessary amendment be made in the extant instructions so that administrative actions such as 'Counseling', and 'Warning' etc. are altogether deleted from the Vigilance Historysheet, while giving Vigilance Clearance for promotion and deputation etc.;
3. In addition to the details mentioned in DOP&T's O. M. No. 22012/1//99/Estt(D) dated 25-10-2004, the following shall also be included in the Vigilance Historysheet:-

- a) Cases where the Officer is undergoing punishment. This would be in line with Board's instruction vide letter No. E(D&A)92 RG6-149(B) dated 21-01-93 issued consequent to Supreme Court's judgment in the Jankiraman case; and
- b) Cases where CVC's advice for initiation of major/minor penalty has been received and the advice has been accepted by the Disciplinary Authority.

These instructions come into effect with immediate effect.

(R.S.Sharma)  
Director/Vigilance (Mech.)  
Railway Board.

**Copy to : 1. All Officers of the Vigilance Directorate - for compliance.**  
**2. DDV(C) - for compliance.**

(\*2)

**RBV No. 08/2011  
Government of India  
Ministry of Railways  
(Railway Board)**

**No.2011/V-1/VC/1/1 New Delhi, Dated 7<sup>th</sup> June, 2011**

**The General Managers (Vigilance)**

Zonal Railways

**Chief Vigilance Officers**

PSUs/PUs/RDSO/METRO/CORE/RSC

**Sub: Vigilance Clearance of serving officers for the purpose of appointment as Arbitrators**

From time to time, proposals have been received from various zonal railways seeking vigilance clearance in respect of serving officers for the purpose of appointment as arbitrators.

2. It has been observed that some of the zonal railways while seeking vigilance clearance from Railway Board send almost the entire cadre strength of officers (from a particular grade upwards) and sometimes the list also include names of officers, who are on unauthorized absence, long leave etc.

3. As per guidelines laid down for appointment of Serving Railway Officers as Arbitrators, an officer:

(a) Should not have undergone punishment arising out of vigilance/CBI cases during last five years;

(b) Should not be borne on Secret / Agreed list;

(c) No DAR proceedings should be in progress;

(d) Should not be having any Registered Cases (RC) by CBI.

4. Current status of Agreed/Secret List of officers working on the railways as also names of officers who are facing Major/Minor Penalty action is definitely available with zonal railway vigilance. Information regarding a case registered by CBI against an officer may also be available with zonal railway vigilance.

5. It has now been decided by competent authority that vigilance clearance should be obtained from Railway Board vigilance only in respect of those officers, who are actually being considered for appointment as arbitrators. Furthermore, an initial scrutiny should be done at zonal vigilance level to exclude the names of such officers who are

(a) on unauthorized absence/long leave

(b) borne on current Agreed/Secret list

(c) figuring in current Major Penalty/Minor Penalty cases

(d) figuring in a case under investigation by CBI (as known to zonal railway)

Any proposal seeking vigilance clearance of serving offices for the purpose of appointment as Arbitrators which has already been sent by any of the zonal railways and for which no reply has been received from Railway Board vigilance should be reviewed in light of above revised guidelines and proposals should be sent afresh.

**(B.M.Gupta)  
Executive Director Vigilance (Engg.)  
Railway Board**

(\*3)

**Vigilance clearance of the Govt. employees who are taken in Public Sector Undertakings on permanent absorption basis. (BPE O.M. No. 15(13)/88-GM dated 1st November, 1988)**

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## **CHAPTER II** **PERSONNEL POLICIES**

### **(g) Vigilance Policies**

**DPE/Guidelines/II(g)/4**

**Vigilance clearance of the Govt. employees who are taken in Public Sector Undertakings on permanent absorption basis.**

The undersigned is directed to say that the question of vigilance clearance of the Government employees who are taken on a permanent absorption basis in Public Sector Undertakings has been examined and it has been decided that the vigilance clearance of such an employee should invariably be obtained before he is taken on a permanent absorption basis in the public sector undertakings.

2. All the administrative Ministries concerned with PSUs are, therefore, requested to advise the Chief Executives of the public sector undertakings under their administrative control for following the above procedure.

**(BPE O.M. No. 15(13)/88-GM dated 1st November, 1988)**

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(\*4)

**No. 005-VGC-101**  
**Government of India**  
**Central Vigilance Commission**  
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Satarkta Bhavan,  
GPO Complex, Block-A,  
INA, New Delhi -110 023  
Dated : 15.02.2008

**Office Order No.8/2/08**

SUB: Entrusting of additional charge(s) to Board-level functionaries in PSUs etc.

References are being received by the Commission, from time to time, seeking vigilance clearance in favour of Board-level functionaries who are proposed to be entrusted with some additional charge(s) within the same organization or in another organization under the same administrative Ministry/Department. It has been decided that henceforth clearance from the Commission is not required to be sought for the purpose of additional charge arrangements in respect of Board-level functionaries in PSUs, unless the Department concerned has material in their possession on the basis of which it has reason to believe that vigilance status has changed since the incumbent was last cleared for Board-level appointment.

2. These instructions, however, will not apply in cases where a functional Director of a PSU is proposed to be given additional charge of MD/CMD of the same PSU or of another PSU.

  
( P M Pillai )  
Officer on Special Duty

To:

- (i) CVOs of all Ministries, Departments & PSUs.
- (ii) Shri K S Achar, Deputy Secretary, Cabinet Secretariat, Rastrapati Bhawan, New Delhi - 110 001
- (iii) Shri Prabhat, Director, Office of the E.O., Deptt. Of Personnel & Trg., North Block, New Delhi - 110 001.
- (iv) The Secretary, Deptt. of Public Enterprises, Enterprises Bhavan, CGO Complex, Block No. 14, Lodhi Road, New Delhi - 110 003.
- (v) Shri P S Behuria, Secy., Public Enterprises Selection Board, CGO Complex, Block-14, Lodhi Road, New Delhi - 110 003.

  
( P M Pillai )



## **CHAPTER-8**

**(\*1)**

**No.000/VGL/70  
Government of India  
Central Vigilance Commission**

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**Satarkata Bhavan, Block "A",  
GPO Complex, I.N.A.,  
New Delhi - 110 023.**

**Dated 25<sup>th</sup> September 2000**

**Subject: - Suspension of public servants involved in criminal/ departmental proceedings.**

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Suspension is an effective tool for checking corruption. There have been many instances where senior officials, who had been trapped or were alleged to have disproportionate wealth or who were facing charge sheets on other serious charges, had not been suspended. It has also come to notice that officers charged of corruption, if not suspended, manage to get their inquiries delayed because delay in criminal/departmental proceedings enables them to continue in service even though the charges against them are grave enough to deserve the punishment of dismissal from service. Such officials can also use the opportunity of continuance in service for earning money through illegal/corrupt means. The Commission, therefore, is of the view that officers facing criminal/ departmental proceedings on serious charges of corruption should be placed under suspension as early as possible and their suspension should not be revoked in a routine manner.

2. It has been provided in para 2.4, Chapter V of the Vigilance Manual, Volume- I, that public interest should be the guiding factor in deciding whether, or not, a public servant should be placed under suspension; or whether such action should be taken even while the matter is under investigation and before a prima-facie case has been established.

The instructions provide that it would be appropriate to place a person under suspension if: -

(i) the continuance of the public servant in office is likely to prejudice investigation, trial or inquiry [apprehending tampering with documents or witness];

or

(ii) where the continuance in office of the public servant is likely to seriously subvert discipline in the office in which he is working;

(iii) where the continuance in office of the public servant will be against the wider public interest, e.g., if there is a public scandal and it is considered necessary to place the public servant under suspension to demonstrate the policy of the Government to deal strictly with officers involved in such scandals, particularly corruption;

(iv) where the investigation has revealed a prima-facie case justifying criminal/departmental proceedings which are likely to lead to his conviction and/or dismissal, removal or compulsory retirement from service; or

(v) where the public servant is suspected to have engaged himself in activities prejudicial to the interest of the security of the State.

3. Para 2.5, Chapter V of the Vigilance Manual, Volume-I also lays down that it may be considered desirable to suspend a public servant for misdemeanor of the following types: -

- (i) an offence or conduct involving moral turpitude;
- (ii) corruption, embezzlement or misappropriation of Government money, possession of disproportionate assets, misuse of official powers for personal gains;
- (iii) serious negligence and dereliction of duty resulting in considerable loss to Government;
- (iv) desertion of duty; and
- (v) refusal or deliberate failure to carry out written orders of superior officers.

[In case of types (iii), (iv) and (v) discretion should be exercised with care].

4. It has also been provided in para 17 of the "Directive on investigation of cases by the Special Police Establishment Division of the CBI" that the CBI would recommend suspension of the concerned employees in appropriate cases.

5. The Central Vigilance Commission has been empowered, vide para 3 (v) of the Government of India's Resolution No.371/20/99-AVD.III dated 4<sup>th</sup> April 1999, to exercise superintendence over the vigilance administration of various Ministries of the Central Government or Corporations established by or under any Central Act, Government Companies, Societies and local authorities, owned or controlled by that Government. Since the suspension of a public servant on serious charges, like corruption, is directly related to the vigilance administration, the Commission hereby desires that all disciplinary authorities should follow the instructions enumerated in paras 2, 3 and 4 supra strictly. It also desires that if the CBI recommends suspension of a public servant and the competent authority does not propose to accept the CBI's recommendation in that regard, it may be treated as a case of difference of opinion between the CBI and the administrative authority and the matter may be referred to the Commission for its advice. It also directs that if a person had been suspended on the recommendations of the CBI, the CBI may be consulted if the administrative authority proposes to revoke the suspension order.

6. These instructions are available on the CVC's web-site **<http://cvc.nic.in>**

To

1. The Secretaries of all Ministries/Departments of Government of India.
2. The Chief Secretaries to All Union Territories.
3. The Comptroller & Auditor General of India.
4. The Chairman, Union Public Service Commission.
5. The Chief Executives of All PSEs/Public Sector Banks/ Insurance Companies/Autonomous Organisations/ Societies.
6. The Chief Vigilance Officers in the Ministries/ Departments/PSEs/Public Sector Banks/Insurance Companies/Autonomous Organisations/Societies.
7. President's Secretariat/Vice-President's Secretariat/Lok Sabha Secretariat/Rajya Sabha Secretariat/PMO.
8. Director, CBI.
9. Department of Personnel & Training, North Block, New Delhi.

(\*2)

**RBV NO.03/2007  
GOVERNMENT OF INDIA  
MINISTRY OF RAILWAYS  
RAILWAY BOARD**

No.2007/V-1/DAR/1/4 New Delhi, dated 25<sup>th</sup> April, 2007

**(I) General Manager (Vigilance)**

CR, ER, ECR, ECoR, NR, NCR, NER, NFR, NWR, SR, SCR, SER, SECR, SWR, WR, and WCR.

**(II) Chief Vigilance Officer (CVO)**

CLW, DLMW, DLW, ICF, RCF, RWF, CORE, METRO, RDSO, IRCON, RITES, IRFC, CONCOR, KRCL, IRCTC, RAILTEL, MRVC and RVNL.

**Sub: Proper framing of Charge-sheet.**

In a vigilance case against a gazetted Railway Officer, referred to Central Vigilance Commission for their first stage advice, the Commission have pointed out an infirmity stating that even though some irregularities had been noticed during the investigations, yet these were not included in the charge-sheet issued to the officer, but while imposing penalty these irregularities excluded from the charge-sheet were also taken into consideration by the Disciplinary Authority.

2. It is desired that in future all irregularities noticed during investigations should invariably be included in the charge-sheet, so that the charged officials are afforded an opportunity for their defence, in accordance with the principles of natural justice.

**(Sanjay Goel)  
Director Vigilance (M)  
Railway Board**

**Copy to :-** 1. All Officers and the Branches of Vigilance Directorate.  
2. File No.2006/V(C)/RB/21

(\*3)

No.006/PRC/1  
Government of India  
Central Vigilance Commission  
\*\*\*\*\*

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 21<sup>st</sup> September, 2006

**Circular No. 34 /09/06**

**Subject:- Delay in completion of departmental proceedings - reg. Reference: Circular No.14/3/06 - F.No. 006/PRC/001 dt. 13.3.06**

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The Commission has been emphasising the need for completing the departmental inquiry proceedings expeditiously so that errant officials are punished at the earliest. It has been observed that one of the major causes for delay lies in making the listed documents available for the inquiry. Sometimes, poor drafting of the charge sheet also creates confusion about the documents relied upon. The Commission has also noted with serious concern, that while advice of the Commission is sought on the basis of indicated lapses/irregularities and the suspected public servants' role, the charge-sheets are not drafted properly to reflect the seriousness of the lapses. The lapses are not covered precisely in the articles of charge and certain lapses, on the basis of which advice is obtained, are not included in the charge-sheets, thereby limiting the areas of operation/effectiveness of the Inquiry Officer. There are also cases where there was no credible evidence to back the charge, as a result of which, the said charge could not be proved during the inquiry. This not only results in errant officials escaping punishment, but also causes avoidable embarrassment to the Vigilance Administration and the Commission.

2. It is with a view to checking such occurrences that the Commission has been emphasising that while seeking Commission's advice, wherever disciplinary proceedings are proposed, references, complete in all respects, including the draft charge-sheets with supporting evidence, should be made to the Commission. While this was not to be construed as vetting of the charge-sheets by the Commission, it was intended to ensure that the specific lapses were duly reflected in the chargesheet before it was decided to proceed against an officer. It may be pointed out that in Para 2.14.1(v) of Chapter II of the Vigilance Manual (Vol.I), it has been clearly stipulated that the CVO is required **"to ensure that the charge-sheets to the concerned employees are drafted properly"**. It is needless to say that this includes the different aspects of the charge-sheet mentioned in the aforesaid para. Accordingly, the CVOs are directed to carefully scrutinise the draft charge-sheets before sending their proposals, suggesting departmental proceedings and seeking Commission's advice on the same. **The Commission may take an adverse view on a CVO, who sends incomplete references, besides being constrained to return such proposals.**

3. Another cause for concern is the transfer of officials appointed as P.Os., while the inquiry is in progress, and appointment of new P.Os. in their place. In certain cases, it has been observed that the P.Os. were changed a number of times, leading to avoidable delay. Appointment of very junior official as P.O. also defeats the purpose of the inquiry against a senior officer, as such a P.O. is not able to present the case confidently.

4. After due consideration, the Commission has directed that the Disciplinary Authority should consider all relevant aspects about the official to be appointed as I.O./P.O. in a

particular case, with particular reference to his/her continued availability to complete the inquiry proceedings. It should be ensured that only such officials, who are not likely to be transferred during the pendency of the inquiry proceedings, are appointed as P.Os./I.Os. In extreme cases where the transfers are unavoidable, it should be ensured that the I.Os./P.Os. complete the inquiry proceedings as expeditiously as possible, before they are relieved or at the earliest after their relief. It should also be kept in view, that to the extent possible, an official of appropriate seniority, with reference to the status of the charged official, is appointed as the P.O.

5. The CVOs may also apprise the competent authority of these instructions in their respective organisations.

(V. Kannan)  
Director

To  
All Secretaries of Ministries/Departments in GOI.  
All Chief Vigilance Officers  
All CEOs/CMDs of PSUs/PSBs

(\*4)

**RBV No.07/2009**  
**Government of India**  
**Ministry of Railways**  
**(Railway Board)**

**No.2009/V-1/DAR/1/3 New Delhi, dated May 1, 2009**

**The General Managers(P),**  
All Zonal Railways, PUs, CORE & Metro  
**The Managing Directors,**  
All PSUs  
**The DGs/RDSO & RSC The CAO/DLMW**  
**The SDGMs/CVOs,**  
All Zonal Railways/PUs & PSUs

**Sub: Preparation of charge-sheets for RDA in CBI investigated cases**

Attention is invited to Board's letter No.2005/V-1/CVC/1/15 dated 22.01.2006 (RBV No.03/2006) vide which it was advised that in certain types of CBI investigated cases, the CBI could be requested, through the CVC, for providing a Presenting Officer.

2. CBI has since dispensed with the practice of sparing their officials for appointment as Presenting Officer in departmental proceedings. The CVC is of the opinion that as the organisation's functionaries are appointed as Presenting Officers in departmentally investigated cases, there is no reason why a departmental functionary cannot present the case before an Inquiry Officer in a CBI investigated case.

3. Moreover, CBI has recently also discontinued the longstanding practice of appending draft charge-sheets/imputations of misconduct along with the SPs reports in those cases where RDA is recommended by the CBI. The Commission is of the view that when draft charge-sheets are prepared internally for departmentally investigated cases, there is no reason not to do so, in respect of cases investigated by the CBI, where reports are well structured and also well made out. However, where the departmental functionaries, owing to the technicalities or intricacies involved in a case, face a real/genuine problem or difficulty in preparing charge-sheets, the same can be taken up with the CBI appropriately. Needless to say that such instances should be few and far between i.e. exceptions only.

4. In view of above, the respective departmental functionaries shall prepare charge-sheet/statement of imputations and list of exhibits and witnesses in CBI

investigated cases where RDA has been advised. Similarly, Presenting Officer shall also be appointed from within the organization.

5. All concerned may please note for strict compliance that in CBI investigated cases, where RDA has been recommended, follow-up actions on CBI reports shall henceforth not be delayed or held up on account of either non-availability of draft charge-sheets from CBI or because CBI is not in a position to spare its officials for appointment as Presenting Officer.

**(Sanjay Goel)**  
**Director Vigilance (M)**  
**Railway Board**

**No.2009/V-1/DAR/1/3 New Delhi, dated May 1, 2009**

Copy to:- The Secretary (Attention : Smt. Shalini Darbari, Director), Central Vigilance Commission, Satarkata Bhawan, Block-A, GPO Complex, INA, New Delhi-110023 - for information w.r.t. their Circular No. 8/4//09, circulated vide their letter No.009/VGL/018 dated 01.04.2009.

**(Sanjay Goel)**  
**Director Vigilance (M)**  
**Railway Board**

Copy to:- All Officers & the Branches of Vigilance Directorate.

(\*5)

No.99/VGL/66  
Government of India  
Central Vigilance Commission  
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Satarkta Bhavan, Block "A",  
GPO Complex, I.N.A.,  
New Delhi-110023  
Dated the 28<sup>th</sup> September 2000

**To**  
**All Chief Vigilance Officers of Ministries / Departments of Government of India/  
Nationalised Banks / PSUs / Autonomous Bodies, Societies etc.**

**Subject: - Consultation with the CVC - Making available a copy of the CVC's advice to the concerned employee.**

Sir,

Para 3.6 (iii), chapter XI and para 8.6, Chapter XII of the Vigilance Manual, Vol. I, provide that the advice tendered by the Central Vigilance Commission is of a confidential nature meant to assist the disciplinary authority and should not be shown to the concerned employee. It also mentions that the Central Vigilance Commission tenders its advice in confidence and its advice is a privileged communication and, therefore, no reference to the advice tendered by the Commission should be made in any formal order.

2. The Commission has reviewed the above instructions in view of its policy that there should be transparency in all matters, as far as possible. The Commission has observed that the Hon'ble Supreme Court had held a view in the case - State Bank of India Vs. D.C. Aggarwal and another [Date of Judgement: 13.10.1992] - that non-supply of CVC's instructions, which was prepared behind the back of respondent without his participation, and one does not know on what material, which was not only sent to the disciplinary authority but was examined and relied, was certainly violative of procedural safeguard and contrary to fair and just inquiry. Further, the Hon'ble High Court of Karnataka at Bangalore, in writ Petition No. 6558/93, has also observed that if a copy of the report (CVC's advice) was furnished to the delinquent officer, he would have been in a position to demonstrate before the disciplinary authority either to drop the proceedings or to impose lesser punishment instead of following blindly the directions in the CVC's report.

3. The Commission, at present, is being consulted at two stages in disciplinary proceedings, i.e. first stage advice is obtained on the investigation report before issue of the charge sheet, and second stage advice is obtained either on receipt of reply to the charge sheet or on receipt of inquiry report. It, however, does not seem necessary to call for the representation of the concerned employee on the first stage advice as the concerned employee, in any case, gets an opportunity to represent against the proposal for initiation of departmental proceedings against him. Therefore, a copy of the Commission's first stage advice may be made available to the concerned employee along with a copy of the charge sheet served upon him, for his information. However, when the CVC's second stage advice is obtained, a copy thereof may be made available to the concerned employee, along with the IO's report, to give him an opportunity to make representation against IO's findings and the CVC's advice, if he desires to do so.

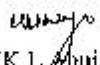


4. In view of the position stated above, para 3.6 (iii), Chapter XI and para 8.6, Chapter XII of the Vigilance manual, Vol. I, and also para 2 of the Commission's letter No. 6/3/73-R dated 20.08.1973 may be treated as deleted.

5. Para 12.4.4 of Special Chapter on Vigilance Management in Public Sector Banks and para 22.6.4 of the Special Chapter on Vigilance Management in Public Sector Enterprises envisage that the inquiring authorities, including the CDIs borne on the strength of the Commission, would submit their reports to the disciplinary authority who would then forward the IO's reports, along with its own tentative views to the Commission for its second stage advice. The existing procedure in this regard may broadly continue. The disciplinary authority may, after examination of the inquiry report, communicate its tentative views to the Commission. The Commission would thereafter communicate its advice. This, along with the disciplinary authority's views, may be made available to the concerned employee. On receiving his representation, if any, the disciplinary authority may impose a penalty in accordance with the Commission's advice or if it feels that the employee's representation warrants consideration, forward the same, along with the records of the case, to the Commission for its reconsideration.

6. Thus, if on the receipt of the employee's representation, the concerned administrative authority proposes to accept the CVC's advice, it may issue the orders accordingly. But if the administrative authority comes to the conclusion that the representation of the concerned employee necessitates reconsideration of the Commission's advice, the matter would be referred to the Commission.

Yours faithfully,

  
(K.L. Ahuja)  
Officer on Special Duty

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No-8(1)(g)/99(2)  
CENTRAL. VIGILANCE COMMISSION

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SATARKTA BHAWAN  
GPO COMPLEX, BLOCK-"A"  
INA, NEW DELHI-110023  
DATED 19TH FEBRUARY, 1999.

**Subject:- Reducing Delays in Departmental Inquiries.**

One of the causes for delay in departmental inquiries is appointment of Presenting Officer. To avoid such delays, the Commission, in exercise of its powers conferred on it under Section 8(1)(g) of the CVC Ordinance 1999, directs all Departments/Organisations within its jurisdiction to indicate, henceforth, the names of the Presenting Officer to be appointed while referring the cases to the Commission for 1st Stage advice and where the Disciplinary Authority proposes to initiate major penalty action. After the Commission endorses the proposed action, the Departments/ Organisations will ensure that the Inquiry Officer and Presenting Officer are appointed simultaneously after service of charge-sheet and immediately on denial of charges by the Charged Officer. The Departments/organisations should also indicate appropriate disciplinary authority in each case while referring the case to the Commission for first stage advice. The Commission in turn will communicate its advice to the Disciplinary Authority/Secretary of the Ministries with a copy to the CVO for follow up action.

To

- (i) The Secretaries of All Ministries/Departments of Government of India
- (ii) The Chief Secretaries to All Union Territories
- (iii) The Comptroller & Auditor General of India
- (iv) The Chairman, Union Public Service Commission
- (v) All Chief Executives of PSEs/Public Sector Banks/Insurance Companies/Autonomous Organisations/Societies
- (vi) All Chief Vigilance Officers in the Ministries/Departments/PSEs/Public Sector Banks/Insurance Companies/Autonomous Organisations/Societies
- (vii) President Secretariat/Vice-President's Secretariat/Lok Sabha Secretariat/Rajya Sabha Secretariat/PMO

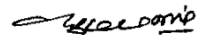
No.372/19/2011-AVD-III(Pt.I)  
Government of India  
Ministry of Personnel, Public Grievances & Pensions  
Department of Personnel & Training

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New Delhi the 26<sup>th</sup> September, 2011.

Subject: Appointment of Inquiry Officers (IOs) and Presenting Officer (POs)  
in disciplinary cases.

The Government had constituted a Group of Ministers (GoM), on 6<sup>th</sup> January, 2011 with the approval of the Prime Minister to consider measures that can be taken by the Government to tackle corruption. One of the terms of reference (ToR) of the GoM was to consider and advise on "*Fast tracking of all cases of public servants accused of corruption*". The GoM, while considering this ToR also considered certain important recommendations of the Hota Committee (*Committee of Experts to review the procedure of Disciplinary/Vigilance Inquiries and recommend measures for their expeditious disposal*) and recommended that Departments/Ministries should primarily use serving officers as IOs & POs and that in important cases, they may request CVC to appoint their CDI as IO. The GoM has also recommended that the CVC may also maintain a panel of IOs/POs from amongst retired officers, whose services can also be utilized by various Ministries/Departments.

The above recommendations of the GoM have been accepted by the Government and accordingly all Ministries/Departments are advised to use serving officers as IOs & POs and in important cases, request the CVC to appoint their CDI as IO. They may also, in appropriate cases, utilize the services of IOs/POs who would be available on the panel to be maintained by CVC, in consultation with CVC.



(V.M. Rathnam)

Deputy Secretary to the Government of India  
Tel. No. 011-23094637

To

1. All Ministries/Departments as per standard list.
2. Central Vigilance Commission, Satarkata Bhawan, New Delhi.
3. Central Bureau of Investigation, CGO Complex, New Delhi.
4. Prime Minister's Office, South Block, New Delhi.
5. NIC, DoP&T for uploading on the website of the Department.

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No.99/VGL/66  
Government of India  
Central Vigilance Commission  
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Satarkta Bhavan, Block "A",  
GPO Complex, I.N.A.,  
New Delhi-110023  
Dated the 28<sup>th</sup> September 2000

**To**

**All Chief Vigilance Officers of Ministries / Departments of Government of India/  
Nationalised Banks / PSUs / Autonomous Bodies, Societies etc.**

**Subject: - Consultation with the CVC - Making available a copy of the CVC's advice to the concerned employee.**

Sir,

Para 3.6 (iii), chapter XI and para 8.6, Chapter XII of the Vigilance Manual, Vol. I, provide that the advice tendered by the Central Vigilance Commission is of a confidential nature meant to assist the disciplinary authority and should not be shown to the concerned employee. It also mentions that the Central Vigilance Commission tenders its advice in confidence and its advice is a privileged communication and, therefore, no reference to the advice tendered by the Commission should be made in any formal order.

2. The Commission has reviewed the above instructions in view of its policy that there should be transparency in all matters, as far as possible. The Commission has observed that the Hon'ble Supreme Court had held a view in the case - State Bank of India Vs. D.C. Aggarwal and another [Date of Judgement: 13.10.1992] - that non-supply of CVC's instructions, which was prepared behind the back of respondent without his participation, and one does not know on what material, which was not only sent to the disciplinary authority but was examined and relied, was certainly violative of procedural safeguard and contrary to fair and just inquiry. Further, the Hon'ble High Court of Karnataka at Bangalore, in writ Petition No. 6558/93, has also observed that if a copy of the report (CVC's advice) was furnished to the delinquent officer, he would have been in a position to demonstrate before the disciplinary authority either to drop the proceedings or to impose lesser punishment instead of following blindly the directions in the CVC's report.

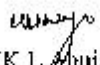
3. The Commission, at present, is being consulted at two stages in disciplinary proceedings, i.e. first stage advice is obtained on the investigation report before issue of the charge sheet, and second stage advice is obtained either on receipt of reply to the charge sheet or on receipt of inquiry report. It, however, does not seem necessary to call for the representation of the concerned employee on the first stage advice as the concerned employee, in any case, gets an opportunity to represent against the proposal for initiation of departmental proceedings against him. Therefore, a copy of the Commission's first stage advice may be made available to the concerned employee along with a copy of the charge sheet served upon him, for his information. However, when the CVC's second stage advice is obtained, a copy thereof may be made available to the concerned employee, along with the IO's report, to give him an opportunity to make representation against IO's findings and the CVC's advice, if he desires to do so.

4. In view of the position stated above, para 3.6 (iii), Chapter XI and para 8.6, Chapter XII of the Vigilance manual, Vol. I, and also para 2 of the Commission's letter No. 6/3/73-R dated 20.08.1973 may be treated as deleted.

5. Para 12.4.4 of Special Chapter on Vigilance Management in Public Sector Banks and para 22.6.4 of the Special Chapter on Vigilance Management in Public Sector Enterprises envisage that the inquiring authorities, including the CDIs borne on the strength of the Commission, would submit their reports to the disciplinary authority who would then forward the IO's reports, along with its own tentative views to the Commission for its second stage advice. The existing procedure in this regard may broadly continue. The disciplinary authority may, after examination of the inquiry report, communicate its tentative views to the Commission. The Commission would thereafter communicate its advice. This, along with the disciplinary authority's views, may be made available to the concerned employee. On receiving his representation, if any, the disciplinary authority may impose a penalty in accordance with the Commission's advice or if it feels that the employee's representation warrants consideration, forward the same, along with the records of the case, to the Commission for its reconsideration.

6. Thus, if on the receipt of the employee's representation, the concerned administrative authority proposes to accept the CVC's advice, it may issue the orders accordingly. But if the administrative authority comes to the conclusion that the representation of the concerned employee necessitates reconsideration of the Commission's advice, the matter would be referred to the Commission.

Yours faithfully,

  
(K.L. Ahuja)  
Officer on Special Duty

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RBV No. 6 /2006

**Government of India  
Ministry of Railways  
Railway Board**

**No.2006/V-1/CVC/1/2 New Delhi, dated April 7, 2006**

**The General Managers,**

CR, ER, ECR, ECOR, NR, NCR, NER, NFR, NWR, SR, SCR, SER, SECR, SWR,  
WR, WCR, CLW, DLW, ICF, RCF, RWF, CORE, METRO & NF/Const.,

**The Managing Directors,**

BITES, IRCON, KRCL, CONCOR, IRFC, MRVC, IRCTC, RAILTEL, CRIS, RVNL & IRWO.

**Chief Administrative Officers,**

DLMW & COFMOW

**The Directors,**

IRIEEN, IRIMEE, IRICEN, IRISSET & IRITM

**Director General,**

RDSO & RSC

**Others**

CCRS/LKO

**Sub: Reducing delay in departmental proceedings – ensuring availability of documents – regarding.**

In continuation of Board's letter No.2003/V-1/CVC/1/12 dated 20/04/2004 (copy enclosed for ready reference) stressing the need to ensure that the Presenting Officer is given custody of all the listed documents along with his appointment order to avoid delay in disciplinary proceedings, the Central Vigilance Commission have reiterated that nonavailability of documents relevant to the departmental inquiry proceedings continues to be a major problem contributing to the delay in the finalization of the inquiry.

It is further desired that in respect of the CBI cases, the CBI should make available to the organization, legible certified photocopies of all documents seized by them. It is, therefore, imperative to ensure that legible and certified copies of the documents taken over by CBI are made available to the Disciplinary Authority in the interest of expeditious departmental proceedings.

The above instructions may be noted for strict compliance.

DA/as above.

**(Sanjay Goel)  
Director Vigilance (M)  
Railway Board.**

No.010/CRD/003 191417  
Central Vigilance Commission  
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Satarkta Bhawan, GPO Complex,  
INA, New Delhi  
Dated 23<sup>rd</sup> June, 2010

Circular No. 22/06/10

**Sub: Guidelines for checking delay in grant of sanction for prosecution on CBI Reports –reg.**

In terms of the Hon'ble Supreme Court's judgment in Vineet Narain's case, the competent authorities are required to take a decision on CBI applications for the grant of sanction for prosecution within a period of three months. Further, additional time of one month is allowed in respect of cases warranting prior consultation with the Attorney General or any other law officer in the AG's Office. The Hon'ble Supreme Court had also directed that the Commission shall review the progress of cases moved by CBI for sanction of prosecution, especially those in which sanctions have been delayed. Even CVC Act, 2003, under Section 8(1) (f) relating to functions and powers of the Commission, stipulates review of the progress of the applications pending for sanction for prosecution under the PC Act, 1988. The Commission while discharging its functions has observed that the competent administrative authorities concerned are taking too long time in conveying their views on the cases recommended for sanction of prosecution.

2. As prescribed in DOPT's OM dated 6<sup>th</sup> November 2006, the Ministries/Departments are required to formulate their tentative views within three weeks of receipt of CBI's request seeking sanction for prosecution and seek the advice of the Central Vigilance Commission. The aforesaid time limit is not being adhered to by the Ministries/Departments. The responsibility for processing cases for sanction for prosecution within the time-limit vests with the Administrative Ministries/Departments/Organization.

3. It has been brought to the notice of the Commission by the CBI that in some cases, the administrative authorities concerned seek clarification on the CBI reports. This also is a contributory factor for delays. It is, therefore, reiterated that, including the seeking and obtaining of such clarification and time taken for the same, time limit prescribed by the Apex Court should be strictly maintained.

  
(Shalini Darbari)  
Director

To

All Secretaries of all Ministries/Departments  
All CMDs/CEOs of all PSEs/PSBs/Financial Institutions/Autonomous Orgs.  
All CVOs  
CBI

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RBV No.24/2006

Government of India  
**Ministry of Railways**  
Railway Board

No.2006/V-1/CBI/2/1 New Delhi, dated December 12, 2006

**The General Managers,**  
All Zonal Railways, PUs, CORE & Metro  
**The CAO/DLMW, DGs/RDSO & RSC,**  
The Managing Directors/All PSUs  
**The SDGMs/CVOs,**  
All Zonal Railways/PUs & PSUs

Sub: **Adherence to time limit for grant of sanction for prosecution.**

Please find enclosed herewith a copy of DoP&T's O.M.No.399/33/2006- AVD.III dated 06.11.2006 on the above subject vide which guidelines have been issued for checking delays in grant of sanction for prosecution for your information and necessary action.

Keeping in view the guidelines contained in DoP&T's O.M. dated 06.11.2006, it has been decided by the competent authority i.e. Chief Vigilance Officer of the Ministry of Railways that from now onwards, in respect of cases involving gazetted officers (GOs) only or composite cases involving both GOs and NGOs (non-gazetted officials) which require processing at Board's level and thereafter in CVC before a final decision is taken by the competent authority, whether received by Zonal Railway/PU/PSU directly from respective CBI unit or referred to them by the Railway Board, **maximum time of one week** shall be taken by the Zonal Railway/PU/PSU for furnishing their comments.

Similarly, in respect of cases relating to sanction for prosecution of NGOs only, where processing is limited to Zonal Railway/PU/PSU, requisite orders should be issued **within 4 weeks** of receipt of request from respective CBI unit. All pending cases for sanction of prosecution should be reviewed by SDGM/CVO concerned, every week or more frequently as required to ensure that cases for sanction of prosecution are not delayed. It shall be the personal responsibility of the SDGM/CVO concerned to ensure that time limits as mentioned above are strictly adhered to. If above mentioned time frame is not observed, in any case, then SDGM/CVO concerned shall mandatorily forward written explanation duly seen by the General Manager to AM(Vigilance) in the Railway Board for appropriate examination and further necessary action.

DA: As above.

(Sanjay Goel)  
Director Vigilance (M)  
Railway Board



No.399/33,2006-AVD-III

Government of India

Minister of Personnel, Public Grievances & Pensions

Department of Personnel & Training

New Delhi, dated the 6th November, 2006

OFFICE MEMORANDUM

Subject: Guidelines for checking delay in grant of sanction for prosecution.

The Hon'ble Delhi High Court on its own motion has taken suo moto cognizance of a newspaper report, relating to long delays in grant of sanction for prosecution cases. The Hon'ble Court has expressed its concern over the non-action on the part of competent authorities in granting sanction for prosecution, despite the fact that the Hon'ble Supreme court in Vineet Narain Vs Union of India had directed that "time limit of three months for grant of sanction for prosecution must be strictly adhered to. However, additional time of one month may be allowed where consultation is required with the Attorney General (AG) or any Law Officer in the AG's office".

2. Delay in the disposal of sanction of prosecution cases is not in the interest of the Government. The Government is keen that innocent officers should not needlessly face harassment through prosecution while at the same time the really culpable and guilty officers should not escape prosecution on account of failure of the competent authority to appreciate properly the fact brought out in the CBI investigation reports. In order to ensure that cases for grant of sanction for prosecution are disposed of quickly, it has been decided that the following measures should be adopted with immediate effect: -

(i) In cases investigated by the Central Bureau of Investigation against any public servant who is not removable from his office except with the sanction of the President, the CBI forwards its final report of investigation to the CVC and also simultaneously endorses a copy of the report to the administrative Ministry/Department concerned, the competent authority shall within three weeks formulate its tentative view


Copy: ENRE

regarding the action to be taken and seek the advice of the CVC in the matter.

- (ii) The CVC would tender its advice within ten days to the concerned administrative Ministry/Department, which shall finalize its view in the matter within a week and issue orders for sanction for prosecution accordingly.
- (iii) The concerned Ministry/Department shall refer the case to CVC for reconsideration only in exceptional cases when new facts come to light. The Committee of experts proposed to be set up by the CVC, with experts drawn from the civil services, public sector undertakings and banks shall examine the CBI's recommendation and the tentative view of the concerned Ministry/Department in greater detail and CVC would render appropriate advice to the competent authority based on the findings of the expert committee, within a fortnight.
- (iv) If the CVC on reconsideration advises for grant of sanction, the concerned Ministry/Department will issue the requisite orders immediately. However, if the concerned Ministry/Department proposes not to accept the reconsidered advice of the CVC, the case will be referred to the Department of Personnel and Training for a final decision, as per the DOP&T O.M. No/ 134/2/85-AVD-I dated 17.10.1986.
- (v) The responsibility of processing cases for sanction of prosecution within the time limits laid down shall continue to remain with the Administrative Ministries/Departments. All pending cases for sanction of prosecution would be reviewed every month by the concerned Secretary to ensure that a decision in a case for grant of sanction for prosecution is taken within the given time frame.
- (vi) The Central Vigilance Commission will call (as proposed by it) a meeting of Secretaries of such Departments, where there are delays in according sanction for prosecution, for a review from time to time and draw DOP&T's attention on such delays.
- (vii) In case a decision is not taken by the Administrative Ministry/Department within the time limit laid down, the concerned


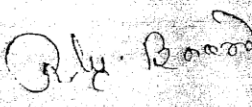
Secretary of the Department shall mandatorily forward a written explanation to the Cabinet Secretary for appropriate examination by the competent authority.

(ix) All such delayed cases will be placed before a Committee to be chaired by Secretary (Personnel) and comprising the Secretary of the Administrative Ministry/Department, Law Secretary and Director, CBI for scrutiny and recommendation. A copy of the explanation furnished by the Secretary of the Administrative Ministry/Department shall also be placed before the Committee. The recommendations of the Committee shall be forwarded to the Cabinet Secretary for orders of the competent authority.

  
(P. K. Tripathi)  
Director (Vigilance)

To  
(Secretary, by name), All Ministries/Departments of Government of India.

Copy to: (i) Secretary, CVC  
(ii) Director, CBI  
(iii) others as per standard list

⑥  J. P. Batra  
Chairman  J. P. Batra  
New Delhi

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**RBV NO.06/2009**

**Government of India  
Ministry of Railways  
(Railway Board)**

No.2009/V-1/CVC/1/5 New Delhi, dated April 20, 2009.

**The General Managers (P),**  
All Zonal Railways, PUs, CORE & Metro.  
**The CAO/DLMW & COFMOW.**  
**The Directors General/RDSO & RSC.**  
**The Managing Directors/All PSUs.**  
**The GMs(Vigilance)/CVOs,**  
All Zonal Railways/PUs & PSUs.

**Sub: Role of Disciplinary Authorities while passing speaking orders**

Attention is invited to the Board's letter No.2003/V-1/CVC/1/19 dated 08.12.2003 (**RBV NO.13/2003**), enclosing CVC's Office Order No.51/9/03 contained in their letter No.003/DSP/3 dated 15.09.2003, stressing the need for issue of self contained, speaking and reasoned orders by the disciplinary/ appellate authorities, followed by letter No.2003/V-1/CVC/1/19 dated 19.04.2004 (**RBV No.07/2004**), further pointing out that at the time of issue of final order, imposing a penalty on the charged officer, on the advice of the CVC, and/or at the time of deposing affidavits in the courts, some of the Disciplinary Authorities (DAs) mention the Commission's reference, which leads to an unwarranted presumption that the DA has acted under the influence /pressure of the CVC.

2. Instances have, however, come to the notice of the Commission in which the final orders passed in disciplinary cases by the competent disciplinary authorities did not indicate proper application of mind, but a mere endorsement of the Commission's recommendations which leads to an unwarranted presumption that the DA has taken the decision under the influence of the Commission's advice. The cases where the final orders do not indicate proper application of mind by the DA are liable to be quashed by the courts.

3. As regards, making available a copy of CVC's first and second stage advices to the charged officials is concerned, instructions were issued vide Board's letter No.2001/V-1/CVC/1/2 dated 12.07.2004 (**RBV No.14/2004**), which should be followed, scrupulously.

4. It is reiterated that the CVC's views/advices in disciplinary cases are advisory in nature and it is for the DA concerned to take a reasoned decision by applying its

own mind. The DA while passing the final order, has to state that the Commission has been consulted and after due application of mind, the final orders have been passed. It may also be noted that in the speaking order of DA, the Commission's advice should not be quoted verbatim.

5. It may be ensured that the above guidelines/procedure is strictly followed while processing the disciplinary cases.

**(Sanjay Goel)**  
**Director Vigilance (M)**  
**Railway Board**

No.2009/V-1/CVC/1/5 New Delhi, dated April 20, 2009.

Copy to:- The Secretary (Attention : Smt. Shalini Darbari, Director), Central Vigilance Commission, Satarkata Bhawan, Block-A, GPO Complex, INA, New Delhi-110023 - for information w.r.t. their Circular No. 02/01/09, circulated vide their letter No.003/DSP/3/31364 dated 15.01.2009.

**(Sanjay Goel)**  
**Director Vigilance (M)**  
**Railway Board**

Copy to:- i) All Board Members.

ii) All Officers & the Branches of Vigilance Directorate.



**No. 003/DSP/3/31364**  
Government of India  
Central Vigilance Commission

Satarkta Bhawan, Block 'A'  
GPO Complex, INA,  
New Delhi- 110023  
Dated the 15/01/09

**Circular No. 02/01/09**

**Subject: Need for self-contained speaking and reasoned order to be issued by the authorities exercising disciplinary powers.**

Attention is invited to the Commission's Office Order No. 51/9/03 dated 15.09.2003 and Office Order No. 14/2/04 dated 26.2.2004 wherein, it was clarified that disciplinary authorities (DAs) should issue a self-contained, speaking and reasoned order which must indicate, inter-alia, due application of mind by the authority issuing the order.

2. As regards, making available a copy of CVC's first and second stage advises to the employees concerned, the Commission vide its circular No. 99/VGL/66 dated 28.09.2000, had prescribed that the same should be supplied to the employees by the Disciplinary Authorities. It was precisely stated, therein that a copy of CVC's 2<sup>nd</sup> state advice should be supplied to the employee concerned alongwith the IOs report, in order to give him an opportunity to make a representation against IO's findings and CVC's advice.

3. Instances have, however, come to the notice of the Commission in which the final orders passed in disciplinary cases by the competent disciplinary authorities did not indicate proper application of mind, but a mere endorsement of the Commission's recommendations which leads to an unwarranted presumption that the DA has taken the decision under the influence of the Commission's advice. Further, it is also observed that the DA's in the Departments/Organisations, in practice, do not provide a copy of Commission's advice to the employees concerned. The cases where the final orders do not indicate proper application of mind by the DA and or non supply of Commission's advises, are liable to be quashed by the courts.

4. The Commission would, therefore, again reiterate that the CVC's views/advises in disciplinary cases are advisory in nature and it is for the DA concerned to take a reasoned decision by applying its own mind. The DA while passing the final order, has to state that the Commission has been consulted and after due application of mind, the final orders have been passed. Further, in the speaking order of DA, the Commission's advice should not be quoted verbatim.

5. CVOs should ensure that the DAs in their respective Departments/Organisations strictly follow the above guidelines/procedures while processing the disciplinary cases.

  
[Shalini Darbari]  
Director

All Chief Vigilance Officers

No.003/DSP/3  
Government of India  
Central Vigilance Commission  
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Satarkta Bhavan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 26<sup>th</sup> February 2004

**Office Order No.14/02/04**

To  
All Secretaries to the Government of India  
All Chief Vigilance Officers  
Deputy Secretary (AVD III), DOPT

**Subject:- Role of Disciplinary Authority in decision taken.**

Sir/Madam,

The Commission vide its Office Order No. 51/9/03 dated 15.9.2003 stressed the need for self-contained speaking and reasoned orders to be issued by the authorities exercising disciplinary powers. The Commission has however, noticed that at the time of issuing final orders imposing a penalty on the charged officer on the advice of the Commission and/or at the time of deposing affidavits in the courts, some Disciplinary Authorities (DA) mention the Commission's reference. The Commission has observed that this leads to an unwarranted presumption that the DA has acted under the influence/pressure of the Commission.

2. The DAs are again informed that, their orders in the matter of disciplinary cases or affidavits to the courts, should in no case imply that any decision has been taken under the influence of the Commission; as the Commission is only an Advisory Body and it is for the Disciplinary Authority to apply its mind subsequent to obtaining the Commission's advice and take reasoned decisions on each occasion. The Disciplinary Authorities are required to strictly follow the above guidelines of the Commission at all stages.

Yours faithfully,  
Sd/-  
(Anjana Dube)  
Deputy Secretary

(\*15)

No. 000/VGL/154  
Government of India  
Central Vigilance Commission  
\*\*\*\*\*

Satarkta Bhawan, 'A' Block,  
GPO Complex, INA,  
New Delhi – 110 023  
Dated: 15<sup>th</sup> December, 2005

**Office Order No. 73/12/2005**

**Sub: Action against public servants, serving as witnesses, but turning hostile in trap and other cases of CBI.**

You are aware that CBI often requisitions the services of Government servants from various organisations in order to utilise them as witnesses in cases of search, trap, etc. The underlying objective behind such practice is to have reliable independent witnesses, who withstand the scrutiny during court trials. However, CBI has brought to the notice of the Commission that in large number of cases, Government servants, who are engaged as such witnesses, are found resiling their original statements during trials, on pleas that they had signed the memoranda without reading the contents or they had not witnessed the real proceedings.

2. It is obvious that these public servants, whose services are thus utilised by the CBI, are turning hostile for ulterior reasons. It is surely not expected that educated and responsible public servants should resort to such devious behaviour, which undermines CBI cases and goes against public interest.

3. Rule 16, Chapter XIII of Vigilance Manual Vol. I, provides that if a Government servant, who had made a statement in course of a preliminary enquiry, changes his stand during evidence in the enquiry, and if such action on his part is without justification or with the objective of favouring one or the other party, his conduct would constitute violation of Rule 3 of the Conduct Rules, rendering him liable for disciplinary action. Such misconduct in the context of criminal cases becomes all the more grave.

4. The Commission is of the view that this unhealthy tendency on part of public servants needs to be curbed effectively. The Commission, therefore, desires that such misconduct, whenever reported by the CBI, should be viewed with utmost seriousness and necessary disciplinary action initiated promptly.

Sd/-  
(Balwinder Singh)  
Additional Secretary

All Chief Vigilance Officers  
Copy to:  
Director, CBI, New Delhi



(\*16)

RBV NO.03/2009

**Government of India  
Ministry of Railways  
(Railway Board)**

No. 2009/V-1/DAR/1/2 New Delhi, dated March 25, 2009

**The General Managers (P)**

All Indian Railways, PUs, CORE & METRO.

**The Managing Directors**

All PSUs

**The Director General**

RDSO & RSC

**The General Managers (Vigilance)**

All Indian Railways, PUs & CORE

**The Chief Administrative Officers**

DLMW, COFMOW

**The Chief Vigilance Officers**

RDSO, METRO & all PSUs

**Sub: Expeditious disposal of DAR cases, involving  
officials on the verge of retirement.**

A case has come to notice of the CVC in which seeking CVC's first stage advice took unduly long period of more than 2½ years, resulting in smooth retirement of the accused official against whom minor penalty was proposed by the Disciplinary Authority and also endorsed by the Vigilance Directorate.

2. It is reiterated that in cases where minor penalty action is envisaged, appropriate action needs to be taken well before the date of retirement of the accused official and at least six months before the date of retirement of the official concerned.

3. All concerned may please note for strict compliance.

**(Sanjay Goel)  
Director Vigilance (M)  
Railway Board**

No. 2009/V-1/DAR/1/2 New Delhi, dated March 25, 2009

Copy to :- The Secretary (Attention : Smt. Ranjana Kumar, VC), Central Vigilance Commission, Satarkata Bhawan, GPO Complex, Block 'A', INA, New Delhi-21 – for information w.r.t. their letter No. 009/Misc/1/36942 dated 16.03.2009.

**(Sanjay Goel)  
Director Vigilance (M)  
Railway Board**

Copy to - All Officers and the Branches of the Vigilance Directorate – for information.

(\*17)

No. 000/VGL/18  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block-A,  
GPO Complex, INA,  
New Delhi-110023  
Date the 10<sup>th</sup> August, 2004

**Office Order No.51/08/2004**

**Subject:- Adherence to time-limits in processing of disciplinary cases.**

It has been observed that the schedule of time limits in conducting investigations and departmental inquiries laid down in Commission's letter of even number dated the 23<sup>rd</sup> May 2000 are not being strictly adhered to. In this context, attention is invited to Department of personnel & Training O.M. No. 11013/2/2004- Estt.(A) dated the 16<sup>th</sup> February 2004 regarding accountability for delay in decision making ( copy enclose for ready reference).

2. Delay in decision-making by authorities in processing of vigilance cases would also be construed as misconduct under the relevant Conduct Rules and would be liable to attract penal action. All administrative authorities are requested to take not and strictly adhere to the prescribed schedule of time-limits in dealing with disciplinary cases.

sd/-  
(Anjana Dube)

Encl:- As above Deputy Secretary

To,

All Secretaries to the Government of India,

All Chief Vigilance Officers of Ministries/Departments of Government of India.

Copy to:-

1. Comptroller and Auditor General of India, New Delhi.
2. Union Public Service Commission, New Delhi.
3. Central Bureau of Investigation, New Delhi.
4. All Union Territory Administrations.
5. Lok Sabha/Rajya Sabha Secretariat.

No.11013/2/2004-Estt.(A)

Government of India

Ministry of Personnel, P.G. & Pensions

(Department of Personnel & Training)

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New Delhi, dated the 16<sup>th</sup> February, 2004

## OFFICE MEMORANDUM

### Sub:- Accountability for delay in decision making.

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A Core Group on Administrative Reforms (CGAR) has been constituted under the chairmanship of Cabinet Secretary in February, 2003 to formulate specific changes in the systems and procedures in consultation with the ministries/departments concerned and to advise strategies for changing attitudes. The Core Group has decided that the existing provisions about accountability mechanism should be reiterated with a view to bring to everyone's notice that these provisions are adequate for initiating disciplinary proceedings when an officer adopts a dilatory attitude leading to delay in decision-making and/or harassment of the public.

2. In view of the above, the following provisions of CCS (Conduct) Rules, 1964 are brought to the notice of all Ministries/Departments for information and necessary action:-

### Rule 3. General

(1) Every Government servant shall at all times:-

- (i) maintain absolute integrity;
- (ii) maintain devotion to duty; and
- (iii) do nothing which is unbecoming of a Government servant.

(2) (i) Every Government servant holding a supervisory post shall take all possible steps to ensure the integrity and devotion to duty of all Government servants for the time being under his control and authority;

(ii) No Government servant shall, in the performance of his official duties, or in the exercise of powers conferred on him, act otherwise than in his best judgement except when he is acting under the direction of his official superior;

Explanation 1:- A Government servant who habitually fails to perform the task assigned to him within the time set for the purpose and with the quality of performance expected of him shall be deemed to be lacking in devotion to duty within the meaning of clause(ii) of sub-rule (1).

Explanation II:- Nothing in clause (ii) of sub-rule (2) shall be construed as empowering a Government servant to evade his responsibilities by seeking instructions from, or approval of, a superior officer or authority when such instructions are not necessary under the scheme of distribution of powers and responsibilities.

### Rule 3A. Promptness and Courtesy

No Government servant shall

- (a) in the performance of his official duties, act in a discourteous manner;
- (b) in his official dealings with the public or otherwise adopt dilatory tactics or willfully cause delays in disposal of the work assigned to him.

3. Rule 11 of the CCS (CCA) Rules, 1965 provides that the penalties (ranging from 'censure' to 'dismissal') mentioned therein may be imposed on a Government servant 'for good and sufficient reasons'. Thus any Government servants violating the provisions of Conduct Rules can be proceeded against as it will form 'good and sufficient reasons' for imposing the penalties prescribed in Rule 11. In other words, disciplinary proceedings could be initiated if an officer adopts a dilatory attitude, leading to delay in decisions making and/or harassment of the public.

4. Ministries/Departments are also requested to bring the above cited provisions of the Conduct Rules and CCA Rules to the notice of all the officers and officials in the Ministries/Departments (proper) and in the organizations/offices under their administrative control to clarify that if they are found responsible for willful delay in disposal of the various types of cases dealt with them, finally leading to delay in decisions making, they shall be liable for disciplinary action in terms of the relevant provisions referred to in para 2 and 3 of this OM.

Sd-  
(Mrs. Pratibha Mohan)  
Director

To  
All Ministries/Departments of the Government of India.

Copy to:

1. Comptroller and Auditor General of India, New Delhi.
2. Union Public Service Commission, New Delhi.
3. Central Vigilance Commission, New Delhi.
4. Central Bureau of Investigation, New Delhi.
5. All Union Territory Administrations.
6. Lok Sabha/Rajya Sabha Secretariat.
7. All attached and Subordinate Offices of the Ministry of Personnel, Public Grievances and Pensions and Ministry of Home Affairs.
8. All officers and sections in the Ministry of Personnel, Public Grievances and Pensions and Ministry of Home Affairs.

Sd-  
(Smt. Pratibha Mohan)  
Director(E-II)

## **CHAPTER-9**

(\*1) Rly Board Letter No.2006/W-1/Genl./DFCC/Pt II dated 11/11/2008

(\*2) HQ/SEMU/Land Acquisition Policy/Pt II dated 02/8/2011

(\*3) HQ/EN/Land Mutation dated 21/6/2011

(\*4) HQ/EN/Safety dated 21/06/2011

## **CHAPTER-10**

**(\*1)**

No. 004/VGL/18  
Government of India  
Central Vigilance Commission  
\*\*\*\*\*

Satarkata Bhawan, Block-A,  
GPO Complex, INA,  
New Delhi-1100 23.  
Dated the 21<sup>st</sup> December, 2005

### **Office Order No.74/12/05**

#### **Sub:- Vigilance angle – definition of (partial modification regarding)**

In partial modification to Commission's Office Order No. 23/4/04 issued vide No. 004/VGL/18 dated 13.4.04 on definition of vigilance angle, the following is added at the end of para 2 for the purpose of determination of vigilance angle as para 2 (b) "Any undue/unjustified delay in the disposal of a case, perceived after considering all relevant factors, would reinforce a conclusion as to the presence of vigilance angle in a case". The existing para 2 will be marked as para 2 (a).

2. CVO may bring this to the notice of all concerned.

Sd/-  
(Anjana Dube)  
Deputy Secretary

All Chief Vigilance Officers

Copy to:-

1. Director CBI, New Delhi.
2. AVD-III, Deptt of Personnel & Training, North Block, New Delhi.

No. 004/VGL/18  
Government of India  
Central Vigilance Commission  
\*\*\*\*\*

Satarkata Bhawan, Block-A,  
GPO Complex, INA,  
New Delhi-1100 23.  
Dated: 13<sup>th</sup> April, 2004

**Office Order No. 23/04/04**  
**( read with modification vide Office Order No. 74/12/05)**

**Subject: Vigilance angle – definition of.**

As you are aware, the Commission tenders advice in the cases, which involve a vigilance angle. The term “vigilance angle” has been defined in the Special Chapters for Vigilance Management in the public sector enterprises, public sector banks and public sector insurance companies. The matter with regard to bringing out greater quality and precision to the definition has been under reconsideration of the Commission. The Commission, now accordingly, has formulated a revised definition of vigilance angle as under:

“Vigilance angle is obvious in the following acts: -

- (i) Demanding and/or accepting gratification other than legal remuneration in respect of an official act or for using his influence with any other official.
- (ii) Obtaining valuable thing, without consideration or with inadequate consideration from a person with whom he has or likely to have official dealings or his subordinates have official dealings or where he can exert influence.
- (iii) Obtaining for himself or for any other person any valuable thing or pecuniary advantage by corrupt or illegal means or by abusing his position as a public servant.
- (iv) Possession of assets disproportionate to his known sources of income.
- (v) Cases of misappropriation, forgery or cheating or other similar criminal offences.

2(a)\*\* There are, however, other irregularities where circumstances will have to be weighed carefully to take a view whether the officer's integrity is in doubt. Gross or willful negligence; recklessness in decision making; blatant violations of systems and procedures; exercise of discretion in excess, where no ostensible/public interest is evident; failure to keep the controlling authority/superiors informed in time – these are some of the irregularities where the disciplinary authority with the help of the CVO should carefully study the case and weigh the circumstances to come to a conclusion whether there is reasonable ground to doubt the integrity of the officer concerned.

2(b) Any undue/unjustified delay in the disposal of a case, perceived after considering all relevant factors, would reinforce a conclusion as to the presence of vigilance angle in a case.

\*\* as modified vide Officer Order No. 74/12/05 dated 21/12/05.

3. The raison d'être of vigilance activity is not to reduce but to enhance the level of managerial efficiency and effectiveness in the organisation. Commercial risk taking forms part of business. Therefore, every loss caused to the organisation, either in

pecuniary or nonpecuniary terms, need not necessarily become the subject matter of a vigilance inquiry. Thus, whether a person of common prudence, working within the ambit of the prescribed rules, regulations and instructions, would have taken the decision in the prevailing circumstances in the commercial/operational interests of the organisation is one possible criterion for determining the bona fides of the case. A positive response to this question may indicate the existence of bona- fides. A negative reply, on the other hand, might indicate their absence.

4. Absence of vigilance angle in various acts of omission and commission does not mean that the concerned official is not liable to face the consequences of his actions. All such lapses not attracting vigilance angle would, indeed, have to be dealt with appropriately as per the disciplinary procedure under the service rules.”

5. The above definition becomes a part of the Vigilance Manual and existing Special Chapter on Public Sector Banks and Public Sector Enterprises brought out by the Commission, in supersession of the existing definition.

CVOs may bring this to the notice of all concerned.

Sd/-  
(Anjana Dube)  
Deputy Secretary

All Chief Vigilance Officers



(\*2)

F.No. 000/VGL/161  
Government of India  
Central Vigilance Commission

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Satarkta Bhawan, GPO Complex,  
Block-'A', I.N.A,  
New Delhi-110023.  
Dated, the 24<sup>th</sup> March, 2005

**Office Order No. 18/3/05**

**Sub:- Banning of business dealings with firms/contractors-clarification regarding.**

Para 31 of Chapter XIII, Vigilance Manual Part-I provides that business dealings with the firms/contractors may be banned wherever necessary. It was also suggested that for banning of the business with such firms/contractors or for withdrawal of banning orders, advice of the Central Vigilance Commission need not be sought.

2. It is however observed by the Commission that some of the departments/organizations cite the Commission as the authority behind the decision in their orders while banning of the firms/contractors. This is not appropriate. **The Commission once again reiterates its instructions that banning of business is an administrative matter to be decided by the management of the organization and the Central Vigilance Commission does not give its advice in such matters.** This may please be noted for strict compliance.

sd/-  
(Anjana Dube)  
Deputy Secretary

All Chief Vigilance Officers

## CHAPTER-11

(\*1)

No. 008/VGL/052  
Government of India  
Central Vigilance Commission

Satarkta Bhawan, Block-A,  
GPO Complex, INA,  
New Delhi-110023  
Dated: 18/7/08

### **Circular No. 23/7/08**

**Subject:- Systemic improvements for better Vigilance Administration in the Govt. Organisations.**

The Central Vigilance Commission in ensuring better Vigilance Administration has been emphasizing on systemic improvements as part of preventive vigilance. The Commission, while examining vigilance cases has observed that many a time the officials take advantage of either weakness/ambiguity in the systems or lack of systems in the organization. These systemic failures have been brought to the notice of the organizations concerned by the Commission but the repeated occurrence/recurrence of such lapses indicate that due cognizance of the Commission's advice was not taken and the systems had not been upgraded/put in place to stop recurrence of such malpractices.

2. The CVOs therefore should conduct an exercise to identify the weaknesses in the existing systems and polices in their organizations and the lapses that have arisen or are likely to arise due to the systemic flaws noticed. The CVOs may also identify the steps required to strengthen/improve the systems and take up the matter with the management of the organizations to ensure implementation of the systemic improvements identified so that there was no uncertainty or room for manipulation in any procedure/systems.

3. The whole exercise may be started with immediate effect and the steps taken by the CVOs in this regard may be communicated to the Commission latest by 31/10/08.

(Rajiv Verma)  
Under Secretary

To  
CVOs of select organizations.

(\*2)

**No. 3(v)/99/15**  
**Central Vigilance Commission**  
**\*\*\*\*\***

**Satarkta Bhawan, block 'A'**  
**GPO Complex, INA,**  
**New Delhi – 110 023.**  
**Dated the 16<sup>th</sup> January 2002**

**Subject:   System changes in organisation to check corruption.**

**\*\*\*\*\***

The Central Vigilance Commission is empowered to exercise superintendence over the vigilance administration of the various Ministries of the Central Government or Corporations established under any Central Act, Government Companies, Societies and local authorities owned or controlled by that Government in terms of the powers invested in it under para (3)(v) of the Ministry of Personnel, Public Grievances & Pensions, Department of Personnel & Training Resolution No. 371/20/99-AVD.III dated 4<sup>th</sup> April 1999.

2. The Commission, in exercise of these powers, has been conducting studies of systems that lead to corruption and has issued directives to organisations to make appropriate changes. It is quite possible that CVOs, while performing their normal functions, may come across systems and procedures that breed corruption in their organisations. These are to be brought to the notice of the Commission for remedying by issue of directives under the powers vested in the Commission.

3. This is for strict compliance by all CVOs.

4. This order is also available on web-site of the CVC at <http://cvc.nic.in>.

**(N. Vittal)**

**Central Vigilance Commissioner**

To

All CVOs of the Ministries/Deptt./PSEs

(\*3)

No.004/VGL/90  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 1<sup>st</sup> May, 2008

**CIRCULAR NO.17/4/08**

**Subject:- Rotation of officials working in sensitive posts.**

Attention is invited to the Commission's circular No. 98/VGL/60 dated 15/4/99 and 2/11/01.

2. The Commission vide circular dated 15/4/99, had asked the CVOs of Ministries/Departments/Organisations to identify the sensitive posts in their organizations and also to send to the Commission, the list of posts so identified. Further, CVOs were also asked to ensure that officials posted on sensitive posts were rotated every two/three years to avoid developing vested interest.

3. No information in this regard has been received in the Commission so far. The CVOs may, therefore, complete the exercise expeditiously now, and send to the Commission, a list of posts identified as sensitive in their organization. The exercise may be completed by 30<sup>th</sup> June 2008.

(Rajiv Verma)  
Under Secretary

All Chief Vigilance Officers

Telegraphic Address :  
"SATARKTA: New Delhi

E-Mail Address  
cenvigil@nic.in

Website  
www.cvc.nic.in

EPABX  
24651001 - 07

फैक्स/Fax : 24616286

सं. / No. No.004/VGL/90

भारत सरकार  
केन्द्रीय सतर्कता आयोग  
GOVERNMENT OF INDIA  
CENTRAL VIGILANCE COMMISSION

सतर्कता भवन, जी.पी.ओ. कॉम्प्लेक्स,  
ब्लॉक-ए, आई.एन.ए., नई दिल्ली-110023  
Satarkta Bhawan, G.P.O. Complex,  
Block A, INA, New Delhi 110023

दिनांक / Dated..04<sup>th</sup> Jan., 2012

Circular No.02/01/12

**Sub: Rotation of officials working in sensitive posts – reg.**

**Ref: Commission's circulars No. 98/VGL/60 dated 15/4/1999, 1/11/2001  
and circular No.17/4/08(004/VGL/90) dated 1/5/2008**

Attention is invited to the Commission's instructions contained in circulars under reference wherein all CVOs were asked to identify the sensitive posts and also to ensure that officials posted on sensitive posts are rotated every two/three years to avoid vested interests. These instructions are not being strictly followed which is a matter of serious concern.

2. Recently, the Commission while dealing with a case pertaining to a Public Sector Bank noticed that a senior ranking official who was associated with procurements etc. was posted in the department for an unduly long period which is against the spirit of the Commission's guidelines. The Commission would once again emphasize that periodical rotation of officials, holding sensitive posts/jobs especially at senior levels need to be ensured. As such, officials should not be retained in the same place/position for unduly long periods in the guise of indispensability etc. by the Management of Public Sector Banks.

3. The Commission while reiterating its guidelines would advise the CVOs of Public Sector Banks to bring to the notice of all concerned to ensure strict compliance of the same. Further, the CVOs should specifically mention the action taken status in this regard indicating the number of officials rotated/transferred in the Bank in the Monthly Report of CVOs to the Commission.



(J Vinod Kumar)  
Officer on Special Duty

All CVOs of Public Sector Banks

(\*4)

**Scrutiny of Annual Property Returns of Officers/Executives of PSUs by the Vigilance Branch. (DPE OM No. 15(6)/98(GL-008)/GM dated the 1st September, 1998)**

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**CHAPTER II**  
**PERSONNEL POLICIES**

**(g) Vigilance Policies**

**5. DPE/Guidelines/II(g)/5**  
**Scrutiny of Annual Property Returns of Officers/Executives of PSUs by the Vigilance Branch.**

The undersigned is directed to say that the Conferences of Chief Vigilance Officers held by the CBI and the Central Vigilance Commission during 1996 and 1997 recommended, inter-alia, that the scrutiny of property returns may be undertaken by the Chief Vigilance Officers. It was also suggested that the general practice of receiving and filing property returns and their safe custody in the PSU should continue with the Personnel Department and the Vigilance Branch may scrutinize random basis and on specific information about 20% of the property returns so that the scrutiny cycle gets completed in every five years.

2. The matter has been examined carefully by the CVC and DOPT and it has been decided that in view of the emphasis on probity in public life and need for contemporaneous reporting of assets by the official concerned, the vigilance set up in the PSUs would scrutinize, on a random basis and on specific information, about 20% Annual Property Returns of the regular permanent employees of their respective organizations so that the scrutiny cycle is completed in every five years. To carry out this exercise, the management of PSU should provide staff whenever required by the CVO by making internal adjustments. However, the general practice of receiving and filing property returns and their safe custody with Personnel Department of PSUs will continue. This arrangement should be put into effect immediately.

3. All Administrative Ministries/Departments are requested to bring the above decision to the notice of public sector undertakings under their administrative control for strict compliance.

**(DPE OM No. 15(6)/98(GL-008)/GM dated the 1st September, 1998)**

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(\*5)

No.99/VGL/69  
Government of India  
Central Vigilance Commission  
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Satarkta Bhavan, Block – A  
GPO Complex, I.N.A.  
New Delhi-110023  
Dated the 19.2.2003

To  
The CVOs of all Public Sector Banks.

**Subject: Annual statement of assets and liabilities submitted by officers of Public Sectors Banks.**

Sir,

Every officer serving in a public sector bank is required to submit a return of his assets and liabilities on his first appointment, either by direct recruitment or by promotion and thereafter annually as on 31<sup>st</sup> March. This return contains full particulars regarding:

- (a) The immovable property inherited by him or owned or acquired by him or held by him on lease or mortgage, either in his own name or in the name of any member of his family or in the name of any other person,
- (b) Shares, securities, debentures and cash including bank deposits inherited by him or similarly owned or acquired or held by him;
- (c) Other movable properties inherited by him or similarly owned or acquired by him; and
- (d) Debts and other liabilities incurred by him directly or indirectly.

2. This Return is submitted on the prescribed format within a reasonable time not later than the 30<sup>th</sup> June of each year. Separate files relating to these statements and reports and request for permission to acquire, dispose of asset and sanction, etc are required to be maintained on the same lines as Service files of officers. Each bank has laid down the authority structure for submission of these statements by officers and non-submission/delayed submission is categorized as misconduct attracting appropriate disciplinary action under the Service Rules.

3. Bank Officers are also debarred from applying for or accept allotment of shares/securities out of the 'employees'/promoters' quota and have to furnish a declaration in this regard along with the annual assets and liabilities statements. Bank Officers are also not allowed to acquire or dispose of, except under prior intimation in writing to the controlling authority, any immovable property by lease, mortgage, purchase, sale, gift or otherwise in his own name or in the name of any member of his family. Similarly, they are also required to report to the Competent Authority every transaction concerning movable property owned or held by him in his own name or in the name of a member of his family if the value of such property exceeds Rs.25000/-. If any of these transactions is done with a person obligated to the bank through official dealings with the officers or other than through a regular or reputed dealer, prior sanction of the Competent Authority is required to be obtained by the officer.

4. The above requirement of the annual submission of assets and liabilities statement is an important preventive vigilance initiative and provides an opportunity for the controlling authorities in banks to monitor instances where officers are found in possession of assets

disproportionate to their known sources of income or where officers have incurred liabilities which may appear to be onerous to meet within the known sources of income.

5. While banks need to maintain strict secrecy regarding the information furnished by the officers in their statements, which are submitted in sealed cover, these statements are also required to be scrutinized by the Competent Authority to whom these are submitted. It has come to the notice of the Commission that in several cases, the sealed covers are just kept on file even without opening. This negates very purpose for which these are called for. It is therefore, necessary for each bank to review the position and reiterate the instructions regarding scrutiny of these statements to all concerned and evolve an effective monitoring mechanism to ensure that this is done regularly on an on-going basis. Only normal scrutiny of statements may be done and if prima facie found in order, no further action may be called for. However, each statement must bear an evidence of prima facie scrutiny by the Competent Authority before the same is put on the file. Detailed scrutiny of property return, etc should be confined to only those cases which raise ground for suspicion of disproportionate assets/liabilities. It has to be ensured that the process does not degenerate into 'witch hunting'. In fact, whenever in exceptional cases, detailed survey is needed, this should be done only after authorization by sufficiently senior authority to be specifically designated for the purpose and of course, without embarrassment to the official concerned. Such officials should be given prior intimation of this intention regarding detailed scrutiny/seeking clarifications, etc.

6. The CVOs in each bank would monitor the full compliance of the above instructions of the Commission and would furnish a compliance certificate to the Commission as on 30<sup>th</sup> June every year.

Please acknowledge receipt.

Yours faithfully,  
Sd/-  
**(Mange Lal)**  
**Deputy Secretary**  
**Telefax: 24651010**



(\*6)

No.005/VGL/71  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 30<sup>th</sup> December 2005

**Office Order No.75/12/05**

**Subject: Computerisation of Annual Property Returns of officer/staff – regarding.**

The Commission vide its circular No.99/VGL/69 dated 26.2.2001 had asked Ministries/Departments/Organisations/PSUs to scrutinize the Annual Property Returns (APR) of their officers/staff. IRCON have reported that they have fully computerised the APRs. The Commission would advise all Chief Vigilance Officers to consider similar action in their organisations and keep the Commission informed of the action taken.

Sd/-  
(V. Kannan)  
Director

Commission's Website (CVO's corner)

Copy to:

Sr. PPS to CVC

PPS to VC (S)

PPS to VC (R)

PS to Secretary

PS to AS (G)

PS to AS (BS)

(\*7)

No.3(v)/99/11  
**Central Vigilance Commission**

Satarkta Bhawan, Block 'A'  
GPO Complex, INA,  
New Delhi - 110 023  
Dated the 23<sup>rd</sup> June 2000

**SUBJECT: VIGILANCE AWARENESS WEEK - observance thereof**

\*\*\*\*\*

Corruption is anti national, anti poor and anti economic development. According to the UNDP Report on Human Development 1999 on South Asia, if the corruption level in India goes down to that of Scandinavian Countries, the GDP will grow by 1.5% and Foreign Direct Investment will go up by 12%. Corruption is anti poor because nearly 30% of the food grains and sugar meant for the public distribution system disappear in the black market.

Corruption literally takes away the food from the mouths of the poor people for whom food security by way of the public distribution systems is devised by the government. Corruption is anti national as revealed by the Bombay blasts of 1993 when the customs officials who were bribed permitted the smuggling of the RDX which resulted in the death of 300 people.

2 M/s Transparency International, a Berlin based non-government organisation has ranked India 73 out of 99 countries in the Corruption Perception Index. This refers to the perception of the degree of corruption as seen by business people, risk analysts and the general public. It ranges from 10 (highly clean) to zero (highly corrupt). Denmark appears at the top of the list with a score of 10 and India figures at 73 with a score of 2.9.

3 War, it is said, is too dangerous to be left to the Generals. Fighting corruption is too important an activity to be left only to the Central Vigilance Commission. The Commission therefore proposes to launch a systematic campaign against corruption by involving all members of the civil society in fighting this social evil. The first step in this campaign is to educate the people about the dangers of corruption and sensitize them about the evil consequences of corruption.

4 The Central Vigilance Commission, which has a special responsibility under para 3(v) of Government of India Resolution no 371/20/99/AVD-III dated 4.4.1999, declares that the week beginning from 31<sup>st</sup> October every year should be observed as the Vigilance Awareness Week. The significance of 31<sup>st</sup> October is that it is the birthday of the Bismarck of India, Sardar Vallabh Bhai Patel. He represents the

best values in the Indian tradition so far as governance is concerned. He integrated the country and also was a shining example of probity in public life.

5 The Vigilance Awareness Week can be observed keeping in view the spirit of the eminent leaders like Sardar Patel and the need for fighting the social evil of corruption. The measures that could be considered for celebrating the Week may include the following:

a) It should be a five-day programme beginning from 31<sup>st</sup> October to 4<sup>th</sup> November.

b) The Central Vigilance Commissioner would request the President and the Prime Minister for their messages to the Nation on this occasion. Such messages received would be given wide publicity through the media and also through the CVC web-site <http://cvc.nic.in>

c) The messages from the President, Prime Minister, the Central Vigilance Commissioner and the Vigilance Commissioner would also be sent in advance to all Chief Executives and Chief Vigilance Officers.

d) The Vigilance Awareness Programme would begin in all the offices of the Central Government, its subordinate and attached offices, public sector undertakings and banks, autonomous bodies and institutions under the Central Government at 11 00 hrs with a pledge which would be sent separately. The pledge would be taken by all public servants irrespective of their status and would be administered by the head of the department or the senior most officer available on the occasion.

e) After the pledge, the message from the President, Prime Minister, CVC and VC would be read out to the audience.

f) The Chief Vigilance Officer may be advised to consider taking following steps depending upon the financial resources -

- to display banners, posters etc. at prime locations in their office at the corporate centre, regional centre, zonal offices, factories/works etc.

- to organise seminars at different location on the occasion and to invite prominent faculty from the area to address the participants. The CVC/VC will also address the participants in some of the seminar

- to organise competitive debates/lectures on anti corruption topics amongst the employees and to distribute prizes

- to organise competitive lectures/debate on anti corruption methods at the student levels in the colleges/schools in the city and to award prizes to the best participation.

- to issue special journals during the week; and

- to request the non government organisations, institutions and service associations in the local area to also participate in the vigilance awareness campaign.

6 The NGOs and all other participants in the programme can also select specific procedures or offices and study them and make suggestions about how corruption

can be checked by simplification or improvement of procedure by bringing in greater transparency and speed in the disposal of work.

7 In the State Vigilance Commissioners and Directors of State Anti Corruption Bureaux held on 19<sup>th</sup> June 2000, it was agreed that the vigilance organisations in the state governments will also organise vigilance awareness week in their respective states.

8 Awareness is the first step towards action. The Vigilance Awareness Week, it is hoped, will help in catalysing action to fight corruption.

9. This notification is also available on the CVC's website

To

(i) The Secretaries of all Ministries/Departments of Government of India.

(ii) The Chief Secretaries to all Union Territories

(iii) The Comptroller & Auditor General of India

(iv) The Chairman, Union Public Service Commission

(v) Chief Executives of All PSUs/Banks/Organisations

(vi) All Chief Vigilance Officers in the Ministries/ Departments/PSEs/Public Sector Banks/Insurance Companies/ Autonomous Organisations/Societies

(vii) President's Secretariat/Vice-President's Secretariat/Lok Sabha Secretariat/Rajya Sabha Secretariat/PMO.

(viii) All Chief Secretaries of State Governments

(ix) All State Vigilance Commissioners and Chiefs of Anti-corruption Bureaux

(x) All NGOs/Institutes/Service Associations (which are in the Commission's mailing list)

(\*8)

**Improving Vigilance Administration. (DPE OM No.15/11/98-GL-012/ DPE (GM) dated 22nd December, 1998)**

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**CHAPTER II**  
**PERSONNEL POLICIES**

**(g) Vigilance Policies**

**DPE/Guidelines/II(g)/7**

**Improving Vigilance Administration**

I am directed to forward herewith a copy of Central Vigilance Commission's letter No.8(1)(h)/98(1) dated the 18th November, 1998 on the subject mentioned above for information and strict compliance.

**(DPE OM No.15/11/98-GL-012/DPE(GM) dated 22nd December, 1998)**

**ANNEXURE**

**Copy of CVC's O.M.No. 8(1)(h)/98(1) dated 18.11.1998 as referred to above regarding improving vigilance administration.**

The Central Vigilance Commission Ordinance 1998 under Section 8(1)(h) directs that the power and function of the CVC will be the following:—

“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”.

Improving vigilance administration is possible only if system improvements are made to prevent the possibilities of corruption and also encourage a culture of honesty. In exercise of the powers conferred on the CVC by Section 8(1)(h), the following instructions are issued for compliance:

**2.1 Creating a culture of honesty**

Many Organizations have a reputation for corruption. The junior employees and officers who join the Organizations hopefully may not be so corruption minded as those who have already been part of the corrupt system. In order to ensure that a culture of honesty is encouraged and the junior officers do not have the excuse that because their seniors are corrupt, that they have to also adopt the corrupt practices, it is decided with immediate effect that junior employees who initiate any proposal relating to vigilance matters which is likely to result in a reference to the CVC can send a copy directly to the CVC by name. This copy will be kept in the office of the CVC and data fed into the computer. If within a reasonable time of say three to six months, the reference does not come to the CVC, the CVC then can verify with the concerned authorities in the department as to what happened to the vigilance case initiated by the junior employee. If there is an attempt to protect the corrupt or dilute the charges, this will also become visible. Above all the junior officers will not have the excuse that they have to fall in line with the corrupt seniors.

Incidentally, the seniors also can not treat the references made directly to the CVC as an act of indiscipline because the junior officers will be complying with the instructions issued under Section 8(1)(h) of the CVC Ordinance 1998. However, if a junior officer makes a false or frivolous complaint it will be viewed adversely.

## **2.2 Greater transparency in administration**

2.2.1 One major source of corruption arises because of lack of transparency. There is a scope for patronage and corruption especially in matters relating to tenders, cases where exercise of discretion relating to out of turn conferment of facilities/privileges and so on. Each organization may identify such items, which provide scope for corruption and where greater transparency would be useful. There is a necessity to maintain secrecy even in matters where discretion has to be exercised. But once the discretion has been exercised or as in matters of tenders, once the tender has been finalized, there is no need for the secrecy. A practice, therefore, must be adopted with immediate effect by all organizations within the purview of the CVC that they will publish on the notice board and in the organization's regular publication the details of all such cases regarding tenders or out of turn allotments or discretion exercised in favour of an employee/party. The very process of publication of this information will provide an automatic check for corruption induced decisions or undue favours which go against the principles of healthy vigilance administration.

2.2.2 The CVC will in course of time take up each organization and review to see whether any additions and alterations have to be made to the list of items, which the organization identified in the first instance for the monthly communications for publicity in the interests of greater transparency. This may be implemented with immediate effect.

## **2.3 Speedy departmental inquiries**

2.3.1 One major source of corruption is that the guilty are not punished adequately and more important they are not punished promptly. This is because of the prolonged delays in the departmental inquiry procedures. One of the reasons for the departmental inquiry being delayed is that the inquiry officers have already got their regular burden of work and this inquiry is to be done in addition to their normal work. The same is true for the Presenting Officers also.

2.3.2 Each organization, therefore, may immediately review all the pending cases and the Disciplinary Authority may appoint Inquiry Officers from among retired honest employees for conducting the inquiries. The names of these officers may be got cleared by the CVC. The CVC will also separately issue an advertisement and start building a panel of names all over India who can supplement the inquiry officers work in the department. In fact, it will be a healthy practice to have all the inquiries to be done only through such retired employees because it can then be ensured that the departmental inquiries can be completed in time. If any service/departmental rules are in conflict with the above instructions they must be modified with immediate effect.

2.3.3. In order to ensure that the departmental inquiries are completed in time, the following time limits are prescribed:

(i) In all cases which are presently pending for appointment of Inquiry Officer and Presenting Officer, such appointment should be made within one month. In all other cases, the Inquiry Officer and the Presenting Officer

should be appointed, wherever necessary, immediately after the receipt of the public servant's written statement of defence denying the charges.

(ii) The Oral inquiry, including the submission of the Inquiry Officer's report, should be completed within a period of 6 months from the date of appointment of the Inquiry Officer. In the preliminary inquiry in the beginning requiring the first appearance of the charged officers and the Presenting Officer, the Inquiry Officer should lay down a definite time-bound programme for inspection of the listed documents, submission of the lists of defence documents and defence witnesses and inspection of defence documents before the regular hearing is taken up. The regular hearing, once started, should be conducted on day-to-day basis until completed and adjournment should not be granted on frivolous grounds.

2.3.4 One of the causes for delay is repeated adjournments. Not more than two adjournments should be given in any case so that the time limit of six months for departmental inquiry can be observed.

2.3.5 The IO/PO, DA and the CVO will be accountable for the strict compliance of the above instructions in every case

## **2.4 Tenders**

Tenders are generally a major source of corruption. In order to avoid corruption, a more transparent and effective system must be introduced. As post tender negotiations are the main source of corruption, post tender negotiations are banned with immediate effect except in the case of negotiations with L1 (i.e. Lowest Tenderer).

(\*9)

No.98/ORD/1  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 20<sup>th</sup> October 2004

**Office Order No. 68/10/04**

**Subject: Leveraging Technology – e-payment & e-receipt.**

Reference is invited to the Commission's Office Order No. 20/4/04 dated 6.4.2004 regarding the above mentioned subject.

2. The Commission had directed that by July 2004, 50% of the payment transactions both in value terms as well as in lieu of number of transactions shall be made through ECS/EFT mechanism instead of payments through Cheques; and urged all Banks, PSUs and Departments to provide an enabling environment and facilities so that such an initiative is successful. It has been informed that some of the organisations are yet to initiate the process in this regard. The organisations are, therefore, requested to forward the details regarding the implementation of epayment mechanism, as per the enclosed format by November 15, 2004 positively.

Sd/-  
(Anjana Dube)  
Deputy Secretary

To  
All Chief Vigilance Officers



**Leveraging Technology – e-payments & e-receipts**

**(A) Details regarding payments of salary etc. to employees.**

- (1) Total No. of employees -
- (2) No. of employees whose Bank A/c details including MICR have been received -
- (3) % in terms of numbers of employees to whom salary & other dues are being paid through e-payments -

**(B) Details regarding payments of dues to contractors/suppliers etc.**

- (1) Number of contractors/suppliers/agents/assesseees etc. dealt with regularly during the period July 2004 – September 2004.
- (2) Number of contractors/suppliers/agents/assesseees etc. whose Bank A/c details including MICR have been received.
- (3) Total payments made to all contractors/suppliers/assesseees/CHA's during the period July 2004 – September 2004 (Amount in Rupees in lakhs).  
[Payments should include refunds of earnest money/income tax etc.]
- (4) Total payments made through e-payments during the above period (Amount in Rupees in lakhs).
- (5) % of Bills (in terms of number of payments) in which e-payment is made.
- (6) % of value of payments made through e-payments.
- (7) List of nodal officers who have been entrusted with the responsibility of managing charge to e-payment system.

**(C) E-receipts**

Separate details as per (1)-(7) above may also be provided in respect of ereceipts by organisations getting regular payments in terms of license fee/income tax receipts/custom duty/sales tax/property tax/freight charges/consultancy fees etc.  
(The organisations can give the type of payments received).

(\*10)

**Improving Vigilance Administration. (DPE OM No.15/11/98-GL-012/ DPE (GM) dated 22nd December, 1998)**

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**CHAPTER II**  
**PERSONNEL POLICIES**

**(g) Vigilance Policies**

**DPE/Guidelines/II(g)/7**

**Improving Vigilance Administration**

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**ANNEXURE**

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“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”.

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## **CHAPTER -13**

**(\*1)**

No.98-VGL-25  
Government of India  
Central Vigilance Commission  
(CTEO)

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated the 30<sup>th</sup> April, 2007

### **OFFICE MEMORANDUM Circular No.14/4/07**

#### **Sub: Use of Products with standard specification.**

A case has come to the notice of the Commission that the user department one organization requisitioned an item of non-standard size. Requisitioning of item with non-standard size resulted in issue of Non-availability certificate' by the stores keeper although the same item of standard size was already available in the stock. Citing urgency, the item was procured by the user department at 10 times the cost of the standard item by inviting limited quotations.

1. In order to avoid such occurrences, it is reiterated that the items with standard specifications only should be stipulated in the bid documents. In case, items with non-standard specifications are to be procured, reasoning for procuring such items may be recorded and reasonability of rates must be checked before placing order.

Sd/-  
(Smt Padmaja Varma)  
Chief Technical Examiner

To  
All CVOs of Ministries/ Departments/ PSUs/ Banks/ Insurance Companies/ Autonomous  
Organisations/ Societies

(\*2)

No.12-02-1-CTE-6  
Central Vigilance Commission  
(CTE'S Organisation)

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated the 17<sup>th</sup> December, 2002.

### OFFICE MEMORANDUM

**Subject: Prequalification criteria (PQ).**

The commission, has received complaints regarding discriminatory prequalification criteria incorporated in the tender documents by various Deptts./Organisations. It has also been observed during intensive examination of various works/contracts by CTEO that the prequalification criteria is either not clearly specified or made very stringent/very lax to restrict/facilitate the entry of bidders.

2. The prequalification criteria is a yard stick to allow or disallow the firms to participate in the bids. A vaguely defined PQ criteria results in stalling the process of finalizing the contract or award of the contract in a non-transparent manner. It has been noticed that organizations, at times pick up the PQ criteria from some similar work executed in the past, without appropriately amending the different parameters according to the requirements of the present work. Very often it is seen that only contractors known to the officials of the organization and to the Architects are placed on the select list. This system gives considerable scope for malpractices, favouritism and corruption. It is, therefore, necessary to fix in advance the minimum qualification, experience and number of similar works of a minimum magnitude satisfactorily executed in terms of quality and period of execution.
3. Some of the common irregularities/lapses observed in these regard are highlighted as under:
  - i) For a work with an estimated cost of Rs.15 crores to be completed in two years the criteria for average turnover in the last 5 years was kept as 15 crores although the amount of work to be executed in one year was only Rs.7.5 crores. The above resulted in prequalification of a single firm.
  - ii) One organization for purchase of computer hardware kept in criteria for financial annual turnover of Rs.100 crores, although the value of purchase was less than Rs.10 crores, resulting in disqualification of reputed computer firms.
  - iii) In one case of purchase of Computer hardware, the prequalification criteria stipulated was that the firms should have made profit in the last two years and should possess ISO Certification. It resulted in disqualification of reputed vendors including a PSU.
  - iv) In a work for supply and installation of AC Plant, reentering was resorted to with diluted prequalification criteria without adequate justification, to favour selection of a particular firm.
  - v) An organisation invited tenders for hiring DG Sets with eligibility of having 3 years experience in supplying DG Sets. The cut off dates regarding work experience were not clearly indicated. The above resulted in qualification of firms, which had conducted such business for 3 years, some 20

years back. On account of this vague condition, some firms that were currently not even in the business were also qualified.

vi) In many cases, “Similar Works” is not clearly defined in the tender documents. In one such case, the supply and installation of AC ducting and the work of installation of false ceiling were combined together. Such works are normally not executed together as AC ducting work is normally executed as a part of AC work while false ceiling work is a part of civil construction or interior design works. Therefore, no firm can possibly qualify for such work with experience of similar work. The above resulted in qualification of AC Contractors without having any experience of false ceiling work although the major portion of the work constituted false ceiling.

4. The above list is illustrative and not exhaustive. While framing the prequalification criteria, the end purpose of doing so should be kept in view. The purpose of any selection procedure is to attract the participation of reputed and capable firms with proper track records. The PQ conditions should be exhaustive, yet specific. The factors that may be kept in view while framing the PQ Criteria include the scope and nature of work, experience of firms in the same field and financial soundness of firms.

5. The following points must be kept in view while fixing the eligibility criteria:-

#### **A) For Civil/Electrical Works**

i) Average Annual financial turnover during the last 3 years, ending 31<sup>st</sup> March of the previous financial year should be at least 30% of the estimated cost.

ii) Experience of having successfully completed similar works during last 7 years ending last day of month previous to the one in which applications are invited should be either of the following.

Three similar completed works costing not less than the amount equal to 40% of the estimated cost.

Or

Two similar completed works costing not less than the amount equal to 50% of the estimated cost.

Or

One similar completed works costing not less than the amount equal to 80% of the estimated cost.

iii) Definition of “similar work” should be clearly defined. In addition to above, the criteria regarding satisfactory performance of works, personnel, establishment, plant, equipment etc. may be incorporated according to the requirement of the project.

#### **B) For Store/Purchased Contracts**

Prequalification/Post Qualification shall be based entirely upon the capability and resources of prospective bidders to perform the particular contract satisfactorily, taking into account their (i) experience and past performance on similar contracts for last 2 years (ii) capabilities with respect to personnel, equipment and manufacturing facilities (iii) financial standing

through latest I.T.C.C., Annual report (balance sheet and Profit & Lost Account) of last 3 years. The quantity, delivery and value requirement shall be kept in view, while fixing the PQ criteria. No bidder should be denied prequalification/post qualification for reasons unrelated to its capability unrelated to its capability and resources to successfully perform the contract.

6. It is suggested that these instructions may be circulated amongst the concerned officials of your organization for guidance in fixing prequalification criteria.

These instructions are also available on CVC's website, <http://cvc.nic.in>.

Sd/-  
(MP Juneja)  
Chief Technical Examiner

To  
All CVOs of Ministries/ Departments /PSUs/Banks/ Insurance Companies/ Autonomous  
Organisation / Societies/ UTs.



(\*3)

No.98/ORD/1  
Government of India  
Central Vigilance Commission  
(CTE'S Organisation)

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated the 9<sup>th</sup> July, 2003.

**Office Order No.33/7/03**

To  
All the Chief Vigilance Officers

**Subject: Short comings in bid documents.**

Sir/Madam,

The Commission has observed that in the award of contracts for goods and services, the detailed evaluation/exclusion criteria are not being stipulated in the bid documents and at times is decided after the tender opening. This system is prone to criticism and complaints as it not only leads to a non-transparent and subjective system of evaluation of tenders but also vitiates the sanctity of the tender system.

2. The commission would reiterate that whatever pre-qualification, evaluation/exclusion criteria, etc. which the organization wants to adopt should be made explicit at the time of inviting tenders so that basic concept of transparency and interests of equity and fairness are satisfied. The acceptance/rejection of any bid should not be arbitrary but on justified grounds as per the laid down specifications, evaluation/exclusion criteria leaving no room for complaints as after all, the bidders spend a lot of time and energy besides financial cost initially in preparing the bids and, thereafter, in following up; with the organisations for submitting various clarifications and presentations.

3. This is issued for strict compliance by all concerned.

**Yours faithfully,**  
**Sd/-**  
**(Mange Lal)**  
**Deputy Secretary**  
**Telefax No.24651010**

(\*4)

No.98/ORD/1  
Government of India  
Central Vigilance Commission

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated 4.9. 2003.

**Office Order No.44/9/03**

To  
All Chief Vigilance Officers

**Subject: Irregularities in the award of contracts.**

Sir/Madam,

While dealing with the case of a PSU, the Commission has observed that the qualification criteria incorporated in the bid documents was vague and no evaluation criterion was incorporated therein. It is also seen that the category-wise anticipated TEUs were not specified in the bid documents and the same was left for assumptions by Tender Evaluation

Committee for comparative evaluation of financial bids, which led to comparative evaluation of bids on surmises and conjectures. Further, it was also provided as a condition in the tender bid that the tenderer should have previous experience in undertaking handling of similar work and/or transportation works preferably of ISO containers, however, no definition of 'similar works' was, indicated in the bid documents.

2. It should be ensured that pre-qualification criteria, performance criteria and evaluation criteria are incorporated in the bid documents in clear and unambiguous terms as these criterion very important to evaluate bids in a transparent manner. Whenever required the departments/organisations should follow two bid system, i.e. technical bid and price bid. The price bid should be opened only of those vendors who were technically qualified by the departments/organisations. The commission would therefore advice that the department/organisation may issue necessary guideline in this regard for future tenders.

3. It has also observed the orders were allegedly split in order to bring it within the powers of junior officers and that the proper records of machine breakdown were not being kept. It is therefore, decided that in the matters of petty purchase in emergency items all departments/organisations must keep proper records of all machine breakdown etc.

4. All CVOs may bring this to the notice of all concerned.

**Yours faithfully,**  
**Sd/-**  
**(Anjana Dube)**  
**DEPUTY SECRETARY**

(\*5)

No.005/CRD/19  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 9th May, 2006

**CIRCULAR No.15/5/06**

**Subject:- Transparency in Works/Purchase/Consultancy contracts awarded on nomination basis.**

The Commission had, in its OM No. 06-03-02-CTE-34 dated 20.10.2003 on back to back tie up by PSUs, desired that the practice of award of works to PSUs on nomination basis by Govt. of India/PSUs needed to be reviewed forthwith. It is observed that in a number of cases, Works/Purchase/Consultancy contracts are awarded on nomination basis. There is a need to bring greater transparency and accountability in award of such contracts. While open tendering is the most preferred mode of tendering, even in the case of limited tendering, the omission has been insisting upon transparency in the preparation of panel.

2. In the circumstances, if sometimes award of contract on nomination basis by the PSUs become inevitable, the Commission strongly feels that the following points should be strictly observed.

- (i) All works awarded on nomination basis should be brought to the notice of the Board of the respective PSUs for scrutiny and vetting post facto.
- (ii) The reports relating to such awards will be submitted to the Board every quarter.
- (iii) The audit committee may be required to check at least 10% of such cases.

3. This may be noted for strict compliance.

**Sd/-**  
**(V. Kannan)**  
**Director**

All Chief Vigilance Officers

Copy to:

- (i) All Secretaries of Govt. of India
- (ii) All CEOs/Head of the organization

(\*6)

No.005/CRD/19  
Government of India  
Central Vigilance Commission

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated the 5<sup>th</sup> July, 2007

**Circular No23/7/07**

**Subject: Transparency in Works/Purchase/Consultancy contracts awarded on nomination basis.**

Reference is invited to the Commission's circular No.15/5/06 (issued vide letter No.005/CRD/19 dated 9.5.2006), wherein the need for award of contracts in a transparent and open manner has been emphasized.

2. A perusal of the queries and references pertaining to this circular, received from various organisations, indicates that several of them believe that mere post-facto approval of the Board is sufficient to award contracts on nomination basis rather than the **inevitability of the situation, as emphasized in the circular.**

3. It is needless to state that tendering process or public auction is a basic requirement for the award of contract by any Government agency as any other method, especially award of contract on nomination basis, would amount to a breach of Article 14 of the Constitution guaranteeing right to equality, which implies right to equality to all interested parties.

4. A relevant extract from the recent Supreme Court of India judgment in the case of Nagar Nigam, Meerut Vs A1 Faheem Meat Export Pvt Ltd [arising out of SLP (CIVIL) No.10174 of 2006] is reproduced below to reinforce this point.

“The law is well-settled that contract by the State, its corporations, instrumentalities and agencies must be normally granted through public auction/public tender by inviting tenders from eligible persons and the notifications of the public-auction or inviting tenders should be advertised in well known dailies having wide circulation in the locality with all relevant details such as date, time and place of auction, subject matter of auction, technical specifications, estimated cost, earnest money deposit, etc. The award of Government contracts through public-auction/public tender is to ensure transparency in the public procurement, to maximize economy and efficiency in Government procurement, to promote healthy competition among the tenderers, to provide for fair and equitable treatment of all tenderers, and to eliminate irregularities, interference and corrupt practices by the authorities concerned. This is required by Article 14 of the Constitution. However, in rare and exceptional cases, for instance, during natural calamities and emergencies declared by the Government; where the procurement is possible from a single source only; where the supplier or contractor has exclusive rights in respect of the goods or services and no reasonable alternative or substitute exists; where the auction was held on several dates but there were no bidders or the bids offered were too low, etc., this normal rule may be departed from and such contracts may be awarded through ‘private negotiations’.”

(Copy of the full judgment is available on web-site of the Hon'ble Supreme Court of India, i.e. [www.supremecourtsofinia.nic.in](http://www.supremecourtsofinia.nic.in))

5. The Commission advises all CVOs to formally apprise their respective Boards/managements of the above observations as well as the full judgment of the Hon'ble Supreme Court for necessary observance. A confirmation of the action taken in this regard may be reflected in the CVO's monthly report.

6. Further, all nomination/single tender contracts be posted on the web-site ex post-facto.

Sd/-  
(Rajiv Verma)  
Under Secretary

To  
All Chief Vigilance Officers

(\*7)

No.12-02-6-CTE-SPI(I)-2  
Government of India  
Central Vigilance Commission  
(CTE's Organisation)

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated the 21<sup>st</sup> April, 2004.

**OFFICE ORDER NO. - 25/04/04**

**Subject: Consideration of Indian Agents.**

The commission has received a complaint alleging that in Government tenders an agent participates by representing a company officially and another bid is submitted as a 'direct offer' from the manufacturer. At times, the agent represents a foreign company in one particular tender and in another tender the said foreign company participates directly and the agent represent another foreign company. There is a possibility of cartelization in such cases and thus award of contract at higher prices.

2. The issue has been deliberated in the Commission. In order to maintain the sanctity of tendering system, it is advised that the purchases should preferably be made directly from the manufacturers. Either the Indian Agent on behalf of the foreign principal or the foreign principal directly could bid in a tender but not both. Further, in cases where an agent participates in a tender on behalf of one manufacturer, he should not be allowed to quote on behalf of another manufacturer along with the first manufacturer in a subsequent/parallel tender for the same item.

3. It is suggested that these guidelines may be circulated amongst the concerned officials of your organisation for guidance.

Sd/-  
(A.K. Jain)  
Technical Examiner  
For Chief Technical Examiner

To  
All CVOs of Ministries/ Departments/ PSUs/ Banks/ Insurance Companies./ Autonomous

(\*8)

No.2EE-1-CTE-3  
Government of India  
Central Vigilance Commission  
(CTE's Organisation)

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated - 15.10. 2003.

## OFFICE MEMORANDUM

### Subject: Tender Sample Clause.

The commission has received complaints that some organisations, while procuring clotting and other textile items insist on submission of a tender sample by the bidders though detailed specifications for such items exist. The offers are rejected on the basis of tender samples not conforming to the requirements of feel, finish and workmanship as per the 'master sample' though the bidders confirm in their bids that supply shall be made as per the tender specifications, stipulated in the bid documents.

2. While it is recognized that samples may be required to be approved to provide a basis in respect of indeterminable parameters such as shade, feel, finish & workmanship for supplies of such items but system of approving/rejecting tender samples at the time of decision making is too subjective and is not considered suitable, especially for items which have detailed specifications. The lack of competition in such cases is also likely to result in award of contracts at high rates.

3. It is thus advised that Government Departments/Organisations should consider procurement of such items on the basis of detailed specifications. If required, provision for submission of an advance sample by successful bidder(s) may be stipulated for indeterminable parameters such as, shade/tone, size, make-up, feel, finish and workmanship, before giving clearance for bulk production of the supply. Such a system would not only avoid subjectivity at the tender decision stage but would also ensure healthy competition among bidders and thus take care of quality aspect as well as reasonableness of prices.

4. It is requested that these guidelines may be circulated amongst the concerned officials of your organization for guidance. These are also available on the CVC's website, <http://cvc.nic.in>.

Sd/-

(A.K. Jain)

Technical Examiner

For Chief Technical Examiner

To

All CVOs of Ministries/ Departments/ PSUs/ Banks/ Insurance Companies/ Autonomous Organisations / Societies/ UTs.

(\*9)

No.005/VGL/7  
Government of India  
Central Vigilance Commission  
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Satarkta Bhavan, Block – 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated the 28<sup>th</sup> February 2005

**Office Order No.09/02/05**

**Sub: Improving Vigilance Administration: Increasing transparency in procurement / sale etc. – Use of Web site for tenders containing classified / secret documentation.**

The Central Vigilance Commission had issued a directive vide order No.98/ORD/1 dt. 18.12.03 on the use of web site for publicizing open tenders pertaining to the procurement and /or auction / sale of goods and services. The directions included making the complete bid documents (alongwith drawings etc.) available on the web for the prospective bidders to down load and use for tender participation. Certain apprehensions have been received in the Commission regarding providing open web publicity to classified / secret documents. These classified / secret documents may include

- (i) Overall layouts of strategic installations like nuclear / atomic energy installations, refineries, power plants, research and defence installations etc.
- (ii) Process schemes or process flow diagrams (e.g. for a refinery) which require prior approval of the process licensor before they are provided to the individual bidder.
- (iii) Technology / design details which may be proprietary to a particular firm and require specific approval of the technology provider prior to making them available to the bidders.

2. The Commission has considered the representations and is of the view that for such open tenders which consist of documents of classified / secret nature, the organisations may go in for pre-qualification of the bidders in the first stage of the tender. Once the bidders are pre-qualified, the complete tenders including the classified / secret documents which form a part of the tender, may be made available to them for submitting their techno-commercial and price bids. The process of prequalification will involve publicizing the Notice Inviting Tenders, which could include the particulars of the tender alongwith the complete pre-qualification requirements. This Notice Inviting Tender would follow all the procedures of publicity that are normally followed for open tenders including publicity on the web site. Once the suitability of the bidders has been assessed through the responses received against the pre-qualification notice, complete tenders will be issued to the pre-qualified bidders. The Organisations may adopt / follow their own procedures of maintaining secrecy of the classified / secret documents which form a part of these tenders. Thus only the select group of qualified bidders would be in possession of the classified / secret documentation. It may however be ensured that:



- (i) Such procedure is followed only for the tenders which contain classified / secret documentation, after obtaining the approval of the competent authority for this purpose.
- (ii) The NIT (having pre-qualification conditions) conforms to all extant instructions / guidelines for ensuring a transparent tendering.
- (iii) Adequate opportunity and time is given to the pre- qualified bidders to bid for the work. Once the bidders have been pre-qualified, no further rejection takes place on the grounds of not meeting the prequalification criteria, in the later stages of the tender.

3. The post pre-qualification process of the tender may involve separate technical and financial bids. The pre-qualified bidders may be issued tenders directly or through web. In order to limit the access to the detailed tender documents on the web site at this stage, a password access can be resorted to. Organisations who need to put the classified / secret documents in their procurement / work tenders must put defined tendering procedures in place for such tenders in consultation with the CVO of the Organisation, prior to operating such pre-qualification procedure for tenders containing classified / secret documents.

(V. Ramachandran)  
Chief Technical Examiner

To  
All CVOs of Ministries/ Departments/ PSUs/ Banks/ Insurance Cos./  
Autonomous Organisations/ Societies/UTs.

(\*10)

**No.98/ORD/1**  
**CENTRAL VIGILANCE COMMISSION**

\*\*\*\*\*

Satarkta Bhawan Block 'A',  
GPO Complex, INA,

NEW DELHI – 110023

Dated the 18<sup>TH</sup> December 2003

**Subject: - Improving Vigilance Administration: Increasing Transparency in procurement/Sale etc.**

The Commission is of the opinion that in order to bring about greater transparency in the procurement and tendering processes there is need for widest possible publicity. There are many instances in which allegations have been made regarding inadequate or no publicity and procurement officials not making available bid documents, application forms etc. in order to restrict competition.

2. Improving vigilance administration is possible only when system improvements are made to prevent the Possibilities of corruption. In order to bring about greater transparency and curb the mal-practices mentioned above the Central Vigilance Commission in the exercise of the Powers conferred on it Under Section 8(1)(h) issues following instructions for compliance by all govt. departments, PSUs, Banks and other agencies over which the commission has jurisdiction. These instructions are with regard to all cases where open tender system is resorted to for procurement of goods and services or for auction/sale etc. of goods and services.

(i) In addition to the existing rules and practices regarding giving publicity of tenders through newspapers, trade journals and providing tender documents manually and through post etc. the complete bid documents along with application form shall be published on the web site of the organization. It shall be ensured by the concerned organization that the parties making use of this facility of web site are not asked to again obtain some other related documents from the department manually for purpose of participating in the tender process i.e. all documents up to date should remain available and shall be equally legally valid for participation in the tender process as manual documents obtained from the department through manual process.

(ii) The complete application form should be available on the web site for purpose of downloading and application made on such a form shall be considered valid for participating in the tender process.

(iii) The concerned organization must give its web site address in the advertisement/NIT published in the newspapers.

(iv) If the concerned organization wishes to change for the application form downloaded from the computer then they may ask the bidding party to pay the amount by draft/cheques etc. at the time of submission of the application form and bid documents.

3. While the above directions must be fully complied with, efforts should be made by organizations to eventually switch over to the process of e-procurement/e- sale wherever it is found to be feasible and practical.

4. The above directions are issued in supersession of all previous instructions issued by the CVC on the subject of use of web-site for tendering purposes. These instructions shall take effect from 1<sup>st</sup> January, 2004 for all such organizations whose web- sites are already functional. All other organizations must ensure that this facility is provided before 1<sup>st</sup> April, 2004.

**Sd/-**

**(P. Shankar)**

**Central Vigilance Commissioner**

To

- (i) The Secretaries of all Ministries/Departments of Government of India
- (ii) The Chief Secretaries to all Union Territories
- (iii) The Comptroller & Auditor General of India
- (iv) The Chairman, Union Public Services Commission
- (v) The Chief Executives of all PSEs/ Public Sector Banks/ Insurance Companies/Autonomous Organizations/Societies.
- (vi) The Chief Vigilance Officers in the ministries/Departments/PSEs/Public Sector Banks/Insurance Companies/Autonomous Organizations/Societies
- (vii) President's Secretariat / Vice-President's Secretariat / Lok Sabha Secretariat / Rajya Sabha Secretariat / PMO

**(\*11)**

No.OFF-1-CTE-1(Pt) V  
Government of India  
Central Vigilance Commission

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated the 24<sup>th</sup> March, 2005.

**Office Order No.15/3/05**

**Subject: Notice inviting tenders - regarding.**

The Commission has observed that some of the Notice Inviting Tenders (NITs) have a clause that the tender applications could be rejected without assigning any reason. This clause is apparently incorporated in tender enquiries to safeguard the interest of the organisation in exceptional circumstances and to avoid any legal dispute, in such cases.

2. The Commission has discussed the issue and it is emphasized that the above clause in the bid document does not mean that the tender accepting authority is free to take decision in an arbitrary manner. He is bound to record clear, logical reasons for any such action of rejection/recall of tenders on the file.

3. This should be noted for compliance by all tender accepting authorities.

**Sd/-**  
**(Anjana Dube)**  
**Deputy Secretary**

All Chief Vigilance Officers

(\*12)

No.4CC-1-CTE-2  
Government of India  
Central Vigilance Commission  
(CTEs Organisation)

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated 8.6.2004

## OFFICE MEMORANDUM

### Sub: Mobilization Advance.

In order to address the problem of misuse of mobilization advance provision in the civil and other works, the Commission had issued an O.M. dtd 8.12.1997 for grant of interest bearing 'Mobilizations Advance' in selected works. In view of references from certain organizations on this issue, the commission has reviewed the issue and it has been decided to modify and add the following provisions in the existing O.M. This may be read as addendum to the Commission's O.M. dt. 8.12.997.

- i. If the advance is to be given, it should be expressly stated in the NIT/Bid Documents, indicating the amount, rate of interest and submission of BG of equivalent amount.
- ii. The advance payment may be released in stages depending upon the progress of the work and mobilization of required equipments etc.
- iii. There should be a provision in the contract for adjustment of advance progressively even as the bills are cleared for payment.

Sd/-  
(Gyaneshwar Tyagi)  
Technical Examiner

Copy to:  
All CVO:Ministries/Departments/PSUs/Banks/UTs

**(\*13)**

No.005/VGL/66  
Government of India  
Central Vigilance Commission

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated 9.12.2005

**Office Order No.71/12/05**

**Subject: Undertaking by the Members of Tender Committee/Agency.**

In continuation of the Commission's directions vide Order 005/VGL/4 dated 16/3/2005 regarding transparency in the tender process, the Commission would advise that the members of the Tender Committee should given an undertaking at the appropriate time, that none of them has any personal interest in the Companies/Agencies participating in the tender process. Any member having interest in any Company should refrain from participating in the Tender Committee.

2. CVOs should bring this to the notice of all concerned.

**Sd/-**  
**(Anjana Dube)**  
**Deputy Secretary**

All Chief Vigilance Officers

(\*14)

No.008/VGL/083  
Government of India  
Central Vigilance Commission

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated the 6th November, 2008

**Circular No.31/11/08**

**Subject: Time bound processing of procurement.**

The Commission has observed that at times the processing of tenders is inordinately delayed which may result in time and cost over runs and also invite criticism from the Trade Sector. It is, therefore, essential that tenders are finalized and contracts are awarded in a time bound manner within original validity of the tender without seeking further extension of validity. While a short validity period calls for prompt finalization by observing specific time-line for processing, a longer validity period has the disadvantage of vendors loading their offers in anticipation of likely increase in costs during the period. Hence, it is important to fix the period of validity with utmost care.

2. The Commission would, therefore, advise the organisations concerned to fix a reasonable time for the bids to remain valid while issuing tender enquiries keeping in view the complexity of the tender, time required for processing the tender and seeking the approval of the Competent Authority, etc and to ensure the finalization of tender within the stipulated original validity. Any delay, which is not due to unforeseen circumstances, should be viewed seriously and prompt action should be initiated against those found responsible for non-performance.

3. Cases requiring extension of validity should be rare. And in the exceptional situations where the validity period is sought to be extended, it should be imperative to bring on record in real time, **valid and logical grounds**, justifying extension of the said validity.

4. These instructions may please be noted for immediate compliance.

**Sd/-**  
**(Shalini Darbar)**  
**Director**

All Chief Vigilance Officers

(\*15)

No.005/CRD/12  
Government of India  
Central Vigilance Commission

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated 25.10.2005

**Office Order No.68/10/05**

**Subject: Tendering process - Negotiation with L-1.**

A workshop was organized on 27<sup>th</sup> July 2005 at SCOPE New Delhi, by the Central Vigilance Commission, to discuss issues relating to tendering process including negotiation with L-1. Following the deliberations in the above mentioned Workshop, the following issues are clarified with reference to para 2.4 of Circular No.8(1)(h)/98(1) dated 18<sup>th</sup> November, 1998 on negotiation with L-1, which reflect the broad consensus arrived at in the workshop.

i. There should not be any negotiations. Negotiations if at all shall be an exception and only in the case of proprietary items or in the case of items with limited source of supply. Negotiations shall be held with L-1 only. **Counter offers tantamount to negotiations and should be treated at par with negotiation.**

ii. Negotiations can be recommended in exceptional circumstances only after due application of mind and recording valid, logical reasons justifying negotiations. In case of inability to obtain the desired results by way of reduction. In rates and negotiations prove infructuous, satisfactory explanations are required to be recorded by the Committee who recommended the negotiations. The Committee shall be responsible for lack of application of mind in case its negotiations have only unnecessarily delayed the award of work/contract.

2 Further, it has been observed by the Commission that at times the Competent Authority takes unduly long time to exercise the power of accepting the tender or negotiate or retender. **Accordingly, the model time frame for according such approval to completion of the entire process of Award of tender should not exceed one month from the date of submission of recommendations. In case the file has to be approved at the next higher level a maximum of 15 days may be added for clearance at each level. The overalltime frame should be within the validity period of the tender/contract.**

3. In case of L-1 backing out there should be re-tendering as per extant instructions.

4. The above instructions may be circulated to all concerned for compliance.

Sd/-  
(Anjana Dube)  
Deputy Secretary

All Chief Vigilance Officers



(\*16)

No.005/CRD/012  
Government of India  
Central Vigilance Commission

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated the 3<sup>rd</sup> March, 2007

**Circular No.4/3/07**

**Subject: Tendering process - negotiations with L-1.**

Reference is invited to the Commission's circulars of even number, dated 25.10.2005 and 3.10.2006, on the above cited subject. In supersession of the instructions contained therein, the following consolidated instructions are issued with immediate effect:-

- (i) As post tender negotiations could often be source of corruption, it is directed that there should be no post-tender negotiations with L-1, except in certain exceptional situations. Such exceptional situations would include, procurement of proprietary items, items with limited sources of supply and items where there is suspicion of a cartel formation. The justification and details of such negotiations should be duly recorded and documented without any loss of time.
- (ii) In cases where a decision is taken to go for re-tendering due to the unreasonableness of the quoted rates, but the requirements are urgent and a retender for the entire requirement would delay the availability of the item, thus jeopardizing the essential operations, maintenance and safety, negotiations would be permitted with L-1 bidder(s) for the supply of a bare minimum quantity. The balance quantity should, however, be procured expeditiously through a re-tender, following the normal tendering process.
- (iii) Negotiations should not be allowed to be misused as a tool for bargaining with L-1 within dubious intentions or lead to delays in decision-making. Convincing reasons must be recorded by the authority recommending negotiations. Competent authority should exercise due diligence while accepting a tender or ordering negotiations or calling for a re-tender and a definite timeframe should be indicated so that the time taken for according requisite approvals for the entire process of award of tenders does not exceed one month from the date of submission of recommendations. In cases where the proposal is to be approved at higher levels, a maximum of 15 days should be assigned for clearance at each level. In no case should the overall timeframe exceed the validity period of the tender and it should be ensured that tenders are invariably finalized within their validity period.
- (iv) As regards the splitting of quantities, some organisations have expressed apprehension that pre-disclosing the distribution of quantities in the bid document may not be feasible, as the capacity of the L-1 firm may not be known in advance. It may be stated that if, after due processing, it is discovered that the quantity to be ordered is far more than what L-1 alone is capable of supplying and there was no prior decision to split the quantities, then the quantity being finally ordered should be distributed among the other bidders in a manner that is fair, transparent and equitable. It is essentially in cases where the organisations decide in advance to have more than one source of supply (due to critical or vital nature of the item) that the Commission insists on pre-disclosing the ratio of splitting the supply in the tender itself. This must be followed scrupulously.

(v) Counter-offers to L-1, in order to arrive at an acceptable price, shall amount to negotiations. However, any counter-offer thereafter to L-2, L-3, etc., (at the rates accepted by L-1) in case of splitting of quantities, as pre-disclosed in the tender, shall not be deemed to be a negotiation.

2. It is reiterated that in case L-1 backs out, there should be a re-tender.

3. These instructions issue with the approval of the Commission and may please be noted for immediate compliance.

**Sd/-**  
**(Vineeta Mathur)**  
**Deputy Secretary**

All Chief Vigilance Officers

(\*17)

Telegraphic Address :  
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सं. / No. 005/CRD/012

भारत सरकार  
केन्द्रीय सतर्कता आयोग  
GOVERNMENT OF INDIA  
CENTRAL VIGILANCE COMMISSION

सतर्कता भवन, जी.पी.ओ. कॉम्प्लेक्स,  
ब्लॉक-ए, आई.एन.ए., नई दिल्ली-110023  
Satarkta Bhawan, G.P.O. Complex,  
Block A, INA, New Delhi 110023

दिनांक / Dated .....  
20<sup>th</sup> January, 2010

- (i) The Secretaries of all Ministries/Departments of Government of India
- (ii) The Chief Secretaries to All Union Territories
- (iii) The Comptroller & Auditor General of India
- (iv) The Chairman, Union Public Service Commission
- (v) The Chief Executives of all PSEs/Public Sector Banks/Insurance Companies/Autonomous Organisations/Societies.
- (vi) The Chief Vigilance Officers in the Ministries/Departments/PSEs/Public Sector Banks/Insurance Companies/Autonomous Organisations/Societies
- (vii) President's, Secretariat/Vice-President's Secretariat/Lok Sabha Secretariat/Rajya Sabha Secretariat/PMO

CIRCULAR No.01/01/10

Attention is invited to the Commission's circular No. 4/3/07 dated 3.3.07 on the issue of "**Tendering Process – Negotiations with L1**".

In the said circular it has, among other things, been stated "As post tender negotiations could often be a source of corruption, it is directed that there should be no post tender negotiations with L1, except in certain exceptional situations". It has come to Commission's notice that this has been interpreted to mean that there is a ban on post tender negotiations with L-1 only and there could be post tender negotiations with other than L1 i.e. L2, L3 etc. This is not correct.

It is clarified to all concerned that - there should normally be no post tender negotiations. If at all negotiations are warranted under exceptional circumstances, then it can be with L1 (Lowest tenderer) only if the tender pertains to the award of work/supply orders etc. where the Government or the Government company has to make payment. However, if the tender is for sale of material by the Government or the Govt. company, the post tender negotiations are not to be held except with H1 (i.e. Highest tenderer) if required.

2. All other instructions as contained in the circular of 3.3.2007 remain unchanged.

3. These instructions issue with the approval of the Commission and may please be noted for immediate compliance.

*Ramachandran*  
(V. Ramachandran)  
Chief Technical Examiner

(\*18)

**No. 3L – IRC 1  
Government of India  
Central Vigilance Commission**

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**No. 3, Dr. Rajendera Prasad Road,  
New Delhi, dt. 10-1-1983**

**To,  
All Chief Vigilance Officers of all Public  
Enterprises/National Banks.**

**Sub: APPOINTMENT OF CONSULTANT.**

Guidelines in connection with the selection of consultants by Public Sector Enterprises for preparation of project reports have been laid down by Bureau of Public Enterprises vide letter No. BPE/GL-025/78/Prodn./PCR/2/77/BPE/Prodn. dt. 15<sup>th</sup> July, 1978.

In brief the guidelines laid down are: -

- A. For any new projects, expansions, modernization/modification of the existing projects involving an expenditure of Rs.5 crores and above these guidelines are applicable.
- B. The pre-qualifications public notice should be issued to enlist names of suitable consultants.
- C. The pre-qualification bid should be screened by a scrutinising committee.
- D. The final selection and commissioning of the consultant should be done with the approval of the board of public sector enterprises.
- E. Based on the above guidelines each enterprise should prepare their own instructions and procedure duly approved by the board for the appointment of consultants to ensure that the selection is made with maximum attention to the suitability, competence and proven track record.

The Chief Technical Engineer Organisation under the control of the Commission has had occasion to examine and comment upon works undertaken by public sector undertakings. Common irregularities/lapses noticed in the construction works undertaken by the public sector undertakings/banks have already been brought to your notice vide engineering works, it was observed that consultants were appointed on ad-hoc basis without going through proper formalities as suggested by B.P.E. and/or the consultant was chosen from an old panel thereby restricting competition. In most of the cases public sector enterprises have not framed their own instructions and procedures duly approved by the Board. Even though individually such works are less than Rs.5 crores, it is necessary that the appointment of consultant should not be made arbitrary or ad-hoc. It is, therefore, necessary that urgent action is taken to formulate a rational policy for employment of consultants based on the broad outlines given by B.P.E.

This may be given priority and progress made in formulation of rules and procedure may be reported by 31-3-1983.

Sd/-  
(D.C. Gupta)  
Director

(\*19)

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सत्यमेव जयते

केन्द्रीय सतर्कता आयोग  
CENTRAL VIGILANCE COMMISSION



सतर्कता भवन, जी.पी.ओ. कॉम्प्लेक्स,  
ब्लॉक-ए, आई.एन.ए., नई दिल्ली-110023  
Satarkta Bhawan, G.P.O. Complex,  
Block A, INA, New Delhi 110023  
011/VGL/063

सं./No.....

दिनांक / Dated..... 24<sup>th</sup> June, 2011

Circular No. 08/06/11

**Subject: Selection and employment of Consultants.**

The issue of role and professional liability of consultants in government contracts has been under consideration in the Commission for quite some time. The Commission has decided that following guidelines, be kept in view while finalising the contracts for engaging consultants.

**1. Conflict of Interest.** The consultant shall not receive any remuneration in connection with the assignment except as provided in the contract. The consultant and its affiliates shall not engage in consulting or other activities that conflict with the interest of the employer under the contract.

The contract shall include provisions limiting future engagement of the consultant for other services resulting from or directly related to the firm's consulting services in accordance with following requirements:-

(a) The consultants shall provide professional, objective, and impartial advice and at all times hold the employer's interests paramount, without any consideration for future work, and that in providing advice they avoid conflicts with other assignments and their own interests. Consultants shall not be hired for any assignment that would be in conflict with their prior or current obligations to other employers, or that may place them in a position of being unable to carry out the assignment in the best interest of the employer. Without limitation on the generality of the foregoing, consultants shall not be hired under the circumstances set forth below:

(i) **Conflict between consulting activities and procurement of goods, works or non-consulting services (i.e., services other than consulting services covered by these Guidelines)** – A firm that has been engaged by the employer to provide goods, works, or non-consulting services for a project, or any affiliate that directly or indirectly controls, is controlled by, or is under common control with that firm, shall be disqualified from providing consulting services resulting from or directly related to those goods, works, or non-consulting services. Conversely, a firm hired to provide consulting services for the preparation or implementation of a project, or any affiliate that directly or indirectly controls, is controlled by, or is under common control with that firm, shall be disqualified from subsequently providing goods, works, or services (other than consulting services covered by these Guidelines) resulting from or directly related to the consulting services for such preparation or implementation. This provision does not apply to the various firms (consultants, contractors, or suppliers) which together are performing the Contractor's obligations under a turnkey or design and build contract.

(ii) **Conflict among consulting assignments** – Neither consultants (including their personnel and sub-consultants), nor any affiliate that directly or indirectly controls, is controlled by, or is under common control with that firm, shall be hired for any assignment that, by its nature, may be in conflict with another assignment of

the consultants. As an example, consultants assisting a employer in the privatization of public assets shall neither purchase, nor advise purchasers of, such assets. Similarly, consultants hired to prepare Terms of Reference (TOR) for an assignment shall not be hired for the assignment in question.

(iii) **Relationship with Employer's staff** – Consultants (including their experts and other personnel, and sub-consultants) that have a close business or family relationship with a professional staff of the Employer (or of the project implementing agency) who are directly or indirectly involved in any part of: (i) the preparation of the TOR for the assignment, (ii) the selection process for the contract, or (iii) the supervision of such contract may not be awarded a contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the Employer throughout the selection process and the execution of the contract.

(iv) **A consultant shall submit only one proposal**, either individually or as a joint venture partner in another proposal. If a consultant, including a joint venture partner, submits or participates in more than one proposal, all such proposals shall be disqualified. This does not, however, preclude a consulting firm to participate as a sub-consultant, or an individual to participate as a team member, in more than one proposal when circumstances justify and if permitted by the RFP.

(b) **Unfair Competitive Advantage** - Fairness and transparency in the selection process require that consultants or their affiliates competing for a specific assignment do not derive a competitive advantage from having provided consulting services related to the assignment in question. To that end, the Employer shall make available to all the short listed consultants, together with the request for proposals, all information that would in that respect give a consultant a competitive advantage.

**2. Professional Liability** - The consultant is expected to carry out its assignment with due diligence and in accordance with prevailing standards of the profession. As the consultant's liability to the Employer will be governed by the applicable law, the contract need not deal with this matter. The client (purchaser) may, however, prescribe other liabilities depending on the requirement in each case without any restriction on the Consultant's liability as per the applicable law.

The Commission desires that the above guidelines be brought into the notice of all concerned.



(J Vinod Kumar)

Officer on Special Duty

To

1. All Chief Vigilance Officers of Ministries / Departments / PSUs / Banks / Insurance Companies / Autonomous Organizations / Societies / UTs.
2. All Secretaries to the Government of India.
3. All CEOs / Heads of Organizations of PSUs / Banks / Insurance Companies etc.



(\*20)

No.98/DSP/3  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi-110 023  
Dated the 24<sup>th</sup> December, 2004

**Office Order No.75/12/04**

**Sub: Participation of consultants in tender – guidelines regarding.**

Consultants are appointed by the organisation for preparation of project report. These appointment are made for any new projects, expansions, modernization/modification of the existing projects etc. The selection is made with maximum attention to the suitability, competence and proven track record.

2. Further, during the CVO's Conference convened by the Commission in Sept.1997, the Central Vigilance Commissioner had constituted a Committee of CVOs to go into the system of contracts prevalent in PSUs and to suggest, wherever required, methods of streamlining the contracting provisions. The Committee after going through the contract system of various organisations had made recommendations on consultants as under:-

**Consultants:-**A firm which has been engaged by the PSU to provide goods or works for a project and any of its affiliates will be disqualified from providing consulting services for the same project. Conversely, a firm hired to provide consulting services for the preparation or implementation of a project, and any of its affiliates, will be disqualified from subsequently providing goods or works or services related to the initial assignment for the same project. Consultants or any or their affiliates will not be hired for any assignment, which by its nature, may be in conflict with another assignment of the consultants.

3. It has come to the notice of the Commission that in a tendering process of a PSU, the consultant was also permitted to quote for work for which they had themselves estimated the rates and the consultant quoted 20% above their own estimated rates as against the awarded rates which were 20% below the estimated cost. Such over dependence on the consultant can lead to wasteful and infructuous expenditure which the organisation regrets in the long run. Meticulous and intelligent examination of the consultants proposal is therefore essential for successful and viable completion of the project.

4. The Commission reiterates the recommendations made by the Committee that the consultants/firm hired to provide consulting services for the preparation or implementation of a project, and any of its affiliates, will be disqualified from subsequently providing goods or works or services related to the initial assignment for the same project.

Sd/-  
(Anjana Dube)  
Deputy Secretary

(\*21)

(CVC Circular No.3L PRC 1 dated 12.11.1982)

### **Appointment of consultants**

Guidelines in connection with the selection of consultants by public sector enterprises for preparation of project reports have been laid down by Bureau of Public Enterprises vide letter No BPE/GL-025/78/Prodn/PCR/2/77/BPE/Prodn dated 15<sup>th</sup> Jul 1978.

In brief the guidelines laid down are:-

- A. For any new projects, expansions, modernization/modification of the existing projects involving an expenditure of Rs.5 crores and above these guidelines are applicable.
- B. The pre-qualification public notice should be issued to enlist names of suitable consultants.
- C. The pre-qualification bid should be screened by a scrutinizing committee.
- D. The final selection and commissioning of the consultant should be done with the approval of the board of public sector enterprise.
- E. Based on the above guidelines each enterprise should prepare their own instructions and procedure duly approved by the board for the appointment of consultants to ensure that the selection is made with maximum consideration to their suitability competence and proven track record.

The Chief Technical Engineer Organisation under the control of the Commission has had occasion to examine and comment upon works undertaken by public sector undertakings. Common irregularities/lapses noticed in the construction works undertaken by the public sector undertakings/banks have already brought to your notice vide Commission's letter No 3L PRC 1 dt. 12/11/82. During examination of engineering works it was observed that consultants were appointed on ad-hoc basis without going through proper formalities as suggested by BPE and / or the consultant was chosen from an old panel thereby restricting competition. In most of the cases public sector enterprises have not framed their own instructions and procedures duly approved by the Board.

Even though individually such works are less than Rs.5 crores, it is necessary that the appointment of consultant should not be made arbitrary or ad-hoc.

It is, therefore, necessary that urgent action is taken to formulate a rational policy for employment of consultants based on the broad outlines given by BPE.

This may be given priority and progress made in formulation of rules and procedure may be reported by 31.3.1983.



(\*22)

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सं. / No. 009/VGL/002

भारत सरकार  
केन्द्रीय सतर्कता आयोग  
GOVERNMENT OF INDIA  
CENTRAL VIGILANCE COMMISSION

सतर्कता भवन, जी.पी.ओ. कॉम्प्लैक्स,  
ब्लॉक-ए, आई.एन.ए., नई दिल्ली-110023  
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Block A, INA, New Delhi 110023

दिनांक / Dated.....  
17<sup>th</sup> September, 2009

Circular No 29/9/09

Subject : - Implementation of e-tendering solutions.

Guidelines were prescribed in this office OM of even number, dated 13/01/2009, on the above-cited subject, advising organisations to follow a fair, transparent and open tendering procedure, to select the application service provider for implementing their e-tendering solutions.

2. It is clarified that while ensuring fair play, transparency and open tendering procedure for e-tendering solutions, the organisations must take due care to see that effective security provisions are made in the system to prevent any misuse. In this regard, the guidelines on security related issues in e-tendering systems are enclosed for information. Organisations concerned may follow these guidelines while implementing e-tendering solutions to contain the security related loop holes.

*V. Ramachandran*  
(V. Ramachandran)  
Chief Technical Examiner

To  
All CVOs of Ministries/Departments/PSUs/Banks/Insurance Companies/  
Autonomous Organisations/Societies/UTs.

## **Guidelines on Security considerations for e-procurement System.**

### **1.0 E-procurement Systems.**

E-procurement provides a platform for the collaborative procurement of goods, works and services using electronic methods at every stage of the procurement process. The e-procurement platform transacts confidential procurement data and is exposed to several security threats. Agencies World over face threats to their online e-procurement platforms and the same are addressed by employing a combination of security features and security best practices which result in reduced threat of data loss, leakage or manipulation.

### **2. Security of e-Procurement system.**

2.1 Security of e-procurement system is essentially an amalgamated output of Security of Infrastructure, Application and Management. Assuming the management issues are taken care of the following aspects of Infrastructure and Application are essential to have a fairly secure e-Procurement.

#### **2.2 Security Infrastructure level:**

Issues	Best Practices to achieve security considerations
Perimeter Defence.	Deployment of routers, Firewalls, IPS/IDS, Remote Access and network segmentation.
Authentication.	Network authentication through deployment of password policy for accessing the network resources. To minimize unauthorised access to the e-procurement system at system level.
Monitoring	Deployment of logging at OS/ network level and monitoring the same.
Secure configuration of network host.	The security of individual servers & workstations is a critical factor in the defence of any environment, especially when remote access is allowed. Workstations should have safeguards in place to resist common attacks.
System patching.	As the vulnerability of the system are discovered almost regularly and the system vendors are also releasing the patches.  It is expected the host are patched with latest security updates released by the vendors.
Control of malware.	Suitable control like anti-virus, anti spyware ext. should be deployed on the host associated with e-procurement system. However, option for running the services at non-privileged user profile may be looked for. Otherwise,



	suitable operating system which is immune to virus, trojan and malware may be deployed.
Structured cabling.	The availability of the network services is critically dependent on the quality of interconnection between the hosts through structured including termination and marking. It is expected the e-procurement system has implemented structured cabling and other controls related with network and interconnection.

## 2.3 Security at Application level.

### 2.3.1 Security during design.

Issues	Best Practices to achieve security considerations
Authentication	The authentication mechanism of the e-procurement application should ensure that the credentials are submitted on the pages that are server under SSL.
Access Control.	The application shall enforce proper access control model to ensure that the parameter available to the user cannot be used for launching any attack.
Session management.	The design should ensure that the session tokens are adequately protected from guessing during an authenticated session.
Error handling.	The design should ensure that the application does not present user error messages to the outside world which can be used for attacking the application.
Input validation.	<p>The application may accept input at multiple points from external sources, such as users, client applications, and data feeds. It should perform validation checks of the syntactic and semantic validity of the input. It should also check that input data does not violate limitations of underlying or dependent components, particularly string length and character set.</p> <p>All user-supplied fields should be validated at the server side.</p>
Application logging and monitoring.	<p>Logging should be enabled across all applications in the environment. Log file data is important for incident and trend analysis as well as for auditing purposes.</p> <p>The application should log failed and successful authentication attempts, changes to application data including user accounts, serve application errors, and failed and successful access to resources.</p>



	When writing log data, the application should avoid writing sensitive data to log files.
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### **2.3.2 Security during application deployment and use.**

Issues	Best Practices to achieve security considerations
Availability Clustering. Load balancing.	Depending on the number of expected hits and access the options for clustering of servers and load balancing of the web application shall be implemented.
Application and data recovery.	Suitable management procedure shall be deployed for regular back-up of application and data. The regularity of data backup shall be in commensurate with the nature of transaction / business translated into the e-procurement system.
Integrity of the Application. Control of source code. Configuration management.	Suitable management control shall be implemented on availability of updated source code and its deployment. Strict configuration control is recommended to ensure that the latest software in the production system.

### **2.3.3 Security in Data storage and communication.**

Issues	Best Practices to achieve security considerations
Encryption for data storage.	<p>Sensitive data should be encrypted or hashed in the database and file system. The application should differentiate between data that is sensitive to disclosure and must be encrypted, data that is sensitive only to tampering and for which a keyed hash value (HMAC) must be generated, and data that can be irreversibly transformed(hashed) without loss of functionality (such as passwords). The application should store keys used for decryption separately from the encrypted data.</p> <p>Examples of widely accepted strong ciphers are 3DES, AES, RSA, RC4 and Blowfish. Use 128-bit keys(1024 bits for RSA) at a minimum.</p>
Data transfer security.	Sensitive data should be encrypted prior to transmission to other components. Verify that intermediate components that handle the data in clear-text form, prior to transmission or subsequent to receipt, do not present an undue threat to the data. The application should take advantage of



	<p>authentication features available within the transport security mechanism.</p> <p>Specially, encryption methodology like SSL must be deployed while communicating with the payment gateway over public network.</p>
Access control.	<p>Applications should enforce an authorisation mechanism that provides access to sensitive data and functionality only to suitably permitted users or clients.</p> <p>Role-based access controls should be enforced at the database level as well as at the application interface. This will protect the database in the event that the client application is exploited.</p> <p>Authorisation checks should require prior successful authentication to have occurred.</p> <p>All attempts to obtain access, without proper authorisation should be logged.</p> <p>Conduct regular testing of key applications that process sensitive data and of the interfaces available to users from the Internet Include both "black box" informed" testing against the application. Determine if users can gain access to data from other accounts.</p>

**3.0 Some of the other good practices for implementers of e-procurement to achieve security considerations are as follows:-**

**3.1 Common unified platform for all department.**

A single platform to be used by all departments across a State / Department / Organisations reduces the threat to security of data. With a centralised implementation, where in the procurement data is preferably hosted and maintained by the State / Department / Organisations itself, concerns of security and ownership of data are well addressed. A common platform further facilitates demand aggregation of common items across State / Department / Organisations, and result in economies of scale.

**3.2 Public key Infrastructure (PKI) Implementation**

This is one of the most critical security features that are required to be implemented in order to establish non-repudiation and to ensure the security of the online system. Under the system, participating contractors and suppliers, as

well as the departmental users, are issued a Digital Signature Certificate (DSC) by a licensed Certification Authority.

### **3.3 Third Party Audit.**

It is recommended that the implemented solution be audited by a competent third party at-least once a year.

Through the above-mentioned steps, the complete security of the system and the transacted data can be ensured and may be communicated to all concerned agencies.

(\*23)

No.98/ORD/1  
Government of India  
Central Vigilance Commission

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated the 11<sup>th</sup> September 2003

**OFFICE ORDER NO.46/9/03**

To  
All Chief Vigilance Officers

**Subject: E-Procurement/Reverse Auction.**

Sir/Madam,

The commission has been receiving a number of references from different departments/organizations asking for a uniform policy in this matter. The departments/organizations may themselves decide on e-procurement/reverse auction for purchases or sales and work out the detailed procedure in this regard. It has, however, to be ensured that the entire process is conducted in a transparent and fair manner.

Yours faithfully,  
Sd/-  
(Mange Lal)  
Deputy Secretary  
Telefax-24651010

(\*24)

No.98/ORD/1  
Government of India  
Central Vigilance Commission

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated the 20<sup>th</sup> October 2004

**OFFICE ORDER NO.68/10/04**

**Sub: Leveraging Technology – e-payment & e-receipt.**

Reference is invited to the Commission's Office Order No.20/4/004 dated 6.4.2004 regarding the above mentioned subject.

1. The Commission had directed that by July 2004, 50% of the payment transactions both in value terms as well as in lieu of number of transactions shall be made through ECS/EFT mechanism instead of payments through cheques; and urged all Banks, PSUs and Departments to provide an enabling environment and facilities so that such an initiative is successful. It has been informed that some of the organizations are yet to initiate the process in this regard. The organizations are, therefore, requested to forward the details regarding the implementation of e-payment mechanism, as per the enclosed format by November 15, 2004 positively.

Sd/-  
(ANJANA DUBE)  
DEPUTY SECRETARY

To  
All Chief Vigilance Officers



(\*25)

No.98/ORD/1  
Government of India  
Central Vigilance Commission

Satarkta Bhawan , Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated the 8<sup>th</sup> April 2004

**OFFICE ORDER NO.20/4/04**

**Sub: Improving Vigilance Administration: Increasing Transparency and cutting delays by e-payments and e-receipt by Govt. Organizations etc.**

The commission has been receiving complaints about inordinate delays in making payments to the vendors and other suppliers to the Govt. organisations, Public Sector Undertakings etc. Similarly complaints are received about delays in getting refunds from taxation dept. and other departments. Apart from increasing the cost of procurement, the delays lead to opportunities for corruption. A number of measures are required to put down on delays in making payments. One such step is restoring to mechanism of e-payments and e-receipts wherever, such banking facilities exist.

In the last few years tremendous progress has been made by the banking sector in computerization including net-working of branches, making it possible to do e-banking by making use of facilities like electronic clearing system (ECS) and electronic fund transfer (EFT) etc. These facilities are available in most of the banks including the State Bank of India as well as in private banks. A large number of corporate including public sector undertakings are already making e-payments to vendors and employees instead of making payments by issue of cheques. The commission has been receiving complaints that delay is intentionally caused with ulterior motives in the issue and dispatch of cheques in the accounts and finance wings of a large number of Govt. Organizations. As the e-payment facility is already available in the metros as well as practically in all the main urban centers of the country, in order to curb the above mentioned malpractices, the CVC in the exercise of powers conferred on it under Section 8(1)(h) issues following instructions for compliance by an govt. departments, PSUs, banks and other agencies over which the Commission has jurisdiction.

1. The payment to all suppliers/Vendors, refunds of various nature, and other payments which the organizations routinely make shall be made through electronic payment mechanism at all centers where such facilities are available in the banks.
2. Salary and other payments to the employees of the concerned organizations at such centers shall also be made through electronic clearing system (ECS whether such facilities exist).

As the organizations will have to collect bank account numbers from the vendors, suppliers, employees and others who have interface of this nature with the govt. organizations, concerned organizations may plan to switch over to e-payment system in a phased manner with transactions with the major suppliers in the beginning or in whatever manner is more convenient.

It is expected that in three months i.e. by 1<sup>st</sup> July 2004, 50% of the payment transactions in value terms as well as in terms of number of transactions shall be made through ECS/EFT mechanism instead of payment through cheques. The remaining 50% payment transactions at all centers where such facilities exist shall be made by 31<sup>st</sup> Dec 2004. These instructions are applicable to all the metro cities and other urban centres where links provide ECS/EFT and similar other facilities.

The departments, PSUs, Banks etc. should also provide an enabling environment and facilities so that businessmen and other citizens can make payment of Govt dues and payments to PSUs etc electronically. In addition to significantly reducing processing costs in preparation and dispatch of cheques, the above measures also reduce the risk of frauds by providing speed, efficiency and reconciliation of accounts.

Sd/-  
(ANJANA DUBE)  
DEPUTY SECRETARY

The Secretaries of All Ministries / Departments of Government of India.

The Chief Secretaries to all Union Territories,

The comptroller & Auditor General of India.

The Chairman, Union Public Service Commission.

The Chief Executives of all PSEs/Public Sector Banks/Insurance Companies/Autonomous Organizations'/Societies.

President's Secretariat/Vice President's Secretariat/Lok Sabha Secretariat/Rajya Sabha Secretariat/PMO.

(\*26)

No.007/VGL/033  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 4<sup>th</sup> December, 2007

**Office Order No.43/12/07**

**Subject : Adoption of Integrity Pact in major Government Procurement Activities  
– regarding.**

Ensuring transparency, equity and competitiveness in public procurement has been a major concern of the Central Vigilance Commission and various steps have been taken by it to bring this about. Leveraging technology specially wider use of the web-sites for disseminating information on tenders, tightly defining the pre-qualification criteria and other terms and conditions for the tender are some of the steps recently taken at the instance of the Commission in order to bring about greater transparency and competition in the procurement/award of tender.

2. In this context, Integrity Pact, a vigilance tool first promoted by the Transparency International, has been found to be useful. The Pact essentially envisages an agreement between the prospective vendors/bidders and the buyer committing the persons/officials of both the parties, not to exercise any corrupt influence on any aspect of the contract. Only those vendors/bidders who have entered into such an Integrity Pact with the buyer would be competent to participate in the bidding. In other words, entering into this Pact would be a preliminary qualification. The Integrity Pact in respect of a particular contract would be effective from the stage of invitation of bids till the complete execution of the contract.

3. The Integrity Pact envisages a panel of Independent External Monitors (IEMs) approved for the organization. The IEM is to review independently and objectively, whether and to what extent parties have complied with their obligations under the Pact. He has right of access to all project documentation. The Monitor may examine any complaint received by him and submit a report to the Chief Executive of the organization, at the earliest. He may also submit a report directly to the CVO and the Commission, in case of suspicion of serious irregularities attracting the provisions of the PC Act. However, even though a contract may be covered by an Integrity Pact, the Central Vigilance Commission may at its discretion, have any complaint received by it relating to such a contract, investigated.

4. The Commission would recommend the Integrity Pact concept and encourage its adoption and implementation in respect of all major procurements of the Govt. organizations. As it is necessary that the Monitors appointed should be of high integrity and reputation, it has been decided that the commission would approve the names of the persons to be included in the panel. The Government Organizations are, therefore, required to submit a panel of names of eminent persons of high integrity and repute and experience in the relevant field, through their administrative ministry, for consideration and approval by the Commission as Independent External Monitors. The terms and conditions including the remuneration payable to the Monitors need not be a part of the integrity Pact and the same could be separately communicated. It has also to be ensured by an appropriate provision in the contract, that the Integrity Pact is deemed as part of the contract in order to ensure

that the parties are bound by the recommendation of the IEMs, in case any complaint relating to the contract, is found substantiated.

5. A copy of the Integrity Pact, which the SAIL got vetted by the Addl.Solicitor General is available on the Commission's web-site i.e. [www.cvc.nic](http://www.cvc.nic) in as an attachment to this Office Order in downloadable form, which may be used in original or may be suitably modified in order to meet the individual organization's requirements.

Sd/-  
(Vineet Mathur)  
Deputy Secretary

All Secretaries to the Govt. Of India  
All CMD'S of PSU's  
All CMD's of PSB's  
All CVO's

(\*26)

008/CRD/013  
Government of India  
Central Vigilance Commission

Satarkta Bhawan, Block-A,  
GPO Complex, INA,  
New Delhi-110023.  
Dated: 18/5/09

**Circular No. 10/5/09**

**Subject:- Adoption of Integrity Pact-Standard Operating Procedure- reg.**

The Commission has formulated "Standard Operating Procedure" for adoption of Integrity Pact in major Govt. Department/organisations. A copy of the same is enclosed for information and necessary action.

Sd/-  
(Shalini Darbari)  
Director

All Chief Vigilance Officers

## **Subject:- Adoption of Integrity Pact -Standard Operating Procedure-reg.**

### **1.0 Background**

1.01 The Central Vigilance Commission has been promoting Integrity, transparency, equity and competitiveness in Government/PSU transactions and as a part of vigilance administration and superintendence. Public procurement is a major area of concern for the Central Vigilance commission and various steps have been taken to put proper systems in place. Leveraging technology, especially wider use of the web sites for disseminating information on tenders, clearly defining the pre qualification criteria and other terms and conditions of the tender are some of the steps recently taken at the instance of the Commission. In this context, Integrity Pact (IP), a vigilance tool conceptualized and promoted by the Transparency International, has been found to be useful. The Commission has, through its Office Orders No. 41/12/07 dated 04.12.07 and 43/12/07 dated 28.12.07 and Circulars No. 18/05/08 dated 19.05.08 and 24.08.08 dated 05.08.2008 (copies appended), recommended adoption of Integrity Pact and provided basic guidelines for its implementation in respect of major procurements in the Government Organizations.

### **2.0 Integrity Pact**

2.01 The pact essentially envisages an agreement between the prospective vendors/bidders and the buyer, committing the persons/officials of both sides, not to resort to any corrupt practices in any aspect/stage of the contract. Only those vendors/bidders, who commit themselves to such a Pact with the buyer, would be considered competent to participate in the bidding process. In other words, entering into this Pact would be a preliminary qualification. The essential ingredients of the Pact include:

- ☐ Promise on the part of the principal not to seek or accept any benefit, which is not legally available;
- ☐ Principal to treat all bidders with equity and reason;
- ☐ Promise on the part of bidders not to offer any benefit to the employees of the Principal not available legally;
- ☐ Bidders not to enter into any undisclosed agreement or understanding with other bidders with respect to prices, specifications, certifications, subsidiary contracts, etc.
- ☐ Bidders not to pass any information provided by Principal as part of business relationship to others and not to commit any offence under PC/ IPC Act;
- ☐ Foreign bidders to disclose the name and address of agents and representatives in India and Indian Bidders to disclose their foreign principals or associates;
- ☐ Bidders to disclose the payments to be made by them to agents / brokers or any other intermediary.
- ☐ Bidders to disclose any transgressions with any other company that may impinge on the anti corruption principle.

2.02 Integrity Pact, in respect of a particular contract, would be operative from the stage of invitation of bids till the final completion of the contract. Any violation of the same would entail disqualification of the bidders and exclusion from future business dealings.

### **3.0 Implementation procedure:**

3.01 Adoption of IP is voluntary for any organization, but once adopted, it should cover all tenders /procurements above a specified threshold value.

3.02 The threshold value for the contracts to be covered through IP should be decided after conducting proper ABC analysis and should be fixed so as to cover 90-95% of the total procurements of the organization in monetary terms.

- 3.03 Apart from all high value contracts, any contract involving complicated or serious issues could be brought within the ambit of IP, after a considered decision of the management
- 3.04 The Purchase / procurement wing of the organization would be the focal point for the implementation of IP.
- 3.05 The Vigilance Department would be responsible for review, enforcement, and reporting on all related vigilance issues.
- 3.06 It has to be ensured, through an appropriate provision in the contract, that IP is deemed as part of the contract so that the parties concerned are bound by its provisions.
- 3.07 IP should cover all phases of the contract, i.e. from the stage of Notice Inviting Tender (NIT)/pre-bid stage till the conclusion of the contract, i.e. the final payment or the duration of warranty/guarantee.
- 3.08 IP would be implemented through a panel of Independent External Monitors (IEMs), appointed by the organization. The IEM would review independently and objectively, whether and to what extent parties have complied with their obligations under the Pact.
- 3.09 Periodical Vendors' meets, as a familiarization and confidence building measure, would be desirable for a wider and realistic compliance of the principles of IP.
- 3.10 Information relating to tenders in progress and under finalization would need to be shared with the IEMs on monthly basis.

#### **4.0 Role /Functions of IEMs :**

- 4.01 IEM would have access to all Contract documents, whenever required. Ideally, all IEMs of an organization should meet in two months to take stock of the ongoing tendering processes.
- 4.02. It would be desirable to have structured meeting of the IEMs with the Chief Executive of the organization on a monthly basis to discuss/review the information on tenders awarded in the previous month.
- 4.03 The IEMs would examine all complaints received by them and give their recommendations/views to the Chief Executive of the organization, at the earliest. They may also send their report directly to the CVO and the Commission, in case of suspicion of serious irregularities requiring legal/administrative action.
- 4.04 At least one IEM should be invariably cited in the NIT. However, for ensuring the desired transparency and objectivity in dealing with the complaints arising out of any tendering process, the matter should be examined by the full panel of IEMs, who would look into the records, conduct an investigation, and submit their joint recommendations to the Management
- 4.05 The recommendations of IEMs would be in the nature of advice and would not be legally binding. At the same time, it must be understood that IEMs are not consultants to the Management. Their role is independent in nature and the advice once tendered would not be subject to review at the request of the organization.
- 4.06 The role of the CVO of the organization shall remain unaffected by the presence of IEMs. A matter being examined by the IEMs can be separately investigated by the CVO in terms of the provisions of the CVC Act or Vigilance Manual, if a complaint is received by him or directed to him by the Commission.

#### **5.0 Appointment of IEMs**

- 5.01 The IEMs appointed should be eminent personalities of high integrity and reputation. The Commission would approve the names of IEMs out of the panel of names, initiated by the organization concerned, in association/consultation with the CVO.
- 5.02 While forwarding the panel, the organization would enclose detailed bio-data in respect of all names proposed. The details would include postings before superannuation, special

achievements, experience, etc., in Government sector. It is desirable that the persons proposed possess domain experience of the PSU activities or the relevant field with which they may be required to deal.

- 5.03 A maximum of three IEMs would be appointed for Navratna PSUs and up to two IEMs for others.
- 5.04 Organizations could propose a panel of more than three names for the consideration of the Commission.
- 5.05 Persons appointed as IEMs in two organizations would not be considered for a third organization.
- 5.06 For PSUs having a large territorial spread or those having several subsidiaries, there could be more IEMs, but not more than two IEMs would be assigned to one subsidiary.
- 5.07 Remuneration payable to the IEMs would be equivalent to that admissible to an Independent Director in the organization. This remuneration would be paid by the organization concerned.
- 5.08 The terms and conditions of appointment, including the remuneration payable to the IEMs, should not be included in the Integrity Pact or the NIT. They could be communicated individually to the IEMs concerned.
- 5.09 The normal term of appointment for an IEM would be 3 years, and it would be subject to renewal by the Commission thereafter.

## **6.0 Review System :**

- 6.01 An internal assessment of the impact of IP shall be carried out periodically by the CVOs of the organizations and reported to the Commission.
- 6.02 Two additional reviews are envisaged for each organization in due course.
  - (i) Financial impact review, which could be conducted through an independent agency like auditors, and
  - (ii) Physical review, which could be done through an NGO of tested credibility in the particular field.
- 6.03 It is proposed to include the progress in the implementation of IP in the Annual Report of the Commission. CVOs of all organizations would keep the Commission posted with the implementation status through their monthly reports or special reports, wherever necessary.

## **7.0 All organizations are called upon to make sincere and sustained efforts to imbibe the spirit and principles of the Integrity Pact and carry it to its effective implementation.**

**Enclosures:** All earlier guidelines, issued by the Central Vigilance Commission, on the subject.

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सत्यमेव जयते

केन्द्रीय सतर्कता आयोग  
CENTRAL VIGILANCE COMMISSION



सतर्कता भवन, जी.पी.ओ. कॉम्प्लैक्स,  
ब्लॉक-ए, आई.एन.ए., नई दिल्ली-110023  
Satarkta Bhawan, G.P.O. Complex,  
Block A, INA, New Delhi 110023

No.011/VGL/014

सं./No.....

11<sup>th</sup> February, 2011  
दिनांक / Dated.....

Circular No.01/02/11

**Sub: Transparency in Tendering System**

There have been instances where the equipment/plant to be procured is of complex nature and the procuring organization may not possess the full knowledge of the various technical solutions available in the market to meet the desired objectives of a transparent procurement that ensures value for money spent simultaneously ensuring upgradation of technology & capacity building.

2. The Commission advises that in such procurement cases where technical specifications need to be iterated more than once, it would be prudent to invite expression of interest and proceed to finalise specifications based on technical discussions/presentations with the experienced manufacturers/suppliers in a transparent manner. In such cases, two stage tendering process may be useful and be preferred. During the first stage of tendering, acceptable technical solutions can be evaluated after calling for the Expression of Interest (EOI) from the leading experienced and knowledgeable manufacturers/suppliers in the field of the proposed procurement. The broad objectives, constraints etc. could be published while calling for EOI. On receipt of the Expressions of Interest, technical discussions/presentations may be held with the short-listed manufacturers/suppliers, who are prima facie considered technically and financially capable of supplying the material or executing the proposed work. During these technical discussions stage the procurement agency may also add those other stake holders in the discussions who could add value to the decision making on the various technical aspects and evaluation criteria. Based on the discussions/presentations so held, one or more acceptable technical solutions could be decided upon laying down detailed technical specifications for each acceptable technical solution, quality bench marks, warranty requirements, delivery milestones etc., in a manner that is consistent with the objectives of the transparent procurement. At the same time care should be taken to make the specifications generic in nature so as to provide equitable opportunities to the prospective bidders. Proper record of discussions/presentations and the process of decision making should be kept.

3. Once the technical specifications and evaluation criteria are finalized, the second stage of tendering could consist of calling for techno commercial bids as per the usual tendering system under single bid or two bid system, as per the requirement of each case. Final selection at this stage would depend upon the quoted financial bids and the evaluation matrix decided upon.

4. Commission desires that organizations formulate specific guidelines and circulate the same to all concerned before going ahead with such procurements.

(Anil Singh)

Chief Technical Examiner

To

All Secretaries of Ministries/Departments  
All CEOs/Heads of Organisations  
All Chief Vigilance Officers



## CHAPTER 14

(\*1)

No.4CC-1-CTE-2  
Government of India  
Central Vigilance Commission

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Satarkta Bhawan, Block -A,  
4<sup>th</sup> Floor, GPO Complex,  
INA, NEW DELHI-110 023.

10 APR 2007  
OFFICE MEMORANDUM/ CIRCULAR No.10/4/07

**Sub: Mobilisation Advance**

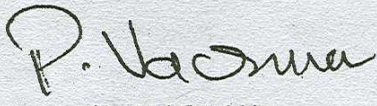
Commission has reviewed the existing guidelines on 'Mobilisation Advance' issued vide OM No.UU/POL/18 dated:08.12.97and OM No. 4CC-1-CTE-2, dated 08.06.2004.

The following guidelines are issued in supercession of earlier guidelines issued by the Commission on 'Mobilisation Advance'

1. Provision of mobilization advance should essentially be need-based. Decision to provide such advance should rest at the level of Board(with concurrence of Finance) in the organization.
2. Though the Commission does not encourage interest free mobilization advance, but, if the Management feels its necessity in specific cases, then it should be clearly stipulated in the tender document and its recovery should be time-based and not linked with progress of work. This would ensure that even if the contractor is not executing the work or executing it at a slow pace, the recovery of advance could commence and scope for misuse of such advance could be reduced.
3. Part 'Bank Guarantees' (BGs) against the mobilization advance should be taken in as many numbers as the proposed recovery instalments and should be equivalent to the amount of each instalment. This would ensure that at any point of time even if the contractor's money on account of work done is not available with the organization, recovery of such advance could be ensured by encashing the BG for the work supposed to be completed within a particular period of time.
4. There should be a clear stipulation of interest to be charged on delayed recoveries either due to the late submission of bill by the contractor or any other reason besides the reason giving rise to the encashment of BG, as stated above.



5. The amount of mobilisation advance; interest to be charged, if any; its recovery schedule and any other relevant detail should be explicitly stipulated in the tendered document upfront.
6. Relevant format for BG should be provided in the tender document, which should be enforced strictly and authenticity of such BGs should also be invariably verified from the issuing bank, confidentially and independently by the organization.
7. In case of 'Machinery and Equipment advance', insurance and hypothecation to the employer should be ensured.
8. Utilization certificate from the contractor for the mobilization advance should be obtained. Preferably, mobilization advance should be given in instalments and subsequent instalments should be released after getting satisfactory utilisation certificate from the contractor for the earlier instalment.

  
(P. VARMA)  
Chief Technical Examiner

Copy to :-

All CVOs : Ministries / Departments / PSUs / Banks / Uts.

**No. 01-11-CTE-SH-100**  
**Central Vigilance Commission**

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Satarkta Bhawan, Block 'A'  
GPO Complex, I.N.A.,  
New Delhi- 110023  
Dated the 17<sup>th</sup> Feb, 2011

**Circular No. 02/02/11**

**Sub: Mobilization Advance**

Commission had earlier issued guidelines on granting of 'Mobilisation Advance' vide OM No. UU/POL/18 dated 08.12.1997, OM No. 4CC-1-CTE-2 dated 08.06.2004 and OM No. 4CC-1-CTE-2 dated 10.04.2007.

2. The matter has been further reviewed and it has decided by the Commission that following additional guidelines may be followed in case of grant of Mobilisation Advance.

- (i) The Bank Guarantee etc. taken towards security of 'Mobilisation Advance' should be at least 110% of the advance so as to enable recovery of not only principal amount but also the interest portion, if so required.
- (ii) The mobilisation advance should not be paid in less than two instalments except in special circumstances for the reasons to be recorded. This will keep check on contractor misutilizing the full utilisation advance when the work is delayed considerably.
- (iii) A clause in the tender enquiry and the contract of cases providing for interest free mobilisation advances may be stipulated that if the contract is terminated due to default of the contractor, the 'Mobilisation Advance' would be deemed as interest bearing advance at an interest rate of \_\_\_\_\_%, (to be stipulated depending on the prevailing rate at the time of issue of NIT) to be compounded quarterly.

  
(Anil Singhal)  
Chief Technical Examiner

To

All Chief Vigilance Officers

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No.02-07-01-CTE-30  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 31<sup>st</sup> December, 2007

**OFFICE MEMORANDUM  
CIRCULAR NO. 01/01/08**

**Sub: Acceptance of Bank Guarantees.**

A number of instances have come to the notice of the Commission where forged / fake bank guarantees have been submitted by the contractors/suppliers. Organizations concerned have also not made any effective attempt to verify the genuineness/ authenticity of these bank guarantees at the time of submission.

2. In this background, all organizations are advised to streamline the system of acceptance of bank guarantees from contractors/suppliers to eliminate the possibility of acceptance of any forged/fake bank guarantees.
3. The guidelines on this subject issued by Canara Bank provides for an elaborate procedure, which may be found helpful for the organizations in eliminating the possibility of acceptance of forged/fake bank guarantees. The guidelines issued by Canara Bank provides *that* –

*“ The original guarantee should be sent to the beneficiary directly under Registered Post (A.D.). However, in exceptional cases, where the guarantee is handed over to the customer for any genuine reasons, the branch should immediately send by Registered Post (A.D.) an unstamped duplicate copy of the guarantee directly to the beneficiary with a covering letter requesting them to compare with the original received from their customer and confirm that it is in order. The A.D. card should be kept with the loan papers of the relevant guarantee. At times, branches may receive letters from beneficiaries, viz., Central/State Governments, public sector undertakings, requiring bank's confirmation for having issued the guarantee. Branches must send the confirmation letter to the concerned authorities promptly without fail”.*

4. Therefore, all organizations are advised to evolve the procedure for acceptance of BGs, which is compatible with the guidelines of Banks/Reserve Bank of India. The steps to be ensured should include
  - i). Copy of proper prescribed format on which BGs are accepted from the contractors should be enclosed with the tender document and it should be verified verbatim on receipt with original document.
  - ii) It should be insisted upon the contractors, suppliers etc. that BGs to be submitted by them should be sent to the organization directly by the issuing bank under Registered Post (A.D.).
  - iii) In exceptional cases, where the BGs are received through the contractors, suppliers etc., the issuing branch should be requested to immediately send by Registered Post (A.D.) an unstamped duplicate copy of the guarantee directly to the organization with a covering letter to compare with the original BGs and confirm that it is in order.

- iv) As an additional measure of abundant precaution, all BGs should be independently verified by the organizations.
  - v) In the organization/unit, one officer should be specifically designated with responsibility for verification, timely renewal and timely encashment of BGs.
5. Keeping above in view, the organizations may frame their own detailed guidelines to ensure that BGs are genuine and encashable.
6. Receipt of the above guidelines should be acknowledged.

Sd/-  
(Smt. Padamaja Varma)  
Chief Technical Examiner

To,  
All Chief Vigilance Officers

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F.No.006/VGL/29  
Government of India  
Central Vigilance Commission  
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Satarkata Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi-110 023  
Dated, the 1st May, 2006

**Circular No.21/05/06**

**Subject: Examination of Public Procurement (Works/Purchases/Services) Contracts by CVOs.**

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The Commission has been emphasising the need for close scrutiny by the CVO, of the Public Procurement (Works/ Purchases/Services) Contracts of his department/organisation concerned, to ensure that the laid down systems and procedures are followed, there is total transparency in the award of contracts, and there is no misuse of power in decision making.

2. A number of booklets have been issued by the Chief Technical Examiner Organisation of the Commission, bringing out the common irregularities/ lapses noticed in different contracts. A Manual for Intensive Examination of Works/ Purchase Contracts and guidelines on tendering have also been issued. These are available in the Commission's website.

3. The need for CTE type examinations by the CVOs has been emphasised in the Zonal meetings. The CVOs are required to reflect their examinations in the monthly reports. The Commission reiterates the importance of such examinations by the CVOs, as an effective preventive vigilance measure.

4. For this purpose, the CVOs are required to be well conversant with their organisation's works/purchase manual. Wherever works/purchase manuals are non-existent, they should be got prepared, particularly, in those organisations which have substantial procurement activities. CVOs should also ensure that the manuals are updated from time to time. They should check and ensure that the field staff is well conversant with the extant provisions of the manuals, and the guidelines issued by the Commission/CVOs from time to time. CVOs should have a full and active participation during the CTE inspections to know about the problem areas in the organisation's procurement process.

5. CVOs must also familiarise themselves with the earlier CTE examination reports and ensure that the lapses previously noticed are not repeated. If lessons are not learnt from the past, there would be need to take a serious view of the repetition of lapses and initiate disciplinary proceedings against the officials found responsible for repetition of the lapses committed previously.

6. On the basis of the lapses noticed by the Chief Technical Examiner's Organisation over the years, a checklist has been prepared which could be used by the CVO while examining procurements contracts. The checklist may be seen in Annexure -1. If certain procurement contracts require an intensive examination by the CTEO, a reference may be made to them with adequate justification.

7. This may please be noted for strict compliance.

(V.Kannan)



All Chief Vigilance Officers.

Annexure-1

Check list for examination of Procurement (Works/ Purchases/ Services) Contracts by CVOs

**A. Pre-Award Stage**

1. Financial and Technical sanction of competent authority is available.
2. Adequate and wide publicity is given. Advertisement is posted on website and tender documents are available for downloading.
3. Convenient tender receiving/opening time and address of the tender receiving officials/tender box are properly notified.
4. In the case of limited tender, panel is prepared in a transparent manner clearly publishing the eligibility criteria. The panel is updated regularly.
5. Pre-qualification criteria are properly defined/ notified.
6. Short listed firms/consultants are fulfilling the eligibility criteria. There is no deviation from notified criteria during evaluation.
7. Experience certificates submitted have been duly verified.
8. Tenders/bids are opened in the presence of bidders.
9. Corrections/omissions/additions etc., in price bid are properly numbered and attested and accounted page –wise. Tender summary note/ Tender opening register is scrupulously maintained.
10. Conditions having financial implications are not altered after opening of the price bids.
11. In case of consultancy contracts (a) Upper ceiling limit is fixed for consultancy fee and (b) Separate rates for repetitive works are fixed.

**B. Post-award stage**

(a) General

1. Agreement is complete with all relevant papers such as pre-bid conference minutes, etc.
2. Agreement is page-numbered, signed and sealed properly.
3. Bank Guarantee is verified from issuing bank.
4. Insurance policies, labour licence, performance guarantee are taken as per contract.
5. Technical personnel are deployed as per contract.
6. Plant and equipment are deployed as per contract.
7. Action for levy of liquidated damages is taken in case of delay/default.

(b) Payments to contractors

1. Price escalation is paid only as per contract.
2. Retention Money/Security Deposit is deducted as per contract.
3. Recovery of Mobilisation & Equipment advance is made as per the provisions in the contract.
4. Recovery of I.Tax & Works Contract tax is made as per provisions in the contract.
5. Glaring deviations are supported with adequate justification and are not advantageous to the contractor.

(c) Site Records

1. Proper system of recording and compliance of the instructions issued to the contractors is maintained.

2. Proper record of hindrances is maintained for the purpose of timely removal of the hindrance and action for levy of liquidated damages.
3. Mandatory tests are carried out as per the frequency prescribed in the Agreement.

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No.005/VGL/4  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 16<sup>th</sup> March 2005

**Office Order No.13/3/05**

**Subject: Details on award of tenders/contracts publishing on Websites/ Bulletins.**

The Commission vide its Circular No.8(1)(h)/98(1) dated 18.11.1998 had directed that a practice must be adopted with immediate effect by all organisations within the purview of the CVC that they will publish on the notice board and in the organisation's regular publication(s), the details of all such cases regarding tenders or out of turn allotments or discretion exercised in favour of an employee/party. However, it has been observed by the Commission that some of the organisations are either not following the above mentioned practice or publishing the information with a lot of delay thereby defeating the purpose of this exercise, viz. increasing transparency in administration and check on corruption induced decisions in such matters.

2. The Commission has desired that as follow up of its directive on use of "website in public tenders", all organisations must post a summary every month of all the contracts/purchases made above a certain threshold value to be decided by the CVO in consultation with the head of organisation i.e. CEO/CMD etc. as per Annexure-I. The threshold value may be reported to the Commission for concurrence.

3. Subsequently, the website should give the details on the following:

- a) actual date of start of work
- b) actual date of completion
- c) reasons for delays if any

A compliance report in this regard should be sent by the CVOs alongwith their monthly report to CVC.

Sd/-  
(Anjana Dube)  
Deputy Secretary

To  
All Chief Vigilance Officers

## Annexure

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(\*6)

No.005/VGL/4  
Government of India  
Central Vigilance Commission

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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 28<sup>th</sup> July 2005

**Office Order No.46/07/05**

**Subject: Details on award of tenders/contracts publishing on Websites/ Bulletins -  
Reminder regarding.**

Reference is invited to Commission's **Office Order No.13/3/05 dated 16.3.2005** regarding above mentioned subject directing the organisations to publish every month the summary of contracts / purchases made above a threshold value on the website. **In this regard it is specified that the proposed threshold limit is acceptable to the Commission as long as it covers more than 60% of the value of the transactions every month.** This limit can be raised subsequently once the process stabilizes.

2. CVOs may, therefore, ensure that such details are posted on the website of the organisation immediately and compliance report in this regard should be sent by CVOs in their monthly report to the Commission.

(Anjana Dube)  
Deputy secretary

To  
All Chief Vigilance Officers

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No.005/VGL/4  
Government of India  
Central Vigilance Commission  
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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi- 110 023  
Dated the 1<sup>st</sup> September 2006

**Circular No. 31/9/06**

**Subject: Posting of details on award of tenders/contracts on websites/bulletins.**

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The Commission, vide its orders of even number dated 16.3.2005, 28.7.2005 and 20.9.2005, had directed all organisations to post every month a summary of all contracts/purchases made above a certain threshold value on the websites of the concerned organisations, and it was specified that the proposed threshold limits would be acceptable to the Commission as long as they covered more than 60% of the value of the transactions every month in the first instance, to be revised subsequently after the system stabilized. The threshold values as decided by the organisations, were also to be communicated to the Commission separately for its perusal and record. CVOs were required to monitor the progress in this regard and ensure that the requisite details were posted regularly on respective websites. They were also required to incorporate the compliance reports in this regard in their monthly reports.

2. The Commission has taken serious note that the aforementioned instructions are not being adhered to by the organisations. CVOs are, therefore, once again advised to ensure that details of the tenders awarded above the threshold value by the organizations are uploaded in time on the organisation's official website and are updated every month. The position in this regard should be compulsorily reflected in the CVOs monthly reports to the Commission. CVOs should also specifically bring to the notice of the Commission, any violation of this order.

3. Please acknowledge receipt and ensure due compliance.

(V.Kannan)  
Director

- (i) All Secretaries/CEOs/Head of Organisations.
- (ii) All Chief Vigilance Officers

(\*8)

No.005/VGL/4  
Government of India  
Central Vigilance Commission

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated the 14<sup>th</sup> July, 2009

**Circular No.17/7/09**

**Subject: Posting of details on award of tenders/contracts on websites.**

The Commission vide circulars dated 16.03.2005, 28.07.2005 18.04.2007 had directed all organisations to post on their web-sites a summary, every month, containing details of all the contracts/purchases made above a threshold value (to be fixed by the organisations) covering at least 60 % of the value of the transactions every month to start with on a continuous basis. CVOs were required to monitor the progress and ensure that the requisite details were posted regularly on respective websites, and also to incorporate compliance status in their monthly report to the Commission.

2. On a review of the status of implementation by the organisations, it is observed that some organisations have not adhered to the instructions and implemented the same. Further such information being posted on the websites are not being regularly updated on a continuous basis by certain organisations and, in some cases, the information published is disjointed and not as per the prescribed format laid down by the Commission. It is also seen that a few organisations have placed such information on restricted access through passwords to registered vendors/suppliers etc. which defeats the basic purpose of increasing transparency in administration.

3. The Commission, therefore, while reiterating its aforementioned instructions would direct all organisations/departments to strictly adhere and post summary of details of contracts/purchases awarded so as to cover 75 % of the value of the transactions without any further delay. Any failure on the part of the organisations on this account would be viewed seriously by the Commission.

4. All Chief Vigilance Officers should reflect the compliance status in their monthly reports to the Commission after personally verifying the same.

Sd/-  
(Shalini Darbari)  
Director

To  
All Secretaries of Ministries/Departments  
All CEOs/Heads of Organisations  
All Chief Vigilance Officers

(\*9)

No. 005/ORD/1  
Government of India  
Central Vigilance Commission

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Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi-110023  
Dated 10<sup>th</sup> March, 2005

**OFFICE ORDER NO. 11/3/05**

To,  
**All the Chief Vigilance Officers**

**Sub: Delays in Payments to Contractors & Suppliers etc. – Reducing opportunities for corruption reg.**

The Commission has observed that in a large number of Government organisations and PSUs, payments to contractors/suppliers are inordinately delayed. This makes the system vulnerable to corruption, in addition to increasing the cost of procurement by the Government agencies.

2. The Commission has therefore directed that all the CVOs should undertake a review of bills received during the last six months. The review is meant to primarily determine the time taken in clearing the bills. Necessary help from the concerned Finance/Administration departments may be taken wherever required. Wherever the systems have not yet been computerized there may be practical difficulties in conducting such a review for all the bills. The organisations may fix a cut off limit for review. It is suggested that the cut off limit for bills can be Rs. 1 lakh i.e. time taken for payment of all bills above this amount should be seen. In smaller organisations the cut off limit can be lower depending on feasibility and convenience.

3. The CVO should also review whether payments are being made on “first-come-first-serve” basis or not.

4. A compliance report in this regard may be sent to the Commission by 15.4.2005 as per the following details:

**Statement on delays in Bill Payments**

**1. Name of Organisation :**

**2. Cut off limit :** Rs.1 lakh/others(in respect of small orgns.)

**3. Bills received during Sept.,04-Feb,05 :**



(from contractors/suppliers etc.)

Total No. of Bills :

Total amount involved :

**4. Out of these :**

(a) Bills paid in 15 days :

No. of Bills :

Amount Involved :

(b) Bills paid in 15-30 days :

No. of Bills :

Amount Involved :

(c) Bills paid in 30-60 days :

No. of Bills :

Amount Involved :

(d) Bills paid from 60 days to 120 days :

No. of Bills :

Amount Involved :

(e) Bills paid over 120 days :

No. of Bills :

Amount Involved :

5. There are also complaints that most of the organisations take inordinately long time in releasing 5% bills amount which is normally retained as performance guarantee after it becomes due. CVO may do a similar exercise with regard to release of this payment.

6. Has any ERP system or any other computerized system been installed for accounting purposes which can monitor bill payment?

6A. If not, is there any plan to do so in near future? If so, please indicate the time frame.

Sd/-  
**(Balwinder Singh)**  
**Additional Secretary**

(\*10)

No.98/ORD/1  
Government of India  
Central Vigilance Commission

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated 4.9. 2003.

**Office Order No.44/9/03**

To  
All Chief Vigilance Officers

**Subject: Irregularities in the award of contracts.**

Sir/Madam,

While dealing with the case of a PSU, the Commission has observed that the qualification criteria incorporated in the bid documents was vague and no evaluation criterion was incorporated therein. It is also seen that the category-wise anticipated TEUs were not specified in the bid documents and the same was left for assumptions by Tender Evaluation Committee for comparative evaluation of financial bids, which led to comparative evaluation of bids on surmises and conjectures. Further, it was also provided as a condition in the tender bid that the tenderer should have previous experience in undertaking handling of similar work and/or transportation works preferably of ISO containers, however, no definition of 'similar works' was, indicated in the bid documents.

2. It should be ensured that pre-qualification criteria, performance criteria and evaluation criteria are incorporated in the bid documents in clear and unambiguous terms as these criterion very important to evaluate bids in a transparent manner. Whenever required the departments/organisations should follow two bid system, i.e. technical bid and price bid. The price bid should be opened only of those vendors who were technically qualified by the departments/organisations. The commission would therefore advice that the department/organisation may issue necessary guideline in this regard for future tenders.

3. It has also observed the orders were allegedly split in order to bring it within the powers of junior officers and that the proper records of machine breakdown were not being kept. It is therefore, decided that in the matters of petty purchase in emergency items all departments/organisations must keep proper records of all machine breakdown etc.

4. All CVOs may bring this to the notice of all concerned.

Yours faithfully,  
Sd/-  
(Anjana Dube)  
DEPUTY SECRETARY

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No.OFF-1-CTE-1  
Government of India  
Central Vigilance Commission

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated 5.02. 2004.

**OFFICE MEMORANDUM-8/2/04**

**Subject: Common irregularities in the award of contracts.**

The CTE Organisation of the Central Vigilance Commission conducts independent intensive examinations of various types of works and contracts executed by the organizations under its purview. The lapses and deficiencies observed during the course of such examinations are brought to the notice of the CVOs, for suitable corrective action. With a view to prevent recurrence of such lapses and irregularities and for improving the systems and procedures in the organisations, a few booklets have also been issued by the CTEO. However, it is observed that certain common deficiencies and irregularities continue to plague the systems in a large number of organizations. Some of these noticed during recent inspections are enumerated as under:

- Appointments of consultants continue to be done in an arbitrary manner. At times two or even three consultants are appointed for a work with no clear cut and some times over lapping responsibilities. A PSU, in a recent case, in addition to the engineering and project management consultants appointed an inspection and expediting consultant with no well defined role for them.
- The tendency of over dependence on the consultants continues. All activities are left completely to the consultants. In a recent inspection of an Oil PSU, the tenders for a big work of about Rs.20 cores were issued on the basis of a single page estimate submitted by the consultants and the same was revised by the latter upwards by 20% after opening of price bids, in order justify the quoted rates. A detailed and realistic estimate must be prepared before issue of tender.
- Some organisations prefer limited tendering system, restricting competition to their approved contractors. The selection of these contractors at times is arbitrary and due of lack of competition or cartel formation amongst such group of contractors, the contracts are awarded at high rates. These needs to be discouraged and the organizations must ensure that contracts are awarded on the basis of competitive bidding at reasonable rates.
- The works are awarded without preparing any market rate justification. The comparison at times is made with works which were awarded few years back. This procedure cannot be considered objective and appropriate for justifying the awarded rates. The justification should be based on realistic prevailing rates.
- In a recent inspection of oil PSU, it was noticed that revised price bids were asked from all the bidders, as rates were high vis-à-vis the estimate. This tantamounts to negotiations with firms other than L-1 and is a clear violation of CVC instruction in this regard. The negotiations should be an exception rather than a rule and should be conducted if required, only with the L-1 bidder.
- The organisations generally make provisions for a very small amount of say Rs.50000/- or Rs.1 lacs earnest money. This amount is grossly insufficient to safeguard the organization's interest in high rate tenders running into several crores of rupees. This needs to be revised to a sufficient amount.
- The post award amendments issued by the organisations, at times recommended by consultants, without into account the financial implications favour the contractors. Such post award deviations without financial adjustment are unwarranted and against the principles of competitive tendering.
- The tender documents and the agreement are maintained in loose condition, are not page numbered and not signed by both the parties. This is highly objectionable. In order to ensure that the

agreements are enforceable in court of law, it is imperative that the agreements are well bound, page numbered, signed by both the parties and well secured. This shall also prevent any possibility of interpolation and tampering of documents.

- Loose & incomplete implementation of contract clauses pertaining to insurance, Workmen's Compensation Act, ESIC, Labour Licenses etc., has been noticed, which give undue financial benefit to the contractors.
- Time is the essence of any contract. It has been observed that at times the work is extended and even payments released without a valid extension to the agreement. This has legal implications and in case of disputes, may jeopardize the interest of the organisation. Timely extension to the contracts and BGs of any must be ensured. In order to make contract management more transparent and professional, CVOs are requested to circulate this memorandum to the concerned officials in their organisations. The OM is also available in the Commission's website [www.cvc.nic.in](http://www.cvc.nic.in).

Sd/-

(M.P. Juneja)

Chief Technical Examiner

To

All CVOs of Ministries/ Departments/ PSUs/ Banks/ Insurance Cos./ Autonomous Organizations/ Societies/ UTs.

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No.06-03-02-CTE-34  
Government of India  
Central Vigilance Commission  
(CTE's Organisation)

Satarkta Bhawan, Block 'A',  
GPO Complex, INA,  
New Delhi – 110 023  
Dated - 20.10. 2003.

## OFFICE MEMORANDUM

**Subject: Back to back tie up by PSUs - instructions regarding.**

It has been observed during intensive examination of various works/contracts awarded by construction PSUs on back to back basis that the works are being awarded in an ad-hoc and arbitrary manner without inviting tenders and ascertaining the performance, capability and experience of the tenderers. In some cases, the works were awarded on single tender basis/limited tender basis though sufficient time was available with the Organisation to invite open tenders.

2. Some of the common irregularities/lapses observed during the examination of works were as under:-

- a) No transparency in selection of contractor for the back to back tie up which is the main source of corruption.
- b) Collusion among the contractors was observed where more than one contractors were involved at various stages.
- c) Ineligible contractor obtains the contract through the PSUs.
- d) Purchase preference misused by the PSUs.
- e) PSUs sublet the complete work to a private contractor without obtaining permission from the client which invariably put a condition insisting such permission since the client is generally not interested in such back to back sublet of the work.
- f) Infertuous work (to the exchequer) due to the involvement of intermediary PSUs and cost of project goes up ultimately.
- g) No supervision by the PSU as they put the staff mainly for coordination work.
- h) Quality ultimately suffers due to lack of supervision by the PSUs.

3. Commission is of the view that the practice of award of works to PSUs on nomination basis by Govt. of India/PSUs needs to be reviewed forthwith.

4. The irregularities observed during intensive examination of work and difficulties being faced by the PSUs in inviting tenders were considered and it has been decided that the procedure to be followed for award of work by Construction PSUs shall be finalized taking into account the following points:

- a) PSUs (when bag the contract from the client Department) as a contractor, has to execute the work by functioning like a contractor instead of sub-letting the 100% work on back to back basis.
- b) Open tenders to be invited for selection of sub-contractors as far as possible.
- c) In case, it is not possible to invite open tenders, selection should be carried out by inviting limited tenders from the panel approved in the following manner. Panel of contractors are to be prepared for different categories, monetary limits, regions, in a transparent manner clearly publishing the eligibility criteria etc. The above panel is to be updated every year.

d) Tenders to be opened confidentially by a high level committee to maintain the secrecy of rates, if required. Tender opening register should be maintained in this regard duly signed by the officers opening the tender and kept confidentially. This should be available for perusal when required by audit/vigilance.

e) The terms and conditions of the contract of the client especially those pertaining to subletting of works should be strictly adhered to by the PSUs.

f) Adequate staff to be deployed by the PSUs to ensure quality in construction etc.

g) The record of enlistment/updation of contractor and tender opening register shall be produced to the CTEO as well as audit officials when demanded for scrutiny.

5. It is, therefore, suggested that the procedure for award of work on back to back basis be finalized keeping in view the above points and circulated amongst the concerned officials of your organisation for strict compliance in future works.

Sd/-

(R.A. Arumugam)

Chief Technical Examiner

To

All CVOs of Ministries/ Departments/ PSUs etc.

## CHAPTER 15

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### OFFICE MEMORANDUM

#### Sub. : Deficiencies in QPRs.

From a perusal of the QPRs being received from various organizations, following deficiencies have been observed:

- i) QPRs are not being submitted in the prescribed format
- ii) The required certificate from the CVOs that all the qualifying works have been reported, is not being given in the QPRs.
- iii) Estimated cost/Tendered Value of work is not being indicated in lacs uniformly. For some works in the same QPR, Estimated Cost/Tendered Value is being indicated in Rupees, Lacs and Crores which creates confusion.
- iv) QPRs received from various units of the organization are forwarded to CTEO as it is, without scrutiny and compilation by CVOs, in the formats as used by units.
- v) In case the work in progress is less than the prescribed value, only two highest value works are to be reported, whereas a number of works below the prescribed value are being reported unnecessarily.
- vi) Clear name of works including locations is not being provided in a number of cases.
- vii) Full designation and location of the Engineer in charge is not being indicated in the QPRs.
- viii) Date of start and date of completion are not being indicated in dd-mm-yy format, rather unwanted information such as number of days allowed to the agency to start the work after issue of LOI etc. are being given.
- ix) Against the requirement of indicating the physical progress of the work in % terms, the quantities of various items of work are being given, which are not required.

x)In the column 'Tender Amount', only 'Item Rate' is being mentioned which does not serve the purpose.

Therefore, all CVOs are advised to furnish QPRs with due care keeping in view the deficiencies noted above.

**(V.K. Gupta)**  
**Chief Technical Examiner**

To  
All Chief Vigilance Officers.