



सत्यमेव जयते

# **ANNUAL REPORT**

**1.1.1998 to 31.12.1998**

**CENTRAL VIGILANCE COMMISSION  
NEW DELHI**

1254 CVC/997A

**The Central Vigilance Commission presents its Thirty-Fifth  
Report relating to the calendar year 1998.**



**(N. VITTAL)  
CENTRAL VIGILANCE COMMISSIONER**

**New Delhi  
Dated : 27 April, 1999**

### **ACKNOWLEDGEMENT**

*The Commission is grateful to the Department of Personnel and Training for its assistance.*

*The Commission thanks the Central Bureau of Investigation for its cooperation.*

*The Commission appreciates the prompt and helpful response of all the Chief Vigilance officers.*

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# CHAPTER - 1

## 1.1 JURISDICTION, ROLE AND FUNCTIONS

### **AUTONOMOUS ANTI- CORRUPTION BODY**

1.1.1 The serious concern expressed by Many Members of Parliament in the Parliamentary debate in June, 1962 on the "Growing menace of corruption in administration" led to the formation of the Committee on Prevention of Corruption better known as Santhanam Committee to review the problem and make suggestion. Among other things, the Santhanam Committee noticed the conspicuous absence of a dynamic integration between- the Vigilance Units in various ministries and Administrative Vigilance Division in the Ministry of Home Affairs. The Committee had also raised an important issue that the Administration could not be a judge of its own conduct. The Central Vigilance Commission was therefore, conceptualized as an apex body for exercising general superintendence and control over vigilance matters in administration under Govt. of India Resolution dated February 11, 1964. The establishment of the Commission was considered essential for evolving and applying common standards in deciding cases involving lack of probity and integrity in Administration.

### **STATUTORY ANTI- CORRUPTION BODY**

1.1.2. Consequent upon the directions given by the Supreme Court in the Writ Petition filed in Public Interest by Shri Vineet Narain and others in Hawala case, the Central Vigilance Commission has been given Statutory Status. In addition to the Powers conferred upon it, the Commission will exercise superintendence over the functioning of Delhi Special Police Establishment and review the progress of investigations being conducted by them in so far as it relates to the investigation of offences alleged to have been committed under the Prevention of Corruption Act, 1988. The Hon' ble Supreme Court also directed that the CVC would review the progress of applications pending with the competent authorities for sanction of prosecution under the PC Act 1988. These directives of the Supreme Court, had lead to the promulgation of the C.V.C. Ordinance conferring Statutory Status on the CVC as Anti Corruption Body - on 25/8/1998 which was amended on 22/10/98.

### **POWERS AND FUNCTIONS**

1.1.3. The basic powers and functions of the Commission as defined in Chapter III (Section 8) of CVC Ordinance 1998, are as follows:

- (a) exercise superintendence over the functioning of the Delhi Special Police Establishment insofar as it relates to the investigation of offences alleged to have been committed under the Prevention of Corruption Act, 1988;

- (b) 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;
- (c) inquire or cause an inquiry or investigation to be made into any complaint against any official belonging to such category of officials specified in sub-section (2) where in it is alleged that he has committed an offence under the Prevention of Corruption Act, 1988;
- (d) review the progress of investigations conducted by the Delhi Special Police Establishment into offences alleged to have been committed under the Prevention of Corruption Act, 1988;
- (e) review the progress of applications pending with the competent authorities for sanction of prosecution under the Prevention of Corruption Act, 1988;
- (f) 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;
- (g) 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.

**POWERS AND  
FUNCTIONS AS  
PER THE  
RESOLUTION OF  
1964**

1.1.4. Section 24 of the Ordinance also envisages that the Commission shall continue to discharge its existing functions as per the Resolution of Government of India of 1964, which are not inconsistent with the provisions of the Central Vigilance Commission ordinance 1998. These functions broadly are as under:-

- (a) conduct oral inquiries through its officers, (Commissioners for Departmental Inquiries) in important disciplinary proceedings against the said public servants;
- (b) initiate at such intervals, as it considers suitable, a review of procedures and practices of Administration insofar as they relate to maintenance of integrity in administration;
- (c) scrutinise and approve proposals for appointment of Chief Vigilance Officers in various organisations and assess their work;
- (d) conduct, through its organisation of the Chief Technical Examiner, independent technical examination mainly from vigilance angle, of construction and other related works undertaken by various Central Government organisations; and
- (e) organise training courses for Chief Vigilance Officers and other vigilance functionaries in Central Government organisations.

## **POWER RELATING TO INQUIRY**

1.1.5. The Commission has been given all the Powers of a civil court trying a suit under the Code of Civil Procedure, 1908, while inquiring or causing an inquiry or investigation to be made into any complaint against a public servant while conducting inquiry or causing an enquiry under the Prevention of Corruption Act 1988;

- (a) summoning and enforcing the attendance of any person from any part of India and examining him on oath;
- (b) requiring the discovery and production of any document;
- (c) receiving evidence on affidavits;
- (d) requisitioning any public record or copy thereof from any court or office;
- (e) issuing commissions for the examination of witnesses or documents;
- and
- (f) any other matter which may be prescribed.

## **PROCEEDINGS BEFORE COMMISSION TO BE JUDICIAL PROCEEDINGS**

1.1.6. The Commission shall be deemed to be a civil court for the purposes of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973 and every proceeding before the Commission shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 and for the purposes of section 196 of the Indian Penal Code.

## **JURISDICTION**

1.1.7. Though the advisory jurisdiction of the Commission extends to all organisations to which the executive control of the Union extends, however, for practical reasons, the Commission presently advises only on vigilance cases pertaining to the following categories of employees:-

- (a) Gazetted Central Government officials;
- (b) Board level appointees in the public sector undertakings of the Central Government;
- (c) Officers of the rank of Scale- III and above in the public sector banks;
- (d) Officers of the rank of Assistant Manager and above in the Insurance Sector (covered by LIC and GIC); and
- (e) Officers in autonomous bodies/local authorities or societies comparable in status to that of the Gazetted Central Government officials.

Nonetheless, the Commission retains its residuary Powers to call for any individual case in respect of employees other than those who are within its normal jurisdiction

As per the CVC Ordinance 1998 the Commission can undertake any inquiry or cause an inquiry or investigation to be made into any complaint against any official belonging to the following categories of officials where in it is alleged that he has committed an offence under the Prevention of Corruption Act, 1988.



(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.

\* Provided that till such time a notification is issued under this clause, all the officers of the said corporations, companies, societies and local authorities shall be the persons referred above.

**DISAGREEMENT  
BETWEEN CBI AND  
ADMINISTRATIVE  
AUTHORITIES**

1.1.8. In addition, wherever considered necessary, the Commission is within its powers to call for individual cases of any Government servant other than those who are within its normally exercised jurisdiction and tender its advice. Also, in respect of cases of employees who are not within the normal jurisdiction of the Commission and there is a disagreement between the CBI and the concerned administrative authorities as regards the future course of action to be taken in such cases, the difference of opinion shall be resolved by the Commission.

**PUBLIC SECTOR  
ENTERPRISES  
AND CVC**

1.1.9. An area of concern is that of the vigilance management in PSUs. The Commission attaches considerable importance to the PSUs in view of the size of investments, made by the Government of India in this Sector. Till 1986, the Commission had jurisdiction over officials of PSUs whose basic pay was not less than Rs. 1,800 per month. The Government reconsidered the position and decided that only cases of Board-level appointees of Public Sector Enterprises need be referred to CVC. As a result, the normal jurisdiction of the Commission over PSUs has curtailed. This has certainly had a bearing on effectiveness of overall anti-corruption work in PSUs.

The Department of Public Enterprises were of the view that PSUs needed to be treated on a different footing from that of government departments since autonomy was one of their distinguishing features. Recently, an orchestrated campaign has begun in various newspapers and suggest that agencies like CBI and CVC come in the way and hinder the potential of the PSUs to perform and operate in the commercially competitive environment. The feeling which prevails is that vigilance has been stifling executive initiatives and restricts their freedom in performing their legitimate duties. But the facts are otherwise. The Commission, in the post-1986 scenario has been advising only in cases involving Board-level officials. Their number is very restricted. An analysis of the data available for 1993-95 highlights that contrary to the claim made in certain quarters. Out of the total number of 240 odd PSUs, the conduct of top level executives came to scrutiny from vigilance point of view only in about 20 cases. Mainly, sick undertakings account for a major number of these cases. Surprisingly, PSUs with huge investments and programmes as in the case of the Ministries of Coal, Petroleum, Commerce and Civil Aviation, and the Department of Fertilisers, Steel, Mines and Chemical and Petrochemicals do not figure in this list. The general apprehension that

there are all-pervasive vigilance inquiries is not borne out by the facts.

The Commission has therefore, suggested to the Government to restore the pre-1986 jurisdiction over PSUs. Incidentally, the D/o Administrative Reforms has constituted a committee on working of PSUs, which also recommended the same. The proposal is under consideration of the Department of Public Enterprises.

## **1.2 ORGANISATION**

### **MULTI MEMBER COMMISSION**

1.2.1 The Commission has been accorded Statutory status by the Government by the promulgation of an Ordinance under Gazette of India Notification No.44 of 25.08.1998 amended vide Notification No.47 of 22/10/98. The Commission has now been made a multi-member body consisting of Central Vigilance Commissioner (Chairman) and not more than four Vigilance Commissioners as its members. Earlier the Commission was a one Member Commission headed by Central Vigilance Commissioner. The appointment of CVC as well as that of the VCs is required to be made by the President by warrant under his hand and seal on the recommendations of a committee consisting of (a) The Prime Minister, (b) The Minister of Home Affairs and (c) Leader of the Opposition in the House of people. Presently the Commission is headed by the Central Vigilance Commissioner, Shri N. Vittal who assumed charge w.e.f. 3<sup>rd</sup> September, 1998.

### **COMMISSION'S STAFF**

1.2.2 The Central Vigilance Commissioner is assisted by a Secretary who is of the rank of Additional Secretary to the Government of India, two Additional Secretaries of the rank of Joint Secretary to the Government of India and other staff which include 10 Officers of the rank of Director/ Deputy Secretaries, an OSD and four Under Secretaries.

### **OFFICERS FOR CONDUCTING ORAL ENQUIRIES**

1.2.3 In addition, there are thirteen Commissioners for Departmental Inquiries (CDI) who are nominated to conduct Oral Inquiries relating to major penalty proceedings on behalf of the disciplinary authorities in serious and important disciplinary cases.

### **TECHNICAL WING**

1.2.4 There is also a Technical Wing attached to the Commission with two Chief Technical Examiners of the rank of Chief Engineer who are assisted by Eight Technical Examiners of the rank of Executive Engineer, Six Assistant Technical Examiner of the rank of Assistant Engineer and other subordinate staff.

**POSTS  
SANCTIONED  
STAFF AND  
FILLED**

1.2.5 The Group wise sanctioned strength of staff and the number of officers in position as on 31.12.1998 is given below:-

	Group "A"	Group "B"	Group "C"	Group "D"	Total
Sanctioned	47*	85	76	71	275
In position	32	71	62	67	232

\* includes Four VCs

**PROGRESSIVE  
USE OF HINDI**

1.2.6 The Commission, during the year under report, continued to give due emphasis to the implementation of the provisions and achievement of the objectives envisaged in the Official Language Act, 1963 and the rules framed thereunder.

**REPRESENTATION  
OF SCHEDULED  
CASTES/  
SCHEDULED  
TRIBES AND OBC**

1.2.7 Appropriate reservation in service of Scheduled Castes/Scheduled Tribes and OBCs is a declared policy of the Government. In pursuance of this policy, the Central Vigilance Commission has been making every effort for implementing the relevant Government instructions in this regard in respect of Service/posts under its administrative control. During the year under report, two persons have been appointed to Group "B" (Non-gazetted) post and 17 Group "C" and 2 in Group "D" posts on direct recruitment basis. The percentage of Scheduled Castes/Scheduled Tribes and OBCs in the various group of posts filled/held otherwise then by deputation, in the Central Vigilance Commission on 31.12.1998 is given below:-

	Group "A "	Group "B "	Group "C "	Group "D "
Scheduled Castes	50%	23.33%	10.00%	41.79%
Schedule Tribes	-	5.00%	2.00%	4.47%
Other Backward Classes	-	8.33%	12.00%	4.47%

1.2.8 The Commission has taken the initiative to make an assessment of the availability of manuals/codified instructions in important functional areas like purchases, stores, maintenance, operations, finance and personnel and impress on the units to publish up-to-date manuals. This exercise is kept under constant review in the Commission. The Ministry of Industry have also been approached by the Commission to inform all PSUs to undertake this exercise and complete it within a reasonable time.

### **IMPROVING VIGILANCE ADMINISTRATION**

1.3 Improving vigilance administration is possible only if system improvements are made to prevent the possibilities of corruption and encourage a culture of honesty. Keeping this in view, in exercise of the Powers conferred on the CVC by Section 8(1)(h) of CVC ordinance 98 and Section 8(1)(g) of CVC Ordinance 99, the Commission has issued instructions for compliance in exercising superintendence over the vigilance administration. The instructions are briefly mentioned below:

### **CREATING A CULTURE OF HONESTY**

1.3.1 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 corrupt practices, the Commission directed 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, say three to six months, the reference does not come to the Commission, 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 cannot 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.

### **GREATER TRANSPARENCY IN ADMINISTRATION**

1.3.2 One major source of Corruption arises because of lack of transparency. Each organisation has been asked to identify such items which provide scope for corruption and where greater transparency would be useful. All the organisations have therefore, been asked to publish on the notice board and in the organisations regular publication the details of all such cases regarding tenders or out of turn allotments or discretion exercised in favour of an employee/Party

### **SPEEDY DEPARTMENTAL INQUIRIES**

1.3.3 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.

In order to ensure that the departmental inquiries are completed expeditiously, the time limits have been prescribed for each stage before

inquiry and all the organisations have been asked to complete the oral inquiry including the submission of the inquiry report within a period of six months from the date of appointment of the Inquiry Officer. Further not more than two adjournment should be given in any case so that the time limit of six months for departmental inquiry can be observed.

In order to achieve the above target, the Commission has asked the organisations to utilize the services of retired honest officials for conducting the inquiries. The Commission will forward a panel of retired officers with high repute to supplement the requirement of the organisations who are not having requisite experience. The Commission will also utilize the services of these retired officials for nominating them in the cases where the Commission had tendered its advice. This will supplement the workload presently being handled by the CDIs.

### **POST TENDER NEGOTIATION BANNED**

1.3.4 Tenders are generally a major source of corruption. In order to avoid corruption, a more transparent and effective system has to be introduced. Considering this aspect and as Post tender negotiations are the main source of corruption, the Commission has issued instructions banning post tender negotiations except in the case of negotiations with L1 (i.e. lowest tenderer).

### **ELECTRONICS CLEARANCE SYSTEM**

1.3.5 The Commission has realised that in order to improve vigilance administration in Banks, Electronic clearances services have to be offered. The Commission has directed all Banking Companies, Financial Institutions under its jurisdiction to compulsorily offer electronics clearance services to their customers with immediate effect. This step is visualised as a method of checking fraud because a significant part of the frauds in the banks are related to the remittances and collection in the payment system. RBI has also been requested to put up a network of 438 VSATs linked with their hub so that the wide Area Network (WAN) becomes operational.

### **COMPUTERI- SATION OF THE BRANCHES OF THE BANKS**

1.3.6 In a major step to improve the vigilance administration, the Commission had directed that all the banks must ensure that 70% of their business and working of clearing houses is captured through computerisation before 1.1.2001.

The Commission has also stressed the need for encryption as well as safety in the banking operations at the time of computerisation in consultation with DRDO so that Computer frauds are not encouraged.

### **LACK OF COMMUNICATION BETWEEN BANKS**

1.3.7 The Commission has issued directions to all the Banks that all cases of willful default of Rs. 25 lakhs and above will be reported by all banks to RBI as and when they occur or are detected.

## **SPECIAL CHAPTER ON BANKS**

1.3.8 Risk taking forms an integral part of the business of banking. The purpose of vigilance activity in public sector banks (PSBs) is not to stifle such ability or obstruct the achievement of organisational goals and objectives. Its raison d'être is to enhance managerial effectiveness, both at micro as well as macro levels. Keeping these objectives in view and in consultation with RBI, IBA, CBI and Banking Division of the Ministry of Finance the Commission has prepared the Special Chapter on Banks. It takes into account the special needs of Bank managers and addresses the problems faced by them in their day-to-day functioning. Since the rules of the game have now been clearly defined, Bank managers need only to shed any fear psychosis that they may have and strive to contribute their best towards the fulfilment of targets set for them by their managements.

## **SANCTION OF PROSECUTION**

1.3.9 The Central Vigilance Commission while reviewing the overall functioning of the vigilance administration of the Departments/Organisations has observed that one of the methods of improving the vigilance functions is to give prompt clearance for sanction for prosecution under the P.C. Act. The Commission has issued directions that:

(i) In respect of CBI reports/cases in which the Commission's advice is not necessary, the competent authorities may exercise their mind and give or refuse sanction for prosecution under the PC Act, within the time limit of 30 days from the date of receipt of request from CBI; and

(ii) In respect of the cases of Presidential appointees, in which the Commission's advice is required, the competent authorities may furnish their comments within 30 days to the Commission and give the sanction of prosecution or otherwise, within a period of 60 days from the date of receipt of request from CBI.

## **CONSULTATION WITH THE COMMISSION IN REGARD TO SENIOR LEVEL APPOINTMENTS IN PSUs, BANKS ETC.**

1.4.1 According to the extant instructions, before appointments are made to the PSUs and Banks at their higher Board level and Board level respectively, the Ministries/Departments are required to consult the Commission for verification of the antecedents of the persons considered for these posts. This requirement is stipulated with a view to ensure that the top level executives in these establishments should be persons of exemplary conduct and probity while working in the broad framework of the Memorandum of Understandings with the Government. The procedure, which was evolved in 1988, forms an important facet of functioning of the Commission.

1.4.2 In order to streamline the process of selection of Chief Executives and Functional Directors in the PSUs, the Government took various initiatives and issued revised guidelines. As per the revised guidelines, the administrative Ministries/Departments have to make the reference for scrutiny of antecedents to the Commission within 15 days of receipt of PESB's recommendations and it shall be the responsibility of the administrative Secretaries to furnish the required information of the

candidates to the Commission. In case, the Commission do not receive any reference from the Ministry within 15 days of receipt of PESB's recommendation, it will take up the matter with the Cabinet Secretary, who in turn will pursue the matter with the administrative Ministries. In case the Commission still does not receive the reference from the administrative Ministry, it will inform the Establishment Officer about its inability to process the case further.

1.4.3. The Commission has accorded a high priority to the proposals referred to it for scrutiny of antecedents. The required information is maintained in the form of a computerised database and is under regular review at different levels. It is the Commission's endeavour that the selections made for top level appointments for these organisations are cleared without delay, based on full information.

## CHAPTER – 2

### ADVISORY ROLE OF THE COMMISSION

2.1.1 The Central Vigilance Commission acts as the apex body for rendering impartial and objective advice to the Disciplinary and other Authorities on vigilance matters and vigilance related cases, where a public servant is alleged to have acted for an improper purpose or in a corrupt manner in discharge of his official duties. In its functioning, the Commission is independent and therefore, imparts an element of externality and objectivity in the decision making process of the Government/PSUs/Nationalised Banks/Local Bodies etc. in the matters relating to probity and integrity of the administration. Apart from impartiality and objectivity, the functioning of the Commission also ensures consistency and common standard of action for similar kind of misconducts including criminal misconducts. However, all cases of misconducts are not required to be referred to the Commission for its advice; only those cases, having a definite or potential vigilance angle and an element of corruption or criminal misconduct or malafide are required to be referred to the Commission for advice.

2.1.2 During the year under report, the Commission received 5,076 cases for advice as against 4,304 received in the preceding year. Similarly, the number of cases in which advice was tendered during the year was 5,064 as against 5,747 cases disposed off during the preceding year.

### COMPLAINTS RECEIVED BY THE COMMISSION

2.2.1. Complaints constitute an important source of information leading to the exposure of misconduct and malpractices. Complaints received directly in the Commission are referred to the Chief Vigilance Officers (CVOs) of the departments concerned or the Central Bureau of Investigation (CBI) for investigation and report, depending upon the nature of the allegations. A large number of complaints received are either anonymous or pseudonymous in nature. A number of such anonymous/pseudonymous complaints are often found to be motivated with a view to spoil the image and reputation of the officers, particularly when they are due for advancement in their career. On the other hand, a number of serious cases of corruption and malpractices, especially against those at senior levels, are brought to light through such complaints. The Commission, therefore, takes due care at the stage of initial scrutiny to ensure that while frivolous, malicious and motivated complaints are not encouraged, complaints containing verifiable facts are effectively followed up.

2.2.2 During the year under report, the Commission received 2274 complaints of which 676 complaints (nearly 30%) were either anonymous or pseudonymous. Out of 2292 complaints scrutinised during the year, 838 (nearly 36%) complaints were found to contain sufficient information to justify further probe. These were accordingly forwarded to the CVOs of the organisations concerned or to the CBI for investigation and report, depending upon the nature of allegations



contained in them. Of the remaining 1454 complaints, 658 (nearly 29%) complaints were found to contain vague and unverifiable allegations and were, therefore, closed. The remaining 796 (nearly 35%) complaints either did not contain allegations prima facie bearing a vigilance angle or the public servant(s) complained against were not within the normal advisory jurisdiction of the Commission. These were, therefore, forwarded to the administrative authorities concerned for appropriate action at their end.

## **2.3 VIGILANCE CASES**

2.3.1 Complaints received directly by the departments/organisations are required to be scrutinised by the CVOs concerned to assess whether the allegations made merit further investigation. If the complaint pertains to a public servant who falls within the normal advisory jurisdiction of the Commission and initial scrutiny indicates that the allegations, though bearing a vigilance angle, are vague and prima facie unverifiable, a decision to drop and file it can be taken by the Chief Executive/Head of Department only after consultation with the Commission unless it is anonymous or pseudonymous in nature. If it is decided to conduct a preliminary enquiry into the allegations it is necessary for the department/organisation concerned to forward a preliminary enquiry report to the Commission seeking its advice on the course of action to be taken. Likewise, the departments/organisations are required to forward a preliminary investigation report together with their views thereon in respect of all complaints forwarded by the Commission for investigation.

2.3.2 In cases where the preliminary investigation has been made by the CBI, the department concerned is required to offer its specific views on the recommendations made by the CBI for advice of the Commission. Cases pertaining to public servants not within the normal advisory jurisdiction of the Commission are, however, not required to be referred to the Commission. If there is disagreement between the department and the CBI as regards the further course of action, the matter is required to be referred to the Commission for advice.

2.3.3 The preliminary investigation report, furnished by the CVO or the CBI, is examined in the Commission and depending on the circumstances and facts of each case the Commission advises initiation of prosecution or departmental proceedings against the concerned public servant(s) or its closure. This constitutes a reference to the Commission for its first stage advice. In cases where the departmental action for major penalty is advised, the Commission also indicates whether the oral inquiry is to be conducted by a Commissioner for Departmental Inquiries of the Commission or the department may appoint its own Inquiry Officer for the purpose. The Inquiry Report in either case is again required to be furnished to the Commission for its second stage advice before taking a final decision in the case. The Commission is also required to give second

stage advice in cases where the departmental action for minor penalty has been instituted and the disciplinary authorities after examining defence statement, propose to close the case without imposing any penalty.

2.3.4 The Commission is also required to be consulted at the appeal/revision/reviewing stages in cases where the appellate/revising/reviewing authorities propose to modify or set aside the penalty imposed in a case in which the Commission was earlier consulted. The only exception to this requirement is cases in which the administrative authorities are required to consult the Union Public Service Commission also.

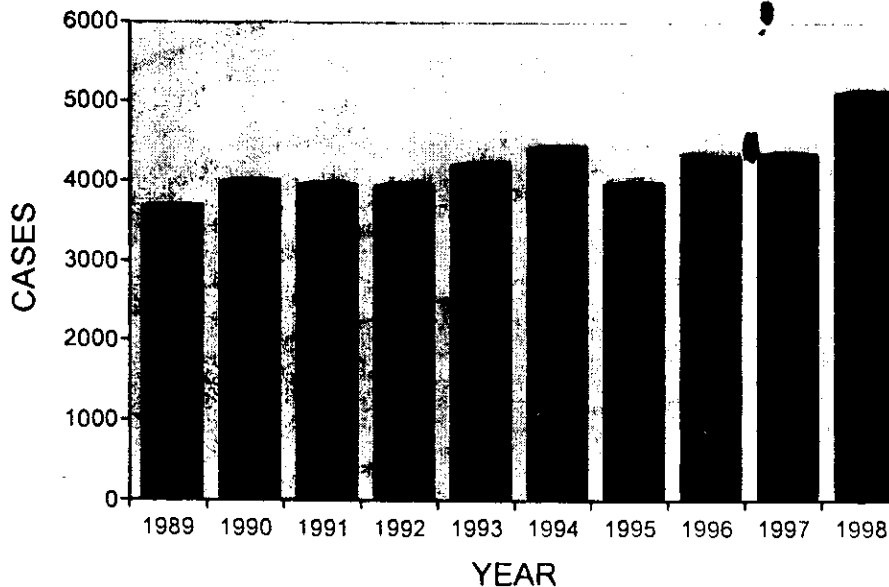
## **2.4 EXPEDITIOUS DISPOSAL OF VIGILANCE CASES**

2.4.1 The effectiveness of vigilance largely depends on expeditious disposal of cases. In consonance with the principle of natural justice, the Commission's effort has been to ensure that its advices are acted upon without loss of time. This is meant to ensure a swift and effective dispensation of an objective treatment in all vigilance cases. Even with a steady increase in the inflow of cases seeking Commission's advice, due to close monitoring arrangements and streamlining of procedures, it has now become possible for the Commission to tender advice to the Authorities concerned within a period of about three weeks, wherever the references are complete. In addition, the Commission has also been emphasising that the Commissioners of Departmental Inquiry as well as the Inquiry Officers appointed by the Departments/Organisations should plan and adhere to the time schedule set under instructions issued by appropriate organisations duly following principles of natural justice. The broad time frame for completion of oral inquiries is about six months.

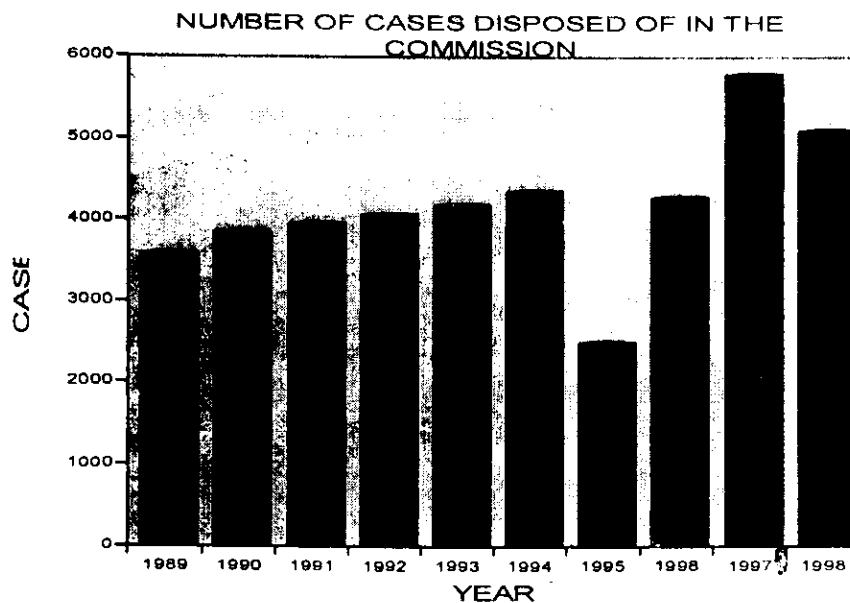
## **2.5 CASES RECEIVED AND DISPOSED BY THE COMMISSION**

2.5.1 The number of cases received in the Commission during the year was 5,076 as against 4,304 cases received during the preceding year. The diagram below illustrates the point that over the last ten years or so there has been a general increase every year in the number of cases referred to the Commission for advice. In fact, the number of cases received during the year under report confirms the trend of steady increase of cases during the decade.

## NUMBER OF CASES RECEIVED IN THE COMMISSION



2.5.2 The Commission had tendered its advice on 5,064 cases during 1998 as against 5,747 cases in 1997. However, the number of cases handled annually during the preceding ten years in any case firmly establishes that there has been a steady increase in the volume of the work handled in the Commission. The diagram below illustrates this point.



\* The disposal of less number of cases during the year 1995 was due to the fact that the post of CVC remained vacant for over seven months.

## 2.6 FIRST STAGE ADVICE CASES

2.6.1 The Commission during the year under report tendered its first stage advice on 2308 cases. The nature of advices so tendered is indicated in the Table-1 given below:

TABLE - 1

Nature of advice	On the investigation reports of		Total
	C B I	C V O	
Criminal Proceedings	53	11	64
Major penalty proceedings	133	803	936
Minor penalty proceedings	35	159	194
Administrative action, Warning, Caution etc	69	296	365
Closure	87	662	749
TOTAL	377	1931	2308

**NOTE:** The Commission did not tender any advice on 16 CBI and 11 CVO Reports as its advice was not necessary.

## 2.7 SECOND STAGE ADVICE CASES

2.7.1 The disposal of cases by the Commission at second stage is reflected in the Table-2 below:

TABLE - 2

Nature of advice	On the CDI's Reports	On the cases received from CVOs	Total
Imposition of major penalty	328	686	1014
Imposition of minor penalty	66	174	240
Exoneration	93	223	316
Other action	25	195	220
TOTAL	512	1278	1790

## 2.8 FIRST STAGE ADVICE ON INVESTIGATION REPORTS

2.8.1 The following Table-3 gives an analysis of the nature of action advised by the Commission (by way of first stage advice) during the last few years:

**TABLE - 3**

### (A) CBI INVESTIGATION REPORTS

Year	Total advices tendered	Nature of action advised			
		Prosecution	Major penalty proceedings	Minor penalty proceedings	Others
1990	262	31 (11.8)	116 (44.3)	33 (12.6)	82 (31.3)
1995	190	14 (7.4)	40 (21.1)	28 (14.7)	108 (56.8)
1996	427	76 (17.8)	125 (29.3)	42 (9.8)	184 (43.1)
1997	535	79 (14.8)	182 (34.0)	57 (10.7)	217 (40.5)
1998	377	53 (14.0)	133 (35.3)	35 (9.3)	156 (41.4)

(Figures in brackets indicate percentage to respective total advices)

**TABLE - 4**

### (B) CVOs INVESTIGATION REPORTS

Year	Total advices tendered	Nature of action advised			
		Prosecution	Major penalty proceedings	Minor penalty proceedings	Others
1990	1736	4 (0.2)	478 (27.5)	194 (11.2)	1060 (61.1)
1995	894	1 (0.1)	309 (34.6)	110 (12.3)	474 (53.0)
1996	2055	8 (0.4)	830 (40.4)	205 (10.0)	1012 (49.2)
1997	2282	15 (0.7)	1025 (44.9)	261 (11.4)	981 (43.0)
1998	1931	11 (0.6)	803 (41.6)	159 (8.2)	958 (49.6)

(Figures in brackets indicate percentage to respective total advices)

**TABLE - 5****(C) COMBINED CBI/CVOs INVESTIGATION REPORTS**

Year	Total advices tendered	Nature of action advised			
		Prosecution	Major penalty proceedings	Minor penalty proceedings	Others
1990	1998	35 (1.7)	594 (29.7)	227 (11.4)	1142 (57.2)
1995	1084	15 (1.4)	349 (32.2)	138 (12.7)	582 (53.7)
1996	2482	84 (3.4)	955 (38.5)	247 (9.9)	1196 (48.2)
1997	2817	94 (3.3)	1207 (42.9)	318 (11.3)	1198 (42.5)
1998	2308	64 (2.8)	936 (40.5)	194 (8.4)	1114 (48.3)

(Figures in brackets indicate percentage to respective total advices)

2.8.2 It is obvious from the Tables 3-5 that the Commission continued to receive by far the largest number of cases from the departmental vigilance units. Out of 2308 cases in which the Commission tendered its first stage advice during the year under report, 1931 cases (i.e. about 84%) were investigated by the CVOs.

**2.9 SECOND STAGE ADVICE ON INQUIRY REPORTS**

2.9.1 In advising imposition of penalties or exoneration of charged officials, the Commission keeps in view such factors as gravity of misconduct, nature of evidence and other attending circumstances. Further, the Commission tenders its second stage advice on inquiry reports submitted by the CDIs as well as departmental Inquiry Officers. The Tables 6-7 below indicate analysis of Commission's second stage advice during the last few years.

**(A) SECOND STAGE ADVICE BASED ON INQUIRY REPORTS OF CDIs**

**TABLE - 6**

Year	Total advice s tendered	Nature of action advised		
		Major penalty proceedings	Minor penalty proceedings	Others
1990	531	267 (50.3)	91 (17.1)	173 (32.6)
1995	385	247 (64.2)	56 (14.5)	82 (21.3)
1996	509	343 (67.4)	41 (8.1)	125 (24.5)
1997	507	347 (68.5)	61 (12.0)	99 (19.5)
1998	512	328 (64.0)	66 (13.0)	118 (23.0)

(Figures in brackets indicate percentage to respective total advices)

**B) SECOND STAGE ADVICE BASED ON INQUIRY  
REPORTS OF DEPARTMENTAL INQUIRY OFFICERS**

**TABLE - 7**

Year	Total advice s tendered	Nature of action advised		
		Major penalty proceedings	Minor penalty proceedings	Others
1990	284	117 (41.2)	59 (20.8)	108 (38.0)
1995	522	266 (51.0)	81 (15.5)	175 (33.5)
1996	632	316 (50.0)	117 (18.5)	199 (31.5)
1997	1374	774 (56.3)	240 (17.5)	360 (26.2)
1998	1278	686 (53.7)	174 (13.6)	418 (32.7)

(Figures in brackets indicate percentage to respective total advices)

**TABLE-8****COMMISSION'S RECOMMENDATIONS AS SECOND STAGE ADVICE**

Year	Total advice s tendered	Nature of action advised		
		Major penalty proceedings	Minor penalty proceedings	Others
1990	815	384 (47.1)	150 (18.4)	281 (34.5)
1995	907	513 (56.6)	137 (15.1)	257 (28.3)
1996	1141	659 (57.8)	158 (13.8)	324 (28.4)
1997	1881	1121 (59.6)	301 (16.0)	459 (24.4)
1998	1790	1014 (56.6)	240 (13.4)	536 (30.0)

(Figures in brackets indicate percentage to respective total advices)

2.9.2 The following conclusions can be drawn from the Tables 6-8 given above:

- (a) In 70% of the cases formal punishments were imposed.
- (b) Most of the cases, in which the Commission had advised initiation of major penalty proceedings, resulted in imposition of such a penalty on the delinquent officers. In terms of percentage, it is about 57%.
- (c) The number of cases in which the oral inquiry ended with advice for imposition of major penalty is higher in cases inquired by the CDIs.
- (d) The number of cases in which no penal action was advised at the end of oral inquiries is higher in cases inquired by the departmental IOs.
- (e) This is indicative of the need to impart better training to departmental Inquiry Officers on various issues related to oral inquiries.

## 2.10 ACTION TAKEN/PUNISHMENTS IMPOSED ON COMMISSION'S ADVICES

2.10.1 As per the information made available to the Commission, the disciplinary authorities in various organisations issued sanction during 1998 for prosecution of 27 public servants and imposed major penalties in 860



cases and minor penalties in 917 cases after obtaining the advice of the Commission. The Department-wise break-up of such cases is given in **ANNEXURE-I**. These included a Post Master General of Department of Posts and a General Manager of a nationalised Bank who were dismissed from the service; an officer of All India Services, an officer of Indian Revenue Service and two General Managers of a nationalised Bank against whom reduction in pay was advised and also seven officers of All India Services and a General Manager against whom prosecution was advised.

## 2.11 IMPOSITION OF PENALTIES OF HIGHER ORDER

2.11.1 During 1998, major penalties of the higher order, namely, dismissal, removal and compulsory retirement from service were imposed on 116 officers of various organizations, as per information available with the Commission. The comparative figures are given in the following Table-9:

**TABLE - 9**

Year	Type of Punishment			
	Dismissal	Removal	Compulsory Retirement	Total
1990	19	22	19	60
1995	28	15	4	47
1996	19	10	8	37
1997	25	17	15	57
1998	73	23	20	116

## 2.12 PENDENCY

2.12.1 The following Table-10 indicates the pendency of cases with the Commission at the end of 1998:

**TABLE - 10**

	Complaints	Cases			Total
		Investigation Reports	Inquiry Report and minor penalty cases	Other Reports/ cases such as reconsideration etc.	
Brought forward from previous year	111	401	144	64	609
Received during the year	2274	2343	1794	939	5076
Total	2385	2744	1938	1003	5685
Disposed of	2292	2335	1790	939	5064
Pending	93	409	148	64	621

2.12.2 There were 609 cases pending with the Commission at the end of year 1997. Apart from this, the Commission had received 5076 cases afresh during the year under report. Thus out of a total of 5685 cases, during the year the Commission has disposed of 5064 cases leaving a pendency of 621 cases. Even out of these 621 cases pending at the end of 1998, 312 cases were pending for want of clarifications/comments on the CBI reports from the concerned organisations. In other words, only the remaining 309 cases were actually pending with the Commission at the end of the year 1998.

## CHAPTER - 3

### EXAMINATION OF CIVIL AND OTHER WORKS BY CHIEF TECHNICAL EXAMINER'S ORGANISATION

#### INTEGRAL PART OF THE COMMISSION

3.1 The Chief Technical Examiner's Organisation was initially created in 1957 as a distinct wing of the erstwhile Ministry of Works, Housing and Supply for the purpose of conducting a concurrent technical audit of works of the Central Public Works Department and securing economy in expenditure and better technical and financial control. In 1963, the Committee on Prevention of Corruption (Santhanam Committee) in its Report, recommended the transfer of this Organisation to the Central Vigilance Commission so that its services could easily be made available to the Central Bureau of Investigation or in Inquiries made under the direction of the Central Vigilance Commission. The Government of India accepted the recommendation and the Organisation now functions as a technical wing of the Central Vigilance Commission. Subsequently, it has been decided that CTEO shall carry out inspections of civil, electrical and horticulture works being carried out by all the Central Government departments, Public Sector Undertakings/Enterprises of Government of India and Central Financial Institutions/Banks etc.

#### JURISDICTION

3.2 The jurisdiction of the Organisation is co-extensive with that of the Commission. At present CTEs Organisation is inspecting civil works, electrical works including air-conditioning and horticulture works being executed by Ministries/Departments of Government of India, Central Public Sector Undertakings, Banks and Financial Institutions and Corporate Bodies etc. falling within the jurisdiction of the Commission. There is a proposal to expand the inspections to other major areas of economy like petroleum, tele-communication, electronics, power and coal sectors etc.

To select the works for the inspection, Quarterly Progress Reports are required to be submitted by different departments executing such works. At present information is required to be given in respect of civil works in progress and having tendered cost exceeding Rs. 1 crore, electrical works exceeding Rs.15 lacs and horticulture works costing more than Rs.2 lacs. However, the Chief Vigilance Officers are free to give their recommendations while submitting the returns relating to the examination of a particular work, if they detect any serious irregularity.

#### INTENSIVE EXAMINATION OF WORKS/ INVESTIGATION IN SELECT CASES

3.3 Over the years, the Organisation has proved to be an important and effective wing of the Commission's set up in detecting deficiencies/malpractices in the award and execution of works and in suggesting remedial measures to prevent recurrence of such instances. The intensive examination of works carried out by the Organisation helps in detecting cases of execution of sub-standard work or acceptance of sub-standard materials; infructuous, avoidable and/or ostentatious expenditure; and undue favours extended to the contractors and over-payments, if any.

## INVESTIGATIONS

3.3.1 Many organisations do not have the expertise for investigating cases of corruption and malpractices in construction work. In order to bridge this gap, the Commission had decided in 1991 to assign the task of conducting investigations in select cases to the Chief Technical Examiner's Organisation.

Preliminary investigations are carried out by CTEO either at the request of an organisation/department or if serious lapses are observed by the Commission through public complaints or inspections carried out by this organisation.

## MAJOR ACHIEVEMENTS

3.4 Major achievements of the Chief Technical Examiner's Organisation during the year 1998 are briefly indicated below:

- (a) Creation of an awareness for quality control & adherence to the rules, procedures and economy;
- (b) Recovery of over-payments made to the contractors. The Organisation meticulously followed up cases of over payments either due to collusion with contractors or due to slack supervision. During the year 1998, the over-payments accepted by the concerned organisations as a result of inspections carried out by this Organisation amounted to about Rs.3.44 crores.
- (c) Improvements in specifications, construction practices and contract conditions etc. and
- (d) Assistance to various organisations in preparation of Codes, Manuals and issue of guidelines and circulars to serve as effective tools for preventive vigilance.

## PERFORMANCE DURING 1998

3.5 During the year under report, the number of intensive examination and investigations carried out by the organisation are given in the table below:

S.N.O	Details of Organisations	Number of Departments/ PSUs inspected	Number of Intensive Examination Report	Number of Investigation Report
1	Government Departments	9	43	0
2	Banks, Insurance Companies & Financial Institution	13	25	0
3	Public Sector Undertakings, autonomous Bodies etc	53	102	1
	Total	75	170	1

3.5.1 As a result of these inspections, several major deficiencies in the execution of works were noticed. Some of them are briefly indicated below:

- (i) Tenders were invited from 3 pre-qualified contractors for the construction of Tehri Dam and Associated works in January, 1995. The lowest bid was received at Rs.538.26 crores. The Tender Evaluation Committee recommended the lowest bid for acceptance but was rejected by THDC Board. Fresh bids were invited from the same 3 contractors and work was awarded at a cost of Rs.898.45 crores without proper evaluation of reasonable cost of the tenders. The technical experts who had commented on the tender bids did not agree for increase in cost to the extent quoted by the contractors in the second call. Although there was a gap in the first and second call of the tenders, the increase in cost to the extent of Rs. 350 crores appears to be unjustified.
- (ii) The Nathpa Jhakri Power Corporation Ltd. invited tenders for the construction of civil works for a Dam, intake and resiltng and the same were accepted at a cost of Rs.443.81 crores. The accepted tender was 28.63% higher than the revised estimated cost of Rs.345.02 crores. Although the revised estimate cost was worked out after due consideration of all the influential factors justifying increase in the cost, yet the tender was accepted at 28.63% above the estimated cost without recording proper justification. Thus, the work was awarded at a higher cost of about Rs.100 crores, by accepting tender at higher rates. Further, extra items had been sanctioned considering profit element of 49% against the normal profit margin allowed at 15%.
- (iii) The work for construction of Dena Bank's building (A&B) at Patel Estate, Jogeshwari (W), Mumbai was awarded to the third lowest tenderer at a cost of Rs.3.65 crores. The amount quoted by the lowest tenderer was Rs.3.36 crores. The award of the work to the third lowest contractor and incurring an extra expenditure of about Rs.30 lacs had not been properly justified. Similarly, the work of sanitary installation and plumbing work had been awarded at a higher cost of Rs.6.35 lacs to a tenderer other than the lowest tenderer. The lowest tenderer had been ignored on flimsy grounds and thus causing extra cost to the Bank.
- (iv) Cochin Shipyard had awarded the work of renting of Diesel generating sets to meet the shortage in power supply due to power cuts. The work had been awarded without proper completion and tender documents were found deficient. The diesel and lubricants had been supplied free of cost to the contractors without stipulating efficiency criteria. The running of the generator set was logged for excessive hours. Thus, a huge loss was caused to the Cochin Shipyard.
- (v) Bongaigaon Refinery & Petrochemicals Ltd. took up a project to install 5 MW Diesel Generating set to meet with emergency requirements. The power supply available from the main Grid and stand-by generators were also available. There was no proper justification to execute the

project. While awarding the work, it is seen that the agreement was deficient. The insurance cover for the materials during transit was to be obtained by the Refinery which was not obtained. Further it was found that materials were not checked before despatch and were kept in a packed condition. The damage/shortages were not identified although materials were kept in the custody of the department. The agency failed to take up installation and there was a capital blockage of about Rs. 12 crores without any purpose. No action was taken against the agency for delay in execution of the work.

(vi) One of the transformers of Neyveli Lignite Corporation Ltd. had a small fire. It was considered by the Corporation that winding of the transformer should be immediately changed. The spare winding was available with the Corporation, which was received along with the supply of the transformer. There was an abnormal delay in the completion of the job. Consequently, the Corporation had suffered a loss.

(vii) The Central Public Works Department was allotted construction of National Test House building at Calcutta. There were delays in planning and design of the building in spite of the fact that a full fledged organisation was available with the Chief Engineer. Even after award of the work, there were delays in execution due to related supply of structural drawings due to decisions in change of specifications etc. Extra expenditure was incurred due to delay in completion of the project by way of payment of escalation costs.

(viii) Chennai Port Trust had taken up construction of a second Port at Ennore. The planning and design work was awarded to a foreign consultant. While drawing the consultancy agreement, a number of items were included in the responsibilities of the consultant. The consultant while preparing tender documents for different works included the same items and thus payment was made to the contractor for making arrangements for office accommodation, telephone, furniture and making transport arrangements etc. These charges were required to be recovered from the consultant. The recovery works out to more than Rs.6 crores.

(ix) The D.D.A. had installed musical fountains in some of their parks. While inviting tenders, the specifications were not properly identified. The nomenclature of the items being vague, the contractor had supplied equipment which did not work properly. In the absence of proper identification of equipment, probably higher rates were allowed and sub-standard work had been accepted.

(x) The Chandigarh Administration had taken up construction of a Medical College-cum-Hospital building costing around Rs.50 crores. The civil and electrical works were split up into small sub-components and were awarded at different stages to one contractor at exorbitant rates. There was no proper justification for splitting up the works, due to which the execution period and costs increased.

## NATURE OF LAPSES DETECTED

3.6 The illustrative nature of prima-facie lapses/irregularities detected in the execution of works as a result of these inspections is indicated in the statement at ANNEXURE - II. Serious instances of lapses and irregularities noticed in the course of inspections or during the subsequent processing of the inspection reports are referred to the CVOs or the CBI, depending upon the nature and seriousness of the lapse(s) for detailed investigation from the vigilance angle. During the year under report, 40 such cases were referred to the CVOs for investigation. An illustrative list of these cases is given in the statement at ANNEXURE - III. Investigation reports received from the CVOs are examined by the Commission in order to tender appropriate advice. A few illustrative examples of the Commission's first stage advice in such cases are given in the statement at ANNEXURE - IV.

### MAJOR DEFICIENCIES NOTICED BY CTEO

3.7 The major deficiencies noticed in taking proper follow up action on the observations made by the Chief Technical Examiner's Organisation and related areas are briefly indicated below:

### TYPICAL EXAMPLES OF LACK OF RESPONSE/DELAYED RESPONSE

#### I. DELAYED REPOSE

3.7.1 Intensive examination reports forwarded by the CTEO are required to be examined and responded within a period of 60 days. In the past, there were abnormal delays on the part of many organisations in this respect. However, with vigorous persuasion there was an improvement during the previous years. The number of reports to which reply has not been received for more than a year had dropped to 5 this year. A statement of reports issued prior to 31.12.1997 for which no reply was received till 31.12.1998 is given at ANNEXURE - V.

#### II. DELAY IN INVESTIGATION

3.7.2 There were considerable delays in submission of Investigation Reports against the paras referred to Chief Vigilance Officers for vigilance investigation. As on 31.12.98 there were 313 cases pending for investigation. A list of the organisations with more than ten such cases is given in ANNEXURE - VI.

#### III. QUARTERLY PROGRESS REPORTS

3.7.3 The Quarterly Progress Reports in regard to civil and other works prescribed by the Commission serve as an important input for exercising general check and supervision over the vigilance and anti-corruption work

### CASES PENDING INVESTIGATION

### NON-SUBMISSION OF PROGRESS REPORTS

regularly from many organisations and some of them do not send these reports at all. Some of the major organisations carrying out civil/electrical/horticulture works which did not send any reports during 1998 are shown in ANNEXURE - VII.

#### **IV. LACK OF INFRASTRUCTURE**

##### **OVER-DEPENDENCE ON EXTERNAL AGENCIES**

3.7.4 Cases have come to the notice of the CTEs Organisation where certain organisations took major construction works without availability of requisite technical establishment. They depended wholly on private architects/consultants for planning and design and the contractor for execution of works. The contractors exploited the circumstances and executed sub-standard works. The works and bills were not properly checked before making payments resulting in substantial over-payments. In addition, huge claims were made by the contractors which could not be defended properly before Arbitrator/Court in the absence of requisite technical support, resulting in corresponding losses to the organisations. It was, therefore, advised that where requisite engineering infrastructure is not available, major works should be entrusted to Central Government organisations/ public sector undertakings.

#### **V. LACK OF CONTROL ON WORKS**

##### **IMPROPER ANALYSIS OF RATES**

3.7.5 Many organisations continue to prepare estimates and invite tenders which are not based on proper schedule of Rates or Analysis of Rates based on correct market rates. Tenders are accepted without verifying the justified cost as per current market rates. Many times tendered amount is compared with estimated cost which itself is not authentic.

##### **NON-ADHERENCE TO SPECIFICATIONS**

3.7.6 Many tender documents do not provide proper specifications, or are not followed during execution. For the important work of reinforced cement concrete, controlled concrete with weigh-batching and regular testing is specified but volumetric mix is provided at site. Even testing is not carried out properly. For example, three cubes are taken instead of six and testing is not carried out at specified age.

##### **NEED FOR PROPER FOLLOW-UP**

3.8 Based on the Quarterly Progress Reports (QPRs) received from about 450 organisations, the CTE's organisation is able to inspect works of about 50 organisations during a year. Thus, CTEO covers a very small area of operation. The CTEO mainly inspects the works with vigilance angle and cannot be a substitute for respective organisation's internal arrangements for quality control and checking of works from vigilance angle. In a few cases, the CTEO takes up preliminary investigations for the cases referred by the Commission or some of the organisations themselves. Sometimes investigations are carried out on the basis of complaints received by the Commission or by the CTEO itself. The complaints received which are considered of normal occurrence are referred to CVOs for investigation at their level.

3.8.2 The CVOs are required to furnish replies and clarifications to the

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observations made in the intensive examination reports on the basis of inspections of the works carried out by the CTEO. To meet the full requirements, it would be necessary that CVOs exercise independent checks on the works executed by their organisations on the lines the CTEO carries out the inspections and brings out the deficiencies. The CVOs are also required to take necessary corrective action to ensure that lapses and irregularities pointed out in the CTEO's reports do not recur in future.

3.8.3 The CTEO is being made broad-based by drawing officers from different disciplines like power, telecommunications, Border Roads Organisation, Railways etc. This would help in widening the coverage from civil, electrical, horticulture and other type of works to such as stores (purchase and inventory control), information technology, telecommunication equipment etc. This would also serve the diversification role and the responsibility of the Government departments in an expanding economy.

### 3.9 PREVENTIVE VIGILANCE

#### COMMON IRREGULARITIES

3.9.1 The CTEs Organisation has been circulating instances of common irregularities in the execution of works as observed during technical examination of works of different departments/public sector undertakings. Three such circulars have been issued in this year, making a total number of 17 so far.(ANNEXURE - VIII )

#### FACULTY IN PREVENTIVE VIGILANCE COURSES

3.9.2 The CTE and TEs are participating in preventive vigilance courses being organised by various PSUs/CBI and other Govt. Departments. During 1998 lectures in more than 40 courses were delivered.

## **CHAPTER - 4**

### **CASES OF NON-ACCEPTANCE OF COMMISSION'S ADVICE AND OF NON-CONSULTATION WITH COMMISSION**

4.1 The Commission's advice in vigilance cases are acted upon by the departments/organisations. In general, the compliance rate is very high when compared to the large number of advices tendered by the Commission. However, there are some rare instances of vigilance cases which were not acted upon by the disciplinary authorities concerned inasmuch as either the advice tendered by the Commission was not accepted or consultation with the Commission was avoided. Such instances nullify to a large extent the objective for which the Commission was set up. During the year under report, there were thirteen important cases which are briefly narrated below:-

#### **M/S BRAITH WAITE AND COMPANY LIMITED**

**OFFICIAL LET  
OFF DESPITE  
VIOLATING THE  
RULES**

4.1.1 In the year 1992, the Commission had advised imposition of minor penalty on a Manager, a Deputy Manager and an Assistant Manager of M/s Braith Waite and Company who were found responsible for violating the standing procedure of Purchase Manual of the Company and flouted a limited tender enquiry to keep the competition confined to only two or three firms. However, the M/s Braith Waite and Company, exonerated the aforesaid officials without consulting the Commission.

#### **HINDUSTAN PAPER CORPORATION LIMITED**

**SERIOUS LAPSES  
IGNORED**

4.1.2 The Commission had advised initiation of major penalty proceedings against one Executive of Hindustan Paper Corporation Limited in December 1991 as the SPS had considered the application for the posts of Clerks/Typist after the stipulated date. Scrutiny of application were also not done properly and persons who did not possess requisite qualifications were called for interview and test.

However, Hindustan Paper Corporation Limited issued a simple warning to the SPS without consulting or even informing the Commission.

#### **DELHI VIDYUT BOARD (DVB)**

**OFFICIAL  
EXONERATED  
DESPITE  
CHARGES  
PROVED**

4.1.3 During a joint inspection conducted by the CBI/DVB's Vigilance Deptt. of the cement store of DVB at Rajghat Power House in March-April 1986, shortage of cement was detected. Consequently major penalty proceedings were initiated against an Inspector of the Delhi Vidyut Board for misappropriating 1749 bags of cement, while working as Incharge of the cement store. The inquiry proceedings in the case were conducted by the DVB's own IO, in which the charges were held as substantially proved

against the charged official. The IO held that since he was the Store Incharge and the joint custodian of the keys, he was responsible for the shortage of the cement and for causing financial loss to the DVB. On this basis, the Commission advised DVB to impose a suitable major penalty on the charged official on 15.3.96.

However, DVB intimated on 17.9.98, that although the minor penalty of reduction in pay by one stage for one year, without cumulative effect, was imposed on the charged official on 23.5.96, he was subsequently exonerated of the charges on the basis of his appeal to the Appellate Authority i.e. Chairman, DVB, on 6.6.96.

It is therefore, evident that although the charges were held as proved against the charged official, he was allowed to go scot free, inspite of the fact that DVB suffered considerable financial loss, due to the misappropriation of the cement bags.

**DELINQUENT  
ALLOWED TO GO  
UNPUNISHED**

4.1.4 A case regarding irregularities in the purchase of transformers during the year 1994 was referred to the Commission. It was observed therefrom that GM, DVB had operated the Quantity Variation Clause of existing agreement for purchase of transformers to procure additional transformers from a private firm ignoring the recommendation of the FA & CVO even though the rates were not economical. Moreover, the downward trend of rates was ignored and the interests of the Organisation were lost sight of. Although there were large number of defective transformers pending for want of repairs but adequate attention was not paid to the job and priority was given to fresh purchase.

For the lack of requisite application and sense of urgency in planning the operations, the Commission advised initiation of minor penalty proceedings against the GM of DVB. However, Ministry of Home Affairs, who were the disciplinary authority of the General Manager/DVB chose to exonerate the official ignoring the fact that undue favour was given to some firms which was detrimental to the financial interest of DVB.

**DELINQUENT  
ALLOWED TO GO  
SCOT FREE**

4.1.5 On 12<sup>th</sup> August, 1986, the Commission advised initiation of major penalty proceedings against a Commercial Superintendent of Chandni Chowk District, DVB for (i) claiming LTC on the basis of fraudulent receipts for the period 19.12.81 to 4.1.82; and (ii) for visiting Sri Lanka during the same period without proper authorisation.

Subsequently, DVB was advised to appoint their own IO in the case on 16.1.90.

Thereafter, nothing was heard from DVB about the progress made in the case. It was only after DVB was reminded in the matter on 15.10.98, that it was intimated that the Commercial Supdt. was exonerated of the charges on 21.4.92. It was noted by the Commission that no reasons were furnished by DVB for exonerating him and neither was the Commission consulted before DVB sought to disagree with the

Commission's advice in the case.

Thus, DVB by blatantly disregarding conventional procedures, exonerated the Commercial Supdt. of the charges, despite the fact that he was prima facie, found to have acted in an unbecoming manner in furnishing false documents in support of his LTC claim, which would normally warrant dismissal from service, in case charges are held as proved during inquiry.

### **RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**

**SANCTION FOR  
PROSECUTION  
NOT GIVEN  
UNDULY**

4.1.6 The Commission had received an investigation report from the Special Police Establishment of the Central Bureau of Investigation recommending prosecution of the then Chairman and Managing Director, the then Chief Marketing Manager and the Dy. General Manager now General Manager and others of Rashtriya Chemicals and Fertilizers Limited for giving free credit facility to one M/s Raja Chemicals against the policy of the Company and thus benefitting the party to the detriment of Rashtriya Chemicals and Fertilizers Limited

The Commission after considering the comments of the Ministry and the Organisation had held that CBI's proposal for prosecution of the then CMD, General Managers and others was prima facie justified as giving material on credit was a departure from the policy of the organisation i.e. was for releasing the material on cash & carry basis. The approval of Board of Directors was required in case of departure from the policy which was not taken.

The Ministry and the Rashtriya Chemicals and Fertilizers Limited, agreed for the prosecution of Retired Chairman and Managing Director, but the Board of Directors of Rashtriya Chemicals and Fertilizers Limited chose to disagree for the prosecution of two General Managers on the plea that the decisions were taken by these two officers based on the Market situation at that time, and in the interest of the company. The company has, however, admitted that at a later date the decisions had resulted in some outstanding amount becoming bad but did not grant sanction for prosecution of the two General Managers of the Rashtriya Chemicals and Fertilizers Limited.

The Commission is firmly of the view that prosecution of the two General Managers was justified and non acceptance of its advice was not warranted.

### **WESTERN COALFIELDS LIMITED**

**OFFICIAL  
CAUTIONED  
DESPITE PROVED  
ERRORS**

4.1.7 In an intensive examination of construction of 80 Nos. Miners Quarters for Central Stores at Tadali, Western Coal fields Limited, the Commission had observed that due to error in a copy of agreement, undue benefit of Rs1,15,443.90 was taken by the contractor. The Commission had, therefore, advised initiation of Minor penalty proceedings against an

Asstt. Engineer, of WCL apart from others.

The Western Coalfields Limited, however, deviated from Commission's advice and only "Cautioned" the said Asstt. Engineer without consulting the Commission.

**SUSPECT  
ESCAPED DUE TO  
INORDINATE  
DELAY**

4.1.8 In an Intensive examination of C/o 88 Nos. DSMQ 40B and 12C type Quarters for New Dhooptala and 19C Type C Quarters for sasti OCM of Ballarpur Area, Western Coalfields Limited, conducted by Chief Technical Examiner in May, 1997 the Commission had observed that tenders were invited five times and were accepted after a period of nearly two years against validity period of 120 days. Delayed decision on the tenders results in liability of escalation of rates of labour which worked out to be Rs.12,45,211.22. The tenders were also accepted at a higher amount of Rs. 12.45 lakhs as compared to the tender cost at first call.

Considering the delayed action on the part of the organisation, the Commission advised the Western Coalfields Limited to fix responsibility for delay as it was observed that after negotiation, the file was shuttling between Civil Department, Finance Department, Director (Tech) and Director (Personnel) etc. of Western Coalfields Limited.

However, WCL intimated that the important officials responsible for the delayed action had already superannuated from service and no action could be taken against them. The Commission notes with deep concern the inordinate delay in finalizing the tender which resulted in huge financial loss and the organisation failed to initiate action in time.

**MUNICIPAL CORPORATION OF DELHI**

**INEPT HANDLING  
OF THE CASE**

4.1.9 In a case involving an Asstt. Dir. (Horticulture) of MCD, the Commission advised initiation of minor penalty proceedings on 3<sup>rd</sup> March, 1993, for his failure to follow prescribed procedures for repair of submersible pumps at U & V Block Park, Shalimar Bagh, Rohini Zone. It was revealed during investigations that the Charged Official(CO) had got prepared bogus quotations in the name of three different firms when actually the repair work had already been executed, prior to the award of the work. It was informed by MCD that the disciplinary authority had imposed the penalty of censure on the CO on 12.8.97. The CO went in appeal against the same and the Appellate Authority, on the basis of personal hearing as well as records of the case, exonerated him of the charges levelled in the case.

Thus, despite the fact that the charges were serious in nature and the integrity of the CO was also in doubt, MCD exonerated him of the charges to enable him to get his promotion from retrospective effect, despite the Commission's advice to the contrary.

## MINISTRY OF HEALTH & FAMILY WELFARE

### LETHARGIC HANDLING OF CASE

4.1.10 On the basis of a complaint against the Dy. Asstt. Director General, Government Medical Stores Department, Calcutta, an investigation was initiated by M/o Health & Family welfare in November 1990. The complaint had alleged irregularities in supply orders placed without demand, in one case, Director of Health Services, did not pay for supplies worth Rs. 75 lakh, received by them from GMSD, since it was not indented by the former. The Ministry also did not quantify the loss caused by the actions of the Dy. Asstt. Director General.

The case was referred to CVC for 1st stage advice on 22/10/96, with an incomplete investigation but since the officer was retiring on superannuation within ten days i.e. by 31/10/96, the Commission advised the Ministry to issue the chargesheet for major penalty proceedings and refer the case for ex-post facto approval at a subsequent date. The Commission also advised that responsibility should be fixed for delay of almost six years in investigating into a complaint.

The officer could not be served with a charge sheet. The Ministry has been directed to conduct an investigation and fix responsibility for delay, which resulted in the matter getting time barred by limitation on 31/10/96. However, as of February 1998, the Ministry is yet to commence the investigation.

## MINISTRY OF WATER RESOURCES

### VESTED INTEREST AND DELAY

4.1.11 Commission advised Ministry of Water Resources in 1993 to initiate major penalty proceedings against a Supdt. Engineer, Central Water Commission. The officer was charged for showing undue favour and recommending an over aged candidate for appointment to the post of a draftsman in the erstwhile CFFD, CWC, Lucknow during 1980. The charged officer was issued a charge-sheet in December, 1994, i.e. 14 years after the incident occurred; and the inquiry was completed three years later.

The inquiry Report also revealed that certain crucial documents, were not produced before the IO, which weakened the case against the officer. During the investigation period, all the officers involved except the Supdt. Engineer retired; hence they could not be charge sheeted.

The Ministry was advised to fix the responsibility for failure of the presenting officer to lead crucial evidence during the inquiry proceedings. The Ministry reverted to the Commission with the stand that the PO cannot be held responsible because the original documents were not actually available and were perhaps tampered with, during the long gap between the event and the initiation of disciplinary action. No action could be taken against the various officers who handled the case for the delay or tampering the records, because they too had retired from services by then.

This is a case where delay vitiated the disciplinary proceedings. It is a glaring example of how a vigilance case has been dealt with. Vested interests ensured that disciplinary action was delayed and when launched, did not succeed.

### MINISTRY OF RAILWAYS

#### **DELAY HELPED DELINQUENT TO RETIRE UNPUNISHED**

4.1.12 In February, 1996, the Commission advised, inter-alia, proceeding under the Pension Rules against a ret'd. Official of the Northern Railway for the irregularities detected on his part in the matter of disposing off (through auction) a consignment of X-Ray films booked by M/s. Hindustan Photo Films through Railway. The case against the indicted officials was that they had arranged the auction proceedings in a clandestine manner and disposed off the materials (worth around Rs.6 lacs) for a paltry sum of Rs.49,000 only. The impugned event dated back to 24.9.92 and hence it was imperative to charge sheet the retired official latest by 23.9.96 otherwise, the case would be time barred for action in terms of the four year limitation clause applicable to retired officials.

The Department had more than 7 months (from the date of Commission's advice) to initiate proceedings against the concerned official in this case by serving a charged sheet on him. The Department, however, reported to the Commission in July, 1998 that on account of clerical/routine delays etc., the case could not be followed up timely with the result that no charge sheet could be issued to the official by the prescribed date. Consequently, the case was time barred for action and nothing else was possible in the matter.

In the Commission's view, the lapses/irregularities alleged against the official were fairly serious which led to a loss of about Rs.5.5 lacs to the Department. The excuses/explanations given by the Department for its failure to ensure timely follow-up action on the Commission's advice were in the Commission's view, not convincing. The Department had seven months for serving a charge sheet on the official which was more than sufficient for doing the needful in which the allegations were clearly made out on the basis of the initial investigations. However, as noted above, the case against the retired official died a natural death, due to the callousness on the part of the Department.

#### **DELIBRATE DELAY/INACTION HELPED DELINQUENT ESCAPE**

4.1.13 The Commission advised, in April, 1992, imposition of a cut in pension by 10% for 5 years on a retired Railway Officer. In a subsequent case against the same officer, the Commission advised, in November, 1992, imposition of a 10% cut in pension for 3 years. [this (second) advice was reiterated by the Commission in September, 1994 when the Department sought a reconsideration of the matter].

Apparently, the Deptt. failed to take timely follow-up action on the Commission's advice and, consequently the official concerned approached the Central Administrative Tribunal, New Delhi. The CAT

then directed the Deptt., on 10.7.95 to finalise both the cases within six weeks: adding that if this is not done, the proceedings would be treated as dropped. The Department, however, could not adhere to this time-schedule and hence they moved the Supreme Court with an SLP (Special Leave Petition). The apex Court, however, rejected the SLP vide its order dated 24.11.97. Consequently, there was no option left in the matter but to drop the proceedings in both cases: and the Department did so vide their Order dated 24.2.98.

It is clear from the above that the cases have been badly handled and delayed by the Department. No reasons/explanations are available as to why the cases could not be finalised within a reasonable time (of say, six to twelve months) after the Commission tendered its advice in April, 1992 and September, 1994 respectively. Further, even after the CAT's directive of 10.7.95, it should have been possible to move and to finalise the cases within 6 weeks as ordered by CAT. If the Department required some more time, an application to that effect could have been made before the CAT itself. Presumably, even this was not done: and it was only as late as on 25.7.96 (i.e. much after the time-limit fixed by CAT had expired) that the Railway Board wrote to the zonal Railway to move an SLP before the Supreme Court. The SLP could not be filed till January, 1997 (exact date of filing SLP is not available) and the ostensible reason/excuse given for this by the zonal Railway was that the draft of the Deptt.'s petition was misplaced. The SLP was rejected by the Supreme Court which also castigated the Department for its shoddy handling of the case. In the Commission's view, this was indicative of a strong possibility that some elements from within the Deptt. delayed the cases deliberately with a view to help the official to go scot free.



# CHAPTER-5

## DELAYS AND OTHER DEFECIENCIES IN VIGILANCE MATTERS

### DELAY IN FINALISATION OF DISCIPLINARY PROCEEDINGS HAMPER JUSTICE

5.1 Laws of Natural Justice demand that disciplinary proceedings are finalised in an expeditious manner. The delay in completion of proceedings invariably hampers efforts to curb malpractices and mete out justice. It may, on the one hand, cause undue harassment to the officials who at the end of the proceedings are found to have been innocent of the charges framed against them; on the other hand, it enables the guilty officers to evade punitive action for long periods of time. The delay in handling disciplinary cases has on several occasions been adversely viewed by the Courts also. There have in fact been instances where the proceedings initiated against the delinquent were quashed solely on the ground that there was inordinate delay in handling the disciplinary action. The Commission, therefore, considers it imperative that instances of suspect malpractices are followed up vigorously by the administrative authorities so that all the delinquents can be identified and proceeded against without delay. It is equally important that the formal proceedings once instituted are completed within the time frame laid down by the Government so that timely action can be taken against the delinquent. However, during the year under report, the Commission noticed that the delay in processing vigilance cases at various stages of investigation and inquiry is rather wide spread and a large number of organisations were not able to adhere to the normal time schedule prescribed for processing the disciplinary cases.

### 5.2 DELAY IN INVESTIGATION OF COMPLAINTS

### DEALY IN INVESTIGATION LEADS TO LOSS OF VALUABLE EVIDENCE

The administrative authorities are required to complete investigation into a complaint normally within a period of three months. In case of Central Bureau of Investigation (CBI), the expected period for completion of an investigation is six months. However, the Commission has noticed that at the end of 1998 investigation reports awaited in respect of as many as 1420 complaints forwarded to departmental vigilance units. Of these, 637 complaints (nearly 45%) were pending investigation for more than three years and 340 complaints (nearly 24%) for periods ranging between one and three years. The organisation-wise break-up of this pendency is given in ANNEXURE-IX. Similarly, out of 6 complaints pending with the CBI for investigation and report, 3 complaints were pending for a period of more than three years. The Commission views with concern such inordinate delay in investigation of complaints. The failure to take timely action in investigating cases of misconduct often results in destruction of valuable evidence and sometimes even in loss of documents. This eventually facilitates officers to escape consequences of their misconduct.

### **5.3 DELAY IN HOLDING ORAL INQUIRY**

#### **TIME - FRAME FOR HOLDING ORAL INQUIRY**

5.3.1 In cases where the Commission had advised initiation of departmental proceedings against an erring official on the basis of preliminary investigation report, the disciplinary authority is required to issue a charge sheet to the delinquent within one month of the receipt of the Commission's advice. The charged officer (CO) in turn is given normally a period of ten days to submit his statement of defence denying or admitting the charge(s). If the CO in his written statement of defence does not admit the charge(s) and the proceedings have been initiated for imposition of a major penalty, the matter can be decided by the disciplinary authority only after holding an oral inquiry for which purpose he is required to appoint an Inquiry Officer (IO). The Commission while advising initiation of major penalty proceedings in suitable cases, normally advises the disciplinary authority whether to approach the Commission for nomination of one of its CDIs to hold the oral inquiry, alternatively the department can appoint its own officer as IO. Keeping in view the time frame prescribed for issuing of a charge sheet and obtaining written statement of defence from the CO, it should be possible for the disciplinary authority to make a reference to the Commission within two months of the receipt of the Commission's advice for initiation of major penalty proceedings.

#### **DELAY IN APPROACHING COMMISSION FOR NOMINATION OF CDI**

5.3.2 The Commission, however, notices that there are instances of delay in approaching it for nomination of an IO. There were 77 cases at the end of the year under report in which the Commission having advised initiation of major penalty proceedings had also advised the department concerned to approach the Commission for nomination of a CDI as Inquiry Officer. But no further action could be taken in respect of these cases in the absence of any response from the department concerned. The organisation-wise break up of these cases is given **ANNEXURE-X**.

#### **DELAY IN APPOINTMENT OF CDI NOMINATED BY COMMISSION**

5.3.3 There were another 145 cases in which the disciplinary authorities had not issued orders appointing the Commissioner for Departmental Inquiries (CDI) nominated by the Commission as Inquiry Officers. Of these, 21 cases were more than one year old and 124 cases were more than 3 months old. The organisation-wise break-up of these cases of delay in appointment of CDIs is given in **ANNEXURE-XI**. The IO appointed by the disciplinary authority to conduct the oral inquiry in a particular case is required to be furnished with the related documents (photocopy of the charge sheet, reply of the charged officer, order of appointment of the Presenting Officer and the listed documents/witnesses, etc.) to enable him to hold the inquiry. These documents are required to be made available to the IO immediately on his appointment as the IO. However, at the end of the year under report, 13 such cases were pending for more than three months, in which the Disciplinary Authorities had not furnished the relevant documents to the CDIs appointed as Inquiry Officers. The organisation-wise break up of these cases is given in **ANNEXURE-XII**.

#### **5.4 DELAY IN IMPLEMENTATION OF COMMISSION'S ADVICE**

#### **LARGE NUMBER OF ADVICES PENDING IMPLEMENTATION**

The Commission notes with concern that the disciplinary authorities in many cases have not been prompt in implementing the advice tendered by the Commission. There were at the end of the year under report as many as 1133 cases pending for over six months for implementation of the first stage advice and 552 cases pending for over six months for implementation of the second stage advice. The organisation-wise break-up of these cases is given in ANNEXURE-XIII. The Commission is of the considered view that delay in implementing its advice defeats the very purpose of effective follow up on the acts of omission and commission on the part of erring officials and, therefore, needs to be avoided at all costs.

#### **ILLUSTRATIVE CASES OF DELAY, DEFICIENT INVESTIGATION AND RELATED MATTERS**

##### **BANK OF BARODA**

5.5 An anonymous complaint against officials of the Bank of Baroda, Boribunder Branch, Bombay was forwarded by the CVC to the CVO of the Bank for investigation in November 1987. It was alleged in the anonymous complaint that certain officials of the Branch had committed irregularities in the Bill Purchase Accounts of two companies which resulted in the outstandings to the tune of Rs.63 lacs. The Bank's investigation was reported to be completed by September 1988. As the responsibility could not be fixed, during the investigation the Bank consulted the CBI who further investigated the matter. The CBI submitted their report in the form of Self Contained Note in October 1990, for taking suitable action against the suspect officers. However, the Bank abnormally delayed action on the CBI's Note and furnished their comments to the Commission after a gap of more than eight years.

##### **NEW DELHI MUNICIPAL COUNCIL**

5.6 A case was registered by the CBI against a Junior Engineer of New Delhi Municipal Council, way back in 1975, for being in possession of disproportionate assets. Thereafter, on the basis of the Commissioner for Departmental Inquiry's findings in the case, the Charged Officer was dismissed from service in 1979. However, the senior Sub-Judge stayed the confirmation of the relevant order dismissing the Charged Officer(CO) from service, on technical grounds, i.e., the President, NDMC, was not the competent authority to initiate disciplinary proceedings against the CO. NDMC did not file any appeal against this Judgement as a result of which it became final and operative. In June 1982, NDMC rescinded the earlier resolution and closed the case against the JE.

When this fact was brought to the notice of the Commission, the Commission advised NDMC in November, 1982 to initiate de-novo proceedings, as the case was decided by the Court in favour of the CO on a technical ground, and not on merits of the case.

However, no action was taken by NDMC till 1988 when a fresh chargesheet was issued to the CO. The CO in the meantime filed a case in the Delhi High Court stating that the NDMC had no right to serve the same chargesheet which had been set aside by the Civil Court and which had been subsequently closed by NDMC. NDMC in their counter affidavit before the Court admitted that the charges leveled in 1988 were identical to those leveled in 1978.

The High Court of Delhi held that since the charges were similar, the respondents could not be allowed to proceed against the petitioner on the very same charges for which he had been exonerated by the NDMC and certainly not after a lapse of approximately 20 years.

It is, therefore, evident from the above that officials in NDMC purposely delayed the matter at various stages and did not take the required corrective action, with the result it became a futile exercise.

## **MINISTRY OF RAILWAYS**

5.7 On the basis of inquiry proceedings conducted by the Department, the Commission advised - in March, 1994 - imposition of a suitable cut in the pension of two retired officers of Northern Railway. After lot of chasing by the Commission (inquiring about implementation of its advice), the Railway Board reported, in July, 1998 that the advice of the Commission could not be implemented on account of non-availability of certain vital documents of the case. Since the case had become too old (as one of the charged officers had retired in 1988 and the other in 1992), Department had proposed that the proceedings may be dropped after communicating Government's displeasure to the officials. In the face of this fait-accompli, the Commission also had no other option to suggest.

According to the Department, the documents in question were being retained by the Inquiry Officer (himself a retired officer) and the case-file was lying unattended in their Establishment Directorate. In the Commission's view, it was quite strange that the Inquiry Officer was retaining the case records with him long after submission of his reports. In fact, he had no business to do so. And the Department also did little in procuring the documents from the IO. Cases against both the indicated officials died a natural death and all the work that had gone into the making of the cases had turned out, ultimately, to be an exercise in futility.

5.8 A complaint received by the Commission alleging irregularities in the matter of promotion of the ticket checking staff of Northern Railway was forwarded by the Commission to the Railway Board in August, 1992 for causing due investigations and furnishing a report to the Commission. The Commission also kept on reminding the Department for getting necessary investigations expedited. However, the Department did not submit any report to the Commission, they have not bother even to acknowledge the communications addressed to them, by December, 1998. Finally, the Commission was constrained to conclude that there was no point in pursuing the matter any further.

5.9 In April, 1995 the Commission advised, inter-alia, major penalty proceedings against a Sr. Personnel Officer (SPO) of C. Railway who had been held by the Department to be responsible for appointment of four "candidates" as Clerks. During the course of investigation by the department, it was found that the documents produced by the so-called candidates were fake and that the candidates are, thus, bogus. The office order relating to the appointments were counter-signed by the SPO after the same was signed/approved by his immediate subordinate, i.e. the Asst. Personnel Officer (APO). However, during investigations, the APO denied to have signed the impugned Office Order and had disowned his signature. The Department believed the APO and, consequently, no penal action was suggested against him.

However, during the course of the inquiry proceedings against the SPO, the APO (who had meanwhile retired appeared as a defence witness and deposed before the Inquiry Officer saying that the office order in question was signed by him. In the face of the admission by the APO, the Inquiry Officer held that the office order was a genuine document insofar as the SPO was concerned and the, the charge of conspiracy/collusion etc. against him was misplaced.

On going through the inquiry report, the Commission was of the view that the case had failed on account of slipshod investigations carried out by the department. Despite the fact that four fake candidates had secured employment in the department on the basis of fabricated documents (including the office order in question), it was noted that the department could not pin-point the real culprits and marshal adequate evidence against any one. The disputed signatures in the fake office order and posting orders should have been duly examined and the officials identified by seeking expert opinion of the the GEQD (Govt. Examiner of Questioned Documents). This was however not ensured by the department leading to a spectacle where the official who initially denied his signatures on the office order had later on presented himself (after his retirement and after the case had already become time barred for action against him) before the Inquiry Officer and owned the signatures for bailing out his old colleague. In short, this was a case which ultimately failed on account of lackadaisical investigations.

# CHAPTER - 6

## CHIEF VIGILANCE OFFICERS

### 6.1 ROLE OF CHIEF VIGILANCE OFFICERS

#### KEY VIGILANCE FUNCTIONARY

The Central Vigilance Commission is a compact organisation and functions through the Chief Vigilance Officers (CVOs) within each Ministry /Department /Organisation and the vigilance units constitute an important feature of the scheme for ensuring probity and integrity in public administration. These vigilance units are headed by CVOs and the Commission considers them as an extension of its own set -up for the purpose of exercising check and supervision on vigilance and anti-corruption work. Their importance is particularly underlined by the fact that nearly 75% of the cases referred to the Commission for advice are those investigated by the CVOs. A CVO is, therefore, an important field functionary in the vigilance set-up. Though the responsibility for the maintenance of efficiency and integrity amongst public servants rests with the Head of the Department/Chief Executive of the organisation concerned, the CVO provides expert assistant in advising him in this important field. The CVO is required to handle all vigilance matters concerning his organisation.

### 6.2 SELECTION AND APPOINTMENT OF CHIEF VIGILANCE OFFICERS

#### CONSULTATION WITH CVC

6.2.1 All departments/organisations to which the advisory jurisdiction of the Commission extends are required to appoint an officer not below the rank of Deputy Secretary to the Government of India or equivalent as CVO after obtaining prior approval of the Commission. The only exception is that the administrative authorities can make short term arrangements, on their own for a period not exceeding three months. For this ad-hoc arrangements, the organisations are, however, required to give an intimation to the effect to the Commission. However, no person whose appointment as a CVO is objected by the Commission can be so appointed. The CVO once appointed cannot be changed before the expiry of his tenure, except on administrative grounds like transfer, promotion etc., and under explicit approval of the Commission.

6.2.2 The CVO in an organisation discharges the onerous responsibility of maintaining probity and integrity in his organisation. The Commission, therefore, considers it important that the CVO should not only be objective and impartial in his dealings but should also be seen to be so. In this context, the Commission endeavours to select only those officers for this

assignment who have an unblemished record of service.

6.2.3 The Commission during the year under report considered the suitability of 472 officers recommended by the administrative authorities for appointment to the post of CVO in different organisations.

### **6.3 GUIDELINES FOR APPOINTMENT OF CHIEF VIGILANCE OFFICERS**

#### **FULL-TIME AND PART-TIME CVOs**

6.3.1 A sizeable number of organisations particularly in the public sector have created full-time posts of CVOs so that the persons appointed is in a position to give his undivided attention to supervising the vigilance and anti-corruption work in the organisation. However, a large number of organisations including the Ministries and Departments of the Government of India have not created such full-time posts. The practice in their case is to assign the additional charge of the functions of a CVO to an officer holding another appointment. The Commission, however, in such cases ensures that the charge of CVO is assigned to an officer who is not, to the extent possible, handling matters sensitive from vigilance point of view and is senior enough in rank to be able to report directly to the Chief Executive of the organisation concerned. The Commission would prefer the CVO in an organisation not to be associated with decision making processes in respect of matters on which he may have himself to sit over in judgement at a later date. The Commission has been of the view that if any additional charge is to be assigned to a CVO, it should ideally relate to "Audit" and "Inspection" which constitute an important input to vigilance activity. On the other hand, the combining of "vigilance" and "security" functions, except in hotel industry, is not considered desirable. The "security" functions being equally demanding, it is not possible for the same officer to give his undiluted attention to the supervision of vigilance matters.

#### **IMPORTANT CRITERIA**

6.3.2 As indicated earlier the main objective is to ensure that an officer working as a CVO in an organisation is in a position to handle the matters objectively and impartially. The following main criteria have been evolved to ensure this.

- (a) The CVO in an organisation should be, as far as possible, from outside the organisation in which he is to be appointed so as to inspire confidence in his impartiality without being encumbered on account of past association;
- (b) Once an officer has worked as CVO in an organisation, he should not be allowed to go back as CVO to the same organisation again; and
- (c) An officer appointed from outside as CVO shall not be absorbed in the same organisation on expiry or in continuation of his tenure as CVO in that organisation.

## **TENURE GUIDELINES**

### **6.4 TENURE FOR APPOINTMENT OF CVO**

6.4.1 The latest guidelines evolved by the Government under Department of Personnel and Training's O.M.No.372/7/97-AVD-III dated 7.8.98 for appointment of CVOs is as follows:-

- (a) The full-time CVOs appointed from outside on deputation basis in public sector undertakings have been uniformly allowed an initial tenure of three years extended upto a further period of two years in the same public sector undertakings or upto a further period of three years on transfer to another public sector undertaking. Such arrangements, however, has to have the approval of the Central Vigilance Commission.
- (b) The tenure of the officers appointed as CVOs in public sector banks has been laid down to be three years which may be extended or reduced at the discretion of the government in consultation with the CVC.
- (c) The normal tenure in respect of officers appointed as CVOs from within an organisation has also been prescribed to be three years extendable by another two years with the specific approval of the Commission.

### **6.5 ASSESSMENT OF WORK OF CHIEF VIGILANCE OFFICERS**

## **REVISED PROCEDURE OF RECORDING ASSESSMENT**

6.5.1 The Commission has been empowered to assess the work of CVOs working full time as well as CVOs working part time in various organisations and record such assessment in their confidential character rolls. The practice earlier followed was to record such assessment on a separate sheet which was later added to the confidential character roll of the officer concerned. A review of this practice indicated that it did not enable the Commission to assess the work of a CVO in its total perspective. In order to streamline the procedures it was decided by the Government that the annual confidential reports in respect of Chief Vigilance Officers in public sector banks as also of officers of All India Services/Central Services working as CVOs in public sector undertakings/organisations whether on full-time or part-time basis shall be initiated by the Chief Executive concerned, reviewed at an appropriate level in the administrative Ministry/Department and forwarded to the Central Vigilance Commissioner for his final observations as the Accepting Authority. The revised procedure has enabled the Commission to have a direct appreciation of the performance of a CVO and to record such assessment on the body of the annual confidential report itself. This also inspires confidence in the CVOs that their efforts to combat corrupt and improper practices are properly appreciated.



**DELAY IN  
FORWARDING  
ACRs**

6.5.2 The Commission also observes that the Annual Confidential Reports (ACRs) of the CVOs which are required to be recorded by the Central Vigilance Commissioner as Accepting Authority are not being furnished in time and are being delayed due to which the career prospects of these officers are hampered.

6.5.3 The Department of Personnel & Training vide its OM No.321/46/94-AVD.III dated 20.5.96 has laid down the time schedule by which the ACRs of officers are to be completed. This has been reiterated to the Reporting Officers for strict adherence to the time schedule so that there is no delay in the completion of ACRs of CVOs. The Commission has also evolved a computer based Reminder Generation System by which the concerned officers are regularly reminded to expedite completion of ACRs of the CVO.

**PERFORMANCE  
REPORT AND  
ACTION PLAN FOR  
QUALITATIVE  
ASSESSMENT**

6.5.4 To enable the Commission to have a proper appreciation of the performance over the year by the CVOs, the Commission obtains from each of the CVOs a detailed note highlighting their performance during the year with special reference to (a) measures taken to strengthen the preventive vigilance; (b) steps taken to activate the vigilance machinery; (c) conducting of periodic inspection of the corruption-prone areas; and (d) expediting completion of preliminary investigations/oral inquiries. The CVOs were also required to forward along with the said note an Action Plan prepared by them for implementation in the ensuing year. The purpose of this exercise is not only to ensure that a correct assessment of the performance of the CVOs is made but also to give an opportunity to the Commission to suggest in time the areas requiring greater thrust so as to enhance the quality and effectiveness of the vigilance work in each organisation. The "performance" reports shall serve as a supplement to data-based quarterly statistical reports and enable the CVOs to highlight more specifically the qualitative improvement that has been brought out in creating a corruption-free elimate in the organisation concerned.

**6.6 DELAY IN APPOINTMENT OF CHIEF  
VIGILANCE OFFICERS**

**LARGE NUMBER  
OF POSTS OF  
CVOs VACANT**

6.6.1 The CVO is the functionary assigned the task of dealing with all vigilance matters in an organisation. The Commission therefore, considers it necessary that these posts wherever vacant are filled up expeditiously so that vigilance work in the organisations does not suffer. As a result of the persistent efforts made by the Commission, 132 vacant posts were filled up during the year under report. These include Steel Authority of India Ltd., Westrn Coalfields Ltd., IBP Balmer Lawrie Groups, Bharat Dynamics Ltd., Hindustan Insecticides Ltd., NCCF, KRIBHCO and Kudhremukh Iron Ore Co. Ltd., Bongaigaon Refinery and Petrochemicals Ltd. However, in several organisations, the administrative authorities could not fill up these vacancies. These include organisations like Cement Corporation

of India Ltd., Heavy Engineering Corporation Ltd., Cotton Corporation of India Ltd., Northern Coalfields Ltd., Jute Corporation of India Ltd., Hindustan Photo Films Manufacturing Co. Ltd., Modern Food Industries (India) Ltd., Export Inspection Council of India, National Jute Manufacturing Corporation Ltd. where the post of CVO has been lying vacant for more than one year.

## **INCENTIVES FOR CVOs**

6.6.2 The vigilance set up in most of the Public Sector Undertakings are skeletal and out of the sanctioned posts, approximately 25% remain vacant at any given point of time and takes considerable long time to fill them up. One of the important factors due to which the posts of CVOs and lower vigilance functionaries in PSUs are not filled up is the onerous nature of the job. The posts need to be made more attractive and less risk-prone by granting monetary and non-monetary incentives to the officers. In order to address this problem, the Commission has made the following suggestions to the Government for consideration:

- (a) The officers selected as CVOs in PSU may be given a grade higher than in their parent grade as in the case of Banks and Insurance Companies.
- (b) Protecting the perquisites available in the parent organisations, since these vary widely inter se organisations.
- (c) Protect the promotional prospects of the vigilance staff by ensuring that they cannot be superseded in the normal course; making a stint in vigilance work at some point in their career essential or preferred qualifications to carry a suitable weightage in promotions to posts above certain levels.
- (d) On reversion to the parent cadre, plan for postings so as to avoid chances of victimisation.
- (e) Ensuring free flow of vigilance sensitive information to the CVOs duly streamlining the reporting channels.

## **6.7 TRAINING**

### **BETTER TRAINING FACILITIES REQUIRED**

6.7.1 The Commission attaches considerable importance for imparting proper training to the CVOs of the organisations. The Commission itself organises training courses for CVOs. These training courses are normally conducted on quarterly basis for the newly appointed CVOs in order to acquaint them with the procedures, practices and techniques in the field of vigilance administration. Two such training courses were conducted in 1998, in which 45 CVOs participated.

6.7.2 The training for other vigilance personnel like Investigating Officers, Presenting Officers and Inquiry Officers is normally arranged by the concerned organisations. However, the Commission provides guidance

for the proper organisation of these courses by suggesting suitable curriculum, names of speakers and provision of faculty from the Commission. The officers of the Commission also delivered 111 talks during this period at vigilance courses conducted by different organisations.

## **6.8 STATISTICAL RETURNS**

### **NEED FOR TIMELY SUBMISSION OF RETURNS**

6.8.1 In order to exercise general check and supervision over the vigilance work in the departments, the Commission calls for Quarterly Statistical Returns (QSRs) from all departments. The QSRs form an integral part of the vigilance and provide first hand information about the progress of the vigilance agency of an organisation. These are required to be furnished by the CVOs in the prescribed format so as to reach the Commission by the 15<sup>th</sup> day of the month following the relevant quarter. The Commission however, observed that a large number of departments either furnished these returns after considerable delay or in respect of some quarters only or in some extreme cases the reports were not furnished at all. The statement at ANNEXURE-XIV contains an illustrative list of organisations from which no QSR was received during the year under report.

### **INCISIVE INFORMATION**

6.8.2 The nature of information contained in these QSRs indicate the scale of vigilance activities in the organisation and the nature of functioning of the CVOs in the matter of investigation of allegations and advising the further course of action to the Government. These QSRs, being of statistical nature, often lack the incisiveness of information required for vigilance and anti-corruption matters. The Commission, therefore, also calls for additional information from all public sector undertakings by way of relevant data to supplement qualitatively the information on complaints received, cases under investigation, pending departmental proceedings and final orders issued on the outcome of departmental proceedings in respect of officials of E-6 grade and above. The Commission is confident that it should be possible to establish the vigilance profile of senior level officials of PSUs. This is a valuable input to the Commission in processing proposals for scrutiny of antecedents of candidates considered for different board-level/higher board-level appointments in PSUs.

## **6.9 PERFORMANCE OF CVOs**

### **CONSIDERABLE PENDENCY**

6.9.1 The performance of the CVOs as reported by them is given in ANNEXURE-XV. The following table indicates the number of those cases dealt with by the CVOs in which the Commission's advice was not necessary and which ended in formal punishments during the last ten years.

SL. NO.	YEAR	MAJOR PENALTY	MINOR PENALTY	TOTAL
1	1988	2910	4497	7397
2	1989	2534	4896	7430
3	1990	2606	5641	8247
4	1991	2507	5585	8092
5	1992	2629	5436	8065
6	1993	3168	5790	8958
7	1994	2808	5711	8519
8	1995	3232	6198	9430
9	1996	3044	6109	9153
10	1997	3423	7183	10606
11	1998	3747	6626	10373

**NOTE**

This information is based on the quarterly returns submitted by the organisations and, therefore, does not include the information pertaining to those organisations whose returns were not received or contained discrepancies which were not reconciled.

6.9.2 The pendency with the CVOs as on 31.12.1998 has been analysed in ANNEXURE -XVI. The Commission observes that:-

(a) In the Banking Sector, the number of cases involving category "A" officers pending completion of oral inquiry has slightly increased from 557 at the end of 1997 to 597 in 1998.

(b) In the Banking Sector, the number of cases pending for more than three months, in respect of category "A" officers, for action after proceedings in the year under report has decreased to 152 from 178 at the end of 1997.

(c) There is a significant improvement in the pendency for completion of oral inquiry/decision on inquiry report in respect of category "B" officials in the Banking Sectors. The total number of pending cases was 2529 during 1997 and the same had come down to 2130 during 1998.

(d) In the Regional Review Meeting CVC has emphasised the need for speedy clearance of departmental inquiries. The CVC stated that the units must set for themselves an outer limit of six months for completion of departmental inquiries. The investigations must be swift while at the same time conforming to the principles of natural justice.

## **CHAPTER -7**

### **PROCEDURES/SYSTEM IMPROVEMENTS SUGGESTED BY THE COMMISSION**

The Commission has observed that in many cases proper procedures/systems were not adhered to. If the Organisations follow the same, many irregularities could have been avoided. Keeping this in view, the Commission had advised the Departments/Organisation in many numbers of cases to streamline their systems/procedures and follow them up. Some of the suggestions made by the Commission on system improvements and highlights of some of the instructions of the Commission in this direction are given below:

#### **7.1. BANKING SECTOR**

##### **7.1.1. CREDIT DELIVERY**

The credit dispensation system broadly encompasses 3 stages, viz., pre-sanction, post-disbursement and intermediary. Detailed guidelines of operational nature based on RBI policy directives have been issued by all Banks and they are periodically revised, updated to meet the emerging/ changing needs. Despite the availability of plethora of guidelines, our experiences in dealing with vigilance cases referred by Banks reveal that there are loose ends in the system. In order to minimise the irregularities, a few suggestions to bring about improvement in the system have been detailed below:

i) Credit decisions with regard to the quantum of loan, repayment schedule and other terms and conditions are found to have been taken without proper assessment of the credit worthiness and credit needs. Such infirmity in decision is caused by knowledge gap, inadequacy of support systems and at times by deliberate attempt to bypass the lending norms. Such infirmity and inadequacy will be overcome by introduction of group approach to lending which will ensure that credit decisions are taken in transparent manner. Further, the benefit of collective wisdom will improve the quality of credit decision. The apprehended delay likely to be occasioned by pursuance of this system can be allayed by organising group meetings at fortnightly interval or at longer/shorter duration depending on the needs. The group should comprise of the officers entrusted with the responsibility to undertake pre-sanction inspection/survey, the sanctioning authority and the authority one stage higher in the hierarchy. The credit appraisal undertaken by the sanctioning authority and officers below him should be subjected to detailed scrutiny by the group with a view to ensuring that the proposal is a bankable one and the risk proposed to be undertaken is a fair banking risk. Minutes of the meeting should be prepared and

enclosed to the appraisal note on the basis of which the credit decision should be taken by the competent authority. The system envisaged will not dilute the existing discretionary lending powers of the various authorities.

ii) Sometimes unscrupulous persons succeed in getting undeserved credit facilities from banks by concealing adverse information about themselves. Field functionaries also fail to obtain and make use of such information either because of genuine difficulties or by design. Thus, credit decisions are taken in the absence of factual information about the worth of the prospective borrowers. This underlines the need for evolving a suitable and effective system under which information about borrowers and their group concerns are shared amongst the bankers.

iii) Irregularities with regard to transgression of discretionary powers as also the sanction of limits on the verbal instructions of the higher officers are often received by the Commission. Sometimes, exceeding discretionary powers may become unavoidable in the interest of the borrowers as well as in the Bank's commercial interest. Such transgression may arise: (a) at the time of sanctioning the new limits and (b) while allowing drawings in excess of the sanctioned limits and drawing powers. Former should be totally banned and the latter may be resorted to but only exceptionally. It should be followed up by submission of an "exception report" on the same day/the day following to the next higher authority. The system of taking credit decisions on verbal instructions of higher officers should not be allowed to continue because it is fraught with risks.

iv) Irregularities at the post-disbursement stage mainly emanates from laxity or deliberate inaction on the part of the officers to supervise the credit. Taking advantage of casualness of the officers or by conniving with them, borrowers of shady characters succeed in misusing or defrauding Bank' funds. Drawing powers of the borrowers are found to have been worked out without co-relating them with the value of stocks. The absence of element of surprise check/verification of goods hypothecated/pledged is the primary reason for this irregularity. It is, therefore, suggested that borrowers' units should be occasionally inspected by officers higher in hierarchy than the field staff entrusted with routine inspection. This will impart an element of surprise to the system of inspection. Detailed guidelines as to which unit should be visited, by whom and at what interval may be worked out by the individual Banks.

v) Adequate care should be taken to identify officers for manning credit positions. These officers should be exposed to basics of credit management before permitted to work independently. That apart, the number of function-specific outfits should be increased so that credit proposals at least of high value are handled only at the specialised branch. This will also ensure improved service to the customers.

## **7.2 GOVERNMENT OF NCTD**

### **7.2.1 Procedure for registration of firms in Sales Tax Department**

It has been experienced that large number of registered firms disappear after 2-3 years when sales tax demands against them become heavier. In the process, Government of Delhi is losing revenue on regular basis. In order to plug the loop-holes in the existing system a study of procedure for registration of firms and monitoring of activities registered firms needs to be done.

### **7.2.2 Registration in Employment Exchange**

Public opinion about the functioning of employment exchanges in Delhi is not very favorable. There have been complaints that genuine registered candidates rarely get calls for employment. On the other hand, cases of people getting call letters out of turn are very frequent.

GNCTD has been advised to conduct a system study to improve the functioning of employment exchanges in Delhi and examine the feasibility of computerising the working of this organisation to make its working transparent.

## **7.3 DELHI VIDYUT BOARD**

### **7.3.1 Billing Department**

It is very common for the consumers to receive inflated bills for DVB. There have been occasions where inflated bills were sent to the consumers to harass them by abusing discretionary powers vested in the officers of the Finance Department. The cases of wrong readings or no readings by meter readers are also very common feature. To improve the public image of the organisation, it is necessary that functioning of billing section should be streamlined. DVB has been advised to conduct a study of existing system of bill raising and bill revision particularly powers of AFOs and director EDP.

### **7.3.2 Enforcement Department**

To book the over loading, misuse of electricity and detect theft cases, Enforcement Department conducts raids on regular basis. However, follow-up action on such cases is lacking and malafide in such cases cannot be ruled out. It is necessary that a proper monitoring mechanism may be evolved to monitor the progress of each case at various stages. The powers to drop the cases also needs to be defined.

### **7.3.3 Stores Department**

DVB has been advised to ensure that purchase and stores manual are updated incorporating the latest instructions on the subjects.

## **7.4 DELHI DEVELOPMENT AUTHORITY**

### **7.4.1 Procedure for Allotment of Institutional Land**

Land for institutional purpose is in high demand in Delhi. There have been cases where land was allotted to some societies/organisations by violating first come first basis. There appears to be no system for verifying the credentials/experience of the societies/organisations who applies for allotment of institutional land. Further in some cases the land-use was changed to favour some parties. To avoid such cases, DDA has been advised to undertake a study of the existing procedure for allotment of institutional land including the procedure being followed in GNCTD for recommending cases for allotment of land.

### **7.4.2 Conversion of Lease-hold properties to Free-Hold**

There have been complaints that cases are being unduly delayed by DDA even though owners have deposited the required fee. It is a common grievance that public is being harassed by raising fresh demands on account of unpaid lease amounts and demands on account of use of premises other than residential purpose even though same has already been removed as soon as it was objected by the DDA. To improve the public image of the organisation, DDA may conduct a study of the existing system being followed for clearing the cases on first come first out basis and a suitable monitoring mechanism may be evolved.

### **7.4.3 Functioning of Accounts Department**

There have been numerous instances when the installment money or lease money deposited by the House Owners in the authorised banks was not posted in the individual's account with the result finalisation of the account was delayed or additional demands were raised against the owner. Such situation gives rise to the corrupt practices. In order to plug the loopholes in the existing system, DDA has been advised to conduct a study on functioning of Accounts Department, particularly, regarding posting of Accounts and Co-ordination between authorised banks and DDA and also to review the functioning of Accounts Department to ensure that the money deposited by the public is posted in concerned account of the individual correctly and timely.



## **7.5 MUNICIPAL CORPORATION OF DELHI/ NEW DELHI MUNICIPAL COUNCIL**

### **7.5.1 Assessment of House Tax**

It is a regular feature in MCD/NDMC that inflated house tax bills are issued to the house owners and subsequently these are reduced substantially. The vast powers given to the Assessor and Collectors to fix the house tax lead to corruption in the department and loss of revenue to the organisation. There is a need to conduct a study of existing procedure for fixation of house tax. Therefore, the Commission has advised the MCD/NDMC to conduct some surprise checks in newly developed/developing colonies where house tax assessments are going on to identify the loopholes in the system, particularly in cases where house tax is fixed on cost of construction basis.

Presently, House Tax Assessment on Cost of Construction basis is done by the Assessor and Collector, MCD/NDMC on the basis of valuation report prepared by approved Architect and valuer. The report of Architect is required to be verified by inspecting the site. This work is being done by the Inspectors in House Tax Department who have no knowledge of technical matters. It would be logical if this inspection is done by officers of Building Department, preferably at AE, Bldg. Level. MCD/NDMC has been advised to examine the feasibility of obtaining a report from ZE(Bldg.) in cases where house tax is proposed to be fixed on cost of construction basis. Similarly, in cases of addition/alteration also the Commission advised to adopt similar practice.

### **7.5.2 Unauthorised Constructions:**

Large scale unauthorised constructions/deviations are going on in Delhi. The existing instructions on the subject have proved ineffective as neither these have any deterrent effect on builders nor on the officials of building department supposed to detect such cases. These unauthorised constructions/deviations have made the land use planning of Delhi irrelevant. In the coming days due to increase in density of population in certain areas problems regarding civic amenities will worsen. MCD/NDMC has been advised to undertake study of existing policy regarding sanctioning of building plan to see:-

- a) whether existing instructions regarding covered area and number of floors admissible requires change keeping in view the changed social and economic requirements. If so, at what cost it can be done.
- b) whether house tax rates can be linked with actual covered area and number of floors constructed.
- c) whether to dissuade public from carrying out unauthorised deviations

in houses/flats, there could be a system for automatic revision of house tax as per current rates.

d) whether as and when any building plan for addition/alteration is sanctioned, a copy of the sanction letter should be marked to the House Tax Department to enable them to make fresh assessment of house tax.

## **7.6 DELHI TRANSPORT CORPORATION**

DTC is large organisation having a fleet of 3000 buses and make purchases worth crores of rupees for maintenance purpose. DTC has been advised to ensure that the required stores and purchase manuals incorporating the latest instructions on the subject are available to all the concerned officials.

## **7.7 CENTRAL PUBLIC WORKS DEPARTMENT**

### **7.7.1 Monitoring System for Arbitration and Court Cases**

There have been instances when the cases were not presented properly before the Arbitrator and the court, with the result cases went against the Govt. It was experienced that Arbitration/Court cases were not monitored by the concerned executive authorities and left to the lower functionaries. In order to avoid such cases in future, CPWD has been advised to evolve a well-defined monitoring system for arbitration and court cases.

## **7.8 BHARAT COKING COAL LIMITED**

An investigation report was called for by the Commission in February 1998, on receipt of a complaint about coal slurry being taken out of the Patherdih Coal Washery of BCCL, a subsidiary of CIL. The investigation conducted by BCCL has clearly established that existing procedures and process governing disposal of slurry/washery products was being manipulated/manoeuvred by the vested interests within and the outside the washery. This results in slurry flowing out of the washery and gathered illegally by the outsiders who convert this slurry into coal through small Bhattas and sell this coal in the open market and earning considerably through illegal trade.

The Commission has, therefore, advised BCCL/CIL to study the processes and procedures and evolve guidelines plugging and all the loopholes in the existing system so that slurry/washing products could be disposed of faster than its generation so that there is no room be left for bleeding/overflowing of these product. However, action report is still awaited from the BCCL/CIL.

## **7.9 DEPARTMENT OF WOMEN & CHILD DEVELOPMENT**

The Commission forwarded a complaint pertaining to execution of civil works by the Central Social Welfare Board to the Department of Women & Child Development in October 1993. The investigation in this case had not been completed within a reasonable time. However, the investigation report submitted in this regard clearly indicated that proper procedures were not followed in awarding the work and in the meantime, the officials concerned had also retired. Tentative estimates prepared, acceptance of the lump-sum contract, absence of technical scrutiny of the bids and the over-all execution of the work was also found to be irregular. The Commission, therefore, advised the Central Social Welfare Board to follow proper procedures in awarding such contracts and avoid irregularities in future.

## **7.10 MODERN FOOD INDUSTRIES (INDIA) LTD.,**

After inspecting one of the Internal electrification jobs of the Modern Food Industries(India) Ltd., the Commission advised the Organisation to prepare a well defined tender documents/specifications to avoid ambiguities/contradictions in future contracts and to carry out investigations quickly and also make full use of the inspection facilities of Chief Technical Examiners Organisation of CVC.

## **7.11 INSTRUCTIONS OF THE COMMISSION IN THIS DIRECTION**

### **7.11.1 Computerisation of Property Returns and preparation of Agreed Lists.**

The Commission observed that a better monitoring of the Property Returns filed by the officers and the preparation of Agreed Lists would help to provide a better and cleaner administration. Therefore, the Commission advised all Departments/Organisations:-

- (a) to take necessary steps to immediately computerise Property Returns submitted by all officials for proper monitoring and follow up; and
- (b) all CVOs to include a column in the self-assessment/performance report submitted by them on the Action taken by them in the preparation of Agreed List.

### **7.11.2 Delegation of Powers in PSUs.**

The Commission has observed that inadequate delegation of powers to the Personnel at the Project Sites and other sub (offices)

formations had not only lead to delays but also resulted in cost escalation. Therefore, the Commission advised all Public Sector Enterprises to review the position with regard to delegation of powers to personnel functioning in the Projects and other formations which are away from the Headquarters and delegate such personnel with adequate powers commensurate with the requirement so that functioning of such projects and formations are smooth and effective.

The Commission has also observed that the infrastructure and formations outside the Headquarters of the PSEs are the potential spots of corruption by way of misuse of staff cars, guest houses etc.

Therefore, the Commission also advised all PSEs to dispense with all such infrastructure on formations which are not found viable/justified or curtail them to have minimum after review.

## CHAPTER - 8

### **SPECIAL CHAPTER ON THE FUNCTIONING OF THE DELHI SPECIAL POLICE ESTABLISHMENT (CENTRAL BUREAU OF INVESTIGATION) (AS PER SECTION 14(2) OF CVC ORDINANCE)**

8.1 The Central Vigilance Commission Ordinance which was promulgated subsequent to the Supreme Court's direction in the case of Shri Vineet Narain and other Vs. Union of India, empowers the Central Vigilance Commission to exercise superintendence over the functioning of Delhi Special Police Establishment and review the progress of investigations being conducted by them in so far as it relates to investigation of offences covered under the Prevention of Corruption Act, 1988.

8.2 Therefore, in exercise of powers conferred on CVC under Section 8(1)(a), 8(1)(e) and 8(1)(f) on the Central Vigilance Commission Ordinance, the Central Vigilance Commission has evolved the following pattern/cycle for reviewing the progress of the CBI cases:-

First month	:	Cases of Senior officials of the Government
Second month	:	Political Leaders
Third month	:	Executives of Banks and Public Sector Enterprises.

The Commission has also prescribed two MIS formats in which the information has to be furnished by CBI for each of these review meetings.

8.3 As far as the work done by the CBI during the year 1998, the same has been detailed below:-

8.3.1 During the year 1998, CBI registered 1156 cases. Out of these 939 cases were against public servants and 217 against private persons/firms.

8.3.2 During 1998, 486 cases were registered against Gazetted Officers (GO) in which 845 officers are involved. The percentage of GO cases comes to 42.0%.

8.3.3 During 1998, the CBI handled 2735 cases, including those carried over from the previous years. Out of the cases dealt with this year, 576 have been sent up for trial and 352 reported for Departmental Action. The remaining cases are either still under investigation or have been dropped.

8.3.4 In the cases sent up for trial this year, 675 public servants were prosecuted, including 332 of Gazetted rank. The number of private persons sent for trial was 914.

#### **8.4 CONVICTION**

8.4.1 441 cases were decided in Courts during 1998, of which 292 ended in conviction while 149 ended in acquittal/discharge or were otherwise disposed of.

8.4.2 During the year, 1998, 89 officers of Gazetted Status were convicted by Courts.

8.4.3 The percentage of conviction during 1998 comes to 71.9%.

#### **8.5 DEPARTMENTAL PUNISHMENT**

8.5.1 Of the 594 departmental proceedings concluded during 1998, 446 (83.0%) resulted in punishment.

8.5.2 On the basis of cases and reports made by the Special Police Establishment in Courts or before departmental Authorities savings to Government have been effected during 1998, as under:-

- a) Total fines imposed by Courts:Rs.1,43,35,216/-
- b) Recoveries from public servants:Rs.2,19,600/-  
(Departmental Action Cases)

# ANNEXURES

**ANNEXURE - 1**  
**(Para 2.10.1)**

**ORGANISATION-WISE DETAILS OF PUNISHMENTS IMPOSED DURING 1998 IN  
RESPECT OF CASES WHERE COMMISSION'S ADVICE WAS OBTAINED**

SL. NO.	NAME OF ORGANISATION	PROSE-CUTION	MAJOR PENALTY	MINOR PENALTY	ADMINISTRATIVE ACTION
1	AIR INDIA	0	0	0	1
2	AIRPORTS AUTHORITY OF INDIA	0	0	1	4
3	ALLAHABAD BANK	0	6	7	0
4	ANDHRA BANK	0	8	1	1
5	BANK OF BARODA	0	22	21	11
6	BANK OF MAHARASHTRA	0	3	5	1
7	BANK OF INDIA	0	25	22	7
8	BHARAT COKING COAL LTD.	0	2	1	0
9	BHARAT HEAVY ELECTRICALS LTD.	0	0	4	2
10	BUREAU OF INDIAN STANDARDS	0	2	2	2
11	C.S.I.R.	0	0	4	0
12	CABINET SECRETARIAT	0	0	1	0
13	CALCUTTA PORT TRUST	0	0	3	1
14	CANARA BANK	0	22	3	1
15	CENTRAL BANK OF INDIA	0	21	10	0
16	CENTRAL BOARD OF DIRECT TAXES	0	2	2	1
17	CENTRAL BOARD OF EXCISE & CUSTOMS	0	35	14	12
18	CENTRAL BOARD OF SECONDARY EDN.	0	0	2	0
19	CENTRAL PUBLIC WORKS DEPTT.	0	1	1	13
20	CENTRAL SOCIAL WELFARE BOARD	0	0	1	0
21	CENTRAL TIBETAN SCHOOL ADMN.	0	1	0	0
22	CENTRAL WAREHOUSING CORPN.	0	0	1	0
23	CHANDIGARH ADMN.	1	3	0	0
24	COAL INDIA LTD.	0	1	2	0
25	COCHIN PORT TRUST	0	0	1	0
26	CORPORATION BANK	0	2	1	3
27	D/O ATOMIC ENERGY	0	3	5	0
28	D/O CULTURE	0	0	1	0
29	D/O EDUCATON	0	1	0	0
30	D/O ELECTRONICS	0	1	1	0
31	D/O INDUSTRIAL POLICY & PROMOTION	0	2	0	0
32	D/O PERSONNEL & TRAINING	9	1	1	0
33	D/O POSTS	0	1	5	0
34	D/O SPACE	0	2	1	0
35	D/O SUPPLY	0	5	3	2
36	D/O TELECOMMUNICATIONS	0	20	8	7
37	DADRA & NAGAR HAVELI ADMN.	0	0	1	0
38	DELHI VIDYUT BOARD	0	42	123	10
39	DELHI DEVELOPMENT AUTHORITY	0	5	5	31
40	DELHI JAL BOARD	0	0	0	1
41	DELHI STATE INDUSTRIAL DEV. CORPN.	0	0	1	0
42	DELHI TOURISM CORPN.	0	2	4	7



SL. NO.	NAME OF ORGANISATION	PROSECUTION	MAJOR PENALTY	MINOR PENALTY	ADMINISTRATIVE ACTION
43	DENA BANK	0	7	1	0
44	FOOD CORPN. OF INDIA	0	0	2	0
45	GOVT. OF NCT, DELHI	0	25	8	9
46	GOVT. OF PONDICHERRY	0	1	2	2
47	HINDUSTAN STEELWORKS CONSTN.LTD.	0	2	1	0
48	HINDUSTAN CABLES LTD.	0	0	1	0
49	INDIA TOURISM DEVELOPMENT CORPN.	0	0	1	1
50	INDIAN BANK	0	11	4	3
51	INDIAN COUNCIL OF AGRICULTURAL RES.	0	2	0	0
52	INDIAN OIL CORPN. LTD.	0	0	1	1
53	INDIAN OVERSEAS BANK	0	5	0	1
54	ITI LTD.	0	0	0	1
55	KENDRIYA BHANDAR	0	0	1	0
56	KENDRIYA VIDYALAYA SANGATHAN	0	3	2	0
57	LAKSHADWEEP ADMN.	0	1	0	0
58	LIFE INSURANCE CORPN. OF INDIA LTD.	0	0	2	1
59	M/O COAL	0	0	0	1
60	M/O COMMERCE	0	2	0	0
61	M/O DEFENCE	6	22	17	5
62	M/O EXTERNAL AFFAIRS	0	3	1	1
63	M/O HEALTH & FAMILY WELFARE	0	4	2	0
64	M/O HOME AFFAIRS	1	2	3	0
65	M/O INFORMATION & BROADCASTING	0	3	3	4
66	M/O LABOUR	0	1	1	0
67	M/O LAW, JUSTICE & COMPANY AFFAIRS	0	1	0	0
68	M/O MINES	0	1	0	0
69	M/O RAILWAYS	0	78	220	183
70	M/O SOCIAL JUSTICE & EMPOWERMENT	0	1	0	0
71	M/O TEXTILES	0	0	1	1
72	M/O URBAN AFFAIRS & EMPLOYMENT	0	3	4	4
73	M/O WATER SOURCES	0	1	3	0
74	MINERAL EXPLORATION CORPN.LTD.	0	0	0	2
75	MINING & ALLIED MACHINERY CORPN.LTD.	0	0	2	0
76	MODERN FOOD INDUSTRIES	0	0	0	1
77	MUMBAI PORT TRUST	0	3	0	1
78	MUNICIPAL CORPN. OF DELHI	0	7	1	0
79	NATIONAL HYDROELECTRIC POWER CORP.	0	0	12	0
80	NATIONAL INSURANCE CO.LTD.	0	1	0	0
81	NEW DELHI MUNICIPAL COUNCIL	0	9	13	2
82	NEW INDIA ASSURANCE CO.LTD.	0	1	1	0
83	NEW MANGALORE PORT TRUST	0	1	0	0
84	NUCLEAR POWER CORPN.	0	0	2	1
85	O/O C&A.G. OF INDIA	0	2	0	0
86	OIL & NATURAL GAS CORPN.LTD.	0	0	2	5
87	ORIENTAL BANK OF COMMERCE	0	3	4	0
88	ORIENTAL INSURANCE CO.LTD.	0	0	3	0
89	PARADEEP PORT TRUST	0	4	1	0
90	PAWAN HANS HELICOPTERS LTD.	0	0	0	1
91	PUNJAB & SIND BANK	0	5	24	1
92	PUNJAB NATIONAL BANK	1	105	45	46
93	RESERVE BANK OF INDIA	0	4	0	4
94	RICHARDSON & CRUDDAS LTD.	0	0	0	1

SL. NO.	NAME OF ORGANISATION	PROSE- CUTION	MAJOR PENALTY	MINOR PENALTY	ADMINISTR- ATIVE ACTION
95	SPORTS AUTHORITY OF INDIA	0	3	0	0
96	STATE BANK F TRAVANCORE	0	1	4	2
97	STATE BANK OF BIKANER & JAIPUR	0	5	3	0
98	STATE BANK OF HYDERABAD	0	11	8	1
99	STATE BANK OF INDIA	8	125	167	135
100	STATE BANK OF MYSORE	0	4	3	1
101	STATE BANK OF INDORE	0	2	1	0
102	STATE BANK OF PATIALA	0	4	4	1
103	STATE BANK OF SAURASHTRA	0	4	2	1
104	STEEL AUTHORITY OF INDIA LTD.	0	0	5	0
105	SYNDICATE BANK	0	52	21	19
106	TOBACCO BOARD	0	9	4	0
107	TUTICORIN PORT TRUST	0	0	0	1
108	UCO BANK	0	24	6	6
109	UNITED BANK OF INDIA	0	5	5	0
110	UNITED INDIA INSURANCE CO.LTD.	0	1	5	2
111	UNION BANK OF INDIA	1	27	6	2
112	VISAKHAPATNAM PORT TRUST	0	1	2	1
113	VJAYA BANK	0	17	11	9
	<b>TOTAL</b>	<b>27</b>	<b>860</b>	<b>917</b>	<b>582</b>

**ANNEXURE-II**  
**(Para 3.6)**

**SOME EXAMPLES OF PRIMA FACIE IRREGULARITIES/LAPSES  
NOTICED DURING CTEO'S INSPECTIONS**

**A. GOVERNMENT DEPARTMENT**

**A.1 CENTRAL PUBLIC WORKS DEPARTMENT:**

**A.1.1 Construction of G.P.R.A. Blair Complex at Trivandrum:**

Discrepancies were found in drawing the original agreement and in nomenclature of items. Site record was not been maintained properly. Several abnormally high rated items deviated abnormally. Secured advance had been allowed without testing of material. Several deficiencies were noticed in execution of work.

**A.1.2 Construction of 293 Nos. residential quarters of C.R.P.F. at Jawahar Nagar, Hyderabad.**

Comparative statement had not been signed by A.A.O. S.E. did not submit correct rates to C.E. Progress of work had been slow, test check of E.E. was below the prescribed limit, concrete found weak, finish of cup boards was not proper, glazed tiles used and mosaic floor finish were not good. The lead in the joints was not as per specifications.

**A.1.3 Construction of building for JNV at Gurdaspur.**

There was huge deviation in quantities indicating poor estimation. The steel windows provided were not flash but welded as stipulated. Numbers of other defects were observed in the work.

**A.1.4 Construction of Office Building for Income Tax Department at Rohtak.**

Tender papers were issued to one ineligible contractor. Chief Engineer rejected tenders of Ist call without having delegation of powers. Mandatory tests for flush door shutters, aluminium sections etc. were not conducted. The steel windows were of local make and were not flash butt-welded.

**A.1.5 Construction of annexe building for Income Tax Department at Bhubaneswar.**

There were huge deviations in quantities of different items which indicate that detailed estimate was not properly prepared. AHR/ALR items were not identified. Steel windows were not flash butt-welded. Sub-standard floor traps were used which may lead to leakages.

**A.1.6 Construction of New Exhibition Halls for I.T.P.O. at Paragati Maidan (SH: SITC of Electronic Microprocessor system)**

Detailed specifications were not enclosed with tender documents. The detailed estimate was not prepared on analysed rates. In the accepted tenders, one item has been accepted at Rs.95,000/- against the justified rate of Rs.16,100/-. The work was delayed but no action taken to levy compensation. A number of deficiencies were observed in the execution of work. The required items were not provided apart from poor soldering work and cable fixing work.

**A.1.7 Construction of New Casualty Block at JIPMER, Pondicherry (SH: Providing Air conditioning.)**

The estimated cost has been revised number of times without proper justification. There is huge variation in the original tendered cost and negotiated cost which indicates that agreement items have not been clearly defined. One item paid in first two bills disallowed in 3<sup>rd</sup> RA Bill without recording reasons which creates a suspicion of over-payment.

**A.2 PUBLIC WORKS DEPARTMENT, DELHI**

**A.2.1 Construction of 100 bedded hospital at Raghuvir Nagar, Delhi.**

Large deviations observed due to improper planning and Revised technical sanction was not issued. Discrepancies were observed in agreement conditions. Part rates were allowed without assigning any reason. Workmanship was poor in grit work. Several other discrepancies observed in execution of work. Site order book had not been maintained properly.

**A.2.2 Construction of super structure of Deptt. of Mechanical, Production, Engineering, Physics, Chemistry, Math, Humanities, Polymer Technology and workshop in Delhi College of Engineering.**

Tenders were issued to contractors who were not eligible and proper procedure not followed at the time of opening of tenders. The structural design had been entrusted to private Architect inspite of full flagged planning unit available in house. Delay in supply of drawing by consultant resulting in to delay in completion. Many discrepancies found in execution of work.

**A.2.3 Construction of Guru Nanak Eye Centre (Phase-III) at Ranjit Singh Road, New Delhi.**

Proper procedure was not followed while opening tenders, specification kept vague for adhesive and ceramic tiles. Testing had not been done for important properties. Discrepancy was observed in alluminium work items and several defects found in execution of work, site records were not properly maintained

**A.2.4 Improvement of Maa Anand Mayee Marg, Delhi**  
SH: Construction of service road, footpath and SW drain.

Tenders invited without financial sanction and had to be rejected. Subsequently work awarded at higher rates. NIT conditions were contrary to site condition. Several discrepancies had been found in agreement conditions and site records. Huge deviation in quantities of work done.

**A.2.5 Providing. and installation of automatic power factor corrector panel at Substation No.1 G.B. Pant Hospital, New Delhi.**

No proper design and detailed studies were conducted by the Deptt. for framing the specifications as per actual requirements. Due to this, power factor improvement not effective during low load conditions.

**A.3 UT CHANDIGARH ADMN.**

**A.3.1 Providing. E.I.fans in 500 Bedded Teaching Hospital at Sector 32, Block 'B' Ph. III & IV(SH: E.I. Work), Chandigarh Admn. (UT).**

Providing E.I. in Govt. Medical College & Hospital Sector 32 (Block-B) (Phase III & IV)(SH: S/I of H.T. equipment).

Providing 1 No. 500 KVA D.G.Set in 'B' Block of Govt. Medical college & Hospital at Sector 32, Chandigarh Admn., Chandigarh.

The Estimates were highly inflated and not sanctioned by Competent authority. Tenders not received in sealed cover and Market Rate Justification not kept on record. Lowest contractor was asked to submit justification of his quoted rates. Proper procedure not followed while opening tenders and ALR/AHR items not identified. The agreement not kept in sealed condition and Measurements not recorded properly. Part payment made without recording reasons. Deviation/extra items statement not approved. The recovery from contractor for free supply of conduit M.S. boxes not made. Although initially two transformers of same capacity of 1000 KVA were envisaged but actually the spare/surplus transformer of different capacity of 800 KVA was installed, thus depriving some operation facilities.

Transformers of capacity 1000 KVA and 800 KVA with huge transformer capacity are placed without any pedestal and no soak pit made.

Alternator engines have been accepted without carrying out inspection at Manufacturer's premises.

**A.3.2 (a) Construction level one to terrace of block-C in Govt. Medical College Hospital, Sector-32, Chandigarh (framed structure - Phase-II).**

- (b) Construction of Block-D Phase I & II, level zero to one in Govt. Medical College and Hospital in Sector-32, Chandigarh.

The work was split in various subheads and further each subhead was split into many parts leading to confusion and unrealistic estimates. Small contractors could quote for a major work. Pre-qualification was not properly done and one agency was excluded arbitrarily. The tenders were not competitive and work accepted without proper market rate justification. Very high rates were allowed for items of cement concrete (1:1 1/2:3) and steel reinforcement. The contract agreement was not drafted properly.

#### **A.4 ALL INDIA RADIO**

- A.4.1 Construction of Programme generation facility building and ancillary structures at Gangtok under the scheme 'TV Coverage of Border Areas'.

The work was awarded to non-eligible contractor and market rate justification was not kept on record to ascertain the reasonability of rates. The security deposit had not been deducted as per contract. Bond stones were not provided in stone masonry. Water was not got tested.

- A.4.2 SITC of 8 nos. of 10 TR package air cooled A/C Plants at Transmitted Station, Bangalore.

Heat load not calculated and tenders publicity lacking. Refrigerant used R-22 is not environmental friendly. Pre-despatch test at factory not conducted. No separate earthing sets have been provided. Standard of workmanship is poor, the cooled air is leaking from canvas connection, thus wastage of energy. Maintenance of air filter would be difficult due to wrong design. Erection of system done without approved drawings.

#### **A.5 DEPARTMENT OF TELECOMMUNICATIONS:**

- A.5.1 Construction of TE and Admn. building at Alipore, Calcutta.

The detailed estimate was not prepared properly. Number of items were likely to be substituted. Timber was being used in the work though Central Govt. has banned it. Structural arrangement was changed after casting three floors. The depth of sunken floor was inadequate to house traps etc. Steel windows were not flash butt-welded. Mandatory tests as per frequency specified were not carried out.

- A.5.2 SITC of 1X350 KVA E/A sets for OCB Exchange in CTX, Trivandrum Telecom.

The tender was accepted with many conditions and payment released without verifying the excise duty gate pass.

A.5.3 SITC of (3+2)x 7TR A/C Package Unit for installation in TE Bldg. at Mapuca, Goa.

Lot of discrepancies were found in the issue of tenders. Contradictory provisions made in tender schedule and Financial loading of the tenders was made arbitrarily.

#### **A.6 CENTRAL RAILWAY:**

A.6.1 Construction of 20 unit type-I and 20 unit Type-II quarters at Panvel (Central Railway).

Higher rates have been justified considering Panvel as a notorious area. No such guidelines were approved by higher authorities.

#### **A.7 EASTERN RAILWAY:**

A.7.1 Earth work in filling Railway embankment, construction of RCC retaining wall, wing wall, RCC box culvert and other ancillary work between Khana.Jhaptardhal stations Phase-I, Section 'D'.

Earth used for construction of embankment was excavated from agricultural fields, which contained lot of weeds/seeds and fertilizers. No market rate justification had been prepared to assess reasonability of the rates. The work was awarded to 2<sup>nd</sup> lowest at a higher cost of Rs.26.27 lacs ignoring 1st lowest on flimsy grounds. No efforts were made to negotiate with 1st lowest in the interest of Railways. Extra width of embankment on either side was not provided. Sheep foot roller deployed for compaction was not as per specifications. Mandatory tests on construction materials had not been carried out.

#### **A.8 SOUTHERN RAILWAY:**

A.8.1 Construction of Elevated Station Building and associated works at LUZ, Madras.

The work awarded to L-2 contractor without preparing proper market rate justification. Work had been accepted 25% higher than estimated rates. Original agreement and site records had not been made properly. Several discrepancies observed in bill paid. The specifications of major item were not stipulated properly.

#### **A.9 INTEGRAL COACH FACTORY, MADRAS:**

A.9.1 Construction of 84 units of Type-II quarters in I.C.F. South Colony, Madras.

Work had been awarded without market rate justification. Huge variation in actual rates and estimated rates. Agreement and site records not maintained properly. Several deficiencies were noticed in execution of work.

## **A.10 R.D.S.O. (MINISTRY OF RAILWAYS)**

### **A.10.1 Electrification of Central Workshop of RDSO Manak Nagar, Lucknow-II.**

Tenders were rejected in the first call without assigning proper reasons. The work has been awarded at much higher rates in the 2<sup>nd</sup> call. The Bank Guarantees for security deposits have not been properly accounted for. Test checks have not been carried out.

### **A.10.2 S/E/T/C of wiring for light/fan points, 2X500 KVA Power Transformers, H.T. & L.T. Cables etc. at F.T. Lab. of R.D.S.O., Manak Nagar, Lucknow.**

Tenders were not properly opened. The makes of important items were not specified. Market rate justification was not prepared. Test checks not exercised.

## **A.11 DEPARTMENT OF ATOMIC ENERGY:**

### **A.11.1 Construction of Type-I to IV quarters for the staff of DIG, CISF at Nuclear Fuel Complex, Hyderabad.**

5% extra has been allowed over procurement of cement by contractor without any proper justification. NIT not approved, justification to ascertain reasonability of rates not prepared. Original agreement not kept properly several discrepancies observed in RA bills. The item of CI pipe was substituted in spite of available agreement item to the advantage of contractor. Site record not maintained properly. Tests have not been conducted on costly items. Many deficiencies noticed in execution of work.

## **A.12 DEPARTMENT OF SPACE:**

### **A.12.1 Construction of Residential Quarters for D/o Space at HMT Campus, Jalahalli, Bangalore (Civil & PH works).**

The detailed estimate and NIT were not approved. Many deficiencies observed in nomenclature and specifications of agreement items and spurious primer has been used. Site records not maintained properly. One major item had been substituted to the advantage of contractor. Many defects have been observed in execution of work.

## **B. BANK, INSURANCE COMPANY & FINANCIAL INSTITUTIONS:**

### **B.1 INDIAN OVERSEAS BANK:**

#### **B.1.1 Construction of Zonal Office building, Bhubneshwar.**

The work has been taken up after long delay in planning and revision of drawings. To access reasonability of the rates, the detailed market rates justification has not been



prepared. Rebate of 1.22% offered by the contractor had not been re-availed. Approval to the detailed estimate and draft tender document has not been accorded. Site records have not been maintained properly.

## **B.2 CENTRAL BANK OF INDIA:**

B.2.1 Repair/renovation of bank's sub-staff quarters at Samata Nagar Kandiveli, East Mumbai.

The work has been taken up without adequate provision for strengthening of structural members.

## **B.3 STATE BANK OF INDORE:**

B.3.1 Construction of Zonal Office building of State Bank of Indore at Bhopal.

Architect consultant was appointed without following R.B.I. guidelines. To access the reasonability of rates the detailed market rates justification had not been kept on record. The supervision was lacking and many defects were observed.

## **B.4 RESERVE BANK OF INDIA:**

B.4.1 Construction of officers quarters, community center and miscellaneous structure & services at CBD Belapur.

The work progress was slow due to mismanagement causing loss of rent as well as avoidable expenditure on escalation. Cracks developed in plaster. Surrounding area has not been properly developed. Flooring tiles of different shades used. Sub-standard workmanship in glazed tile work and Primer/paint applied. Steel-reinforcement measurements were not properly recorded and supervision was found slack.

## **B.5 PUNJAB NATIONAL BANK**

B.5.1 Lift installation for Bank Building at Nehru Place, Jaipur.

Tenders were invited in two bid system but both bids opened simultaneously. Specifications prepared suiting one particular manufacturer. Tender evaluation not done by loading power consumption difference. Lift operating system taken is not matching with stipulations in the NIT.

B.5.2 Fire fighting work for Bank Building at Nehru Place, Jaipur.

The detailed estimate was based on highly inflated rates. The tender has been accepted 21% below estimated rates without preparing Market rate justification.

## **B.6 STATE BANK OF INDIA**

### **B.6.1 Electrical installation works at Zonal office Building of SBI, Secundrabad.**

Due to the poor consultancy service of the consultants, the tenders were invited thrice and work awarded to L-2 contractor without justification. There was delay in electrical planning and conduits had to be laid by separate work orders.

### **B.6.2 Construction of Zonal office building, Staff Training Centre, security staff quarters for State Bank of India at Jabalpur.**

The Consultant was appointed arbitrarily without following B.P.E. guidelines. The prequalification took about 20 months and agencies were added to list from time to time. Tenders were accepted without preparing market rate justification. Brass cramps were not provided to marble cladding work. Deviation in quantities of many items indicates poor estimation.

## **B.7 STATE BANK OF PATIALA:**

### **B.7.1 Construction of State Bank of Patiala branch building at Shimla.**

A condition that contractor should have worked in H.P. was stipulated leading to exclusion of outside parties. The condition was not justified. Agreement was not drafted properly. Huge deviation in quantities indicates poor estimation. Electricity and water charges were not deducted from contractor's bills. Substandard GI sheets and GI clamps were provided in roofing work.

## **B.8 INDUSTRIAL DEVELOPMENT BANK OF INDIA:**

### **B.8.1 Construction of office building at Bhubneswar.**

The work awarded on 1st call had to be cancelled since contractor did not start the work. In the second call the second lowest tenderer was awarded the work and 1st lowest was rejected on grounds of litigant nature though pre-qualified and even the consultant had recommended. The action of I.D.B.I. was not justified.

## **B.9 LIFE INSURANCE CORPORATION:**

### **B.9.1 Construction of Division office at Mysore.**

NIT was not approved and work awarded without ascertaining reasonability of rates. Negotiation conducted without prior approval of competent authority. Several discrepancies noticed in tender conditions and site records not maintained properly. Cement and steel was procured by L.I.C. although it was to be procured by the contractor himself. Quality of work was not satisfactory.

**B.9.2 Construction of policy holders Housing Scheme at Chandrasekharpur, Bhubneswar.**

Number of discrepancies were observed in nomenclature of agreement item and bills paid. Changes in agreement condition were made to the advantage of contractor. Test check was not carried out. Work delayed badly. Escalation not calculated as per terms of contract and secured advance allowed on perishable items. Site records were not maintained properly. Several deficiencies were observed in execution of work.

**B.9.3 Providing Electrical Installation for D.O.III Building under construction at Plot No.13, Janakpuri, New Delhi.**

Estimated cost shown in N.I.T. was Rs.10lacs, against estimated cost of Rs.28 lacs. Price variation clause was not stipulated in the NIT but accepted while awarding work. Market Rates justification not kept on record.

**B.10 UNITED INDIA INSURANCE COMPANY:**

**B.10.1 Construction of Additional Four floors over existing training centre at 19-Nungambakkam, Chennai.**

Supervision was entrusted to private Architect. Discrepancies had been found in nomenclature of several items. Proper procedure was not followed at the time of opening of tenders. Water and Electricity had been used without price adjustment. No site record maintained except test results. Test check was not carried out and number of deficiencies were observed in execution of work.

**C. PUBLIC SECTOR UNDERTAKINGS AND AUTONOMOUS BODIES**

**C.1 INDIAN TOURISM DEVELOPMENT CORPORATION:**

**C.1.1 Civil plumbing, fixed interiors, electrical works etc. in Annexe Building, Ashoka Hotel, New Delhi - 3<sup>rd</sup>, 4<sup>th</sup> & 5<sup>th</sup> floors.**

Discrepancies in pre-qualification of firms, regarding non-fulfilment of criteria laid down in Press Notice observed. Separately sanctioned estimates were combined into one N.I.T. and work was spilt up at the time of award without justifying such action.

**C.1.2 Replacement of furniture for 3rd floor guest room, Annexe Building, Ashoka Hotel, New Delhi.**

Many deviations in execution of items occurred but same were not reflected while recording measurements. The cost of such deviations have to be worked out and adjusted.

**C.1.3 SITC of Fan coil units for Guest Room Ist to Vth floor Annexe Building at Hotel Ashok, New Delhi.**

The specifications framed found superfluous and in conflict with the schedule of work for number of items. The drawing attached with N.I.T. not relevant to the work. One of the firms being manufacturers quoted Rs.3.95lacs less for the supply, installation and testing and commissioning of FCUs. This item could be independently executed and cost of work could be reduced.

**C.1.4 Internal electrification work Ph.II, TBABR Mamillapurm, Chennai.**

Proper procedure of tender opening not followed. Technical lapses noticed due to lack of supervision. The work had been carried out without approved drawing even for major items like electrical panel.

**C.2 GAS AUTHORITY OF INDIA LIMITED**

**C.2.1 (a) Construction of roads, pathways, storm water drains, culverts in UPPC, township for GAIL of Dibiyapur.**

(b) Construction of 45 nos. B-Type and 15 nos. D-Type quarters & club and shopping complex at GAIL at UPPC Township for GAIL at Dibiyapur.

Sanctions to the preliminary estimate, detailed estimate was not issued and approval of NIT was not conveyed. Abnormally high and low rated items have not been identified. To access reasonability of the rates the detailed market rate justification had not been prepared.

**C.3 JAWAHAR LAL NEHRU PORT TRUST (JLNPT)**

**C.3.1 Construction of accommodation for CISF, Phase-I near JLNPT Township.**

The detailed estimate has not been sanctioned and NIT approved. Market rate justification had not been kept on record. The quality of work was not satisfactory.

**C.4 HINDUSTAN ZINC LIMITED (HZL)**

**C.4.1 Cement concrete lining of 2.1 Km. long, water conveyance tunnel at Devas, stage-I dam at Alsigarh, Udaipur.**

The detailed market rate justification had not been prepared. Insurance cover wasnot taken. Huge deviation in the quantities were noticed. There is a considerable delay in completion of work.

**C.4.2 Recoating of 10 Km. long 16" diameter underground water pipe line with coaltar tape coating at R.A. Mines of H.Z.L.**

Recovery of mobilisation advance was not made properly. The progress of work was slow. The cement consumption account was defective.

## **C.5 WESTERN COALFIELDS LIMITED (WCL)**

C.5.1 Surfacing of W.B.M. Roads from Majri Railway siding to Chargaon Project of Majri Area of W.C.L.

The award of balance work was not properly processed and extra expenditure on cost and risk account not recovered.

C.5.2 Construction of 72 nos. DSMQ 12 nos. B-Type quarters at Thesgora, belonging to W.C.L.

The insurance cover as per agreement was not taken. Progress was slow and number of defects were noticed.

## **C.6 DELHI DEVELOPMENT AUTHORITY (DDA)**

C.6.1 Construction of 200 nos. houses at Cat.II & 150 nos. Scooter garages at Shalimar Bagh.

Necessary precaution had not been taken in opening of tender. The initial load test on piles was required to be carried out before award of work but same had been done after award. Re-design and retesting delayed execution of work causing additional financial burden on account of escalation. Several discrepancies observed in execution of work. The work had been awarded to L2 contractor without maintaining sanctity of tendering system.

C.6.2 Construction of 44 nos. SFS (Cat.III) flats at Narela, New Delhi.

The rates quoted by lowest tenderer were within reasonable limit but still negotiation was recommended. Tender invited without finalising drawings resulting into delay in completion and avoidable expenditure on escalation. Part rates allowed without proper reasons. Huge deviation in quantities shows poor estimation. Several discrepancies observed in hinderance register and execution of work.

## **C.7 MUNICIPAL CORPORATION OF DELHI (M.C.D)**

C.7.1 Development of Musical Fountain at Qudsia Garden (SH: Supply, installation and commissioning of Programmable Musical Fountain).

MCD had already completed a musical fountain project at Dhingra Park. No corrective measures were taken by MCD to execute the work without any ambiguity. No detailed description of items and no MR justification were made to justify the rates of accepted tender. A provision was made for Rs.8,00,000/- for innovative musical system.

The firm quoted only Rs.3,47,875/-. Thus, MCD engineers were not aware of the improved system required by them and no proper justification for providing Rs.8,00,000/- was made.

**C.7.2** The work of redevelopment of Dhingra Park, Punjabi Bagh, New Delhi with musical fountain.

Musical fountains have been installed in the Municipal Parks. No proper specifications were drafted before calling the tenders and during execution large-scale deviations have been observed.

There was no market rate analysis for preparing the estimates and in the absence of proper specifications and description of items, market rate justification also has not been prepared.

As per tender conditions, the contractor was to supply break-up price for spare parts. No such break-up was supplied and work has been awarded without assessing the rates.

In view of incomplete description of items, it is not clear as to how the payment has been certified.

Extra amount of Rs.1.09 lacs has been claimed on account of sales tax which was included in the tender rates.

## **C.8 MADRAS PORT TRUST**

**C.8.1** Construction of Port site access roads and bridges in Ennore Coal Port Project, Madras.

Basis of estimated rates has not been kept on record. The work awarded without negotiation in spite of rates quoted on higher side. Provision of 5% contingencies kept wrongly and over payment to the tune of Rs.90 lacs was observed.

**C.8.2** Consultancy services for construction of new port at Ennore, Chennai.

The duplicate provision of various services kept in different agreements resulting into undue favour to consultant around Rs.652.03 lacs. Payment to staff of consultant apparently not as per terms of contract being paid by M.P.T. All the powers regarding supervision, decision, interpretation of contract, rate decision rests with consultant which is not in order.

## **C.9 ENGINEERING PROJECTS (INDIA) LIMITED (EPI)**

**C.9.1** EPIL had taken up this work by making back to back arrangement with a private contractor. No manual provision/guidelines are available for such MOU. During

inspection it is found that several contractual provisions have not been fulfilled by contractor for which EPIL will be ultimately responsible. Number of defects were observed in execution of work. No clause exists in MOU between EPIL and contractor for rectification of defects etc.

## **C.10 NATIONAL BUILDING CONSTRUCTION COMPANY (NBCC)**

### **C.10.1 Construction of 16 SDF at NEPZ Noida Phase-II, Noida.**

Tenders were issued to non-eligible contractors, and necessary documents were not checked before issue. Work has been split in two parts after receiving the tenders. Market rate justification has not been prepared. Tenders for certain items were invited separately to the advantage of contractor. Several discrepancies observed in drawing the agreement. Important site records have not been maintained. Number of discrepancies observed in the bills paid. Number of defects observed in execution of works.

### **C.10.2 Construction of 32 SDF for NEPZ at Noida.**

Several work orders have been issued to separate contractor, scope of work of some of the work orders are covered in main contract, therefore, these work orders are issued to the advantage of main contractor. NIT not approved, proper publicity not given, market rate justification not prepared. Several discrepancies observed in contract conditions and site record and bills paid. No test check carried out. There is suspected over payment by measuring wrong items, over measurement of steel reinforcement, since huge deviation has been allowed.

### **C.10.3 Construction of NLDC building at Katwaria Sarai, New Delhi.**

While accepting tenders one percent rebate was accepted against freak rated items. Item rates could be negotiated to avoid excess payment in case of deviations. The agreement for the work was not drafted properly. Secured advance was paid without obtaining indemnity bond. Over payment in escalation was also noticed. Concrete cubes had failed and no remedial action was taken.

## **C.11 HOUSING AND URBAN DEVELOPMENT CORPORATION**

### **C.11.1 HVAC works for August Kranti Bhawan, Plot No.25, Bhikaji Cama Place, New Delhi.**

The estimated cost had been increased from Rs.22 lacs to Rs.64.08 lacs arbitrarily and higher rates have been accepted. The work done was not test checked. Interest-free mobilisation advance has been allowed. Number of defects were noticed. The hot water generator was not provided with instruments as per specifications and of required make. Panel ventilation louvers and separate M.S. sheets have not been provided. Bus Bars were not colour coded. Loop earthing of main board and other metal clad switches has not been done. Execution of work has been delayed but no action taken.

## **C.12 CONCHIN REFINERY LIMITED**

### **C.12.1 Site grading work for DHDS Project Part-A.**

Detailed estimate prepared without proper design and drawings. Steel has been supplied free of cost against existing provision of agreement. Inadequate testing has been done for earth used in filling, stone aggregate. Improper planning of levels of road and tank area lead to excess cutting and filling costing several lacs more. Undersize stone boulder accepted. Plastic materials have been used against agreement provision. Sides of road not compacted properly.

## **C.13 COCHIN SHIPYARD LTD.**

### **C.13.1 Hiring of D.G.Sets and portable Air Compressors for Cochin Shipyard Ltd., Cochin.**

The NIT has not been drawn properly. The work has been awarded without fair competition and apparently on much higher rates. No proper account has been kept for fuel and lubricants used and apparently higher number of hours have been logged. Inefficient machines have been used causing excessive expenditure on fuel and lubricants. Apparently much higher payment has been made extending favour to the supplier.

## **C.14 COCHIN PORT TRUST**

### **C.14.1 STTC of 3.3 KV, VCB Panels in the New Power House at Willington Island Cochin.**

The opening dates of tenders had been changed without proper notice. The tender sale Register not maintained. The estimated cost of the work shown on lower side in the N.I.T. The work contract Tax has not been recovered from the contractor. An over-payment of Rs.1,98,500/- suspected in the second R.A.Bill. The completion of work has been delayed.

## **C.15 RUBBER BOARD**

### **C.15.1 Construction of Training Centre at Kottayam.**

Insurance clause has not been operated. Cement store not found in proper condition. Discrepancies/deficiencies observed in specification and nomenclature of items. Very defective planning has been done which will cause perpetual maintenance problem. Several discrepancies observed in maintaining the site records. One major extra item sanctioned to the advantage of contractor. Several deficiencies have been noticed in execution of work.



## **C.16 BHARAT PETROLEUM CORPORATION LIMITED (BPCL)**

### **C.16.1 Construction of Housing Complex of BPCL at Sector-9, Urban Estate, Ambala City.**

Consulting Architect did not prepare detailed estimate and NIT etc. Response was poor and work has been awarded at higher rates. Number of discrepancies have been found in agreement. Work has been delayed due to delay in drawings and decisions. Discrepancies found in bills paid to contractor.

### **C.16.2 Construction of compound wall at URAN LPG Plant.**

Estimate prepared without adequate data which resulted into deviation in quantities. The work was awarded without ascertaining reasonability of rates. Original agreement not made properly. Non-available size of bricks specified in the agreement. Deficiencies have been noticed in nomenclature of items and specifications. Expansion joints were not found clean.

### **C.16.3 Construction of 40 flats at Noida Housing Complex.**

Proper pre-qualification has not been done. No detailed market rate justification prepared to assess reasonability of rates. Slow progress of work, payment of secured advance against perishable items without insurance cover, non-test checking of measurements huge deviations in quantities and deficiencies in execution of work were observed.

## **C.17 NUCLEAR POWER CORPORATION**

### **C.17.1 Construction of 42 nos. Type-III quarters in TAPS Colony(Phase-II) at Tarapur.**

Technical sanction and NIT were not approved. Work has been awarded without detailed market rate justification. Proper procedure has not been followed in opening the tender. No site record maintained. Several discrepancies found in bills. Glazed tiles used of inferior quality. Steel windows with less sashbars used without cost adjustment. Many other deficiencies have been observed in execution of work.

## **C.18 INDIAN RAILWAY CONSTRUCTION COMPANY (IRCON)**

### **C.18.1 Construction of common facility building for Air India at Chennai. ASQ workshop and Administrative Building - Package-1.**

The work was split into three parts without assigning proper reasons and awarded to 2<sup>nd</sup> lowest contractor at a higher cost. Mobilisation advance @ 10% of contract value was paid against 5% stipulated in contract. No provision for sump has been made in basement for pumping out water. Proper scaffolding was not used.

**C.18.2 Construction of NASC Complex, Pusa, New Delhi. SH: Construction of residential quarters Type V, Type VI and D.G. Bungalow, Package-B.**

The plinth area provided for residential quarters is more than prescribed. The architect for the work was appointed without observing prescribed norms. Insurance policy was not taken by the contractor. Huge deviation in quantities indicate poor estimation. Bushings in Dholpur stone were not proper. Expansion gap in CC gola and PVC sheet in khurras was not provided.

**C.19 DELHI VIDYUT BOARD**

**C.19.1 Construction of 96type IV quarters in 8 storeyed blocks including internal water supply, sanitary and electrical works at Mandawali,Patparganj (balance work).**

Insurance policy was not taken by the contractor. The progress of work was slow and there was abnormal delay in supplying stipulated materials by the Department. Steel windows were not flash butt welded. Grooves at junction of masonry and RCC work were not provided.

**C.20 MAHANADI COALFIELDS LIMITED**

**C.20.1 Construction of 72 B-Type, 20-C Type and 1-D Type quarters of Mahanadi Coalfields Ltd. at Basundhara Area.**

The detailed estimate was neither properly prepared nor technically sanctioned by competent authority. The insurance policies as stipulated in contract were not taken, thus extending undue benefit to the contractor. The overall supervision was found lacking. PVC tanks used were non-ISI. The materials were not got tested before use.

**C.21 PARADEEP PORT TRUST**

**C.21.1 Construction of Stackyard including approach road, drainage cable trench and retaining wall inside harbour area (South side).**

The tenders were accepted without preparing market rate justification to assess the reasonability of rates. The progress of the work was very slow. Quality of stone and moorum used was found unsatisfactory.

**C.22 RASHTRIYA PARIYOJNA NIRMAN NIGAM (RPNN)**

**C.22.1 Construction of office-cum-lab building of WTCER, Bhubneswar.**

Proper publicity of tender was not made. Tenders were invited on percentage basis which is not a normal practice in such big work. The progress of work was very slow. The detailed estimate had not been properly prepared. The rates of extra item of

rock cutting were on higher side resulting into over-payment of Rs.4.27 lacs. The workmanship of the work executed was not satisfactory.

### **C.23 I.T.I. GUWAHATI**

C.23.1 Construction of transit building at ITI, Guwahati Complex at North Guwahati.

Offers received were compared with revised tendered cost which was not approved by the competent authority, thus not reflecting correct position of tenders accepted. Huge deviation in quantities indicated that detailed estimate was not prepared properly. The work was lagging behind. Abnormally high rated and abnormally low rated items were not identified. The 4% rebate was not recovered in first three bills.

### **C.24 INDIAN OIL CORPORATION**

C.24.1 Construction of Boundary wall at Haldia Tank Farm Area in West Bengal for HPCL Project.

Tenders were accepted without preparing market rate justification and were invited before taking over site. Interest free mobilisation advance was allowed. The barbed wire fixed on wall was undersize. Water proofing paint of local brand was used.

C.24.2 Construction of office building at Mission Road, Bangalore.

The work was recinded and balance work awarded but no action was initiated to recover the risk and cost amount from original contractor. Mobilisation advance was allowed though provision of the same did not exist in the agreement. Hacking of RCC surfaces was not done. Water proofing treatment to basement was not provided initially and basement was flooded in manson. The progress of work was slow.

### **C.25 INTERNATIONAL AIRPORT AUTHORITY OF INDIA**

C.25.1 Construction of International passenger terminal Complex(Phase-III) at Mumbai Airport.

The work was held up for want of decision regarding false ceiling, electrical conduiting, fire fighting and smoke detection systems. In market rate justification, ten percent extra for work contract tax was considered which was not justified. There were deviations in abnormally high rated items. Marble work at few location was done without stainless steel clamps. Gypsum board ceiling had developed fine cracks.

### **C.26 STEEL AUTHORITY OF INDIA LIMITED**

C.26.1 The work relating to design, mfg., supply, erection, testing and commissioning of Elect. Equipment under IE-06 Pkg. of Bokaro Steel Plant.

Supply of equipment of different capacities has been combined into one tender. Had tenders been invited keeping different capacity equipment in different packages, then more competitive rates could be expected.

There appears to be exorbitant high rate for designing element. Rs.99 lacs has been paid against the offer of Rs.13,15,000/- by L-2 for the same item. Test reports of important machines have not been obtained before installation.

#### **C.27 NATHPA JHAKRI POWER CORPORATION LIMITED (NJPC)**

C.27.1 Construction of civil works for dam, intake and desilting. SH: (i) Dam (ii) Intake (iii) Desilting.

The tenders for the above work was accepted at 28.63% higher rates than the revised estimated cost. Interest free mobilisation advance was allowed. Very high rates were recommended for extra item of SFRS lining to walls of tunnels.

#### **C.28 VIDESH SANCHAR NIGAM LIMITED (VSNL)**

C.28.1 Construction of fire escape staircase for VSNL Building at Mumbai.

Very high consultancy charges were allowed to the consultant. The work was awarded after 16 months of receipt of tenders and increase in cost at 12% amounting to Rs.9.24 lacs was allowed on this account. The quoted rates were allowed further enhancement to the tune of Rs.20 lacs. The quoted rate of Rs.9.75 lacs for transportation of T&P etc. was accepted against estimated provision of Rs.25,000/-. The rates allowed were on higher side.

#### **C.29 NATIONAL ALUMINIUM COMPANY (NALCO)**

C.29.1 Construction of 256 nos.(176 Type-B & 80 Type-C) quarters of NALCO at Angul, Orissa.

The insurance policies as stipulated were not obtained. The security deposit recovered from bills was released against Bank Guarantee for which no provision existed. Number of defects were observed in the execution of work.

C.29.2 External electrification work of NALCO Township expansion at Bhubaneswar (Orissa).

Work was awarded without proper technical sanction and administrative approval by the competent authority. No market rate justification was made for justifying the rates accepted. Improper specification allowed financial gain to the contractor. Cost adjustment of materials supplied free was not made. Dismantled material was not accounted and credit afforded.

C.29.3 The work regarding supply and execution of fire fighting system for NALCO's Corporate Office Building at Bhubaneswar.

The Consultant has been appointed without observing prescribed procedure. The Consultancy services were found unsatisfactory.

### **C.30 BONGAIGAON REFINERIES AND PETROCHEMICALS LTD.**

C.30.1 The work of external electrification for C&D Type quarters in BRPL Township, Phase-V project of Bongaigaon Refinery & Petrochemicals Ltd.

The measurements have not been recorded at site and account not maintained. Materials supplied free. Proper certificates not recorded in the measurement book about quality of work.

C.30.2 The work regarding 5 MW IC Engine Driven Generating Set Part-A Supply and transportation of DG Set Project and Part-B Erection, Integration, commissioning, trial-run and handing over of the DG Set.

10% interest-free advance has been allowed without any provision and Bank Guarantee. The contractor has not taken group insurance cover. The materials received in packed condition without verification and transit insurance.

Although site was made available in Jan., 98 yet the work did not start. It shows that there is a capital-blockage without any advantage.

### **C.31 COUNCIL OF SCIENTIFIC AND INDUSTRIAL RESEARCH**

C.31.1 Internal electrification to Ph.I of ASC Project at Sade Hada Land, Goa.

No proper test check of measurements were carried out by concerned officials but payment released. Due to poor monitoring and supervision, the work was not upto the mark and abnormally delayed.

In the absence of the main panel board at site, the building is energised by temporary connections and jointing of submain wires in a unsystematic and haphazard way. Earthing electrode not yet connected. This is against Electricity Rules and are dangerous and fire prone.

C.31.2 Supply & installation of sub-station equipment for ASC Project at Goa.

Bills have been paid without proper test checks by superior officer. Measurements recorded by Junior Engineer and on this basis payments were released.

No proper and effective supervision of work was carried out. Due to this, the work is not as per required standard. 11 KV XLPE cables supplied found damaged at

places. Test certificates produced were not tallying with cable drum supplied, but secured advances were paid giving undue advantage to the contractor.

C.31.3 The work of providing internal electrification for 156 Nos. of various types of staff quarters at the Centre for Cellular & Molecular Biology (CSIR) Hyderabad.

The consultancy work was awarded at a high fee. The planning had to be changed due to horizontal conduit chasing and work delayed.

### **C.32 TEHRI HYDRO POWER CORPORATION**

C.32.1 The work regarding S.I.T.C. of 2x 5 MVA 33/11 KV Sub-station at Koteshwar.

The pre-qualification details not kept properly. The estimated cost has not been worked out properly. The negotiations carried out with L-2 also even though work awarded to L-1.

### **C.33 NEYVELI LIGNITE CORPORATION LTD.**

C.33.1 Design manufacture, supply, erection, testing and commissioning of 600 TR A/C plant for Thermal Station-I.

Design parameters not fixed properly. Estimate based on A/C system installed in Thermal Station-I during 1982. Ducts for A/C system were of poor quality.

C.33.2 Replacement of coils and reconditioning work in 4T, 125 MVA, 220/110/33KV, Auto Transformer at Neyveli Lignite Corpn. Ltd.

One main inter-linking (110 KV-220KV) transformer of capacity 125 MVA was damaged due to fire accident. Inordinate delay caused in repairing the transformer NLC had been put to loss due to load shedding resorted etc.

### **C.34 CENTRAL POWER RESEARCH INSTITUTE**

C.34.1 Horticulture work (maintenance) at CPRI, Bangalore.

Proper quantity analysis and scope of work was not indicated while making provision for expenditure. The estimate was deficient in respect of quantity, specification etc.

C.34.2 Development of lawn and plants of Ecological Park at Mathura Refinery.

The Horticulture consultancy work was awarded directly to consultant without proper Press Notice. Specieswise cost of plants was not evaluated. The specification of plants were not described in detail in the nomenclature of items. Some of the pits for plants were found to be undersize.

### **C.35 STANDING CONFERENCE OF PUBLIC ENTERPRISES**

#### **C35.1 Air conditioning and Mechanical Ventilation system in scope twin Tower Project at Laxmi Nagar District Centre. (SCOPE)**

The number of fan coil units measured and paid was different than available. The material used for fan coil units is not as per specifications. The AC ducts were to be provided with Aluminium sheets whereas G.I. sheets have been used and rate paid is much higher in spite of poorer specifications adopted.

### **C.36 ALL INDIA INSTITUTE OF MEDICAL SCIENCES**

#### **C.36.1 Replacement of A.H.U. feeding ICU-A of CTVS at C.N.Centre, AIIMS, New Delhi.**

The detailed estimate not technically sanctioned and analysis has not been kept on record to justify the increase in the cost of Heat Recovery wheel. One of the contractor had quoted wrongly as Rs.85,000/- per sq.mt. in stead of Rs.8500/- per sq.mt. Had this discrepancy been properly taken into account, tender could be accepted at a lower cost. The tender has been accepted at Rs.39.06 lacs against estimated cost of Rs.27.47 lacs without assessing justified cost.

### **C.37 POST GRADUATE INSTITUTE OF MEDICAL EDUCATION & RESEARCH**

#### **C.37.1 Internal Electrical Installation of O.P.D. Block P.G.I., Chandigarh.**

Technical sanction not accorded by the Competent authority. This work does not fall in the category of specialised work and restricted call of tenders reduced.

**ANNEXURE-III  
(Para 3.6)**

**ILLUSTRATIVE LIST OF CASES IN WHICH LAPSES/IRREGULARITIES  
NOTICED BY CTEO WERE REFERRED TO CVOs FOR INVESTIGATION  
FROM VIGILANCE ANGLE.**

**A. GOVERNMENT DEPARTMENTS**

**A.1 CENTRAL PUBLIC WORKS DEPARTMENT**

- A.1.1 Construction of 169 Nos. type-I quarters for CRPF at Gandhi Nagar (Gujrat).  
SH: 120 Nos. Type-I Quarters.

The depth of foundation had been provided in excess of drawings and measured more than work executed resulting into over-payment.

- A.1.2 Construction of New Custom House at Mormugao (Goa).

The Terazo Tiles provided in flooring and skirting were non-ISI and test results indicated poor quality. The tiles did not contain colouring pigments as per requirements.

- A.1.3 Construction of office building for Regional Labour Commissioner(Central) at SION Mumbai.

Adequate number of mandatory tests were not conducted and test results were questionable. The teroza tiles used were neither of approved make nor tested before use. RCC members were cut of plumb at number of places endangering structural safety.

- A.1.4 Construction of Residential Accommodation for a Survey of India at Jabalpur  
SH: Construction of 40 Nos. Type-III quarters i/c sanitary installation, water supply and drainage with under reaned pile foundation.

Completion certificate has been recorded before actual completion of the work. Final painting and provision of the fittings and testing etc. was to be carried out at the time of inspection.

**A.2 DEPARTMENT OF TELECOM**

- A.2.1 Items of stores like tubes, insulated GI wire etc. purchased by C.G.M. Telecom store Calcutta were inspected. Material failed in testing but full payment had been made. The quantities of material were also not verified in store. No action has been taken for supply of defective stores against supplier.

**A.3 NORTHERN RAILWAY**

- A.3.1 Construction of 6.2m wide foot over bridge and booking office at elevated platform at FOB at Hazrat Nizammudin Railway Station.



It was observed that contractor had been benefited to the tune of Rs.22.16 lacs due to deficient stipulations/provisions in items related to reinforced cement concrete footings and supply and fabrication of structural steel work of the foot over bridge. The structural design of the bridge was entrusted to the executing agency. Financial gains were possible since rates were based on area-basis.

A.3.2 Balance work of supplying and stacking at site 18500 cum stone ballast from Km 17/0 to Km 30/0 between Palam and Gurgaon Stations in connection with GC of 2<sup>nd</sup> line DLI-RE Section.

The original contract of this work was rescinded without recording reasons. The balance work at the risk and cost of original contractor was awarded to second lowest tenderer without preparing proper market rate justification. No efforts were made to recover excess cost on risk and cost account of about Rs.22 lacs from original contractor.

#### **A.4 METRO RAILWAY**

A.4.1 Disposal of structure and subway on the Eastern side at Esplanade RTS Station.

The work had been awarded without proper publicity and assessment of market rates in the name of emergency. Testing for materials had not been done. No recovery for water and electricity supplied by Railway made from the contractor extending undue benefit.

A.4.2 Architectural finishing work of Chandni Chowk station of Metro Railway Calcutta - Pre-execution Part I.

Estimates were approved before finalisation of drawings. Undue favour was shown to a particular contractor while deciding tenders. Extra items for execution of stone work appears to have been sanctioned at much higher rates. Size of stone to be fixed was not specified initially in the bill of quantities and small size stones were used during execution extending undue benefit to the contractor.

A.4.3 Architectural finishing work for the Sova Bazar Railway Station.

Market rate justification was not prepared to assess the reasonability of the offer. Offers were compared with the last accepted rate which may not be giving true picture. Exorbitantly high rates had been allowed for stone work.

### **B. BANKS, INSURANCE COMPANIES & FINANCIAL INSTITUTIONS**

#### **B.1 NEW INDIAN ASSURANCE COMPANY LTD.**

B.1.1 Renovation of New India Centre (1st, 2nd & 3rd floors and canteen) at 17/A co-operate, Mumbai.

An overpayment of Rs.175723.50 up to 7<sup>th</sup> R.A. bill had been made in the item of granite skirting by entering into higher rates of Rs.1900/R meter against Rs.350/Running meter as per agreement in the bill. Exact amount of loss suffered will depend on the amount paid in the final bill.

## **B.2 CENTRAL BANK OF INDIA**

B.2.1 Repairs/Renovation of banks, sub-staff or workers at Kandivili (East) Mumbai.

Irregularities in pre-qualification of firms, inadequate publicity period, awarding of the work to non-eligible parties, award of work at higher rates than the lowest tenderer by Rs.18,37,533/-. Non-preparation of market rates justification etc. were the major irregularities in processing of tenders.

## **B.3 PUNJAB NATIONAL BANK**

B.3.1 There was delay in acceptance of tenders which caused loss of Rs.5.72 lacs, since work had to be awarded to 2<sup>nd</sup> lowest tenderer at higher rates.

## **B.4 INDIAN BANK**

B.4.1 Purchase of 4 Nos. flats at Plot No.10, Mandi House, Bhagwan Das Road, New Delhi.

Land cost paid to the builder was much higher than prevailing market rate resulting into loss of more than Rs.1 crore. Further loss of Rs.17.69 lacs was caused due to increase in height and gaining more floor area. Over-payment of interest about Rs.11.31 lacs due to considering wrong dates in interest calculation of Rs.15 lacs due to over-measurements had been found. The builder further saved by not providing car parking space. Liquidated damages of Rs.5 lacs were not recovered from builder on account of admitted delay. Flats were allotted to Bank by builder at 7<sup>th</sup> & 8<sup>th</sup> floor which is not in approved plan of N.D.M.C. Huge deviation in construction from approved building plan was noticed. In place of teak wood cheaper wood has been used in door shutters.

B.4.2 Purchase of 12 flats on property No. C-12, Indrapuri, New Delhi.

Vague proposal was kept in offer due to which location of plot changed for advantage to the builder. Rate of super built area was increased by tampering agreement causing loss of Rs.35 lacs. More area considered than permissible as per building bye laws and builder benefited by huge amount. Sanction of higher rates of super built area causing loss of more than 12 lacs to the Bank. Construction of more than permissible flats in each plot were to the advantage of builder. Excess stage wise payment of Rs.33.56 lacs made to the builder beyond terms of contract excluding the interest. Several ambiguities were left in the agreement which caused loss to Bank at later stage.

B.4.3 Addition/alteration in newly acquired premises at World Trade Centre Building, New Delhi.

Bank has spent Rs.3.5 lacs for AC ducting against the agreement provision to the advantage of Builder. Large scale tampering has been done in tenders to the advantage of private builder and work awarded at 40% higher than market rate causing loss of Rs.25 lacs. Bank spent Rs.1.14 lacs on glass windows contrary to agreement condition. Mobilisation advance of Rs.12 lacs paid to Builder free of interest without any provision in the agreement. Extra item of Rs.44 lacs sanctioned at inflated rate and several extra items paid to builder costing several lacs which were not admissible.

## **B.5 STATE BANK OF INDIA**

### **B.5.1 Office Quarters Building at Chandigarh.**

Ambiguous provisions were made in the contract by private consultant causing over-payments. Undue favour was extended by not making recoveries due of sub-standard work.

## **B.6 NABARD**

### **B.6.1 Construction of Bank's Head Office Building Project at Bandra-Kurla Complex, Mumbai-General Building Works.**

RBI guidelines had not been followed while appointing consultant and the consultancy work awarded to 2<sup>nd</sup> lowest at a higher rate without proper justification. Actual cost of work increased from Rs.20 crores to Rs.52.86 crores. Market rate justification to assess the reasonability of quoted rates was not prepared. Large scale deviation in quantities indicate poor estimation. Neither detailed estimate nor NIT was approved by the competent authority. Adange variety of marble was used in place of white makrana thus, extending huge undue benefit to the contractor.

## **C. PUBLIC SECTOR UNDERTAKINGS, AUTONOMOUS BODIES, ETC.**

### **C.1 NATIONAL BUILDING CONSTRUCTION CORPORATION (NBCC)**

#### **C.1.1 Construction of Internal Roads in Niper Complex at Mohali.**

The quality of the stone aggregate and sand used was extremely poor, resulting into undue financial benefit to the contractor.

#### **C.1.2 Balance work of construction, repair, rectification of civil work of HRD and ESI building of BHEL at Sector 16-A, Noida. SH: Execution of complete items by issue of work order including cost of material and labour.**

The tenders were invited and work awarded without following laid down procedure. Use of water and electricity have been allowed without recoveries. Quantity of item of granite stone dado had been increased abnormally. The mode of measurement not correct. Over-payment in supply of material due to wrong mode of measurement also observed.

**C.1.3 Interior decoration and furnishing of HRD & ESI building of BHEL at Sector 16A Noida.**

Agencies who did not participate in pre-qualification had been incorporated in pre-qualified list and work awarded to them to extend undue benefit. Separate work orders had been awarded to six agencies without specification, terms and conditions and schedule of quantity in gross violation of tendering system.

**C.2 DELHI DEVELOPMENT AUTHORITY**

**C.2.1 Construction of 1536 MIG(NP) Houses at Cost of Loni Road. SH: 176 MIG (NP) Houses at east of Loni Road including internal development of land.**

Delay in completion of work is more than 3 years. Hindrances recorded are non-specific about period and extent of work effected. Extension of time has been granted for a period of more than 2 1/2 year, increasing cost by way of escalation payment.

**C.2.2 Construction of peripheral storm water drain in Sector 22 Rohini (Revised Balance Work).**

Improper planning and design before call of tenders resulted into loss of Rs.155 lacs apart from delay in completion of work.

**C.3 FLOOD CONTROL**

**C.3.1 Excavation of supplementary drain up to D.B.L. from RD23980 mt. to 25000 mt.**

The quality of Bridge construction was found poor endangering safety of the structure.

**C.4 WESTERN COALFIELDS LIMITED**

**C.4.1 Construction of 88 Nos. DSMQ 40-B & 12-C type quarters for New Dhoptala and 19-C type quarters for Sasti OCM of Ballarpur Area.**

There was delay of one and a half year in acceptance of tenders increasing liability due to escalation payable.

**C.5 KOKAN RAILWAY CORPORATION LIMITED**

**C.5.1 Design and construction of four new major bridges in Mangalore-Udupi New B.G. Line.**

Second lowest bid accepted without evaluating first lowest bid resulting into loss to KRCL. Contract conditions modified at the time of finalisation of bill to the advantage of contractor resulting into loss of several lacs. GI pipes and elbow issued free of cost to contractor in contravention of agreement conditions.

## **C.6 INDIAN FARMER FERTILIZER CO-OPERATIVE**

### **C.6.1 Construction of 8 Nos. C type and 20 Nos. D type quarters for CISF at Phulpur (Allahabad).**

Non-competitive rates accepted resulting into loss of several lacs. Under-weight steel flat and angle used to the advantage of contractor. Several substandard material had been used and full rates paid.

## **C. PUBLIC SECTOR UNDERTAKINGS**

### **C.7 TEHRI HYDRO DEVELOPMENT CORPORATION**

#### **C.7.1 Excavation in Chute spillway of Tehri Dam Project.**

The work of excavation was awarded at very high rates as compared to prevailing rates and no market rate justification was kept on record to assess the reasonability of rates. The analysis of few components revealed that higher rates may work out to extra expenditure around Rs.40 crores or more.

#### **C.7.2 Construction of Tehri Dam and associated work.**

The detailed estimate for this work was originally finalised at Rs.640 crore and subsequently revised to Rs.851 crores arbitrarily. The tenders of three pre-qualified parties were opened in January 1995 and lowest tender at Rs.537 Crores (approximately) was not accepted for a long time and tenders were rejected even though Tender Committee had recommended for acceptance of the same. Tenders were re-invited and work awarded at Rs.898 crores without recording proper justification of rates etc.

### **C.8 POWER GRID CORPORATION OF INDIA**

#### **C.8.1 Piling and foundation work package for Brahmaputra River crossing and anchor tower of 400 KV D/C Misa-Balipara transmission line.**

Improper evaluation of bids resulted in award of work to 2<sup>nd</sup> lowest at a higher cost of Rs.348 lacs. Undue financial benefit was extended to the contractor by agreeing to recover mobilisation advance in installments since contractor failed to start the work.

### **C.9 NAPTHA JAKRI POWER CORPORATION LIMITED**

#### **C.9.1 Providing surface, sub-surface and cross drainage works to new NJPC colony complex at Jhakri above NH-22.**

The work was awarded at a higher cost by revising the analysis of rates to bring them within permissible limits. One contractor was issued tenders without verifying ITCC or registration as desired by Finance. There were large-scale deviations in quantities of rock/earth work.

## ANNEXURE-IV

(Para 3.6)

### ILLUSATRATIVE EXAMPLES OF COMMISSION'S FIRST STAGE ADVICE ON CTEO'S INSPECTION REPORTS.

#### 1. ALL INDIA RADIO (CIVIL WING)

##### 1.1 Construction of staff quarters at Gangtok.

There was probable tampering of the agreement item resulting into loss of Rs.18,204/- to the department. Commission advised initiation of major penalty proceedings against the Executive Engineer and the Divisional Accountant for the irregularities.

#### 2. AIRPORT AUTHORITY OF INDIA

##### 2.1 Construction of Boundary Wall in residential area of CATC, Allahabad.

During inspection, quality of construction was found poor and structural safety was also doubtful. To strengthen the boundary wall, an additional expenditure had to be incurred. For the poor quality of work, major penalty proceedings were advised against the concerned Executive Engineer (Civil) and Junior Engineer (Civil).

##### 2.2 Provision of 2x350 TR capacity chilling unit at Calcutta Airport.

The facts revealed non-eligibility of the contractor who had been awarded the work and not maintaining tender documents properly. Commission advised minor penalty proceedings against the C.E.(E&M), S.E. (Elect.) and E.E.(Elect.).

#### 3. STATE BANK OF INDIA

##### 3.1 Hiring of premises by SBI in Vijaya Bank Building, New Delhi.

While examining this case, it was found that there was no provision for levy of compensation in the case of default on the part of the Consultant. It was also found that area measured and paid for was in excess. Thus, loss was caused to the Bank. Major penalty proceedings were advised against A.E.(Civil) for not recording the measurements properly.

#### 4. BHARAT PETROLEUM CORPORATION LIMITED

##### 4.1 Interior works for New Divisional Office at Ahmedabad.

Sub-standard work was accepted and undue benefit was passed on to the contractor. A penalty higher than "Censure" was advised against the Dy. General Manager, Manager and Sr. Admn. Officer responsible for execution and payment of the work.

#### 5. CALCUTTA PORT TRUST

##### 5.1 Construction of staff quarters at Kantapukur, Calcutta.

The measurements were not recorded properly and thus over-payments were identified. Minor penalty proceedings were advised against the Assistant Engineer and Junior Engineer in charge.

## **6. CEMENT CORPORATION OF INDIA**

- 6.1 Construction for plant civil works for setting up of 1500 TDP Cement Grinding Unit at Okhla, New Delhi.

The specifications and quantities of work were not properly drawn and an extra expenditure of Rs.96,579/- had to be incurred. The silt content in the fine sand used was on the higher side and recovery had to be made in the final bill. There were number of defects which had been brought out during our inspection and recovery of Rs.64,705/- was made. Major penalty proceedings were advised against Assistant General Manager and Assistant Manager(C) and Engineer. Recordable warning was advised against another Assistant Manager (C) and Chief supervisor(Civil).

## **7. CENTRAL PUBLIC WORKS DEPARTMENT**

- 7.1 Construction of Sports Complex at Pondicherry.

The roofing system of the main building failed partly due to structural design deficiency and partly due to poor quality of construction materials used apart from having sections lesser than prescribed. Major penalty proceedings were advised against the S.E.(C), E.E.(C) and A.E.(C).

- 7.2 Construction of 110 bedded ward block at GB Pant Hospital, New Delhi.

The measurements were not properly test-checked before making the payment. Minor penalty proceedings were advised against the E.E.(E).

- 7.3 Providing and installing 2 Nos. 625 KVA AMP Type DG Sets at Office Building for D.O.E. at Lodhi Road, New Delhi.

The NIT was not properly prepared and thus, there were deficiencies in the award of work. Initiation of minor penalty proceedings was advised against the E.E.(E).

## **8. DELHI DEVELOPMENT AUTHORITY**

- 8.1 Maintenance of District Park 'B' Block, Paschim Vihar, New Delhi.

During examination of supplies and fixing of tree guard and plants in a park, it was found that over-payment of Rs.15,691/- was made. Initiation of major penalty proceedings against Director (Hort.) was advised.

- 8.2 Construction of 20 Cat.III, 40 Cat.II flats and 40 scooter garages under SFS at Kalkaji in Pocket 'G'.

8.2.1 The original NIT was not kept on record and recordable warning was advised against the Divisional Accountant, AAO and UDCs.

8.2.2 While replying the CTE paras, contradictory information was given by CE/S.E./E.E. to cover the lapses. Recordable warning was advised against the officers.

8.3 Improvement and strengthening of roads in Kamla Nehru Park.

The measurements were not properly recorded at the time of preparation of the estimate. Flimsy grounds were advanced to justify the action. Non-recordable warning was advised to the E.E., A.E., J.E. and Divisional Accountant.

8.4 Supply of Aldrin/Aldrex.

While taking the supply of material, the same was not checked quality-wise and quantities received were not test-checked. In spite of failure of a sample, other samples were not got tested. Major penalty proceedings were advised against the E.E., A.E. and J.E.

8.5 Development of land for Zone H-5, Pitampura, New Delhi.

Over-payment to the extent of Rs.1,69,379/- were made against different items and final bill was kept in abeyance being negative. Major penalty proceedings were advised against the E.E, A.E. and J.E. concerned.

8.6 Construction of 208 SFS quarters at Rohtak Road near Village Madipur.

There was delay in replying the CTE paras even though the matter was brought to the notice of the Chief Engineer. Recordable warning was advised against the concerned E.E. and S.E.

8.7 Development of land east of East Patel Nagar, Pusa Distt. Centre SH: Construction of parking lot 'C' at Rejendra Place (Balance work)

Over-payment was made to the contractor by way of not recovering certain dues from running account bills and allowing secured advance for the materials not brought at site. There was a suspicion of pilferage of cement as well. The investigation in the case was abnormally delayed. Commission advised recordable warning against the Executive Engineer, Assistant Engineer and A.O.

## **9. SEMICONDUCTOR COMPLEX LIMITED, MOHALI**

9.1 Construction of main Fabrication building office Block at S.C.L., Mohali.

The tenders were issued to a non-eligible firm. Market rate justification was also not prepared to assess the reasonability of rates. Major penalty proceedings were advised against the CMD, Executive Director, General Manager, Dy. General Manager and Managers.

## **10. NATHPA JHAKRI POWER CORPORATION LIMITED**

10.1 Construction of type-C quarters at Nathpa (Internal Electrical installation).

The estimated rates were inflated and tenders were accepted without proper assessment of the reasonable rates. Initiation of major penalty proceedings were advised against S.E.(E), Sr. Manager (F) and A.E. Minor penalty proceedings against the DGM were also advised.



## 11. CHITRANJAN LOCOMOTIVE WORKS

- 11.1 Construction of 50 unit(Double Storey) quarters Type-II along with ancillary works at CLW, Chittaranjan.

The Tender Evaluation Committee did not prepare market rate justification and higher rates had been accepted. Tenders were also issued to the contractors who were not eligible. Minor penalty proceedings were advised against the DEN and Accounts Assistant.

- 11.2 Air-conditioning of D&D Building at C.L.W. Chittaranjan.

While processing the tenders, there was a delay by the Tender Evaluation Committee in processing the case, agreement finalisation and execution of the work. Minor penalty proceedings were advised against S.E.(E) and Dy.S.S. apart from conveying Govt.'s displeasure to Dy.CEE (Retd.) and Supdt. Engineer(E) (Retd.).

- 11.3 Internal wiring of D&S building at C.L.W. Chittaranjan.

The rates accepted were on higher side and quantities executed also increased. The fittings and fixtures used were not of specified makes. Initiation of minor penalty proceedings were advised against Dy.S.S. and Dy.CEE.

- 11.4 Earth work in formation, construction of bridges and ancillary works of contract Section GS-15 between chainage 51300 M to Chainage 55850 M on Panihar-Mohana Section of Gwalior-Shivpuri New B.G. Rail line.

The material at site account was not properly maintained. There was a large scale deviation in quantities and guarantee was given by an officer on behalf of the contractor for which he was not authorised. Minor penalty proceedings were advised against the IOW and recordable warning against the XEN.

## 13. BOKARO STEEL PLANT

- 13.1 Construction of 630 Units CD Type house in Sector-IV, under stage XII, Bokaro Steel City.

The tenders were not properly evaluated and accepted. Major penalty proceedings were advised against the D.E.(Civil). Minor penalty proceedings were advised against Z.E.(C) and warning to S.E.(C).

**ANNEXURE - V**  
**(PARA 3.7.1)**

**DETAILS OF REPORTS ISSUED UPTO 31.12.1997 ON WHICH  
REPLIES HAVE NOT BEEN RECEIVED TILL 31.12.1998**

<b>S. NO</b>	<b>ORGANISATION</b>	<b>DATE OF ISSUE OF REPORT</b>
1.	Northern Railway	19.4.96
2.	Northern Railway	19.4.96
3.	Metro Railway	7.7.97
4.	Metro Railway	8.7.97
5.	Indian Council of Agricultural Research	8.8.97

The observations in brief in these reports are given below:

1. The work regarding provision of second distant signal on Subzi Mandi - Ambala Section being executed by Northern Railway at a cost of Rs.241 lacs was inspected in January, 1996. The dimensions of the trench were specified as 1100 x 350 mm. The work executed at site had dimensions as 940 mm x 300 mm. Thus, there had been execution of work not as per contract and the contractor saved more than Rs.3 lacs on this account. It was also seen that lowest tender was not accepted and measurements were not recorded properly. A loss of Rs.43 lacs was also caused because tender was not accepted within 90 days. Site records were also not maintained. There had been serious lapses, but no action has been taken by Railways.

2. The work regarding provision of tokenless block instruments at 15 stations on Moradabad-Ghaziabad Section being executed by Northern Railway was inspected in February, 1996. The original tender and other documents were not found sealed and kept in safe custody. Measurements were not recorded properly and test-checked. While executing the work, angle irons and M.S. Flats were found of smaller size. The wires were not properly bunched. The steel parts were not painted with anti-corrosive primer/paint. The platform provided was 3 ft. x 1 ft. instead of 3 ft. x 2 ft. and thickness of the planks used was 15 mm instead of 30 mm. There had been serious lapses but no action has been taken by Railways so far.

3. The work of reconstruction of building at premises No.191, C.R. Avenue, Calcutta, costing Rs.56.83 lacs was inspected in May, 1997. It was observed that tenders have not been invited for a long time and suddenly emergency was felt to adopt single tender method. The estimated cost was inflated and higher rates were justified. Excessive mobilisation advance was paid and period of completion was not properly assessed. The steel issued was not properly account for and cube tests were not performed. The execution of the work was not as per specifications.

4. The work regarding reconstruction of buildings in contract section 3B, Belgachia, Calcutta, costing about Rs.271 lacs was inspected during May, 1997. While inviting the tenders and executing the work, proper examination was not carried out for legal and

financial implications. Single tender process was adopted for such a big work and the work even commenced before its award. Richer specifications were adopted without proper justification and accepted rates appeared to be on much higher side. This was a special type of work and minimum expenditure ought to be incurred just to meet with legal/social obligations. The test records were not maintained properly and execution of work was not as per terms of agreement.

5. The horticulture maintenance work and landscaping work of I.A.R.I., Pusa Road, New Delhi was inspected during August, 1997. Certain procedural deficiencies were observed and brought out in the report. The comments on the report have not been received in spite of repeated reminders.

**ANNEXURE - VI**  
**(Para 3.7.2)**

**ORGANISATIONS WHICH HAVE TEN OR MORE  
VIGILANCE CASES PENDING FOR INVESTIGATION**

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SL. NO.	NAME OF ORGANISATIONS	NO. OF CASES	MORE THAN ONE YEAR 1997	UPTO 3 YEARS 1994-97	MORE THAN 5 YEARS 1992-93
1.	CENTRAL PUBLIC WORKS DEPARTMENT	29	5	22	2
2.	DELHI DEVELOPMENT AUTHORITY	13	1	6	6
3.	MUNICIPAL CORPORATION OF DELHI	12	0	8	4
4.	I.A.A.I.	19	0	11	8
5.	M/O RAILWAYS	18	6	8	4

**ANNEXURE - VII**  
**(Para - 3.7.3)**

**LIST OF SOME ORGANISATIONS WHICH DID NOT SEND  
QUARTERLY PROGRESS REPORT DURING 1998**

\*\*\*\*\*

<b>SL.NO.</b>	<b>NAME OF ORGANISATION</b>
1	Betwa River Board
2	Diesel Component Workshop - Patiala
3	East Central Railway - Hazipur
4	East Coast Railway - Bhubneswar
5	Eastern Railway - Calcutta
6	Eastern Railway - Visakhapatnam
7	Konkan Railway
8	North Central Railway - Allahabad
9	North Western Railway - Jaipur
10	Oriental Insurance Company
11	South Eastern Railway
12	South Western Railway - Bangalore
13	West Central Railway - Jabalpur
14	Wheel & Axle Plant - Bangalore

**ANNEXURE - VIII**  
**(Para 3.9.1)**

**GIST OF SUBJECTS COVERED BY CIRCULARS ISSUED BY SOME ORGANISATIONS**

**7.1 ANDHRA BANK**

- (a) Sufficient time is to be given for submission of tenders when calling for tenders in the press.
- (b) The estimated value of work is to be mentioned in the press advertisement while calling for tenders.
- (c) In the case of bought out items enough alternate makes of leading manufacturers should be specified.
- (d) Tenders for works of specialised nature are to be obtained in the two part format, the first part being the techno-commercial bid and the second part being the price bid. After the various tenderers are brought on par with respect of techno-commercial aspects, the price bid may be opened giving an option to the tenderers for revised price bid if requested.
- (e) In case of costly bought out items the Bank may purchase directly from the manufacturers and issue them to the contractor depending upon the type of work being undertaken/nature of material to be purchased keeping in mind the existing infrastructural facilities of the Bank.
- (f) Acceptable makes with complete specifications for different items to be mentioned in the tender documents.

**7.2 HOSPITAL SERVICES CONSULTANCY CORPORATION (INDIA) LTD.**

- (a) All tenders of high value shall be called on "Item Rate Basis" and not on "Percentage Rate Basis."
- (b) Before acceptance of the bid by Competent Authority, reasonability of the offer shall be ascertained by preparing market rate justification or comparing with last accepted tenders, as applicable.

### **7.3 CENTRAL PUBLIC WORKS DEPARTMENT**

- (a) It is enjoined upon all officers that availability of details of measurements, analysis of rates and drawings must be ensured while sending copies of technically sanctioned estimate to the field units.
- (b) It is also reiterated that before N.I.T. is issued, technical sanction by the competent authority must be issued and copies to all concerned sent.
- (c) A list of AHR/ALR items must invariably be prepared and issued alongwith the acceptance letter for the work.
- (d) While opening the tenders, the Executive Engineer should mark all corrections, additions, over-writings, attest them and number them in red ink under the provision in the para 20.1.2 of CPWD Manual Vol.II. The number of such corrections and over-writings should be clearly mentioned at the end of each page of schedule attached to the tender paper properly attested with date under the provision of para 20.1.3 of CPWD Manual-II. Any omission observed should clearly be brought out on each page of the schedule.
- (e) Where the contractor has omitted to quote the rates in figures or in words the omission should be recorded by the officer opening the tender on each page of schedule (See Para 20.1.2 of CPWD Manual-II). The Divisional Officer should see that contractor quotes entire rates in words and if contractor fails to do so the Executive Engineer should himself write rates in words at the time of opening tenders and if necessary initiate action against the contractor.

### **7.4 INDIA TOURISM DEVELOPMENT CORPORATION**

During the inspection of CTE's Organisation in certain works, it was observed that the part rate statement has not been enclosed with the running bill. As advised earlier, it may be ensured for future that the part rate statement giving reasons for the rates allowed must be enclosed while recommending the payments.

- (a) Whenever provision for some urgent work does not exist in the approved action plans, the administrative approval of C.A. be obtained prior to technical sanction of the estimate.
- (b) In addition to the accord of Technical Sanction on green Note-Sheet of estimates, the prescribed Technical Sanction proforma is also to be filled and signed by the authority according technical sanction.

- (c) In no case the tender documents of the plan works are to be issued free of cost without prior approval of the accepting authority of such work.
- (d) In NIT's the amount of the technically sanctioned estimate is to be mentioned and not restricted even on the lower side.
- (e) In case of stipulated/non-stipulated materials to be issued to the contractors, the manualised procedure as indicated in the proposed Engineering Manual is to be followed in all future works.
- (f) Whenever any materials are being issued departmentally theoretical consumption statement of such materials is to be attached with R/A and final bills of the contractors to check timely recoveries.
- (g) Whenever any materials are transferred from one work to the other work, may be in the same project, debit/credit is to be raised/adjusted in the respective works.
- (h) During the inspection of a work, the CTE Organisation has desired that it is not sufficient to get approval for overall deviation in cost of the project. Each and every extra/substituted/deduction item along with deviation should be got approved by the Competent Authority during the progress of work simultaneously before releasing any payment.

## **7.5 LIFE INSURANCE CORPORATION**

### **GUIDELINES FOR APPROVAL OF NEW PRODUCT**

- (a) At the outset, the materials/products should meet the requirements of our tender specifications and should be as per our standards of acceptance.
- (b) The products should, as far as possible, have B.I.S. certification and 'ISI' monogram embossed on the same.
- (c) If the product does not have 'ISI' monogram embossed, test certificates should be submitted by the manufacturer to show that the material/product is conforming to B.I.S. specifications and standards of acceptance. Before acceptance of the materials/products, tests should be carried out independently to ascertain their acceptability.
- (d) If the product/material has been used by other Govt. bodies like CPWD, MES and other Public Sector Undertakings, authenticity of certificates produced by the manufacturer, should be verified and site inspections should also be carried out to ascertain the quality of the product.



- (e) A visit may be made to the factory where the material is produced to ascertain that proper quality controls have been ensured at the place of manufacture.
- (f) The capacity of the manufacturer may be verified to ensure the supply of materials/products as per our requirement at locations where they are needed.
- (g) It may be verified whether facility for servicing and maintaining the system will be ensured by the manufacturer at locations where they may be needed.
- (h) Last but not the least, the cost of the product/material should be comparable with that of similar product/material presently being used.

#### **7.6 POWER GRID CORPORATION OF INDIA LTD.**

- (a) Technical Examiners from CTE's Organisation of CVC have inspected at random a number of packages of NTPC/Power Grid sub-stations. In many cases, they have observed that the original documents like, MBs, Tender Documents, Test Certificates, copies of NITs published in newspapers etc. are not available in the relevant files. All concerned are advised to ensure that all important contractual documents are kept in safe custody for reference of inspecting officials.

#### **7.7 COUNCIL FOR ADVANCEMENT OF PEOPLE'S ACTION & RURAL TECHNOLOGY (CAPART)**

- (a) It was observed by CTE that Bureau of Public Enterprises (BPE) guidelines issued vide their letter No. BPE/GL-025/78/Prodn/PCR/2/77/BPE/Prodn dated 15.7.78 were not followed in the selection of consultants. These norms/guidelines are reiterated in Commission's O.M. No. 3L-PRC-1 dated 10.1.83.
- (b) CTE has also observed that CAPART should not have ventured into technical work of such a magnitude when there were no technically qualified officers to oversee the supervision of the Architect. Further, it was also observed by CTE that proper approval had not been taken from the competent authority for technical sanction and award of work. In view of above, it is very imperative to take adequate precautions in this matter in future. It is accordingly directed that consultants in such cases should be appointed after obtaining competitive offers from professionals and competent agencies including Governmental agencies. Obtaining prior approval (both administrative and technical) of the competent authority should also be ensured.

- (c) It is not proper to accord sanction for a construction work without preparation of a proper preliminary estimate. The preliminary estimate may be prepared on the basis of approved plinth area norms, in case the approved norms are not suitable, these have to be worked out on the basis of realistic details. Further, no work should be carried out without technical sanction of competent authority. Technical sanction signifies that proposals are structurally sound and amount of estimate is based on proper data.
- (d) While issuing press notice inviting applications for tender/quotation, specific dates may be fixed for receiving such bid application instead of stating that the applications would be received within certain days of publication of notice, because different newspapers may publish the notice under different dates. While publishing tender notice, it should also be ensured that the publicity period is adequate. As per general practice, the publicity period should be 21 days minimum for works costing more than Rs.10 lakhs.
- (e) Tenders/bids should be accepted only after detailed justification based on prevailing market rates.
- (f) Payment of mobilisation advance (MA) wherever necessary shall not be interest free, the interest rate as may be approved by the Ministry from time to time shall be stipulated in the contract clause and interest shall be calculated in the form of simple interest. The recovery of MA shall be made from the 2<sup>nd</sup> R/A bill or after 10% of work is completed whichever is earlier. The entire amount shall be recovered before 80% of the work is complete.
- (g) Similarly, water and power for construction should also not be provided free of cost by the Department.
- (h) Record of day to day hindrance should be maintained in a register to ascertain exact cause of delay for sanction of extension of time.
- (i) Whenever painting work is involved, paint register indicating quantity of various primer and paints brought to site and used in work should be maintained for checking of quality.

## **7.8 C.C.I.**

- (a) One aspect of the procurement of high rated items directly from the manufacturer is the quality and genuineness of the item, but the other aspect is the economy which cannot be overlooked. Had the high rated items like, cable, fittings and fans got procured directly by the CCI, a saving of the order of 20% would have been achieved. It is, therefore,

impressed upon all concerned not to include, as far as possible, the high rated items in the Work Tender. Instead, these should be got procured by direct purchase from the manufacturers/authorised dealers, so as to ensure quality in order to obtain savings and overall economy in the cost of the work. This is specially important when the amount of these items is substantial.

- (b) Mere writing 'ISI' approved cables and wires has no significance. It should be specified that the material should be ISI marked and the manufacturer should be in possession of valid BIS certification. This may be followed for other materials also in future contracts. Moreover, there are some reputed manufacturers who do not go in for ISI certification like Philips in electric lighting items, Siemens in Cables, etc. to quote a few. In such cases, the approved makes of repute can also be mentioned in addition to ISI marked product.
- (c) While approving the approved/acceptable makes of the items/material, word 'Equivalent' should not be written along with the names of reputed makes as it gives ample scope to the contractor and the site staff to manipulate and accept the cheaper makes.
- (d) All are being advised not to allow any deviation from contract condition at any stage of execution of a project.
- (e) However, in case such deviation from contract condition becomes unavoidable because of any compelling reason, prior approval of competent authority is to be obtained after ascertaining full financial implication.

## **7.9 ENGINEERS INDIA LIMITED**

It should be ensured that in all circumstances water used for cement concrete, mortar, plaster, grout, curing or washing of coarse aggregate is tested as per specification requirements to provide verifiable evidence that water being used is clear and free from infurious amounts of oil, acids, alkalis, organic matters or other harmful substances that may impair the strength of durability of the structure.

Copies of Demand Draft/Bank Guarantee submitted along with the bids towards EMD (including extensions provided in future) may please be maintained in the respective files for all tenders before forwarding them to the clients. The same is applicable in the case of tenders handled for EIL in house works as well as for works executed on power of attorney basis.

## **7.10 FOOD CORPORATION OF INDIA**

In tendering for specialised works and to eliminate unscrupulous firms participating in the tendering, it has been decided to follow "TWO BID SYSTEM" of tendering for all specialised works such as tenders for lifts, central AC Plants, HT sub-station equipments Mechanical bag/bulk handling equipments etc. in same manner as is already being followed in case of weighbridges.

It is incumbent that while preparing market rate justification, the actual rates prevailing in the market should be adopted. It is not correct to accept list prices without taking into consideration discounts in respect of the market items.

It is advised that while allowing part rates, a statement indicating the justification should invariably be prepared and approved by the bill passing authority.

## **7.11 GAS AUTHORITY OF INDIA LTD.**

The contractor will submit one copy of bill in the measurement book which shall be duly machine serially numbered and also signed by the Engineer-in-charge, Consultant (if any) and the contractor. The measurement book shall be procured by the contractor in case of bigger/ project works and by the Department, in case of smaller/petty/ maintenance work. The bill in the MB along with required number of copies shall be sent to the finance department who after necessary scrutiny and verification and payment of the bill will send the MB back to the concerned department and the same will be preserved by the concerned department as an important record, which can be placed before arbitrator/CVC/Court of law (if required).

Before posting the measurements in the measurement book, the description of the work, item, date of start of work, scheduled completion and the date of measurement, should be neatly written in the measurement book and any cutting/correction shall be attested by the officer recording/checking the measurements.

## **7.12 HINDUSTAN PHOTO FILMS**

No payment should be made to the contractor for materials payable on linear basis, without actual measurements of materials and ensuring its correctness.

No work shall commence till a detailed cost estimate is prepared and sanctioned by the competent authority.

### **7.13 HINDUSTAN ORGANIC CHEMICALS LTD.**

The detailed estimates should first be technically scrutinised and sanction should be formally accorded by the competent authority before calling tenders and execution of works.

No deviation should be made from the approved list of pre-qualified contractors for issue of tenders.

A clause that 'conditional tenders will be liable to be rejected' should be incorporated in the 'Notice Inviting Tenders'.

No change in the specifications should be made after the estimates are sanctioned and tenders are called and opened. In unavoidable circumstances, change in specifications, if any, should be done only after prior permission of competent authority.

It is also very essential to prepare a realistic estimate for work based on prevailing market rates of material and labour with its detailed justification.

The Engineer executing any work will maintain a Register to record the details of the tests carried out on the materials, to be used, before being used on the work.

### **7.14 NATIONAL TEXTILE CORPORATION LTD.**

Before issuing tender documents, the technical sanction of the estimates by the Competent Authority may be obtained and calling tenders, without sanctioned detailed estimate may be avoided.

The execution of works should be undertaken only after an agreement between department and contractor has been finalised/executed between the parties.

Where work has not been carried out but material has been brought at site by contractor, payment may not be made at the rates of finished items. However, only a secured advance can be paid to the contractor.

The Hindrance Register may be maintained at all sites so that delay occurred and extension of times allowed, could be dealt with at a glance.

### **7.15 NATIONAL THERMAL POWER CORPORATION**

It may please be ensured that no press NIT is issued without mentioning the estimated cost of work as per present rate. A provisional acceptance of tender is not desirable and is contrary to Indian Contract Act.

In some of the cases, important files/proposals have got misplaced during inter-departmental movements. Therefore, in order to ensure the important papers are not misplaced and also for expeditious action on them, the movement of all important files/papers shall be duly recorded in the dak register by the despatching and the receiving departments.

All pages of files containing proposals and related documents shall be serially numbered. Note sheets shall be page-numbered separately and affixed on the rear side of the front cover of the same file.

All pages of the important files containing pre-award as well as post-award correspondence shall be serially numbered.

#### **7.16 MUMBAI PORT TRUST**

Cement brought at work site whether supplied departmentally or by the contractor shall be checked for its brand, date of manufacture, ISI mark. It will also be ensured that the cement has been procured from a dealer approved by the manufacturer. The cement received shall be sent for 3 days and 7 days compression test of mortar cubes at the rate of one test per fifty tones of cement or part thereof and comprehensive tests at a rate of one test for every 500 tones or part thereof. All the observations shall be invariably recorded in the cement register.

Proper account of not only cement and steel but also white cement, waterproofing compound, painting materials, lead and tiles, showing the details of the materials received at site for consumption in the work shall be maintained by the site staff.

Testing of concrete cubes, steel and water required for construction purpose shall be carried out at a frequency specified in the tender or in respective Indian Standard codes.

#### **7.17 SPONGE IRON INDIA LTD.**

It is directed that the tender specifications before issue should be completed with no ambiguity so that the work is executed strictly in accordance with the specifications and no deviations are allowed when once the contract is awarded.

**ANNEXURE - IX**  
**(Para 5.2)**

**LIST OF ORGANISATIONS WHO ARE YET TO SUBMIT REPORTS ON  
COMPLAINTS FORWARDED BY THE COMMISSION**

SL. NO.	NAME OF THE ORGANISATION	COMPLAINTS PENDING WITH CVOs FOR INVESTIGATION		
		UPTO ONE YEAR	BETWEEN 1-3 YEARS	MORE THAN 3 YEARS
1.	M/O RAILWAYS	45	15	21
2.	D/O CIVIL AVIATION	1	2	0
3.	AIRPORT AUTHORITY OF INDIA	3	8	7
4.	D/O TOURISM	0	0	1
5.	INDIAN AIRLINES	4	3	2
6.	VAYUDOOT LTD.	0	0	1
7.	AIR INDIA	4	0	2
8.	INDIA TOURISM DEVELOPMENT CORPN.	2	2	0
9.	HOTEL CORPN. OF INDIA	0	1	0
10.	M/O SURFACE TRANSPORT	6	7	3
11.	PARADEEP PORT TRUST	2	0	4
12.	NEW MANGALORE PORT TRUST	0	1	1
13.	VISAKHAPATNAM PORT TRUST	5	2	4
14.	KANDLA PORT TRUST	1	0	1
15.	CALCUTTA PORT TRUST	1	0	1
16.	SHIPPING CORPN. OF INDIA	0	7	0
17.	COCHIN SHIPYARD LTD.	1	0	0
18.	BORDER ROAD DEVELOPMENT BOARD	3	0	1
19.	CALCUTTA DOC LABOUR BOARD	0	1	0
20.	CENTRAL INLAND WATER TPT. CORPN.	0	0	1
21.	MORMUGOA PORT TRUST	0	0	1
22.	MUMBAI PORT TRUST	0	0	1
23.	D/O TELECOM	9	17	97
24.	D/O POST	8	11	37
25.	PUNJAB NATIONAL BANK	4	0	2
26.	STATE BANK OF INDIA	14	1	1
27.	SYNDICATE BANK	0	0	1
28.	STATE BANK OF BIKANER & JAIPUR	2	0	0
29.	STATE BANK OF HYDERABAD	2	0	0
30.	RESERVE BANK OF INDIA	1	0	0
31.	BANK OF BARODA	0	1	1
32.	CANARA BANK	1	1	0
33.	CENTRAL BANK	3	1	1
34.	UCO BANK	1	1	0
35.	BANK OF INDIA	0	2	0

36.	INDIAN BANK	0	1	0
37.	PUNJAB & SIND BANK	5	3	1
38.	VIJAYA BANK	1	0	0
39.	CENTRAL BOARD OF EXCISE & CUSTOMS	35	11	18
40.	GENERAL INSURANCE CORPN. OF INDIA	18	8	24
41.	CENTRAL BOARD OF DIRECT TAXES	8	15	19
42.	M/O FINANCE	5	3	3
43.	M/O COMMERCE	3	1	4
44.	JUTE CORPN. OF INDIA	0	0	1
45.	NATIONAL TEXTILES CORP.	0	0	1
46.	STATE TRADING CORP.	0	0	2
47.	MINERALS & METALS TRADING CORP	0	0	1
48.	CENTRAL COTTAGE INDUSTRIES CORP. OF INDIA LTD.	0	0	2
49.	TOBACCO BOARD	0	0	1
50.	EXPORT INSPECTION COUNCIL	0	0	1
51.	M/O TEXTILES	3	0	7
52.	M/O POWER	0	4	9
53.	POWER GRID CORP. OF INDIA LTD.	1	1	0
54.	NATHPA JHAKRI POWER CORP.	0	1	0
55.	NATIONAL THERMAL POWER CORP.	0	0	4
56.	M/O NON CONVENTIONAL ENERGY SOURCES	0	0	5
57.	STEEL AUTHORITY OF INDIA LTD.	0	0	1
58.	D/O STEEL	1	1	4
59.	BHARAT ALUMINIUM COMPANY LTD.	0	0	2
60.	D/O MINES	0	0	5
61.	D/O FERTILIZERS	0	1	0
62.	IFFCO	0	1	0
63.	M/O COAL	3	2	4
64.	COAL INDIA LTD.	0	0	4
65.	SOUTH EASTERN COALFIELDS LTD.	0	0	2
66.	CENTRAL COALFIELDS LTD.	0	0	1
67.	EASTERN COALFIELDS LTD.	0	0	2
68.	BHARAT COKING COAL LTD.	0	0	1
69.	M/O PETROLEUM & NATURAL GAS	1	3	2
70.	D/O CHEMICALS & PETROCHEMICALS	0	0	1
71.	HINDUSTAN PETROLEUM CORP. LTD.	1	0	0
72.	BALMER LAWRIE & CO. LTD.	1	0	0
73.	OIL & NATURAL GAS COMMISSION	1	0	1
74.	D/O HEAVY INDUSTRY	4	3	14
75.	TANERY & FOOTWEAR CORP.	0	0	1
76.	HINDUSTAN PAPER CORP.	0	0	1
77.	INSTRUMENTATION LTD.	0	0	1
78.	ENGINEERING PROJECTS INDIA LTD.	0	0	1
79.	ANDREW YULE & CO. LTD.	0	0	1
80.	BHARAT HEAVY ELECTRICALS LTD.	0	0	2
81.	COUNCIL FOR SCIENTIFIC & INDUSTRIAL RESEARCH	1	1	0
82.	KHADI VILLAGE INDUSTRIES CORP.	0	0	1



83.	D/O INDUSTRIAL POLICY & PROMOTION	0	0	1
84.	NATIONAL SMALL INDUSTRIES CORP.	0	0	1
85.	D/O SCIENCE & TECHNOLOGY	0	0	7
86.	D/O ELECTRONICS	0	0	1
87.	D/O ATOMIC ENERGY	0	0	1
88.	NUCLEAR POWER CORPORATION	0	0	1
89.	D/O CULTURE	4	5	16
90.	D/O EDUCATION	4	4	4
91.	NAVODAYA VIDYALAYA SAMITI	0	0	2
92.	M/O SOCIAL JUSTICE & EMPOWERMENT	1	2	5
93.	KENDRIYA VIDYALAYA SANGATHAN	5	3	11
94.	M/O YOUTH AFFAIRS	1	0	5
95.	M/O WELFARE & CHILD DEVELOPMENT	0	0	1
96.	D/O SUPPLY	3	0	4
97.	CENTRAL WAREHOUSING CORPORATION	2	0	8
98.	M/O FOOD PROCESSING INDUSTRIES	1	0	0
99.	D/O FOOD & CIVIL SUPPLY	1	1	2
100.	SUPER BAZAR	0	1	0
101.	INDIAN COUNCIL OF MEDICAL RESEARCH	0	0	3
102.	HINDUSTAN LATEX LTD.	2	0	1
103.	M/O HEALTH & FAMILY WELFARE	17	27	30
104.	CENTRAL COUNCIL OF RESEARCH IN UNANI MEDICINE	2	0	4
105.	P.G.I.	1	0	0
106.	EMPLOYEES STATE INSURANCE CORP.	6	1	4
107.	EMPLOYEES PROVIDENT FUND ORGN.	3	1	3
108.	M/O LABOUR	5	4	8
109.	M/O ENVIRONMENT & FOREST	0	2	6
110.	NATIONAL DAIRY DEV. BOARD	1	2	0
111.	NATIONAL SEEDS CORPORATION	0	0	3
112.	M/O AGRICULTURE & COOP.	5	4	6
113.	INDIAN COUNCIL OF AGRICULTURAL RESEARCH	4	2	8
114.	NAFED	0	3	0
115.	CAPART	0	0	1
116.	D/O ANIMAL HUSBANDARY & DAIRYING	0	0	2
117.	M/O RURAL DEVELOPMENT	1	0	0
118.	M/O WATER RESOURCES	5	1	0
119.	NATIONAL CAPITAL TERRITORY, DELHI	31	25	20
120.	MUNICIPAL CORPORATION OF DELHI	37	60	25
121.	DELHI VIDYUT BOARD	2	4	4
122.	NEW DELHI MUNICIPAL COUNCIL	9	6	4
123.	DELHI TRANSPORT CORPORATION	2	0	1
124.	DELHI STATE INDUSTRIAL DEV. CORP.	1	1	0
125.	DELHI DEVELOPMENT AUTHORITY	23	12	7
126.	M/O URBAN AFFAIRS & EMPLOYMENT	12	6	6
127.	CENTRAL PUBLIC WORKS DEPARTMENT	9	6	1
128.	HUDCO	2	0	0
129.	M/O HOME AFFAIRS	3	3	7
130.	DOPT	3	0	3

131.	M/O LAW & JUSTICE	2	0	1
132.	COMPTROLLER & AUDITOR GENERAL	1	1	0
133.	CABINET SECTT.	1	0	1
134.	M/O EXTERNAL AFFAIRS	1	0	2
135.	M/O INFORMAITON & BROADCASTING	5	4	10
136.	M/O DEFENCE	9	4	30
137.	DADRA & NAGAR ADMN.	0	0	1
138.	ANDAMAN & NICOBAR ADMN.	0	0	15
139.	UT OF DAMAN & DIU	1	0	2
140.	UT OF PONDICHERRY	0	0	1
141.	UT OF LAKSHDWEEP	0	1	0
	TOTAL	443	340	637

CENTRAL BUREAU OF INVESTIGATION

2

1

3

**ANNEXURE-X****(Para 5.3.2)****LIST OF ORGANISATIONS WHO ARE YET TO APPROACH THE COMMISSION  
FOR NOMINATION OF CDIs FOR APPOINTMENT AS INQUIRY OFFICER -  
CASES PENDING FOR MORE THAN SIX MONTHS**

<b>SL.NO.</b>	<b>NAME OF THE ORGANISATION</b>	<b>NUMBER OF CASES</b>
1.	CENTRAL BOARD OF DIRECT TAXES	8
2.	CENTRAL BOARD OF EXCISE AND CUSTOMS	8
3.	COAL INDIA LIMITED	1
4.	D/O ANIMAL HUSBANDARY & DAIRYING	1
5.	D/O CULTURE	1
6.	D/O TELECOMMUNICATIONS	9
7.	DELHI DEVELOPMENT AUTHORITY	1
8.	DELHI TRANSPORT CORPORATION	1
9.	DELHI VIDYUT BOARD	3
10.	DOPT	1
11.	EMPLOYEES PROVIDENT FUND ORGANISATION	1
12.	EMPLOYEES STATE INSURANCE CORP.	1
13.	GENERAL INSURANCE CORP. OF INDIA LTD.	2
14.	GOVT. OF NATIONAL CAPITAL TERRITORY OF DELHI	4
15.	INDIA TRADE PROMOTION ORGANISATION	1
16.	INDIAN COUNCIL FOR AGRICULTURAL RESEARCH	1
17.	M/O DEFENCE	1
18.	M/O ENVIRONMENT & FOREST	1
19.	M/O HEALTH & FAMILY WELFARE	5
20.	M/O HOME AFFAIRS	2
21.	M/O INFORMATION & BROADCASTING	2
22.	M/O LABOUR	3
23.	M/O PARLIAMENT AFFAIRS	1
24.	M/O RAILWAY	6
25.	M/O RURAL AFFAIRS & EMPLOYMENT	1
26.	M/O SURFACE TRANSPORT	2
27.	M/O URBAN AFFAIRS & EMPLOYMENT	1
28.	M/O WATER RESOURCES	1
29.	M/O WELFARE	1
30.	M/O YOUTH AFFAIRS & SPORTS	1
31.	MUNICIPAL CORPORATION OF DELHI	3
32.	NEW DELHI MUNICIPAL COUNCIL	2
	<b>TOTAL</b>	<b>77</b>

**ANNEXURE-XI**  
**(Para 5.3.3)**

**LIST OF ORGANISATIONS YET TO APPOINT CDIs NOMINATED BY THE COMMISSION**

SL. No.	NAME OF ORGANISATION	NO.OF NOMINATIONS PENDING	
		MORE THAN 3 MONTHS BUT LESS THAN A YEAR	MORE THAN A YEAR
1.	ALLAHABAD BANK	5	0
2.	ANDHRA BANK	0	1
3.	BANK OF BARODA	3	0
4.	BANK OF INDIA	12	0
5.	BANK OF MAHARASHTRA	0	2
6.	CENTRAL PUBLIC WORKS DEPARTMENT	1	0
7.	CALCUTTA PORT TRUST	1	0
8.	CANARA BANK	1	0
9.	CENTRAL BANK OF INDIA	4	0
10.	CENTRAL BOARD OF DIRECT TAXES	2	0
11.	CENTRAL BOARD OF EXCISE & CUSTOMS	47	1
12.	D/O ATOMIC ENERGY	1	0
13.	D/O FOOD & CIVIL SUPPLIES	1	0
14.	D/O HEAVY INDUSTRY	1	0
15.	D/O POST	2	0
16.	D/O TELECOMMUNICATIONS	3	1
17.	DELHI DEVELOPMENT AUTHORITY	2	8
18.	GOVERNMENT OF NCT DELHI	0	2
19.	INDIAN BANK	2	0
20.	INDIAN OIL CORPORATION	1	0
21.	INDIAN OVERSEAS BANK	0	1
22.	M/O COAL	1	0
23.	M/O HOME AFFAIRS	2	0
24.	M/O INFORMATION & BROADCASTING	1	0
25.	M/O RAILWAYS	15	1
26.	MUNICIPAL CORPORATION OF DELHI	7	1
27.	NATIONAL THERMAL POWER CORPN.	0	1
28.	NEW INDIA ASSURANCE CO. LTD.	0	1
29.	OIL & NATURAL GAS COMMISSION	3	0
30.	PUNJAB & SIND BANK	1	0
31.	PUNJAB NATIONAL BANK	1	0
32.	STATE TRADING CORPORATION	2	0
33.	STATE BANK OF INDIA	1	0
34.	STATE BANK OF SAURASHTRA	1	0
35.	VIJAYA BANK	0	1
	<b>TOTAL</b>	<b>124</b>	<b>21</b>

**ANNEXURE - XII****(Para 5.3.3)****LIST OF ORGANISATIONS WHO ARE YET TO FORWARD DOCUMENTS TO  
THE CDIs FOR HOLDING INQUIRIES**

<b>SL. NO.</b>	<b>NAME OF THE ORGANISATION</b>	<b>PENDING FOR RECEIPT OF DOCUMENTS</b>	
		<b>&gt; 3 MONTHS BUT &lt; ONE YEAR</b>	<b>&gt; 1 YEAR</b>
1.	BANK OF BARODA	3	0
2.	CENTRAL BOARD OF DIRECT TAXES	1	0
3.	CENTRAL BOARD OF EXCISE & CUSTOMS	6	0
4.	M/O COMMERCE	1	0
5.	M/O HEALTH & FAMILY WELFARE	2	0
	<b>TOTAL</b>	<b>13</b>	<b>0</b>

**ANNEXURE- XIII**  
**(Para 5.4)**

**ORGANISATION-WISE LIST OF CASES IN WHICH COMMISSION HAS NOT RECEIVED INFORMATION ABOUT IMPLEMENTATION OF ITS ADVICE**

SL. NO.	NAME OF ORGANISATION	NO. OF CASES PENDING IMPLEMENTATION OF CVC'S ADVICE FOR MORE THAN SIX MONTHS	
		FIRST STAGE ADVICE	SECOND STAGE ADVICE
1	A.I.I.M.S.	2	0
2	AIR INDIA	2	0
3	AIRPORTS AUTHORITY OF INDIA	13	0
4	ALLAHABAD BANK	18	3
5	ANDAMAN & NICOBAR ADMN.	8	1
6	ANDHRA BANK	5	5
7	B.B.V.L.	0	1
8	BHARAT PETROLEUM CORPN. LTD.	2	0
9	BANK OF BARODA	46	19
10	BANK OF INDIA	35	7
11	BANK OF MAHARASHTRA	14	4
12	BHAKRA BEAS MANAGEMENT BOARD	1	0
13	BHARAT COKING COAL	2	0
14	BORDER ROADS DEV. BOARD	13	6
15	COUNCIL OF SCIENTIFIC RESEARCH	10	5
16	CABINET SECTT.	5	4
17	CALCUTTA PORT TRUST	4	1
18	CANARA BANK	11	3
19	CENTRAL BANK OF INDIA	11	5
20	CENTRAL BOARD OF DIRECT TAXES	43	53
21	CENTRAL BOARD OF EXCISE & CUSTOMS	82	77
22	CENTRAL COAL FIELDS LTD.	1	0
23	CENTRAL SILK BOARD	0	1
24	CHANDIGARH ADMN.	14	2
25	COAL INDIA LTD.	1	1
26	COAL MINES PROVIDENT FUND ORGN.	1	0
27	COCHIN REFINERIES LTD.	1	0
28	COMPTROLLER & AUDITOR GENERAL OF INDIA	6	1
29	CORPORATION BANK	1	0
30	CENTRAL PUBLIC WORKS DEPARTMENT	8	13
31	D/O AGRICULTURE & COOPERATION	4	1
32	D/O ANIMAL HUSBANDARY & DIARING	11	0
33	D/O ATOMIC ENERGY	3	2

34	D/O CIVIL AVIATION	4	0
35	D/O CULTURE	3	1
36	D/O ELECTRONICS	0	1
37	D/O FERTILIZERS	1	0
38	D/O FOOD	0	2
39	D/O HEAVY INDUSTRY	7	0
40	D/O INDUSTRIAL POLICY & PROMOTION	5	5
41	D/O MINES	1	1
42	D/O PERSONNEL & TRG.	16	5
43	D/O POSTS	16	4
44	D/O SCIENCE & TECHNOLOGY	2	1
45	D/O SMALL SCALE INDUSTRIES O/O DEVELOPMENT COMMISSIONER	3	2
46	D/O SPACE	1	0
47	D/O SUPPLY	3	2
48	D/O TELECOM	114	20
49	D/O TOURISM	3	0
50	D/O WOMEN & CHILD DEVELOPMENT	1	0
51	D/O YOUTH AFFAIRS	2	2
52	DADRA & NAGAR HAVELI ADMN.	5	2
53	DELHI DEVELOPMENT AUTHORITY	60	58
54	DENA BANK	6	2
55	DELHI TRANSPORT CORPORATION	2	1
56	DELHI VIDYUT BOARD	37	62
57	ELECTRONICS CORPN. OF INDIA LTD.	2	0
58	EXPORT INSPECTION CORPN. OF INDIA	1	1
59	EMPLOYEES PROVIDENT FUND ORGN.	9	0
60	EMPLOYEES STATE INSURANCE CORPN.	4	1
61	FOOD CORPORATION OF INDIA	2	0
62	GENERAL INSURANCE CORPN. OF INDIA	37	22
63	HINDUSTAN CABLES LTD	2	0
64	H.D.P.E. LTD.	0	1
65	HINDUSTAN PAPER CORPORATION	2	0
66	HINDUSTAN PETROLEUM CORPN.	1	0
67	HINDUSTAN STEEL WORKS LTD.	1	0
68	HINDUSTAN INSECTICIDES LTD	1	0
69	HOTEL CORPN. OF INDIA	1	0
70	I.B.P.CO. LTD.	1	0
71	INDIAN COUNCIL OF MEDICAL RESEARCH	2	0
72	INDIAN OIL CORPORATION	2	0
73	INDIAN TOURISM DEVELOPMENT CORPN.	5	0
74	INDIAN COUNCIL OF AGRICULTURE RESEARCH	17	4
75	INDIAN BANK	45	8
76	INDIAN OVERSEAS BANK	7	11
77	KHADI VILLAGE INDUSTRIES COMMISSION	0	1
78	KENDRIYA VIDYALAYA SANGATHAN	11	3
79	M/O COAL	5	0
80	M/O COMMERCE	11	5
81	M/O DEFENCE	50	40

82	M/O ENVIRONMENT & FOREST	14	10
83	M/O EXTERNAL AFFAIRS	19	5
84	M/O FINANCE	14	3
85	M/O FOOD PROCESSING INDUSTRIES	2	0
86	M/O HEALTH & FAMILY WELFARE	38	15
87	M/O HOME AFFAIRS	40	24
88	M/O INFORMATION & BROADCASTING	53	4
89	M/O LABOUR	11	3
90	M/O LAW & JUSTICE	5	1
91	M/O N.C.E.S.	1	1
92	M/O PETROLEUM & NATURAL GAS	4	1
93	M/O POWER	2	1
94	M/O RAILWAYS	268	192
95	M/O RURAL DEVELOPMENT	6	0
96	M/O SOCIAL JUSTICE & EMPOWERMENT	3	1
97	M/O SURFACE TRANSPORT	10	5
98	M/O TEXTILES	2	4
99	M/O URBAN AFFAIRS & EMPLOYMENT	3	3
100	M/O WATER RESOURCES	19	2
101	MADRAS REFINERIES LTD.	1	0
102	MCD	46	25
103	MORMUGAO PORT TRUST	2	0
104	MUMBAI PORT TRUST	3	4
105	N.I.D.C.	2	0
106	N.I.S.I.	1	0
107	N.J.M.C.	0	1
108	N.T.P.C.	0	1
119	N.T.P.C.	2	2
110	NATIONAL FERTILIZERS LTD	1	0
111	NAVODAYA VIDYALAYA SAMITI	3	1
112	NCT OF DELHI	30	41
113	NDMC	4	6
114	NUCLEAR POWER CORP.	2	1
115	O.N.G.C.	10	3
116	ORIENTAL BANK OF COMMERCE	5	1
117	P.D.I.L.	1	0
118	P.G.C.I.L.	1	0
119	P.P.L.	1	0
120	PARADIP PORT TRUST	2	2
121	PAWAN HANS LTD.	1	0
122	PUNJAB & SIND BANK	19	6
123	PUNJAB NATIONAL BANK	46	12
124	R.I.N.L.	1	0
125	RESERVE BANK OF INDIA	4	0
126	SAIL	3	0
127	SHIPPING CORPN OF INDIA	0	2
128	STATE BANK OF BIKANER & JAIPUR	8	3
129	STATE BANK OF HYDERABAD	10	1
130	STATE BANK OF INDIA	90	31
131	STATE BANK OF INDORE	3	1



132	STATE BANK OF MYSORE	10	0
133	STATE BANK OF PATIALA	12	3
134	SYNDICATE BANK	17	2
135	TUTICORIN PORT TRUST	1	0
136	UCO BANK	31	16
137	UNION BANK OF INDIA	27	4
138	UNITED BANK OF INDIA	15	6
139	UT OF DAMAN & DIU	7	2
140	VIJAYA BANK	10	13
141	VISAKHAPATNAM PORT TRUST	4	3
142	WESTERN COALFIELDS	2	0
143	UT OF PONDICHERRY	22	10
144	UT OF LAKSHDWEEP	3	2
	TOTAL	1133	552

**ANNEXURE-XIV****(Para 6.8.1)****LIST OF ORGANISATIONS WHICH HAVE NOT FURNISHED  
STATISTICAL RETURNS FOR ANY QUARTER DURING THE YEAR**

<b>SL. NO.</b>	<b>NAME OF THE ORGANISATION</b>
1.	ALL INDIA INSTITUTE OF MEDICAL SCIENCES
2.	ANDAMAN & NICOBAR ADMN.
3.	ASSAM RIFLES
4.	BENGAL IMMUNITY LTD.
5.	BHARAT PROCESS & MECHANICAL ENGINEERS LTD.
6.	BHARAT WAGONS & ENGINEERING CO. LTD.
7.	BORDER SECURITY FORCE
8.	CENTRAL COUNCIL FOR RESEARCH IN AYURVEDA & SIDHA
9.	CENTRAL INDUSTRIAL SECURITY FORCE
10.	CENTRAL INSTITUTE OF ENGLISH & FOREIGN LANGUAGES
11.	CENTRAL INSTITUTE OF PLASTING ENGG. & TECHNOLOGY
12.	CENTRAL PULPS & PAPER RESEARCH INSTITUTE
13.	COAL CONTROLLER ORGANISATION
14.	COCONUT DEVELOPMENT BOARD
15.	COUNCIL OF SCIENTIFIC & INDUSTRIAL RESEARCH
16.	CYCLE CORPORATION OF INDIA LTD.
17.	D/O ANIMAL HUSBANDRY & DAIRYING
18.	D/O CHEMICALS & PETROCHEMICALS
19.	D/O COMPANY AFFAIRS
20.	D/O CULTURE
21.	D/O DEFENCE PRODUCTION & SUPPLIES
22.	D/O EXPENDITURE
23.	D/O FERTILIZERS
24.	D/O HEAVY INDUSTRY
25.	D/O LEGAL AFFAIRS & LEGISLATIVE DEPARTMENT
26.	D/O POSTS
27.	D/O SCIENTIFIC & INDUSTRIAL RESEARCH
28.	D/O SMALL SCALE INDUSTRIES & AGRO & RURAL INDUSTRIES
29.	D/O TOURISM
30.	DAMAN & DIU ADMN.
31.	ELECTRONICS TRAINING TECHNOLOGY DEVELOPMENT CORP.
32.	GOVT. OF PONDICHERRY
33.	INDIAN COUNCIL OF AGRICULTURAL RESEARCH
34.	INDIAN COUNCIL OF FOREST RESEARCH & EDUCATION
35.	INDIAN INSTITUTE OF MASS COMMUNICATION
36.	INDO-TIBETEN BORDER POLICE
37.	INLAND WATERWAYS AUTHORITY OF INDIA
38.	INTELLIGENCE BUREAU
39.	INTERNATIONAL INSITITUTE FOR POPULATION SCIENCES
40.	JAMIA MILLIA ISLAMIA
41.	KANDLA PORT TRUST

42.	KENDRIYA BHANDAR
43.	LAGAN JUTE MACHINERY CO. LTD.
44.	LAKSHDWEEP ADMN.
45.	M/O ENVIRONMENT & FOREST
46.	M/O EXTERNAL AFFAIRS
47.	M/O INFORMATION & BROADCASTING
48.	M/O LABOUR
49.	M/O NON CONVENTIONAL ENERGY SOURCES
50.	M/O PARLIAMENTARY AFFAIRS
51.	M/O PERSONNEL, P.G. & PENSIONS
52.	M/O PETROLEUM & NATURAL GAS
53.	M/O POWER
54.	M/O SOCIAL JUSTICE & EMPOWERMENT
55.	M/O SURFACE TRANSPORT
56.	M/O TEXTILES
57.	NATIONAL BOOK TRUST, INDIA
58.	NATIONAL CENTRE FOR SOFTWARE TECHNOLOGY, N. DELHI
59.	NATIONAL COMMISSION FOR MINORITIES
60.	NATIONAL FILM DEVELOPMENT CORP. LTD.
61.	NATIONAL HOUSING BANK
62.	NATIONAL INSTITUTE OF ADULT EDUCATION
63.	NATIONAL INSTITUTE OF RURAL DEVELOPMENT
64.	NATIONAL POWER TRAINING INSTITUTE
65.	NATIONAL PRODUCTIVITY COUNCIL
66.	NATIONAL PROJECTS CONSTRUCTION CORP. LTD.
67.	NAVODAYA VIDYALAYA SAMITI
68.	NCR PLANNING BOARD
69.	O/O DEVELOPMENT COMMISSIONER FOR IRON & STEEL
70.	ORGANISATION OF THE CONTROLLER GENERAL OF ACCOUNTS
71.	POST GRADUATE INSTITUTE OF MEDICAL EDUCATION & RESEARCH, CHANDIGARH
72.	PM's OFFICE
73.	REGIONAL COMPUTER CENTRE, CALCUTTA
74.	REHABILITATION INDUSTRIES CORP. LTD.
75.	REPATRIATES COOP. FINANCE & DEVELOPMENT BANK LTD.
76.	RICHARDSON & CRUDDAS (1972) LTD.
77.	SALAR JUNG MUSEUM
78.	SCHOOL OF PLANNING & ARCHITECTURE
79.	SPORTS AUTHORITY OF INDIA
80.	STAFF SELECTION COMMISSION
81.	SUPER BAZAR, NEW DELHI
82.	TANNERY & FOOTWEAR CORP. OF INDIA LTD.
83.	TEA TRADING CORP. OF INDIA LTD.
84.	TEXTILES COMMITTEE
85.	TOBACCO BOARD
86.	VIDESH SANCHAR NIGAM LIMITED

**ANNEXURE - XV**  
(Para 6.9.1)

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WORK DONE BY CHIEF VIGILANCE OFFICERS DURING THE PERIOD 01-01-1998 TO 31-12-1998  
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- (1) Col. 2 indicates the ministry including departments & public sector undertakings attached to it, except when such departments/ public undertakings are indicated separately.  
(2) F.O. = For Disposal; (3) O = Disposed off; (4) Inv. = Investigation; (5) Inq. = Inquiry; (6) Rpt. = Report

S. NO	DEPARTMENT	NO OF COMP. AGAINST ALL CATEGORIES		CASES INVOLVING GAZ. & EQUIVALENT OFFICERS								OTHER OFFICERS			
				UNDER INV.		INV. RPT.		UNDER DRAL INQUIRY		ACTION AFTER PROCEEDINGS		UNDER INV. & FDR ACTION ON INV. REPORT		UNDER ORAL INQ. & FOR ACTION ON PROCEEDINGS	
		F.D.	O	F.D.	D	F.D.	O	F.D.	D	F.D.	O	F.D.	D	F.D.	D
1	AGRICULTURE	96	46	59	17	18	17	9	6	18	15	69	38	18	8
2	ATOMIC ENERGY	77	59	20	8	22	0	19	6	6	6	112	72	106	39
3	BANKS	4050	3940	910	694	983	654	984	387	1281	1028	7112	5783	5382	3252
4	C. & A.G. OF INDIA	1	1	1	1	1	1	1	1	1	1	0	0	0	0
5	CHEM. & PETROCHEM.	118	106	2	0	0	0	1	1	1	1	220	146	86	47
6	CIVIL AVIATION	312	285	10	4	4	3	0	0	0	0	702	560	398	216
7	COAL	1750	1541	16	5	14	9	6	1	2	2	1704	1212	650	250
8	COMMERCE	344	309	27	19	25	20	26	5	6	4	596	433	514	299
9	CUSTOMS & EXCISE	814	586	386	130	163	150	186	57	154	79	732	381	572	297
10	DEFENCE	449	404	212	144	153	145	19	9	23	18	388	332	213	134
11	NCT, DELHI	5549	5092	390	278	317	285	113	74	237	165	2617	2291	2417	2239
12	EXTERNAL AFFAIRS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	FERTILIZERS	289	284	8	4	4	4	1	1	1	1	624	467	138	105
14	FINANCE	24	24	0	0	0	0	1	0	0	0	47	31	123	85
15	FOOD & CONSUMER AFFR	30	21	3	1	1	1	0	0	0	0	81	49	68	15
16	FOOD CORPN. OF INDIA	656	656	0	0	0	0	0	0	0	0	1678	1237	1374	783
17	HEALTH & FAMILY WEL.	24	21	2	1	2	2	0	0	0	0	19	5	21	9
18	HOME AFFAIRS	757	424	197	127	196	138	61	9	17	10	294	194	193	127
19	WOMAN RESOURCE DEV.	25	24	56	13	39	29	17	5	23	9	15	8	7	5
20	I & B	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	INCOME TAX	1962	1323	304	145	213	145	50	12	104	46	797	252	216	81
22	INDUSTRIAL DEV.	83	83	47	23	24	24	1	1	5	3	45	35	20	17
23	INSURANCE	996	878	114	94	120	108	52	17	60	51	1929	1588	1465	969
24	LABOUR	230	227	83	6	19	7	24	6	9	6	660	312	677	194
25	MINES	149	133	3	3	3	2	6	0	2	2	257	217	212	100
26	PETROLEUM	886	865	12	2	3	2	0	0	1	1	2633	1717	590	337
27	POSTS	0	0	0	0	0	0	1	1	1	0	0	0	1	0
28	POWER	158	158	2	1	2	2	0	0	1	0	534	331	135	50
29	HEAVY INDUSTRY	713	712	22	14	14	14	1	0	0	0	1115	860	340	210
30	RAILWAYS	17051	16325	606	348	399	371	209	61	365	225	23557	21849	11234	7084
31	RURAL DEVELOPMENT	188	186	96	11	15	15	4	2	4	3	101	32	13	8
32	S.A.I.L.	1248	1038	0	0	0	0	0	0	0	0	461	374	508	428
33	SCIENCE & TECHNOLOGY	51	47	21	10	10	10	7	5	13	8	68	51	51	32
34	STEEL	195	194	1	1	1	1	0	0	0	0	413	380	141	102
35	SUPPLY	41	41	71	40	48	37	3	2	12	8	6	6	6	4
36	SURFACE TRANSPORT	987	900	119	74	127	71	33	16	29	10	1088	992	704	493
37	TELECOMMUNICATIONS	3055	2671	754	580	696	528	135	118	279	243	2294	1938	923	638
38	TOURISM	187	187	2	2	2	2	0	0	0	0	320	275	91	27
39	URBAN AFFAIRS	2021	877	384	231	432	159	108	38	175	42	1205	309	417	209
40	WATER RESOURCES	46	46	47	20	26	23	4	1	6	0	55	44	30	16
41	MISCELLANEOUS	114	111	98	40	50	44	13	9	19	17	166	79	108	79
	<b>TOTAL</b>	<b>45726</b>	<b>40825</b>	<b>5085</b>	<b>3091</b>	<b>4146</b>	<b>3023</b>	<b>2095</b>	<b>851</b>	<b>2855</b>	<b>2004</b>	<b>54714</b>	<b>44880</b>	<b>30162</b>	<b>18988</b>

**ANNEXURE-XVI**  
( PARA 6.9.2 )

**PENDENCY WITH CHIEF VIGILANCE OFFICERS**

(1) Column 2 indicates the Ministry including departments under it and Public undertakings attached to it except when such Departments/Public undertakings are indicated separately.

(2) Inv.-Investigation;(3) Rpt.-Report;(4)Inq.- Inquiry;(5) <3m means less than; (6) >3m means more than; (7) m = months.

S.No.	Department	No. of Compl- aints against all categories		Cases involving Gazetted and equivalent officers								Cases involving other officers			
				Under Inv.		Inv. Repts.		Under oral Inq.		Action after proceeding		Under Inv. & fer action en Inv. Rept.		Under oral Inq. & for action on proceedings	
		<1m	>1m	<3m	>3m	<3m	>3m	<6m	>6m	<3m	>3m	<3m	>3m	<6m	>6m
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	AGRICULTURE	7	43	7	35	8	1	8	3	0	3	6	25	4	6
2	ATOMIC ENERGY	2	16	0	12	0	22	0	13	0	0	2	38	15	52
3	BANKS	28	82	84	132	86	243	192	485	101	152	471	858	885	1245
4	C. & A.S. OF INDIA	0	0	0	0	0	8	0	0	0	0	0	0	0	0
5	CHEM. & PETROCHEM.	2	10	8	2	0	8	8	8	8	8	13	61	25	14
6	CIVIL AVIATION	8	19	2	4	1	8	8	0	0	8	62	80	59	123
7	COAL	10	199	1	10	8	5	1	4	8	0	192	300	176	224
8	COMMERCE	14	21	6	2	2	3	8	21	1	1	78	85	120	95
9	CUSTOMS & EXCISE	5	223	51	205	5	8	42	87	28	47	75	276	118	157
10	DEFENCE	9	36	9	59	5	3	4	6	1	4	23	33	51	28
11	NCT, DELHI	117	348	44	68	15	17	24	15	14	58	106	220	125	53
12	EXTERNAL AFFAIRS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	FERTILIZERS	1	4	2	2	0	0	8	0	0	8	58	107	18	15
14	FINANCE	0	0	0	0	0	8	8	1	0	8	6	18	25	13
15	FOOD & CONSUMER AFFR	2	7	0	2	0	0	8	0	0	0	3	29	11	42
16	FOOD CORPN. OF INDIA	0	8	8	0	0	8	8	0	8	0	100	341	202	389
17	HEALTH & FAMILY WEL.	1	2	1	0	0	0	8	0	8	0	11	3	7	5
18	HOME AFFAIRS	32	381	17	53	18	48	37	15	1	6	15	85	13	53
19	HUMAN RESOURCE DEV.	8	1	8	35	2	8	0	12	3	11	1	6	1	1
20	I & B	0	8	8	0	8	8	8	8	8	0	8	8	0	8
21	INCOME TAX	129	510	26	133	36	32	8	30	14	44	27	518	44	91
22	INDUSTRIAL DEV.	0	8	7	17	0	0	0	8	1	1	3	7	2	1
23	INSURANCE	18	100	8	12	3	9	20	15	3	6	189	232	303	193
24	LABOUR	0	3	16	61	0	12	5	13	3	0	52	296	155	328
25	MINES	1	15	0	8	0	1	5	1	8	0	21	19	61	51
26	PETROLEUM	5	16	3	7	8	1	8	8	0	0	169	747	120	133
27	POSTS	0	0	0	8	8	8	8	0	1	0	8	0	0	1
28	POWER	0	0	8	1	8	0	0	8	0	1	65	138	48	37
29	HEAVY INDUSTRY	1	0	2	6	0	0	8	1	0	0	73	182	68	62
30	RAILWAYS	140	586	73	185	14	14	71	77	58	90	842	866	3017	1133
31	RURAL DEVELOPMENT	0	2	0	85	8	8	1	1	1	0	2	67	4	1
32	S.A.I.L.	65	145	8	0	8	0	8	8	8	0	65	22	40	48
33	SCIENCE & TECHNOLOGY	1	3	5	6	8	0	2	0	1	4	6	11	9	18
34	STEEL	1	8	8	0	0	0	0	8	0	0	16	17	29	10
35	SUPPLY	0	0	8	23	5	6	0	1	0	4	0	0	1	1
36	SURFACE TRANSPORT	4	83	10	35	9	47	9	8	2	17	16	80	103	108
37	TELECOMMUNICATIONS	236	148	89	85	85	83	15	2	18	18	172	184	227	58
38	TOURISM	0	8	8	0	8	8	8	8	8	0	13	32	24	40
39	URBAN AFFAIRS	242	902	19	134	66	207	23	47	21	112	230	666	70	138
40	WATER RESOURCES	0	8	10	17	1	2	3	8	2	4	4	7	12	2
41	MISCELLANEOUS	0	3	10	48	8	6	4	8	1	1	11	76	22	7
	<b>GRAND TOTAL</b>	<b>1081</b>	<b>3820</b>	<b>518</b>	<b>1476</b>	<b>345</b>	<b>778</b>	<b>466</b>	<b>778</b>	<b>267</b>	<b>584</b>	<b>3110</b>	<b>6724</b>	<b>6214</b>	<b>4960</b>