



सत्यमेव जयते

केन्द्रीय सतर्कता आयोग
CENTRAL VIGILANCE COMMISSION



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Circular No. 16/08/22

दिनांक / Dated.....

Subject: Amendment/Modification to Para 8.1 of Chapter VIII of Vigilance Manual, 2021 – Vigilance Angle in Public Sector Banks – Reg.

Central Vigilance Commission, in Paras 1.4.1, 1.4.2 and 1.4.3 of Chapter I of Vigilance Manual, 2021 has prescribed the broad parameters within which the existence of vigilance angle in any matter, involving an irregularity, is to be decided. In addition, vide Para 8.1 of Chapter VIII of Vigilance Manual 2021, the type of misconducts, which may have identifiable vigilance angle in matters specific to Public Sector Banks have been outlined.

3. Commission has been approached for clarification regarding the scope of definition of vigilance angle in misconducts pertaining to Public Sector Banks with reference to Para 8.1 of Chapter VIII of Vigilance Manual 2021 and also the provisions of Paras 1.4.1, 1.4.2 and 1.4.3 of Chapter I of Vigilance Manual, 2021.
4. The issue has been considered in the Commission and it has been decided to amend Para 8.1 of Chapter VIII of Vigilance Manual, 2021 in order to clarify that “vigilance angle” in respect of misconducts in Public Sector Banks is to be decided in the light of broad parameters given in Paras 1.4.1, 1.4.2 and 1.4.3 of Chapter-I, to be read with the provisions of Para 8.1 of Chapter-VIII of Vigilance Manual 2021.
5. The amended Para 8.1 of Chapter-VIII of Vigilance Manual, 2021 is enclosed as Annexure ‘A’, which may be noted for compliance and future reference.


(Rajiv Verma)
Director

Encl: As above

CHAPTER-VIII

SPECIFIC ISSUES RELATED TO PUBLIC SECTOR BANKS & INSURANCE COMPANIES

8.1 VIGILANCE ANGLE IN PUBLIC SECTOR BANKS

8.1.1. In Para 1.4.1 of Chapter I, certain common irregularities which have a clear vigilance angle, have been described. Para 1.4.2 and Para 1.4.3 of Chapter I also prescribe that in respect of irregularities, other than those described in Para 1.4.1, a view regarding presence of vigilance angle in a particular case, would be taken after considering/weighing the circumstances leading to the case.

8.1.2. In addition, there are certain acts of misconduct, specific to Public Sector Banks, which may have an identifiable vigilance angle. Some of such instances of improper acts are listed below:-

- (a) Irregularities in opening of accounts leading to the creation of fictitious accounts.
- (b) Recurrent instances of sanction of Overdrafts (ODs) in excess of discretionary powers / sanctioned limits without reporting;
- (c) Frequent instances of accommodations granted to a party against norms e.g., discounting bills against bogus MTRs; purchase of bills when bills had earlier been returned unpaid; affording credits against un-cleared effects in the absence of limits and opening Letter of Credits (LCs) when previously opened LCs had devolved;
- (d) Cases in which there is a reasonable ground to believe that a penal offence has been committed by the alleged official but the evidence forthcoming is not sufficient for prosecution in a court of law e.g., possession of disproportionate assets;
- (e) Misappropriation of Banks property, money or stores;
- (f) Falsification of Bank's records;
- (g) Disclosure of secret or confidential information even though it does not fall strictly within the scope of Bank's Secrecy issues;
- (h) False claims on the Bank viz., TA claims, reimbursement claims, etc.
- (i) Failure to take necessary action to protect the interest of the Bank;
- (j) Sacrificing / ignoring the interest of the Bank and causing loss to the Bank.



8.1.3 The following actions involving an employee of Public Sector Banks would also come under the purview of vigilance angle, if the employee concerned :

- (a) has not acted in accordance with rules and his recommendations are not in the interest of the Bank;
- (b) has failed to conduct himself in such a manner that his decisions or recommendations do not appear to be objective and transparent and seem to be calculated to promote improper gains for himself or for anyone else;
- (c) has acted in a manner to frustrate or undermine the policies of the Bank or decisions taken in the Bank's interest by the management;
- (d) seems to have complied with unauthorised and unlawful oral instructions of his seniors without bringing them to the notice of the Competent Authority as per extant guidelines;
- (e) has exceeded his discretionary powers and his actions do not appear justifiable or to serve Bank's interest;
- (f) has abused or misused his official position to obtain benefit for himself or for another.

8.1.4 It may be noted that the list of misconducts as indicated in Paras 8.1.2 and 8.1.3 above, is only an "*illustrative list*" and not an exhaustive one. There may be other acts of misconduct in Public Sector Banks which may attract vigilance angle. Therefore, the authorities concerned, including the respective Disciplinary Authority and the Chief Vigilance Officer, should examine a perceived misconduct in the light of broad parameters, as described in Para 1.4.1, 1.4.2 and 1.4.3 of Chapter I, before arriving at a conclusion regarding presence of vigilance angle or otherwise, in that matter.

(Para 8.1 of Chapter VIII of Vigilance Manual 2021, stands amended to the above extent)



To,

- (i) The Secretaries of all Ministries/Departments of GoI
- (ii) All Chief Executives of CPSUs/Public Sector Banks/Public Sector Insurance Companies/ Public Sector Financial Institutes/ Autonomous Bodies etc.
- (iii) All CVOs of Ministries/Departments of GoI/CPSUs/Public Sector Banks/Public Sector Insurance Companies/Public Sector Financial Institutes/Autonomous Bodies etc.
- (iv) Website of CVC

