

Performance during August, 2012

- (i) Commission advised issuance of sanction for prosecution in respect of 12 officials of various Ministries/Departments/ Organizations during the month which includes an Ex-Chairman and Managing Director [IAS] of Orissa State Beverage Corporation (OSBC), an Additional Commissioner of Income Tax, a Superintending Engineer of Ministry of Defence and a Deputy Commandant of CRPF.
- (ii) Prosecution sanctions were issued by the Competent Authorities in respect of 6 officials of various Ministries/Departments/ Organizations during the month which includes a General Manager of National Highway Authority of India, a Deputy Commissioner of Income Tax, a Regional Provident Fund Commissioner from Employees Provident Fund Organization and a General Manager [IAS(OR:2000)] of Orissa Co-operative Housing Corporation (OCHC).
- (iii) Commission processed **2250** complaints (including **80** whistle blower complaints) during the month and sought investigation/factual report in **69** complaints from the concerned Ministries/ Departments/ Organizations.
- (iv) Commission advised initiation of major penalty proceedings against **88** officials of various Ministries/Departments/Organizations which include a General Manager each from Bharat Sanchar Nigam Ltd. (BSNL), Bank of India and United Bank of India, a Director of Deptt. of Defence Production and Supplies, a Director from Ministry of Earth Sciences, a Director from Ministry of Social Justice & Empowerment, two Deputy Commissioners of Income Tax and an Executive Director of Air India.
- (v) Commission advised imposition of major penalty against **33** officials of various Ministries/Departments/Organizations, which include two Scientist-E grade of Bureau of Indian Standards, a General Manager of Syndicate Bank, an Executive Director of Indian Overseas Bank, a Chairman and Managing Director (CMD) and a Director from Indian Rare

Earths Ltd. (IREL) and an Executive Engineer from Border Roads Development Board.

- (vi) On the advice of the Commission, the Competent Authorities imposed major penalties in respect of **71** officials of various Ministries/Departments/Organizations, which include a Deputy General Manager from Department of Telecommunications, a Scientist-E grade of Bureau of Indian Standards and an Executive Engineer from Municipal Corporation of Delhi.
- (vii) Chief Technical Examiner's Organization submitted 2 technical examination reports and these examinations resulted in recovery of **Rs. 60,17,95,001/-** during August, 2012.
- (viii) **27** vigilance clearances were accorded for board level appointments.

B. Important activities:

- (i) Shri Pradeep Kumar, Central Vigilance Commissioner, addressed the workshop on "Integrity in Procurement and Whistleblower Protection in India" organized by Transparency International, India in August 2012. While addressing the participants, he emphasized that procurement of goods and services are very important government activities in a developing economy and in India public procurement constituted 28% of the GDP. Integrity in public procurement therefore had to be a priority in any anti-corruption strategy. The risk of corruption in public procurement was dependent on various factors like the cost of the procurement, complexity of the technology involved, the urgency to acquire the goods or immediacy of the project and the extent of discretion enjoyed by the procurement officials. A sound procurement system should be able to address these risk factors. He mentioned that public procurement system consists of three important components;- (1) a broad framework of laws and regulations at the federal and the state levels, (2) organizational structure and the process governing procurement in each organization and (3) the human resources involved in public procurement. A good Public Procurement Manual is one which explains the underlying

principles and guides the procurement managers instead of merely prescribing controls. The Commission in 2010 had recommended to the Government, the formulation of a comprehensive standard to guide public procurement. A Draft Public Procurement Bill is being legislated by the Government with detailed regulations in this regard. In India public procurement has never been recognized as a specialized activity requiring specialized knowledge and skill. There is a need to have qualified staff handling procurement and to provide adequate professional training to convert procurement officials into professional procurement managers. Encouraging whistle blowing has been recognized as another effective weapon in the anti-corruption armoury. It is a formal mechanism evolved with the realization that reporting of malpractice at the workplace by employees was more effective than through inspection. According to CVC, providing for whistle blowing was an important corporate governance measure which was regulated by SEBI guidelines. The Government of India in 2004 passed the Whistleblower Resolution also called the Public Information Disclosure and Protection of Informer Resolution. Under this, the Commission is the designated authority to receive whistleblower complaints relating to corruption in the Central Government and its organizations.

- (ii) Shri R. Sri Kumar, Vigilance Commissioner and Shri J.M. Garg, Vigilance Commissioner attended third anniversary celebration of Vigilance Study Circle(VSC), Kolkata Chapter on 18.08.2012 at Kolkata. While addressing the participants Shri R. Sri Kumar, Vigilance Commissioner advocated the dire need of forming an Indian Anti-Corruption Association, like its international counterparts, to gauge the efficiency and increase proficiency of all the anticorruption bodies. He said that the Central Vigilance Commission has been taking various measures to check graft in the country including setting up of '**VIGEYE**' a portal to address public grievances on corruption. He also informed that CVC has agreed to build a knowledge portal for sharing information and best practices in real time basis and expected to create portal for national knowledge sharing on anti-corruption.

- (iii) Shri R. Sri Kumar, Vigilance Commissioner, CVC was the Chief Guest during the 2nd anniversary celebration of Vigilance Study Circle(VSC), Mumbai Chapter on 28th August, 2012. The function was attended by a large number of CMDs and CVOs and Nodal Officers of member organizations of the VSC(M) in addition to other invitees and guests including Directors, Executive Directors, Sr. Vice Presidents and Vice Presidents of Shipping Corporation of India Ltd. He also released a “SOUVENIR” of the Vigilance Study Circle and also give out Vigilance Excellence Awards to the participants.
- (iv) During the month, the Commission convened four Annual Zonal/Sectoral Review Meetings with the Chief Vigilance Officers. These review meetings related to the Banking Sector-II held on 01.08.2012, Coal Sector held on 08.08.2012, Banking Sector-III held on 17.08.2012 and Commerce and Industry Sector held on 23.08.2012. During the review meetings, the Commission emphasized to the participating Departments/Organizations on various issues like undertaking systemic improvements including Leveraging of Technology for e-procurement, Reverse Auctions, IT Security, Risk Management, Vigilance Audit etc., The Commission also underscored the need for Updation of Manuals, Training Programmes, Rotational transfer of officials, Scrutiny of APRs etc. Further matters pertaining to pendency of complaints/cases, delay in processing of vigilance cases and cases pertaining to sanction of prosecution etc. were also reviewed by the Commission.