

**ESTIMATES COMMITTEE
(1968-69)**

(FOURTH LOK SABHA)

EIGHTY-FOURTH REPORT

MINISTRY OF HOME AFFAIRS

(CENTRAL VIGILANCE COMMISSION)



सत्यमेव जयते

**LOK SABHA SECRETARIAT
NEW DELHI**

April, 1969/Chaitra, 1891 (Saka)

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CONTENTS

	PAGE
COMPOSITION OF THE COMMITTEE	(iii)
INTRODUCTION	(v)
I. INTRODUCTORY :	
A. Historical Background	1
B. Objective	3
C. Statutory Basis	4
D. Jurisdiction	7
II. ORGANISATION AND FUNCTIONS :	
A. Organisation	10
B. Functions	21
III. PERFORMANCE AND PROCEDURE OF WORK :	
A. Performance	29
B. Procedure of work	33
C. Time taken in Disposal of Cases	34
D. Delays in Ministries and CBI	38
E. Difference of opinion between the Commission and CBI	40
IV. BLACKLISTING OF FIRMS/CONTRACTORS :	45
V. COMMISSIONERS OF DEPARTMENTAL ENQUIRIES :	51
VI. CHIEF TECHNICAL EXAMINER'S ORGANISATION :	
A. Functions	57
B. Staff strength	58
C. Expenditure	63
D. Performance	65
VII. MISCELLANEOUS :	
A. Prosecution for false complaint	71
B. Training	73
C. Control and coordination regarding vigilance work in Ministries	75

(ii)

	PAGE
D. Conferences	78
E. Publicity	79
F. Non-acceptance of Advice	81

APPENDICES :

I. Ministry of Home Affairs Resolution No. 24/7/64-AVD dated the 11th February, 1964 setting up the Central Vigilance Commission	86.
II. Letter No. 9/1/64-D.P. dated the 13th April, 1964 from the Central Vigilance Commission to all Ministries of the Government of India, etc.	91
III. Statement showing summary of Recommendations/Conclusions contained in the Report	97
IV. Analysis of Recommendations/Conclusions contained in the Report	107

ESTIMATES COMMITTEE

(1968-69)

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INTRODUCTION

1, the Chairman, Estimates Committee having been authorised by the Committee to submit the Report on their behalf, present this Eighty-fourth Report on the Ministry of Home Affairs—Central Vigilance Commission.

2. The Committee took evidence of the representatives of the Ministry of Home Affairs and of the Central Vigilance Commissioner on the 7th and 8th January, 1969. The Committee wish to express their thanks to the Secretary (Services), the Central Vigilance Commissioner and other officers of the Ministry of Home Affairs and Central Vigilance Commission for placing before them the material and information desired in connection with the examination of the Estimates.

3. The Committee also wish to express their thanks to Shri K. Santhanam for furnishing a memorandum on the subject to the Committee.

4. The Report was considered and adopted by the Committee on the 5th April, 1969.

5. A statement showing analysis of recommendations contained in the Report is also appended to the Report (Appendix IV).

NEW DELHI-1 ;
April 14, 1969.
Chaitra 24, 1891 (S).

P. VENKATASUBBAIAH,
Chairman,
Estimates Committee.

I.

INTRODUCTORY

A. Historical Background

Historical Background

1.1. In 1962 the Government appointed a Committee on Prevention of Corruption, under the Chairmanship of Shri K. Santhanam, to review the existing arrangements for checking corruption in Central Services and to advise on practical steps to be taken to make anti-corruption measures more effective. The origin of this Committee lies in the announcement made by the then Home Minister, Shri Lal Bahadur Shastri on the 6th June, 1962 in his reply to the debate in Parliament on the Demands for Grants for the Ministry of Home Affairs. As stated by him, the object behind the setting up of the Committee was 'to review the problem of corruption and make suggestions.' The terms of reference of the Committee covered the entire problem of corruption in Central Government Departments and measures for combating it. To ensure that action on the recommendations of the Committee was taken with all possible speed, it was suggested to the Committee by the Home Minister that it should forward *interim* report as soon as examination of any aspect of the problem was completed.

1.2. The Committee submitted an *interim* report in February, 1963, recommending setting up of a Central Vigilance Commission. On the basis of this *interim* report the Government formulated a Scheme for the setting up of the Central Vigilance Commission. A copy of the Scheme was laid on the Tables of the Lok Sabha and Rajya Sabha on 16th December, 1963. The scheme as it finally emerged is contained in the Ministry of Home Affairs Resolution No. 24/7/64-AVD, dated 11th February, 1964 (Appendix I). The Central Vigilance Commissioner assumed charge on the 19th February, 1964, and the Commission is deemed to have started functioning from that date.

Extent of departure from the recommendations of Santhanam Committee.

1.3. The main recommendations of the Santhanam Committee were summarised in the scheme laid before the Houses of Parliament on 16-12-1963 as follows:—

- (i) The Central Vigilance Commission should in its functioning be independent of Government and may not be ans-

werable to any Minister even though administratively placed under the Ministry of Home Affairs.

- (ii) It should deal comprehensively with two of the major problems of administration, namely:—
 - (a) prevention of corruption and maintenance of integrity, and
 - (b) ensuring just and fair exercise of administrative powers vested in various authorities by statutory rules or by non-statutory executive orders.
- (iii) The powers and responsibilities in disciplinary matters which are at present decentralised should in the main be centralised in the Commission, the only exception being the power given to the Delhi Special Police Establishment to make preliminary inquiries or to institute and investigate a regular case whenever they consider it necessary to do so.
- (iv) The Central Vigilance Commission should consist of three Directorates, one to deal with general complaints of citizens (Directorate of General Complaints and Redress), another to deal with all vigilance matters (Directorate of Vigilance), and the third the Central Police Organisation which would exercise the powers now exercised by the Delhi Special Police Establishment till such time as the Central Bureau of Investigation is set up. (The Central Bureau of Investigation was set up on 1st April, 1963).

1.4. While the basic recommendation for setting up the CVC was accepted by Government, the scheme of the Commission as finalised by Government did not contain many of the important features recommended by the Santhanam Committee. The important departures from the recommendations of the Santhanam Committee have been explained as follows:

- (i) Government considered that the problem of looking into the grievances of citizens against administration and ensuring just and fair exercise of administrative powers are big enough and the Central Vigilance Commission would be overburdened if this responsibility were to be placed upon it. They, therefore, decided that for the present action should be taken only on such of the recommendations of the Santhanam Committee as relate to prevention of corruption and maintenance of integrity in public services. Accordingly, the scheme of the Central

Vigilance Commission did not envisage a Directorate of General Complaints and Redress.

- (ii) Government also considered that complete centralisation of powers and responsibilities in regard to the enquiry or investigation into complaints and all subsequent action thereon would not only undermine the initiative and sense of responsibility of the Ministries|Departments|undertakings, but would also lead to practical and legal difficulties for the following reasons:
- (i) Central Government employees are large in number and are spread throughout the country;
 - (ii) there are so many matters which can more conveniently be investigated by departmental officers;
 - (iii) the initiation, conduct and final disposal of disciplinary proceedings involve detailed management, some executive decisions, and action at certain stages under statutory rules; and all these cannot be centralised without causing delay and multiplication of staff;
 - (iv) under the Prevention of Corruption Act only the appointing authority is authorised to sanction prosecution, and this power cannot be given to the Commission without amending the law; and
 - (v) there are certain disciplinary powers which cannot be given to the Vigilance Commissioner without amending Article 311 of the Constitution.

They therefore decided that there should be centralisation of powers and responsibilities in the Central Vigilance Commission only to the extent necessary to make it effective. For the rest the Commission should have the reserve power to intervene when it considers it necessary to do so, and it should be kept fully in the picture by the Ministries. etc. in order that it may be able to exercise that power.

B. Objective

Objective

1.5. It has been stated that the basic objective which prompted the Government to set up the Central Vigilance Commission was to fulfil the need for an independent body with extensive functions designed to ensure that complaints of corruption or lack of integrity on the part of Government servants are given prompt and effective atten-

tion and that offenders are brought to book without fear and favour. The independence of the Central Vigilance Commission from the executive is ensured by the terms of the Resolution setting up the Central Vigilance Commission which provides the same conditions of service for Central Vigilance Commissioner as for the Members of the Union Public Service Commission, and the submission by Central Vigilance Commission of an Annual Report about its activities drawing particular attention to any recommendation made by it which has not been accepted or acted upon, and requiring the report, together with a Memorandum explaining the reasons for non-acceptance of any recommendation of the Commission, to be laid before Parliament. The Commission has in the sphere of vigilance a status and role broadly corresponding to that of the Union Public Service Commission. It has been given powers of investigation and enquiry. According to Government, the combined effect of the independence of the Commission, the nature of its functions and the fact that its reports are placed before Parliament has made the commission a powerful force for eradication of corruption in the public services.

C. Statutory Basis

Statutory basis

1.6. As stated above, the scheme of the CVC was contained in the statement laid on the Tables of both the Houses of Parliament on the 16th December, 1963. The CVC was, however, set up by a Resolution of the Government dated the 11th February, 1964. Para 4 of the Resolution provided that the Commission would, in the exercise of its powers and functions, not be subordinate to any Ministry|Department and would have the same measure of independence and autonomy as U. P. S. C. Government was asked to state the reasons which prompted them to set up the CVC by means of an executive instrument, rather than by legis'ation. In reply they have stated:

“Because of intense desire of Government to eradicate corruption from public life and the importance and urgency that the Government attached to this problem, it was considered desirable to set up Central Vigilance Commission without any loss of time. Legislation would have taken considerable time. The Santhanam Committee in their report had also suggested that steps should be taken to put the Commission on statutory basis after a suitable period of experiments and trial.”

1.7. During evidence, it was pointed out to the representative of the Ministry that although the intention of the Government, as

reflected in the specific provision made in para 4 of the Government Resolution dated 11-2-1964, was to confer on the CVC a status analogous to that enjoyed by the Union Public Service Commission which had a constitutional basis, Government had chosen to set up the Commission by an executive instrument only. The Government Resolution setting up the Commission was not even laid before Parliament. The representative of the Ministry explained that in view of the fact that Santhanam Committee itself had recommended that the CVC should be given a statutory form only after sufficient experience had been gained, Government had decided to give the Commission a non-statutory form. He further stated that Government did not consider it necessary to obtain specific Parliamentary approval for setting up the Commission as the scheme of the CVC had already been placed before Parliament a couple of months earlier and the matter was also referred to in the President's Address to Parliament. Further, according to him, funds for the CVC were voted by Parliament along with the Demands for Grants relating to the Ministry of Home Affairs and as such the expenditure of the Commission was duly authorised.

Future of CVC

1.8. Replying to the question as to whether Government have tentatively set any period for experiment and trial of the scheme of the CVC, Government have in a note submitted:

"The Administrative Reforms Commission in their interim report submitted to Government on 20th October, 1966 had suggested that with the establishment of the institutions of Lokpal and Lokayukta, the present system of Vigilance Commissions will become redundant and would have to be abolished on the setting up of these institutions*. The Lokpal and Lokayukta Bill, 1968, has

*The ARC had in para 23 of the 'Interim Report on Problems of Redress of Citizens Grievances' stated as follows:

"Public opinion has been agitated for a long time over the prevalence of corruption in the administration and it is likely that cases coming up before the independent authorities mentioned above might involve allegations or actual evidence of corrupt motive and favouritism. We think that this institution should deal with such cases as well, but where the cases are such as might involve criminal charge or misconduct cognisable by a Court, the case should be brought to the notice of the Prime Minister or the Chief Minister, as the case may be. The latter would then set the machinery of law in motion after following appropriate procedures and observing necessary formalities. The present system of Vigilance Commissions wherever operative will then become redundant and would have to be abolished on the setting up of the institution."

been introduced in the Lok Sabha on the 10th May, 1968 and is at present being considered by a Joint Committee of Parliament. Government have not, therefore, set any period for experiment and trial of the scheme of the Central Vigilance Commission in its present form. Subject to the ultimate form that the Lokpal and Lokayukta Bill, 1968, which is under the consideration of a Joint Committee of Parliament, may take, the Commission will continue in its present form."

1.9. During evidence, the representative of the Ministry stated that the Lokpal and Lokayuktas Bill, 1968 pending before Parliament provided for a Lokpal and one or more Lokayuktas. According to him, after the bill was passed, Government proposed to appoint two Lokayuktas, one for dealing with vigilance side and the other for attending to public grievances. He further stated that Government was contemplating to redesignate the Central Vigilance Commissioner as Lokayukta and merge his organisation into the new scheme.

1.10. It was pointed out to the representative of the Ministry that some of the functions which were at present being exercised by the Central Vigilance Commission were not covered by the provisions of the Lokpal and Lokayuktas Bill. After the new scheme of Lokpal and Lokayukta was launched bringing the institution of the CVC to an end, these functions would have to revert to the Ministry of Home Affairs or the administrative Ministries who were discharging these functions before these were transferred to the CVC. In reply he stated that under clause 17(1) of the bill, President could confer on the Lokpal or Lokayukta additional functions in relation to redress of grievances and eradication of corruption. Under this provision Government would have the power to transfer, by notification or order, various quasi-administrative, consultative and supervisory functions which were being discharged by the Central Vigilance Commissioner to the new Lokayukta. According to him, Government was thinking of transferring the present functions of the Central Vigilance Commission to the Lokayukta by notification under Clause 17 (1) of the Lokpal and Lokayuktas Bill, if necessary.

1.11. The Committee feel that the Government should not have set up an important institution like the CVC enjoying the same measure of independence and autonomy as the Union Public Service Commission, by a simple executive resolution. They are unable to appreciate the argument that since a copy of the scheme of the CVC had been laid on the Table of the Houses of Parliament in December, 1963, and it had also been referred to in the President's Address de-

livered to both the Houses assembled together on the 10th February, 1964, it was not necessary to approach Parliament again before the Commission was actually set up. The Committee feel that it would have been desirable to place the resolution before the Parliament.

1.2. The Committee note that Government are contemplating to redesignate the Central Vigilance Commissioner as Lokayukta after the Lokpal and Lokayukta Bill, which is currently before the Parliament, becomes law and to merge the CVC into the new institution to be established under the Act. They hope that the difficulties and lacunae found in the working of the Commission will be duly taken care of in the Act.

D. Jurisdiction

Jurisdiction over All India Service Officers

1.13. The Ministry of Home Affairs Resolution dated the 11th February, 1964, vests the CVC with jurisdiction and powers in respect of matters to which the executive power of the Union extends. Under para 2 of the Resolution the CVC has been empowered to cause an inquiry or investigation to be made into—

- (a) any complaint that a public servant had exercised or refrained from exercising his powers for improper or corrupt purposes;
- (b) any complaint of corruption, misconduct, lack of integrity or other kinds of malpractices or misdemeanour on the part of a public servant including members of the All India Services even if such members are for the time being serving in connection with the affairs of a State Government.

1.14. The Resolution stated that the relevant rules under the All India Services Act would be amended in consultation with the State Governments in order to bring the members of those Services under the purview of the Commission. Government was asked to state the latest position in that regard. They have stated that the State Governments were consulted for amending the All India Services (Discipline & Appeal) Rules so that Central Vigilance Commission could investigate into the conduct of the All-India Services Officers serving in connection with the affairs of the State also. The proposal has, however, met with strong opposition from six State Governments. The State Governments have felt that to extend the jurisdiction of the Central Vigilance Commission to the All India Services Officers serving in connection with the affairs of the State would amount to curtailment of the powers of control of the State Government over their officers. They have not favoured the idea

of such curtailment of their powers. Some of the States have also expressed apprehension that such dual control over the officers would adversely affect the morale of the services. In view of this strong opposition, Government have decided that the proposal may not be pursued further for the time being.

Jurisdiction over non-gazetted officers

1.15. While the Commission's jurisdiction extends to all categories of public Servants, for practical considerations, consultation with the Commission has for the present been made obligatory only in respect of all Gazetted Officers (except All India Services Officers serving in connection with the affairs of a State Government) and officers of Public Undertakings drawing a salary of Rs. 1000.00 per month or above. Government have, however, decided that the process of consultation may subsequently be extended to non-gazetted personnel also beginning with a few selected categories.

1.16. The Ministry of Home Affairs were asked to state the reasons for excluding non-gazetted personnel from the purview of the Commission when, in terms of the Home Ministry Resolution dated 11-2-64 its jurisdiction extended to all employees of the Central Government. They have in reply stated that the process was to be extended, after some experience had been gained and provision had been made for adequate staff, to certain selected categories of non-gazetted officers who were holding sensitive posts, e.g. Overseers in Central Public Works Department, Income-tax Inspectors, Goods Clerks in Railways etc. At present, the Commission obtains statistical returns and progress reports in respect of all categories of officers so as to exercise a general supervision over the disposal of cases relating to non-gazetted officers.

1.17. The cases against non-gazetted officers are, however, dealt with by the Commission in the following circumstances:—

- (i) When they are involved along with Gazetted officers in cases referred to the Commission.
- (ii) Where there is a difference of opinion between Central Bureau of Investigation and the administrative authority about the manner in which the case against a non-gazetted servant has been dealt with.
- (iii) Where the Commission refers complaints against non-gazetted staff for enquiry, the reports have to be dealt with by the Commission and appropriate advice given.
- (iv) The Chief Vigilance Officers have been advised that they may consult the Commission in respect of cases per-

taining to non-gazetted officers, if the cases offer any peculiar features or in their opinion it is desirable to consult the Commission.

(v) Where the Commission considers it desirable to do so.

1.18 The Committee hope that in the re-organized set up of the Commission under the new enactment, the question of its jurisdiction over the All India Service Officers serving in connection with the affairs of a State Government will have been finally settled. They also hope that the non-gazetted officers serving in the Central Government Departments, Administrations of Union Territories, Public Undertakings, and Local-Self Governing institutions in the Union Territories would also be brought under the purview of the Commission.

II

ORGANISATION AND FUNCTIONS

A. Organisation

Status of the Commission

2.1. The functions of the Central Vigilance Commission are advisory but they are advisory in the same sense as those of the Union Public Service Commission. By para 4 of the Resolution the Commission has been given, in the exercise of its powers and functions, the same measure of independence and autonomy as the Union Public Service Commission. The independent and autonomous status of the Commission, its extensive powers and jurisdiction and the fact that it indicates in its annual report cases in which the administrative authorities have not accepted its advice make the Commission an effective instrument for ensuring that all complaints of corruption or lack of integrity on the part of public servants are given adequate and due attention.

Organisation

2.2. The following chart shows the organisational set up of the Central Vigilance Commission:

CENTRAL VIGILANCE COMMISSIONER

Secretary

Commissioners for Departmental Enquiries (Five)	Chief Technical Examiner	Deputy Secretary	Officer on Special Duty	Under Secretary
	Technical Examiners (Eleven)	Chief Technical Examiner's section	Vigilance I and II and Complaints sections	Administration and Cash Section
	Assistant Technical Examiners (Nine)			

2.3. The Commission consists of three wings, viz.:—

- (a) Secretariat consisting of 4 Sections, namely:—
 - (i) Vigilance I Section.
 - (ii) Vigilance II Section.
 - (iii) Complaints Section.
 - (iv) Administration and Cash Section.
- (b) Chief Technical Examiner's Organisation.
- (c) Commissioners for Departmental Enquiries.

2.4. The Central Vigilance Commissioner is assisted by a Secretary who is in overall administrative charge of the office of the Commission. Deputy Secretary, Officer on Special Duty and Under Secretary have been allotted different Ministries/Departments etc. of the Government of India to deal with vigilance/complaints cases relating to them and Vigilance I, Vigilance II and Complaints Sections submit cases to them accordingly. It is stated that the working in the Commission is officer-oriented and scrutiny and noting in all cases is done only by officers. The Officer on Special Duty is an officer drawn from the Law Ministry. He was appointed as it was felt necessary to have on the staff of the Commission an officer with legal experience and background.

2.5. The functions of the Chief Technical Examiner's Organisation are to conduct an internal, concurrent and continuous administrative and technical audit of the works of the Central Public Works Department with a view to securing economy in expenditure and better technical and financial control. Besides, this Organisation also assists audit in examination of audit paras of technical nature and also S.P.E. (now forming a part of CBI) in investigation of technical cases. This Organisation is headed by a Chief Technical Examiner who is of the rank of the Chief Engineer in the Central Public Works Department. In his day-to-day duties, he is assisted by 11 Technical Examiners and 9 Assistant Technical Examiners (including one Assistant Technical Examiner—Horticulture). The Technical Examiners are assisted by the Technical Assistants and ministerial staff.

2.6. The Commissioners for Departmental Enquiries hold oral enquiries during the course of departmental disciplinary proceedings against gazetted officers where integrity or an element of vigilance is involved. In exceptional circumstances, cases of non-gazetted

officers are also entrusted to Commissioners for Departmental Enquiries with the approval of the Commission. Departmental enquiries in respect of personnel of the Public Undertakings, Corporate Bodies etc. drawing approximately a basic pay of Rs. 1,000 or above per month are also entrusted to Commissioners for Departmental Enquiries. The Commission nominates a Commissioner for Departmental Enquiries on request from the Department/Ministry concerned. The Commissioners for Departmental Enquiries submit reports of oral enquiries conducted by them in all departmental proceedings to the Commission which after examination of the same advises the Ministry/disciplinary authority concerned regarding action to be taken against the delinquent officers.

Staff strength, Budget and Expenditure

2.7. As on 31st March, 1968, the Commission had a sanctioned strength of 164 while the staff in position numbered 153. The details are as under:

(Position as on 31-3-1968).

	Sanctioned Strength	Actual Strength
<i>Gazetted</i>		
Class I	24	20
Class II	15	14
<i>Non-Gazetted:</i>		
Class II	33	31
Class III	53	48
<i>Class IV staff:</i>	39	38
	164	153

2.8. The expenditure of the Commission is mainly on pay and allowances of officers and Establishment and is met out of grants forming part of the budget estimates of the Ministry of Home

Affairs. The budgeted and actual expenditure of the Commission during the last three years have been as follows:

(Rs. in lakhs)

	Amount budgeted for in Revised Estimates	Actual Expenditure
1965-66	10.00	9.45
1966-67	10.60	10.37
1967-68	11.78	11.65

2.9. The increase in expenditure is indicated as due to increase in allowances of staff, office expenditure and the creation of the following new posts during the period:

Commissioner for Departmental Enquiries	1
Technical Examiners	4
Assistant Technical Examiners	3
Stenographers	2
Hindi Assistant	1
Librarian	1
U.D.C.	4
Steno-typist	3
Daftary	1
Jamadar	1
Peons	5

Manner of appointment of CVC

2.10. Under para 3(a) of the Ministry of Home Affairs Resolution dated the 11th February, 1964, Central Vigilance Commissioner is appointed by the President by warrant under his hand and seal. During evidence, the representative of the Ministry was asked to state how and at what level the names were selected for being considered for the post of Central Vigilance Commissioner and at what level were the appointments finalised. He stated that the selection was made by the Home Minister and placed before the Prime Minister. After approval by the Prime Minister, it was submitted to the President. He further stated that no formal procedure had been laid down for selection and that Home Minister could select any one he thought fit. The normal procedure, according to him, was that the Home Minister might make informal sounding or consultation "with anybody whom he thinks fit in his judgment to give suitable suggestions in the matter.....He need not consult anybody." Asked whether any general guidelines had been laid down for selection or any qualification, legal or otherwise, were prescribed, he replied:

"There is no specific qualification laid down as such. The intention was that the best person possible should be

selected and the selection of the first incumbent was made if the retired Chief Justice while the second selection was made of a senior civil servant who had also functioned as a Vigilance Commissioner.....The procedure is laid down to this extent that the Home Minister has got to submit for consideration of the Prime Minister the reasons why a particular person is recommended."

In reply to another question, he stated that it was not very difficult to find out suitable names as in the field of selection certain names would be obvious.

2.11. The Committee recommend that, in order that appointment to the office of the Central Vigilance Commission is made after due consideration of the relative merits, Government should devise some formal procedure of consultation with persons in high authority and of eminence such as Chief Justice of India, etc., for the purpose of drawing up a panel, before names are submitted for the consideration of the Prime Minister.

Delay in the appointment of CVC

2.12. It was noticed that even though the last Central Vigilance Commissioner retired on the 23rd August, 1968, the new Commissioner took charge only on 28th October, 1968. The post thus remained vacant for over two months. The Committee have been informed that decisions in all types of cases referred to the Commission are taken by the Commissioner himself. This means that the work of the Commission must have remained suspended for a period of more than two months when the post of the Central Vigilance Commissioner remained vacant.

2.13. The representative of the Ministry was asked to state why the need for selecting a successor to the last incumbent of the post of Central Vigilance Commissioner could not be foreseen well in advance of the date of his retirement so that the new Commissioner could be in position immediately the post fell vacant. He replied that the vacancy was certainly anticipated but action to appoint a successor was held over until a decision was taken in regard to the shape of the legislation on Lokpal and Lokayuktas. According to him, the final decision about the person to be selected could be taken only in September, 1968. Then, time was taken in finalising the terms of appointment and in securing his release from the post he was holding in the State Government. It was pointed out to the representative of the Ministry that the consequence of the delayed

action by Government was that during the interregnum the whole work of the Commission came to a standstill and important cases, even those where permission for launching prosecution was sought by the CBI, remained unattended to. He admitted that delay had occurred in appointment of the successor but added that final decision regarding the person to be appointed could be taken only at a particular point of time.

2.14. The Committee are not convinced by the reasons given for the delay in selecting a successor to the last Central Vigilance Commissioner. The Lokpal and Lokayuktas Bill was introduced in Lok Sabha on the 9th May, 1968 and had been referred to a Joint Committee of the two Houses while the last Central Vigilance Commissioner retired on the 23rd August, 1968. It was extremely unlikely that the Bill would have become an Act by that time. They regret that the importance of initiating action in this regard well in time was not foreseen by Government due to which the work of the Commission suffered and remained at a standstill for a period of over two months during which the Commission had to function without the Commissioner.

2.15. In this connection the Committee would like to make the following suggestions:

- (i) action to fill up the post of the Central Vigilance Commissioner should be initiated by the Ministry of Home Affairs at least 6 months before the occurrence of the vacancy;**
- (ii) the process of consultation, obtaining consent of the person selected for consideration, obtaining approval of the Home Minister, the Prime Minister and of the President should be completed by the Ministry of Home Affairs at least two months in advance of the occurrence of the vacancy.**
- (iii) the offer of appointment should be sent out to the persons selected two months before the occurrence of the vacancy so that adequate margin is left for consideration of alternative names, in the event of the person selected expressing his inability to join or in case where the Ministry visualises delay in his release for the post.**

Manner of appointment of officers and staff of the Commission

2.16. CVC (Staff) Rules, 1964 notified vide Ministry of Home Affairs Notifications No. 24/26/64-AVD dated the 17th June, 1964 and No. 24/85/64-AVD dated the 14th April, 1966 make general pro-

visions in regard to the methods of recruitment and condition of service of the staff of the Commission. Rule 6 (1) & (2) of these Rules reads as under:—

- (1) Recruitment under rule 4(1) (ii) (i.e. by transfer or deputation of a person serving in the Union or State) to the posts in the Vigilance Commission specified in column 1 of the table below shall be from amongst members of the services, or from amongst persons approved for appointment by the Central Government to the grades, specified in the corresponding entry in column (2) of that table.

TABLE

(1)	(2)
(i) Secretary, Deputy Secretary and Under Secretaries:	Joint Secretary, Deputy Secretary and Under Secretary to the Government of India respectively or comparable posts.
(ii) Commissioners for Departmental Enquiries:	Deputy Secretary to the Government of India or any comparable post, or a post in the scale of pay of Rs. 1800—100—2000as may be decided by the Central Government in each case.
(iii) Section Officers, Assistants, Stenographers and Clerks:	Members or persons in the Select List of Central Secretariat Service, Central Secretariat Stenographers Service or Central Secretariat Clerical Service, as the case may be, or persons holding or approved for comparable posts under the Union or a State.
(iv) Class IV:	Members of the Central Secretariat Service Class IV or persons holding comparable posts under the Union or a State.
(v) Other posts:	Persons holding or approved for comparable posts under the Union or a State.

- (2) Persons appointed to the posts in the Vigilance Commission from the posts or grades specified in the table in sub-rule (1) shall receive the same rates of pay and be subject to the same conditions of service as persons in the respective grades or posts under the Union; and the tenure of appointment of such persons to the posts in the Vigilance Commission shall be such as may be determined by the Central Government from time to time after consultation with the Central Vigilance Commissioner.

2.17. The Ministry of Home Affairs have also notified in 1968 Recruitment Rules in respect of class I and class II, class III and class IV posts in the Commission. The Rules lay down the methods by which the posts may be filled, the proportion of vacancies to be filled by each method and, in case of appointment by promotion, the class of officers who shall be eligible for such appointment and conditions for eligibility.

2.18. A study of the Recruitment Rules for class I & class II posts reveals the following:—

- (1) Administrative posts of Secretary, Commissioners for Departmental Enquiries, Deputy Secretary & Officer on Special Duty are to be filled up by deputation only. The categories of officers eligible for deputation to these posts are:
 - (i) Indian Administrative Service.
 - (ii) Selection Grade of Central Secretariat Service (not eligible for the post of Officer on Special Duty).
 - (iii) Other Central Services, class I, including General Centre Service class I.
 - (iv) Officers of State Services.
- (2) The post of Under Secretary is to be filled up by promotion from Section Officers with 10 years service in the grade, failing which by deputation of suitable officers from the following categories:
 - (i) Indian Administrative Service.
 - (ii) Central Secretariat Service Grade I.
 - (iii) Other Central Services class I.
 - (iv) Officers holding analogous posts in the State Services.
- (3) The post of Chief Technical Examiner is filled up by deputation of suitable officers of the status of Additional Chief Engineer of the C.P.W.D. or officers of equivalent status of the Engineering Departments of the Government of India|State Governments.
- (4) Other technical posts in the Chief Technical Examiner's organisation namely, those of Technical Examiner and Assistant Technical Examiner are to be filled up by deputation only of suitable officers of certain status of Engineering Department of the Government of India (except C.P.W.D.) failing which of C.P.W.D.

2.19. It has been stated that in the case of appointments of Secretary, Commissioners for Departmental Enquiries, Deputy Secretary and Under Secretary, the Establishment Officer of the Ministry of Home Affairs is requested to suggest names of suitable officers and selection is made after examining the previous record of service. The appointment of Chief Technical Examiner is made with the approval of the Appointments Committee of the Cabinet or the Central Establishment Board, as the case may be. For recruitment to posts of Technical Examiner and Assistant Technical Examiner, the State Governments and the Departments concerned of the Government of India are addressed to recommend suitable officers and selection is made on the basis of qualifications, experience and record of service of the officers.

2.20. During evidence, the Central Vigilance Commissioner stated that the Commission was getting full cooperation from the Ministry of Home Affairs and other Ministries/Departments of the Government in procuring suitable personnel for the Commission and that he was consulted* before anyone was posted to the Commission. He, however, mentioned that the current problem of the Commission was inadequacy of staff, particularly Commissioners for Departmental Enquiries, which the Ministry of Home Affairs also realised.

2.21. The Central Vigilance Commissioner was further asked to state whether officers whom the Commission takes on deputation would not be under the influence of their parent department because they had to go back to their department. The Commissioner replied:

“.....the number of officers needed for the senior posts was very small. If we are burdened with somebody unsuitable, we cannot get rid of him. We have to make the best of the difficult situation. We take officers on deputation from Ministries. They are very useful. I can only say in fairness that the officers who have come on deputation have been working very satisfactorily.”

The Commissioner also stated that it would be a very desirable thing to have an independent organisation for the Commission; but in view of the smallness of the organisation and the meagre prospects from officers, it would not be possible.

Delays in appointment of Senior Officers

2.22. Government was asked to furnish a statement showing *inter alia* the periods for which various posts remained vacant. From the statement furnished to the Committee it was noticed that senior

*At the time of factual verification, the Central Vigilance Commission has pointed out that the correct position is that all appointments in the Commission are made by the Central Vigilance Commission himself.

posts in the Commission had to remain vacant for long periods pending selection of suitable officers. Government was asked to furnish the reasons for not finalising the selections well in advance of the occurrence of the vacancy. The reasons for which class I posts in the Commission on the administrative side remained vacant for a period of more than 6 months at a time have been given by Government in each case as follows:

(i) *Secretary—*from 6-2-64 to 13-9-64

The post of Secretary was sanctioned by an order dated 6th February, 1964. An officer was selected for the post in March, 1964, but he was appointed as a Joint Secretary in the Ministry of Home Affairs as the rules for appointment to the posts in the CVC had not issued by then. The CVC (Staff) Rules were issued in June, 1964. A decision had by then been taken to continue the officer as Joint Secretary in the Ministry of Home Affairs. Another officer had, therefore, to be selected. The selected officer joined in September, 1964. Till then the Joint Secretary in the Ministry attended to the duties of the Secretary of the Commission, in addition to his own duties.

(ii) *Commissioner for Departmental Enquiries—*from 6-2-64 to 10-3-65.

The post of Commissioner for Departmental Enquiries in question was sanctioned in the CVC by an order dated 6th February, 1964. The intention was that a Judicial Officer may be selected for the post.

The question of filling up was postponed pending finalisation of the CVC (Staff) Rules. These Rules were promulgated in June, 1964. The question of appointing Commissioners for Departmental Enquiries from different fields and the methods to be adopted for making selection was considered by the CVC and it was decided to fill up the post by a Judicial officer. The office of the Establishment Officer addressed the State Governments in June, 1964 to recommend names of suitable Judicial Officers for the posts of Commissioners for Departmental Enquiries. Central Vigilance Commissioner also wrote in August, 1964 D.O. letters to some Chief Justices in the States suggest names of suitable Districts Judges for the post. On the basis of the names received, an officer was selected in November, 1964. The settlement of the terms of his appointment etc. in consultation with the Ministry of Finance took about 3 months and offer of appointment was sent to him on 18th February, 1965. He joined duty on 11th March, 1965.

(iii) *Commissioner for Departmental Enquiries—from 31-12-66 to 15-11-67*

The post was to fall vacant with effect from 31st December, 1966 consequent on the incumbent of the post proceeding on Leave Preparatory to Retirement. An officer of the Industrial Management Pool was selected by the Commission for the post and on 5th November, 1966 the Establishment Officer, Ministry of Home Affairs was requested to process his case and arrange for his release by 31st December, 1966. (The Establishment Officer was reminded on 7th January, 1967). He, however, suggested names of a few other officers for the post and indicated that the officer suggested by the Commission was being appointed to some other posts and would not be available for appointment as Commissioner for Departmental Enquiries in the CVC. The matter remained under correspondence with the Establishment Officer and ultimately in June, 1967, the Establishment Officer was requested to suggest names of some other suitable officers for the post. A few names were received from the Establishment Officer. These names were not approved by the Commissioner and Establishment Officer was requested to suggest some more names. An officer of the Ministry of Railways suggested by the Establishment Officer was selected in July, 1967 and the Establishment Officer was requested to make available his services early. In August, 1967, it was intimated by the Ministry of Railways that the officer selected was not interested in the post. The Establishment Officer was again requested to suggest names of some suitable officers. In October, 1967 the Establishment Officer suggested some names out of which an officer was selected. His appointment was approved by the Central Establishment Board in November, 1967 and the officer joined this Commission on 16th November, 1967.

(iv) *Under Secretary (One from 21-5-64 to 26-1-65)*

Originally an officer of the Indian Administrative Service was selected for the post and he was to join on 20th June, 1964. On re-examination, it was considered desirable to get a person with legal background for the post. An officer of the Law Ministry was considered for the post but he could not be appointed due to certain technical difficulties. Ultimately, in lieu of the post of Under Secretary a post of Officer on Special Duty in a higher scale was created in January, 1965 and officer belonging to the Central Legal Service was appointed in February, 1965.

2.23. The Committee find that the root cause of delay in appointment in most cases was that the Recruitment Rules for senior posts, both administrative as well as technical, provide for deputation from specified categories of officers as the only source of recruitment. This

provision in the Recruitment Rules also limits the field of selection. They would like the source of recruitment to be made a little more broad based and therefore recommend that the Recruitment Rules should also provide for filling up the posts by deputation of Central Government Officers who do not belong to any of the All-India or established Central Services.

2.24. With a view to avoid delays in appointment to the senior posts, the Committee would like to make the following suggestions:

- (i) action to fill up a vacancy should be initiated by the Commission at least 6 months before it is likely to occur, and
- (ii) the process of selection should be completed at least two months in advance of the occurrence of the vacancy.

B. Functions

Functions

2.25. The Ministry of Home Affairs Resolution No. 24/7/64-AVD, dated the 11th February, 1964, vests the Commission with jurisdiction and power in respect of matters to which the executive powers of the Union extends. The Resolution authorises it to undertake inquiry, or have an inquiry made, into any transaction in which a public servant is suspected or alleged to have acted for an improper purpose or in a corrupt manner or into any complaint that a public servant had exercised or refrained from exercising his powers with an improper or corrupt motive or into any complaint of misconduct or lack of integrity or of any malpractices or misdemeanour on the part of a public servant.

2.26. As stated earlier, while the Commission's jurisdiction extends to all categories of Public Servants, consultation with the Commission has for the present been made obligatory only in respect of all Gazetted Officers and officers of Public Undertakings drawing a salary of Rs. 1,000 per month or above. The Ministries/Departments etc., however, avail themselves of the guidance of the Commission in appropriate cases pertaining to non-gazetted employees also. The Commission has also been given the responsibility of exercising a general check and supervision over vigilance and anti-corruption work in the Ministries/Departments and Public Undertakings, etc. and is authorised to call for reports, returns etc. from administrative authorities, with this end in view. If it appears to the Commission that discretionary powers had been exercised for an improper or corrupt purpose, it may advise the appropriate authority that suitable action may be taken against the public servant concerned; and

if it appears that the procedure or practice is such as affords scope or facilities for corruption or misconduct, the Commission may advise that such procedure or practice may be appropriately changed or changed in a particular manner. The Chief Vigilance Officers in Ministries/Departments/Public Undertakings are appointed in consultation with the CVC and no person whose appointment as Chief Vigilance Officer is objected to by the Central Vigilance Commission can be so appointed. The Central Vigilance Commission has the powers to assess the work of the Chief Vigilance Officers and the assessment is recorded in the Character Rolls of the Officers.

The procedure regarding consultation with the CVC has been alid down in the Commission's letter No. 9/1/64-DP dated 13th April, 1964 (Appendix II).

2.27. The Commission has to deal with the following items of work:—

- (i) Complaints regarding corruption.
- (ii) Reports of investigation received from the Central Bureau of Investigation suggesting departmental action or such action as deemed fit.
- (iii) Reports of oral enquiries conducted by Commissioners for Departmental Enquiries.
- (iv) Miscellaneous cases referred by the Ministries/Departments for advice.
- (v) Reports of Central Bureau of Investigation recommending prosecution of Government Servants where President is sanctioning authority.
- (vi) Cases where there is difference of opinion between Central Bureau of Investigation and administrative authorities.
- (vii) Action against persons making false complaints.
- (viii) Blacklisting of firms.
- (ix) Work done by the Chief Technical Examiner's Organisation.
- (x) Matters relating to the integrity of permanent Government Servants which are taken notice of by the Commission *suo moto*.

Complaints

2.28. The Commission is authorised to entrust any complaint or case to:—

- (i) the Central Bureau of Investigation for registering a regular case or for making a preliminary enquiry; or
- (ii) to the Chief Vigilance Officer of the Ministry/Department for enquiry.

Report of the Central Bureau of Investigation/Chief Vigilance Officers in respect of above cases come to the Commission which advises the administrative authority about the further course of action. The Commission can also make an enquiry *suo moto* into any transaction. Complaints against Gazetted Officers received by the administrative authorities are referred to the Commission for advice and further action is taken on the Commission's advice.

Reports received from the Central Bureau of Investigation

2.29. Reports of investigation/inquiries made at the instance of the CVC or otherwise which involve Gazetted Officers or officers of Public Undertakings drawing a salary of Rs. 1000/- and above per month are forwarded by the Central Bureau of Investigation to the CVC. The Commission advises the disciplinary authority as to whether any action is required to be taken and if so whether action should be as for a major penalty or minor penalty.

Reports of the Commissioners for Departmental Enquiries

2.30. The Commissioners for Departmental Enquiries are nominated by the Commission to hold inquiries connected with disciplinary proceedings against Gazetted Officers which involve a question of integrity of character. The reports in respect of all inquiries made by the Commissioners are sent by them to the disciplinary authority through the CVC. The Commission after examining the reports, forwards them to the administrative authorities concerned with its advice as to the further course of action.

Miscellaneous cases received from Ministries/Departments

2.31. Disciplinary cases relating to gazetted officers are referred to the Commission for advice at various stages of the proceedings. These stages are indicated in the Commission's letter dated 13th April, 1964. The Commission has also to be consulted before the disciplinary authority decides to drop action on a complaint or before embarking on further action.

Prosecution Cases

2.32. When the Central Bureau of Investigation recommends prosecution of the Government Servants and if sanction for such prosecution is required under any law to be issued in the name of the President, a copy of the investigation report is forwarded to the CVC. After examining the case and considering comments, if any, received from the concerned Ministry/Department, the Commission advises the Ministry of Home Affairs whether the proposed prosecution should be sanctioned.

Prosecution of persons found to have made false complaints

2.33. Para 8 of Resolution setting up the Commission provides that the Commission will take initiative in prosecuting persons who are found to have made false complaints of corruption or lack of integrity against public servants.

Difference of opinion between Central Bureau of Investigation and Administrative Authorities

2.34. In cases relating to gazetted officers, the investigation report is sent by Central Bureau of Investigation to the CVC who advises the administrative authority concerned about the further course of action to be taken. In cases relating to non-gazetted officers, reports are forwarded by the Central Bureau of Investigation direct to the administrative authority for departmental action. If in such cases a difference of opinion arises between the concerned administrative authority and the Central Bureau of Investigation regarding action to be taken, the matter is referred to the CVC for advice. Similarly, in cases in which the Central Bureau of Investigation considers that the findings in the departmental proceedings or the punishment imposed should be reviewed and there is difference of opinion between the administrative authority and the Central Bureau of Investigation, the case is referred to the Commission for advice in accordance with the procedure outlined in Commission's circular letter No. 9/1/64-DP dated the 13th April, 1964.

Blacklisting of Firms/Contractors

2.35. Under the Standardised Code which lays down the procedure for blacklisting a firm/contractor, the Commission has to be consulted before any blacklisting is done. Revocation of blacklisting is also done only after consultation with the Commission.

Addl. functions taken over by the Commission

2.36. It is noted that, in addition to the functions expressly laid down in the Government Resolution dated the 11th February, 1964, CVC has taken over certain other functions simply by making a provision in their Circular dated the 13th April, 1964 laying down the procedure for consultation with the Commission. The functions exercised by the CVC which have no basis in the Resolution dated the 11th February, 1964 are contained in Paras 4, 6 and 7 of the Commission's Circular dated the 13th April, 1964 which read as follows:—

- “4. In all cases relating to gazetted officers the CVC will be consulted during the progress of the case at the following stages:—
- (i) If in any case the administrative authority does not think that a preliminary enquiry is necessary, the complaint (other than an anonymous or pseudonymous complaint in respect of which the procedure will be as in paragraph 9 of the Circular at Appendix II) together with the views of the administrative authority will be forwarded to the CVC for advice.
 - (ii) Similarly, when an administrative authority has, after preliminary enquiry, comes to the conclusion that no further action is necessary, the case will be reported to the CVC for advice.
 - (iii) Where an administrative authority proposes, after a preliminary enquiry, to institute disciplinary proceedings, the report of the preliminary enquiry, together with other relevant record, will be forwarded to the CVC for advice as to the course of further action to be taken.
 - (iv) In cases which are enquired into by the Central Bureau of Investigation, the final report, together with other relevant records, will be sent by the Central Bureau of Investigation to the CVC who will advise the administrative Ministry/Department concerned as to the course of further action to be taken.
 - (v) In cases in which the CVC advises that formal disciplinary proceedings should be instituted, it will also advise whether proceedings should be instituted for imposing a major penalty or a minor penalty. It will then be the responsibility of the Vigilance Officer of the Minis-

try/Department to draw up a charge sheet, statement of allegations, etc. and take all further steps according to the prescribed procedure and practice. It will be open to the administrative authority concerned to seek such further advice and guidance as may be considered necessary from the CVC.

The Central Vigilance Commission may extend the procedures outlined in the above sub-paragraphs to certain specified categories of non-gazetted officers also. Separate instructions will be issued in that regard later."

"6. *Difference of opinion between Central Bureau of Investigation and the administrative authority in cases recommended for departmental disciplinary action*—If in cases which are recommended by the Central Bureau of Investigation to the administrative authority concerned for departmental action a difference of opinion arises between the concerned administrative authority and the Central Bureau of Investigation regarding action to be taken, the matter will be referred to the CVC for advice. Similarly, in cases in which the Central Bureau of Investigation consider that the findings in a departmental inquiry or the punishment imposed after a departmental inquiry should be reviewed and there is a difference of opinion between the concerned administrative Ministry/Department and the Central Bureau of Investigation, the case will be referred by the administrative Ministry/Department to the CVC for advice.

"7: *Blacklisting of firms*—Any proposal to black-list a firm or to withdraw a blacklisting order will be referred to the CVC for advice before the issue of final orders."

2.37. Government was asked to state the authority under which the Commission had acquired those additional functions. They have in reply stated as under:

"In terms of the Resolution the jurisdiction and powers of the Commission extend in respect of matters to which the executive power of the Union extends i.e. if in any case integrity of a public servant is involved, the matter comes within the purview of the Commission.

Para 4 of Circular dated 13-4-64.

This para lays down the stages at which it is necessary to consult the Commission in respect of cases relating to Gazetted Officers. This

is to ensure that charges of corruption levelled against Gazetted Officers are looked into without fear or favour.

Para 6 of Circular dated 13.4.64.

The Commission having been vested with jurisdiction to advise in all matters relating to integrity of public servants, if there is a difference of opinion between the Central Bureau of Investigation, a prosecuting agency, and the administrative authority which has to take disciplinary action, the proper agency to resolve the dispute can only be the Commission. (Before the establishment of the Commission Administrative Vigilance Division of the Ministry of Home Affairs was entrusted with this function). The provision is in the nature of procedural instruction intended to facilitate action.

Para 7 of Circular dated 13-4-64.

In giving practical effect to the Government decision embodied in the Resolution dated 11-2-64, Government considered that it would be appropriate also to take the advice of the Commission about blacklisting order. The Commission agreed to the proposal. Para 7 of the Circular seeks to implement the decision".

2.38. Justifying the exercise of these additional functions by the Commission, the representative of the Ministry stated during evidence:

"In paragraph 5 of the Resolution (11-2-64) itself, the CVC has made responsible for generally coordinating the work of and advising the Ministries in respect of all matters pertaining to maintenance of integrity in administration, and his jurisdiction also covers all Government servants. In view of this it was felt that these were just matters of detail which had to be spelt out further and the CVC prepared a draft circular and obtained the concurrence of the Ministry of Home Affairs and it was issued in that form."

Asked why these functions could not be assigned to the Commission formally by amending the original Resolution, he stated that such a procedure was considered unnecessary as "it was felt that the existing Resolution itself broadly covered these additional functions of CVC which were only matters of detail which required a little more spelling out." Moreover, according to him "a Resolution is merely one of the alternative forms to be adopted" and that "there is no difference in substance, rather it is one of form."

2.39. The Committee are not happy about the Government assigning to the CVC additional functions not specifically covered by the original Resolution setting up the Commission by mere executive decisions. They feel that if it was intended to expand the scope of functions of the CVC, the proper course would have been for the Government to issue another Resolution or amend the existing one instead of the Commission itself issuing a Circular to the Ministries about its expanded functions as has been done in the present case.

III

PERFORMANCE AND PROCEDURES OF WORK

A. Performance

Performance of the Commission

3.1. The Ministry of Home Affairs have furnished the details of the following items of work handled by the Central Vigilance Commission during the years 1965-66, 1966-67 and 1967-68:

- (i) Complaints—
 - (a) Relating to Corruption.
 - (i) Anonymous/Pseudonymous Complaints.
 - (ii) Other than anonymous/pseudonymous complaints.
 - (b) Relating to Matters other than Corruption.
 - (c) Relating to Matters concerning State Governments.
- (ii) Reports from CBI.
- (iii) Reports from Commissioners of Departmental Enquiries.
- (iv) Miscellaneous cases received from Ministries/Departments.
- (v) Prosecution cases.
- (vi) Cases of Prosecution for making false complaints.
- (vii) Cases of differences of opinion between CBI and administrative authorities.
- (viii) Cases of blacklisting of Firms/Contractors.
- (ix) Work done by the CTE's Organisation.
- (x) Cases pointed out on the Floor of the Houses of Parliament, Reports of Parliamentary Committees etc.

3.2. The performance of the Commission in respect of each of the above items has been indicated as follows:

COMPLAINTS

(a) *Relating to Corruption*(i) *Anonymous or Pseudonymous Complaints*

	1965-66	1966-67	1967-68	Total
No. of Complaints Received	380	270	274	924
No. of Complaints Disposed of—				
(i) Number of complaints that contained allegations of vague and unverifiable nature and were filed	345	250	243	8383
(ii) Number of complaints that were not considered worth pursuing by the Commission but were forwarded to Ministries/Departments concerned for such action as deemed fit	15	8	16	39
(iii) Number of complaints which contained serious charges of a verifiable nature which the Commission forwarded to Ministries/Departments/Central Bureau of Investigation	18	9	15	42
TOTAL	378	267	274	91

Out of the 42 cases referred for investigation during the years 1965-66, 1966-67 and 1967-68, the Commission received and examined reports in 25 cases up to 31st March, 1968.

(ii) *Other than Anonymous or Pseudonymous Complaints*

	1965-66	1966-67	1967-68	Total
No. of Complaints Received	953	565	355	187
No. of Complaints Disposed of—				
(i) Number of Complaints that contained allegations of vague and unverifiable nature and were filed	536	353	238	1127
(ii) Number of Complaints that were not considered worth pursuing by the Commission but were forwarded to the Departments/Ministries concerned for such action as deemed fit	159	75	38	272
iii) Number of Complaints which contained serious charges of a verifiable nature which the Commission considered necessary to investigate	251	127	95	473
	946	555	371	1873

Of the 473 complaints sent for investigation and report during 1965-66, 1966-67 and 1967-68, the Commission received and examined 334 reports upto 31st March, 1968.

(b) *Relating to Matters other than Corruption*

	1965-66	1966-67	1967-68	Total
No. of complaints Received	596	289	186	1071
No. of complaints disposed of—				
(i) Number of complaints forwarded to Ministries/Departments concerned for appropriate action	152	77	40	269
(ii) Number of complaints which were general and vague and were filed	438	208	152	798
TOTAL	590	285	192	1067

(c) *Relating to Matters concerning State Governments*

	1965-66	1966-67	1967-68	Total
No. of complaints Received	373	330	211	914
No. of complaints disposed of—				
(i) Complaints forwarded to State Governments for disposal	99	81	50	230
(ii) Complaints which were of a vague and general nature and were filed	264	247	171	682
TOTAL	363	328	221	912

REPORTS RECEIVED FROM THE CENTRAL BUREAU OF INVESTIGATION

During 1965-66, 1966-67 and 1967-68 the Commission received 974 reports from the Central Bureau of Investigation. Advice was given in respect of 923 reports which includes certain reports received during 1964-65 as well. The Commission advised initiation of proceedings as for a major penalty against 568 officers, as for a minor penalty against 165 officers, administration of warning to 388 officers, appropriate/administrative action against 31 officers and exoneration of 682 officers.

REPORTS OF THE COMMISSIONERS FOR DEPARTMENTAL ENQUIRIES

The Commissioners for Departmental Enquiries submitted 293 reports during 1965-66, 1966-67 and 1967-68. The Commission disposed of 291 reports during this period, including some reports received during 1964-65. The Commission advised imposition of major penalty against 85 officers, minor penalty against 61 officers, reduction in pension in respect of 9 officers, issue of warning to 29 officers and exoneration of 172 officers.

MISCELLANEOUS CASES RECEIVED FROM MINISTRIES/DEPARTMENTS

During 1965-66, 1966-67 and 1967-68 the Commission tendered advice in respect of 2344 cases referred by various Ministries/Departments. The Commission advised action for imposition of major penalty against 440 officers, action for minor penalty against 223 officers, issue of warning/caution to 515 officers and exoneration of 2057 officers.

Apart from cases indicated above, the Commission also tendered advice in 336 cases which involved matters of procedure.

PROSECUTION CASES

During 1965-66, 1966-67 and 1967-68 the Commission received 69 cases recommending prosecution. The Commission tendered Advice in respect of 64 cases (including some cases received in 1964-65). The Commission recommended prosecution in respect of 71 officers. It did not recommend prosecution relating to 12 officers.

PROSECUTION OF PERSONS FOUNDS TO HAVE MADE FALSE COMPLAINTS

This has been dealt with separately.

DIFFERENCE OF OPINION BETWEEN CENTRAL BUREAU OF INVESTIGATION AND ADMINISTRATIVE AUTHORITIES

The Commission received 42 such cases during 1965-66, 1966-67 and 1967-68. The Commission gave advice in 42 cases (which include certain cases received in 1964-65 as well) involving 54 officers. The Commission advised review of proceedings in respect of 5 cases. viz., (i) initiation of proceedings for imposition of a major penalty against 3 officers, (ii) enhancement of penalty already awarded to a non-gazetted officer, (iii) setting aside of enquiry proceedings already completed in case of 2 officers and initiation of a fresh enquiry against them, and (iv) prosecution of an officer of a Public Undertaking. In respect of the remaining 37 cases, the Commission was of the opinion that no review was called for.

BLACKLISTING OF FORMS/CONTRACTORS

This has been dealt with in a separate chapter.

WORK DONE BY CHIEF TECHNICAL EXAMINER'S ORGANIZATION

This has been dealt with in a separate chapter.

CASES POINTED OUT ON THE FLOOR OF THE HOUSES OF PARLIAMENT, REPORTS OF PARLIAMENTARY COMMITTEE ETC

3.3. The Commission, it is stated, gathers information about the corruption and mal-practices or misconduct *inter alia* from (i) infor-

mation given by Members of Parliament in their speeches made on the floor of the Houses of Parliament (ii) information or comments appearing in the reports of the Parliamentary Committees like Public Accounts Committee, Estimates Committee and Committee on Public Undertakings (iii) audit reports. The Committee are informed that the Commission called for reports in respect of 86 cases arising out of: (i) speeches of Members of Parliament made on the floors of the Houses; (ii) reports of Parliamentary Committees; and (iii) Audit Reports. Details are given below:—

Year	Speeches made by M.Ps. on the floors of Houses	Parliamentary Committees (P.A.C., CPU)	Audit Reports	Total
1964-65	..	..	2	2
1965-66	5	17	7	29
1966-67	7	16	9	32
1967-68	8	9	6	23
TOTAL	20	42	24	86

B. Procedures of work

Procedure of work in the Commission:

3.4. It has been stated that the Secretary of the Commission assists the Commission in its functions and the Deputy Secretary/OSD/Under Secretary process vigilance and complaints cases and those relating to Blacklisting of firms and submit them to Secretary/Central Vigilance Commissioner for orders. The Committee are further informed that decisions in all types of cases referred to the Commission are taken by the Central Vigilance Commissioner.

3.5. In a subsequent communication furnished to the Committee, the procedure of work has been described as under:—

Each of the three officers, namely Deputy Secretary, Officer on Special Duty and Under Secretary, is entrusted with the work relating to specified Ministries/Departments and all C.B.I. reports, complaints and references for advice pertaining to a particular Ministry are dealt with by the officer who is incharge of the Ministry's work in the Commission. The Ministries/Departments generally send the relevant files and the C.B.I. send their reports by

name to these officers, who pass them on to the relevant Sections, where the case is diarised and indexed. The Section submits the case with previous papers, if any, to the dealing officer concerned who scrutinises the case and gives his comments and submits the file to the Commissioner through the Secretary, who adds his comments, wherever considered necessary. After due consideration of the material or record and obtaining further clarifications/relevant material, where considered necessary, the Commissioner indicated his advice either in the form of an independent note or by way of expression of agreement with the scrutiny notes put up by the dealing officer/Secretary. The advice tendered by Commissioner is communicated to the disciplinary authority by the dealing officer.

3.6. During evidence, the Central Vigilance Commissioner was asked to state whether, in view of the volume of work that the Commission was required to handle, it was possible for the Commissioner to give every case due attention before taking a decision which, according to the existing procedure has in all cases to be taken by him alone. His reply was: "We have to give attention to this. That explains the reason why there was a delay in disposal."

C. Time taken in disposal of cases

Delays in the disposal of cases.

3.7. The Committee desired to be furnished with the figures of pending cases of different types on the 31st March of the years 1965, 1966, 1967 and 1968 so as to find out the extent of pendency of cases in the Commission. An analysis of figures furnished to the Committee is given below:—

Break up of pendency

Date	No. of cases pending	For one month	1 to 3 months	3 to 6 months	6 to 12 months	More than one year
31-3-1965	107	56	28	14	9	..
31-3-1966	252	60	90	57	38	7
31-3-1967	264	61	75	75	36	17
31-3-1968	374	69	98	113	73	21

From the above statement it is noted that the number of cases pending disposal at the end of the year have increased from 107 at the end of 1964-65 to 374 at the end of 1967-68. The period for which the cases have been pending is also consistently increasing. The number of 6 months old cases has increased from 9 at the end of 1964-65 to 94 at the end of 1967-68 and of more than one year old cases from 7 at the end of 1965-66 to 21 at the end of 1967-68. This fact was brought to the notice of the Government and they were asked to explain the causes for the delay in the disposal of cases by the Commission and to state the measures that the Commission had devised to reduce delays in the disposal of cases.

3.8. The Ministry have furnished the following reply:

“The number of various types of cases disposed of by the Commission during the years 1964-65 and 1967-68 are as under:—

Particulars	1964-65	1967-68
1. Report of investigation/inquiries forwarded by Central Bureau of Investigation recommending departmental or other action excluding prosecution	235	324
2. Reports of Central Bureau of Investigation recommending prosecution of Government servants	16	20
3. Reports of oral enquiries conducted by the Commissioners for Departmental Enquiries	78	142
4. Miscellaneous cases referred by various Ministries and Departments for advice to the Commission	424	624
5. Cases relating to difference of opinion between the Central Bureau of Investigation and the Administrative Authorities referred to the Commission for advice	30	14
6. Blacklisting of firms/contractors	70	111
TOTAL	853	1235

The above figures would show that the Commission has disposed of 1235 cases in 1967-68 as compared to 853 cases in 1964-65, which means an increase of nearly 45 per cent over 64-65. This over all comparison would not in fact provide a correct index of the work load as certain items of work which are more time consuming in nature have to be separated and compared. A report of the Central Bureau of Investigation or an enquiry report of the Commissioner for Departmental Enquiries has to be gone into page by page. The Central Bureau of Investigation reports on which Commission gave advice in 67-68 came to 324 as against 235 in 64-65 which meant:

an increase of 38 per cent. The Commission gave advice during 67-68 in 142 reports of Commissioners for Departmental Enquiries as against 78 in 1964-65 which meant increase of nearly 82 per cent. The miscellaneous advice cases increased by 47 per cent and cases relating to blacklisting of firms increased by 57 per cent. The Secretariat of the Commission remained what it was in 64-65 and all the cases have to be seen by the Central Vigilance Commissioner personally. In the circumstances the feature referred to in the question cannot be treated as anything abnormal.

It may also be noted that the quantum of work done by the Commission cannot be treated as confined to cases disposed of as even in cases outstanding a certain amount of scrutiny would have been made."

3.9. In order to ascertain the correct position, Government was asked to give brief particulars of the 21 cases which are stated to have been pending with the commission for more than one year on 31st March, 1968. The details furnished to the Committee indicate that considerable delays have been taking place in the Commission at different stages of the cases. There is a case where after the report of the CBI was received in the Commission, the Commission took about 1½ months to call for certain information from the CBI and after the information was received from the CBI, another 4½ months to call for the comments of the Public Undertaking concerned. After these comments were received the Commission took another 4 months to give their advice. In another case, the Commission took 18 months to give their advice. In a case where CBI had requested sanction for prosecution, the Commission took more than 2 months to ask for the comments of the Ministry and after the comments were received from the Ministry, another about 5 months to give their advice. In a case relating to difference of opinion between the CBI and the administrative authority which was referred to the Commission on 21st July, 1966, the Commission took about a month to call for records from the Railway Board and after these were received, a period of as long as 20 months to give them advice, which was sent out on 23rd August, 1968.

The above cases are only illustrative of the delays taking place in the Commission.

3.10. In reply to the question whether any time limits have been laid down for the disposal of cases in the Commission, it has been stated:

"No case should normally remain in the Section for more than a week and if a case is pending for more than 7 days,

reasons have to be given in the arrear statement that is required to be submitted by each Section to the dealing officer every week. Any delay at the level of dealing officer or Secretary would be noticed by the CVC who sees every file. After the CVC passes orders, the advice of the Commission is communicated to the administrative authority within a period of 2-3 days.

It is not feasible to fix a time limit for the CVC to dispose of a case, as the time taken depends on the issues involved."

3.11. During evidence, the Central Vigilance Commissioner was asked to state whether it was not a fact that the creation of the Commission had contributed to the delay in bringing an offender to book. The Commissioner stated:

"Before the CVC came into existence, CBI was there and it used to make recommendations to the departments of Government to take action. But it was decided by Government with the approval of Parliament that there should be an independent authority whose advice should be taken so that innocent Government servants may not be harassed or guilty Government servants may not be protected. By the nature of things, if you refer a matter to another body newly created, some time has to lapse. You have to choose between the two alternatives; whether to revert to the old system to avoid delay or insist that CVC should not contribute to delay. For that the Estimates Committee is entitled to look into the cases of delay, why there is delay and all that, and it is upto you to suggest that these are the reasons for delay and they should be eliminated. Then that certainly will be looked into."

The Central Vigilance Commissioner was further asked to indicate the time that the Commission should normally take in tendering advice to the Ministries. In reply he stated:

"It depends on the nature of the case itself. I have got before me a case extending over a number of years involving very heavy transactions. It has been gone into detail by the Public Accounts Committee. . . . As an honest person,

at least responsible to my own conscience, I have to look into the papers before I give a decision. I cannot just skip over the papers on the ground that the CBI has gone into them. Therefore, a single case, if you will accept my statement, involves a study of 30 hours to 40 hours depending on the nature of the case. Then the question will arise as to what number of cases the CVC is dealing with. Expediting a decision is easy if I merely say 'yes' or 'no' giving some sort of reason. These are very serious cases involving public interest where corrupt government servants are supposed to have made lakhs of rupees."

3.12. Considering the fact that the Central Vigilance Commissioner has to study each and every case personally and take decision himself, the Committee feel convinced that it is humanly impossible for one person to handle the large volume and variety of work transacted by the Commission. The Committee also note from the Annual Reports of the CVC that in the discharge of his duties the Commissioner has also to attend conferences and meetings and visit places outside Delhi. This takes away a portion of the Commissioner's time. The Committee therefore recommend that if the Commission is to discharge the onerous duties entrusted to it, it should be enlarged and at least one more member added to it. They trust that this fact will be borne in mind by Government while piloting the Lokpal and Lokayuktas Bill in Parliament.

D. Delays in Ministries and CBI

3.13. CVC send complaints, informations and cases for enquiry/ investigation to the Ministries or the CBI. According to the figures furnished to the Committee, during 1965—68, a total of 515 complaints were sent by the Commission to the CBI or administrative authorities for enquiry/investigation out of which the Commission received and examined reports in respect of 359 complaints upto 31st March, 1968. The Ministry of Home Affairs was asked to send the break up of the remaining 156 complaints according to the period for which they were pending with the Ministries/CBI. They have in reply stated that out of the 156 outstanding complaints, reports in respect of 95 only were awaited from the Ministries/CBI. In respect of 61 cases, the reports were either received in the Commission and were under examination or the final orders in respect of the disciplinary proceedings were yet to be passed. The break-up

of the 95 cases reports in respect of which were outstanding as on 31st March, 1968 has been given as follows:

(Position as on 31-3-1968)

	No. of reports outstanding month	Pending for less than one month	Pending for 1—3 months	Pending for 3—6 months	Pending for 6—12 months	Pending for more than one year
CBI	3	..	1	1	..	1
Ministries	92	10	13	9	21	39
	95	10	14	10	21	40

3.14. The Ministry was asked to state whether the Commission kept a watch on the progress of enquiry/investigation by the Ministries/CBI in respect of cases referred to them by the Commission and in cases where they were not satisfied with the progress of enquiry/investigation what measures were taken by them for accelerating the same. They have stated that the Commission does keep a watch on the progress of enquiries by the Ministries and at regular intervals ascertains the stage at which a particular enquiry stands. Where final reports are delayed, the Commission enquires from the CBI the reasons for delay. It is further stated that if the Commission is not satisfied with the speed of enquiry/investigation, the fact is brought to the notice of Chief Vigilance Officer of the Ministry or the Additional Director, CBI as the case may be. If necessary, Central Vigilance Commissioner also discussed the matter with the CVO/Additional Director; but there have not been many such occasions.

3.15. During evidence, the Central Vigilance Commissioner admitted that considerable delays were taking place in many cases and when a case was referred to the Ministry or the CBI for enquiry, it took its own time. He, however, could only make enquiries. According to him, normally it was not the practice for the Commission to remind the CBI. The representative of the Ministry added that time limits for disposal of cases by the Ministries/CBI would not be workable.

3.16. The Committee note that Ministries/Central Bureau of Investigation have been taking a long time in sending reports of enquiry/investigation in cases referred to them by the Commission. In their seventy-eighth Report (Fourth Lok Sabha) on the Central Bureau of Investigation the Committee have already made certain suggestions with a view to avoid delays in the investigation of cases by the

Central Bureau of Investigation and the disposal of disciplinary cases by the Ministries. They suggest that the Central Vigilance Commission should, in consultation with the Ministry of Home Affairs, devise a proper system of watching the progress of enquiry|investigation with a view to see that these are not unduly prolonged.

E. Difference of opinion between the Commission and Central Bureau of Investigation

3.17. From the statements furnished to the Committee showing the details of work done by the Commission, it is noticed that in a large number of cases investigated by the Central Bureau of Investigation, the Commission had differed with the recommendations of the Central Bureau of Investigation. The Ministry of Home Affairs was asked to furnish statistics relating to the total number of Central Bureau of Investigation reports disposed of by the Commission during 1965—68 and the number out of them on which the Commission had occasion to differ with the recommendations of the Central Bureau of Investigation. They were also asked to state the number of cases in which the Commissioner recorded detailed reasons for differing with the recommendations of the Central Bureau of Investigation. While furnishing the following figures, Government have stated that the Central Vigilance Commissioner indicates his views either in the form of an independent note or by way of expression of agreement with scrutiny notes put up by the dealing officer|secretary:

Type of cases	No. of cases disposed of during 1965—68	No. of cases in which Commissioner differed with the recommendation of CBI.	No. of cases in which Commissioner recorded detailed reasons for differing with the recommendation of CBI.	No. of cases in which Commissioner agreed with the office notes	No. of cases in which Commissioner agreed with the comment of the administrative authority
(i) Reports recommending prosecution against public servant	64	9	3	5	1
(ii) Reports recommending action other than prosecution	923	122	24	98	
(iii) Cases of difference of opinion between CBI and administrative authority	42	37	23	14	
(iv) Blacklisting of firms	415	106	21	85	..

The Committee are also informed that in 117 out of 923 cases in which Central Bureau of Investigation recommended action other than prosecution, the Commission advised 'no action' to be taken. In 37 cases out of 42 cases of difference of opinion between the Central Bureau of Investigation and the administrative authority, the Commission disagreed with the view point of Central Bureau of Investigation and advised that no review of the decision taken by the administrative authority was called for. Similarly, out of 415 firms recommended for blacklisting by Central Bureau of Investigation, in the case of 73 firms the advice of the Commission was that they should not be blacklisted and in the case of 33 other firms, a lesser punishment was advised by the Commission.

3.18. The above figures show that in fairly large number of cases, the Commission had differed with the recommendations of Central Bureau of Investigation and advised the administrative authorities a course of action different from that proposed by the Central Bureau of Investigation. Explaining the reasons for wide divergence of opinion between the Central Bureau of Investigation and the Central Vigilance Commission in regard to cases where the former had recommended regular departmental action or even where the Centre Bureau of Investigation had sought permission for prosecution, it has been stated in written reply:

"Each case is examined in detail by the Commission and whenever necessary officers of the Central Bureau of Investigation are also called in for discussion. The advice of the Commission in each case depends on its appraisal of the material on record and the chances of successful prosecution and there cannot be any stock reply for the divergence of views etc."

3.19. In written reply to another question regarding cases of difference of opinion between the Central Bureau of Investigation and the Ministry, where, in most cases the Central Vigilance Commission had upheld the views of the Ministry rather than those of the Central Bureau of Investigation, it has been stated:

"The advice is based on the merits of each case and it is not possible to give any broad classification of reasons for divergence of views."

3.20. In reply to the question whether the Commission had as a result of their experience in dealing with Central Bureau of Investigation cases, intimated any guidelines to the Central Bureau of Investigation with a view to minimise such differences and thereby avoid a substantial amount of infructuous work at both ends, it has been stated that no formal guidelines have been issued to the Cen-

tral Bureau of Investigation regarding investigation of cases. However, during discussions of cases with the representatives of the Central Bureau of Investigation the Commission points out the lacunae/infirmities and has, on occasions, suggested further lines of investigation.

3.21. During evidence, the Central Vigilance Commissioner was asked to state how the Commission assessed the "chances of successful prosecution" when the responsibility for prosecuting the case in a court of law in such cases was that of the Central Bureau of Investigation who had the benefit of expert legal advice at every stage. He replied:

"Either Central Vigilance Commission has to give advice or no reference need be made to him. If Central Vigilance Commission has to give his views, he will look into the facts and records. It may be felt by CVC that the conclusions that the CBI has drawn are not correct. The CVC may have other views on the subject. That is why Ministry concerned is consulted; the CVC consults the officers of the CBI also and then comes to a finding.... Each person can only act according to his best judgment. The only guiding line for the CVC is the principle of natural justice and if he is not satisfied after going into the record of the CBI and the evidence recorded by them that there is *prima facie* adequate material for prosecution.... how can he say that he is satisfied with the Report?"

Asked whether he thought that it would be better if Central Bureau of Investigation was allowed to go ahead with the prosecution of the public servants involved in a case and accept the responsibility for success or failure of the case, he replied:

"I wish it were so. But in the discharge of responsibility entrusted to me, I cannot be governed by the judgment of some other agency."

3.22. It was specifically pointed out during evidence that in connection with the examination of the question of Import and Distribution of Wool, Nylon etc. the Committee had come across a few cases where the CBI had recommended prosecution of officers involved but they were exonerated by the Central Vigilance Commission without recording reasons for his doing so. In this context, the Committee enquired whether it was not necessary or desirable to give cogent and sufficient reasons for exonerating persons against the findings of the Central Bureau of Investigation. The Central Vigilance Commissioner replied:—

"I can only speak for myself, as to how I have been functioning for the least two months and how I propose to func-

tion as I conceive it to be my duty. . . . I agree that when the CBI makes a recommendation, or any administrative body like that makes a recommendation, the CVC should not say 'I agree or I do not agree', . . . the CVC is a quasi-judicial body, with a quasi-judicial function. He should give reasons, just as a judge will have to give the reasons for his conclusions. The form in which the CVC has to express its decision will be this: it may say 'here is a report of the administrative Ministry on the impugned or the accused public servant; here are the facts and the reasons. Therefore I do not agree. The reasons must be given. We cannot just be arbitrary. After all, the CVC has only an advisory function; advisory to the Government and the Department concerned. How can a department reach a decision if the CVC gives no reason whatsoever?'

Explaining the difference between the functions of Central Bureau of Investigation and Central Vigilance Commission, the Commissioner stated:

"There is some confusion, if I may say so, respectfully, between the functions of the CVC and the Central Bureau of Investigation. The CBI makes an enquiry and makes its report to the particular department through the Central Vigilance Commission. It is not the function of the CVC to make an enquiry either separately or co-ordinately. The CVC calls for the records of the CBI, calls for other evidence if necessary, sends for the officers of the CBI if necessary, calls for defence statement, consults the department concerned and gives its decision. It may possibly say that on the records produced by the CBI it does not feel that this is a case fit for prosecution or this case is fit for a departmental enquiry. That is a question of opinion, and that is the most the Central Vigilance Commissioner can do because that is his function."

"The CVC, being an independent and autonomous authority, has to discharge its functions in a judicious manner; it has to bear in mind the principles of justice. It is not its functions to detect an offender as the CBI does. The CVC has to function within the four corners of the Resolution. If there is any defect in the Resolution, the CVC is helpless. If you want the CVC to function in a different manner, it is up to you to change the Resolution and impose different functions on him."

3.23. The Committee regard the procedure of recording the reasons for taking a particular decision as highly salutary and based on sound principles of public policy inasmuch as it guards against the decision of any person being arbitrary or whimsical. In this context, they are glad to note the assurance given by the Central Vigilance Commissioner that his advice will be accompanied by reasons so as to enable the disciplinary authority concerned to reach a decision.

IV

BLACKLISTING OF FIRMS/CONTRACTORS

Advisory Functions of CVC

4.1. The Departments of Supply and Works & Housing are maintaining Standardised Codes which lay down the principles and procedures for Registration, Suspension of Business, Banning, Removal and Blacklisting of Firms/Building Contractors. An order of blacklisting a supplier firm implies that "all Departments of Government of India are forbidden from dealing with the Supplier firm". Order of blacklisting a Building Contractor is circulated to other Ministries of Central Government responsible for major construction works to issue necessary instructions to the departments under their control "for immediate cessation of all future business with the contractor."

4.2. Para 3 of the Code maintained by the Department of Supply lays down the following grounds on which blacklisting may be ordered:

- (i) If the proprietor of the firm, its employees, partner or representative is convicted by a Court of Law, following prosecution by the Special Police Establishment or under normal process of Law for offences involving moral turpitude in relations to business dealings;
- (ii) if security considerations including question of loyalty to the State so warrant;
- (iii) if there is strong justification for believing that the proprietor or employee, or representative of the firm has been guilty of malpractices such as bribery, corruption, fraud, substitution of tender, interpolation etc.
- (iv) if the firm contumaciously refuses to return Government dues without showing adequate cause and Government are satisfied that this is not due to a reasonable dispute which would attract proceedings in arbitration or Court of Law;
- (v) if the firm employs a Government servant, dismissed/ removed on account of corruption, in a position where he could corrupt Government servants, or employs a non-official convicted for an offence involving corruption or

abetment of such an offence. (Before doing so, a senior officer in the administrative Ministry concerned may orally inform the firm about the character of the particular person employed by them, without indicating its consequences).

4.3. Earlier, blacklisting for reasons (i) and (ii) above could be ordered with the approval of Ministry of Home Affairs and blacklisting for reasons (iii), (iv) and (v) under the instructions of administrative Ministry. The Department of Supply with the concurrence of Ministry of Home Affairs and the Commission amended the Standardised Code to provide that blacklisting for reasons (i), (iii), (iv) and (v) and revocation thereof shall not be ordered except by the administrative Ministry under instructions from or with the approval of the Central Vigilance Commission and for reasons (ii) except under instructions from or with the approval of Ministry of Home Affairs.

It is stated that it was considered that the Commission being an independent organization would take a detached view of the matter.

4.4. Para 6.1 of the Standardised Code regarding Building Contractors maintained by the Department of Works and Housing similarly lays down the following grounds for Blacklisting a Contractor:

- (a) there are sufficient and strong reasons to believe that the contractor or his employee has been guilty of malpractice(s) such as bribery, corruption, fraud including substitution and interpolation in tenders, pilfering or unauthorised use or disposal of Government materials issued for a specific work, obtaining Income-tax Clearance Certificate by under hand means, obtaining official information or copies of official documents by adopting questionable methods, etc.; or
- (b) a contractor contumaciously refuses to pay Government dues without showing adequate reasons and where the Head of Department is satisfied that no reasonable dispute attracting reference to arbitration or a court of law exists for the contractor's action; or
- (c) a contractor or his partner or his representative has been convicted by a court of law for offences involving moral turpitude in relation to business dealings; or
- (d) security considerations including suspected disloyalty to the State so warrant.

Para 6.4 provides that the decision for blacklisting a Contractor under (c) will be taken by the administrative Ministry concerned in consultation with the CVC and under (d) it will be taken by the Ministry of Home Affairs.

4.5. During evidence, the representative of the Ministry was asked to state whether Government had any reason to believe that actions against firms/contractors were irresponsible or biased under the previous system when the CVC was not in the picture. He replied: "he would not say that the actions were biased or undetached but the feeling was that the cases of misconduct of firms which gave rise to blacklisting were in such a large number of instances mixed up with the various acts of omission and Commission of public servants and therefore, this would be a more convenient and appropriate arrangement."

Number of blacklisting cases dealt with

4.6. It is stated that during 1965—68, the Commission tendered advice in respect of 415 firms/contractors. The Commission advised blacklisting of 232 firms/contractors, removal of 29 firms from the list of approved contractors, banning of business dealings with 8 firms, suspension of business dealings with 2 firms and cancellation of licences of 2 firms under the Central Excise Rules. The Commission did not consider that there was adequate justification for blacklisting 117 firms. In respect of 10 firms the Commission advised that they should be warned.

Time taken by the Commission in disposal of cases

4.7. In a written reply to the question as to what time was normally taken by the Commission in dealing with blacklisting cases, it has been stated that the proposals for blacklisting firms are generally linked with proposals for disciplinary action against public servants, with the result that any delay in arriving at a decision regarding the action to be taken against the public servant automatically involves delay in advising on blacklisting. It is further stated that in certain cases non-gazetted servants are involved in respect of whom the reports regarding their misconduct are sent by Central Bureau of Investigation directly to the disciplinary authorities. The disciplinary authorities sometimes request the Commission to keep their advice regarding blacklisting pending till the conclusion of disciplinary proceedings against the staff. In certain cases the Commission has, on its own, considered it necessary to wait for the culmination of disciplinary proceedings against officers before tendering advice about blacklisting.

4.8. In reply to the question as to how it was ensured that no unnecessary hold-ups occur in the disposal of blacklisting cases at any stage in the Commission, it has been stated that there are only two levels at which a case is examined, i.e. dealing officer and the Secretary, and any delay at either stage will of necessity attract the attention of the Central Vigilance Commissioner to whom every case is submitted.

4.9. The Central Vigilance Commissioner was during evidence asked to state whether it was not possible to deal with cases of blacklisting of firms/contractors separately from the proposals for disciplinary action against Government servants. He stated that in cases where the Commission was satisfied that the facts were clear and justified immediate action against the firm, blacklisting was advised without waiting for the disciplinary proceedings against the Government servant concerned. However, in some cases where the action contemplated against the firm was not beyond doubt, the Commission advised that the outcome of the disciplinary proceedings should be awaited. He was further asked to state the difficulty for the Government or for the Commission in blacklisting a firm in spite of the fact that disciplinary action was pending against an officer, the Commissioner stated that "if the facts are clear, it (blacklisting) is done; otherwise there would be complications."

4.10. The representative of the Ministry was also asked whether the effect of intervention of the Commission in blacklisting cases had been examined by Government and, if so, was any change in the procedure contemplated. His reply was:

"So far as advice or reference to CVC is concerned, no change is contemplated. The entire procedure for blacklisting is being re-examined in the light of certain judgments which have been critical of action taken in certain cases. I cannot now say what the ultimate decision will be in the light of this examination which has been taken in hand. But so far as I could make out, the CVC would be in the picture to advise the Ministry before a decision is taken. There have been some comments by courts that some action taken has not been fair to the party or the party has not been given an opportunity to make their representation on the facts alleged against them."

4.11. The Committee have observed in an earlier chapter that advising the Government regarding blacklisting of firms is a function which is not in the charter of duties of the CVC laid down in the Ministry of Home Affairs Resolution of February 11, 1964, creating

the Commission but was added later. Apart from the delay that is bound to occur as a result of reference of cases of blacklisting to the CVC, the Committee are unable to appreciate how the Commission is in a better position to guide the Government in such an administrative matter as this. They feel that the overriding powers given to CVC in the matter of blacklisting of firms are not justified.

Revocation of Orders

4.12. During the years 1964—68, in 18 cases of firms/contractors the Commission tendered its advice for revocation of blacklisting order and in respect of one firm, the Commission advised revocation of the suspension order. In all cases the move for revocation came from the administrative authorities, except in respect of two firms, where the Commission on representation from the parties, called for the comments of the Ministry concerned, and finally advised that the blacklisting order might be revoked.

4.13. The desirability of the Commission entertaining direct representations for revocation of orders of blacklisting was raised during evidence. The Central Vigilance Commissioner agreed that representations from parties should not be entertained by the Commission on their own and that the Commission should give advice on such matters only when the administrative Ministry approached them.

4.14: The Committee find it difficult to appreciate the idea of the Commission entertaining representations direct from affected firms against orders of blacklisting or for revocation of blacklisting orders. They are glad that the present Central Vigilance Commissioner also shares this view. The Committee hope that the practice of the Commission entertaining direct representations from firms will be stopped in future.

Difference of opinion between the Ministry/CBI and the Commission

4.15. It is noted that during 1964—68, out of a total 467 firms/contractors in respect of which blacklisting or other action was suggested by the CBI/Ministries, in the case of 166 (or about one third), the Commission advised no punishment or punishment of lesser magnitude than that suggested by the administrative Ministry or the Central Bureau of Investigation. The details are as follows:

Proposals from Ministries	46 (No action—36; lesser punishment—10)
Proposals from CBI	120 (No action—84; lesser punishment—36)

4.16. During evidence, the Central Vigilance Commissioner was asked to state the reasons for the divergence of opinion between the Commission and the Ministries/Central Bureau of Investigation in such a large number of cases. His answer was that blacklisting of

a firm/contractor had wider implications and affected the allied concerns also. According to him it was a very severe punishment and depended on the degree of culpability of the particular firm. He further stated: ".....if the CVC is satisfied that a contractor is guilty, definitely he should be blacklisted. But the point is whether, on the evidence before him, the CVC is satisfied that the allegation against the firm has substance. So long as CVC is not satisfied, according to our conception of the constitution and law of this country, no person against whom guilt is not established should be punished." He also said that very often the Central Bureau of Investigation recommended blacklisting of firms/contractors for alleged execution of sub-standard work; but the Ministry of Law advised "that for sub-standard works, blacklisting should not be resorted to but other action, that is 'removal from the list of approved contractor should be taken."

4.17. The information furnished to the Committee also reveals that the cases where the administrative Ministry or the CBI suggests punishment other than blacklisting are also being referred to the CVC for advice. On 3 such cases the CVC is reported to have differed with the proposals of the administrative Ministry/C.B.I.

4.18. The Committee note that in quite a good number of cases proposals of the Central Bureau of Investigation or the Administrative Ministry for blacklisting of firms/contractors were not agreed to by the Commission, who advised either no punishment or a far lesser punishment. They also note that softening of the proposals for punishment against firms has been the result of subjecting them to rigorous judicial scrutiny by the Commission. Since blacklisting of a firm is an administrative action, and orders regarding blacklisting are passed at the highest level of Ministers, the Committee are inclined to think that consultation with the Commission is redundant. The Committee therefore, suggest that Government should bear this in mind while reviewing the procedure regarding blacklisting.

4.19. The Committee notice that the Commission is receiving references from the Ministries/Central Bureau of Investigation also where the suggestion is to award punishment other than blacklisting, such as, Banning, Suspension of Business or even cancellation of licences, although such references are not covered by para 7 of the Commission's circular dated the 13th April, 1964 or the Standardised Codes maintained by the Ministries/Departments concerned. The Commission has been entertaining such references and has in certain cases differed with the proposal of the Ministry/Central Bureau of Investigation and advised punishment of lesser degree. The Committee consider that references to the Commission in such cases need not be made.

V

COMMISSIONERS FOR DEPARTMENTAL ENQUIRIES

Functions & Powers

5.1. The Commissioners for Departmental Enquiries are appointed Inquiring Authorities by the disciplinary authority in individual cases under Central Civil Services (Classification, Control and Appeal) Rules, 1965 (or other corresponding Disciplinary Rules) These rules provide that where action is initiated for the imposition of a major penalty (dismissal, removal from service, compulsory retirement, reduction in rank or pay) and the official denies the charges, before arriving at a decision to impose any penalty an oral inquiry *has to be held*. Such an oral inquiry can be held also in cases where action is initiated for the imposition of a minor penalty (stoppage of increment, censure, recovery of loss to Government), but this is entirely a matter for disciplinary authority to decide. The functions of the Inquiring Authorities are laid down in the Discipline Rules under which they are appointed. They conduct oral enquiries more or less as a court, the guiding principle being that the officials charged are afforded all reasonable opportunities to defend their case. It is for these Inquiring Authorities to allow inspection of records as well. At present they have no powers to compel the attendance of witnesses and production of documents but legislation to empower them to do so is stated to be under contemplation.

On completion of the enquiry, the Commissioners submit their report to the Central Vigilance Commission, which advises the disciplinary authority concerned about the further course of action.

5.2. Before the setting up of the CVC, the Commissioners for Departmental Enquiries were attached to the Ministry of Home Affairs. Para 5 of the Commission's Circular letter dated the 13th April, 1964 contained the following instructions pertaining to the Commissioners for Departmental Enquiries.

“The Commissioners for Departmental Inquiries will hereafter function under the CVC. If any Ministry/Department desire that the oral inquiry in any departmental proceedings should be entrusted to one of the Commissioners for

Departmental Enquiries, the request for his services will be addressed to the CVC. The CVC may also indicate at the appropriate stage in any departmental proceedings whether oral inquiry should be entrusted to one of the Commissioners for Departmental Enquiries.

In all inquiries made by the Commissioners for Departmental Enquiries the report will be submitted by the Commissioner for Departmental Enquiries to the CVC. The Commission will examine the report and will forward the record of the case to the appropriate disciplinary authority together with its advice as to further action."

5.3. According to the instructions issued by the Ministry of Home Affairs in their letter dated the 2nd August, 1963, oral enquiry against Gazetted Officers, in whose case the President was the appointing authority, could be entrusted to one of the Commissioners for Departmental Enquiries, if the administrative Ministry/Department so desired. Subsequently, the CVC in their letter dated the 20th July, 1965 laid down that in the case of departmental disciplinary proceedings against Gazetted Officers of all grades, involving lack of integrity or an element of vigilance, in which an oral enquiry is to be made under rule 15 of the Central Civil Services (Classification, Control and Appeal) Rules, or under the corresponding disciplinary rules, such enquiry should be entrusted to one of the Commissioners for Departmental Enquiries. It was also decided that such enquiries in the case of officials of public sector undertakings, corporate bodies etc. having status comparable to that of Gazetted Officers were also to be entrusted to one of the Commissioners for Departmental Enquiries in the CVC.

5.4. The representative of the Ministry was, during evidence, asked to state the reasons for enquiries against Gazetted Officers and officers of Public Undertakings of comparable status being entrusted to the Commissioners for Departmental Enquiries. He stated that this was because the Commission itself had confined its functions to giving advice in the cases of gazetted officers and officers of Public Undertakings of comparable status, i.e., those drawing a salary of Rs. 1000 and above. Asked whether in the case of officers of Public Undertakings the concurrence of the administrative Ministry or of the Board of Directors of the Public Undertakings was obtained before the procedure was adopted, he stated that the Resolution setting up the Commission visualised that it will have jurisdiction over Public Undertakings as well. But a working rule had been arrived at that ordinarily the Commission will deal with cases of persons

drawing a salary of Rs. 1,000 and above. According to him, wherever necessary, provision was made in the articles of association of the Public Undertaking and if a resolution of the Board of Directors was necessary, such a resolution was passed. The procedure regarding referring such cases to the Commissioners of Departmental Enquiries was covered by the jurisdiction of the Commission.

Qualifications for CDE

5.5. It has been stated that the Commissioners for Departmental Enquiry "conduct oral enquiries more or less like a court". It is, however, observed from the information furnished to the Committee that out of the 10 Commissioners for Departmental Enquiry who had held office since 1st March, 1964, only 3 had legal qualifications or background. During evidence, the representative of the Ministry was asked to state why legal qualifications and/or experience should not be made a basic qualification for this post. He stated that many other executive authorities also functioned as quasi-judicial authority but they are not necessarily always judicial officers. According to him, a departmental enquiry was primarily to find and establish facts and see whether a case had been made out against the person concerned in the light of the evidence. He further stated:

"Here, it is a question of sifting evidence to see whether the accused has exceeded his authority or abused his official position. Like, in a court of law, witnesses will be examined, evidence will be taken, it will be read over to the accused public servant, he will be examined all this procedure is followed. But here there is no question really of interpretation of law or application of law."

It was therefore, in his opinion, not essential that every one of the Commissioners should have a legal background or judicial experience. He, however, agreed that legal qualifications and/or experience "would be an advantage."

5.6. The Committee note that, although the Commissioners for Departmental Enquiries are not required to function as a court of law, while conducting enquiries they have to examine witnesses, admit evidence according to judicial procedures and sift it before giving their opinion. The whole case against a public servant may fall through in a court of law if there is any lacunae in the procedure followed by the Inquiring Officer. The Committee, therefore, feel that Commissioners for Departmental Enquiries should preferably be persons with legal knowledge and background.

Work load

5.7. The Central Vigilance Commission has 5 Commissioners for Departmental Enquiries: 3 in the scale of Rs. 1800—2000 and 2 in the scale of Rs. 1100—1800. The work handled by the Commissioners for Departmental Enquiry during the period 1964-68 has been indicated as follows:

	No. of cases referred for oral inquiries during the year	No. of cases in which oral inquiries were completed during the year	No. of cases in which oral inquiries were pending or in progress at the end of year	Time taken in completing the oral inquiry in one case.		
				Maximum days	Minimum days	Average days
	1	2	3	4	5	6
1964-65 . . .	133@*	82	51	1058	28	293
1965-66 . . .	111*	74	88	731	38	271
1966-67 . . .	217*	98	207	1032	60	270
1967-68 . . .	184*	121	270	937	43	399

@ This includes also the cases which were pending with the Commissioners for Departmental Enquiries before the setting up of the Commission.

* These figures do not include the number of cases in which the Commission accepts the request of the Ministry for the nomination of the Commissioner for Departmental Enquiries during a year but the Ministry had not issued the orders of appointment before the end of the year.

5.8. It is observed that, during 1965-68, while the average number of cases referred to the Commissioners for Departmental Enquiries during a year was 171, the number of cases in which oral enquiries were completed by Commissioners during a year was only 98. This has resulted in an expanding backlog so much so that, at the end of the 1967-68 as many as 270 cases were either under or pending enquiry. It is also noted that the average time taken in completing the oral enquiry in a case has increased from 270 days during 1966-67 to 399 days during 1967-68.

5.9. When the above facts were brought to the notice of the Central Vigilance Commissioner during evidence, he agreed that it was a serious matter but added that the remedy was to increase the number of Commissioners. According to him, the proposal to increase

the number of Commissioners by one had already been submitted to the Ministry of Home Affairs; but he thought that even that would be inadequate. Asked to state the average number of oral enquiries which were completed by a Commissioner during a year, he replied that the rate of disposal was three per month per Commissioner. Thus, according to him, if a Commissioner had 60 cases, he will take 20 months to dispose them off. In answer to the question as to what were the reasons for the enquiry proceedings being prolonged, he stated that the main difficulty was that there was no compulsion on the witnesses to appear before the Commissioners to tender evidence. Further, according to him, the Commissioners were required to travel to outlying places for recording evidence and many of the journeys also become infructuous.

5.10. The Central Vigilance Commissioner was, during evidence, also asked to state whether it would expedite the enquiry proceedings if the Commissioners were posted at suitable stations in the area of their operations. It was pointed out that the dispersal of the Commissioners would also make the operations of the Commission more widely known and at the same time expenses on T.A. and D.A. would be reduced. He replied that this question was considered earlier also but was found to be unsuitable. He, however, assured that he proposed to go into the matter again.

5.11. The Committee are concerned to note the large number of enquiry cases pending with the Commissioners for Departmental Enquiries which are mounting every year. At the present rate of disposal, which is stated to be three per month per Commissioner, the 5 Commissioners at present attached to the Commission will take as long as 1½ years to complete the enquiries in 270 cases pending with them as on 31st March, 1968. The Committee recommend that the Commission as well as the Ministry of Home Affairs should make a thorough investigation of the causes which have led to the accumulation of enquiry cases with the Commissioners, streamline and simplify the enquiry procedures wherever possible and, if the work-load justifies, take prompt action to increase the number of Commissioners.

5.12. The Committee are aware that at present the Commissioners for Departmental Enquiries are not empowered to compel the production of documents and attendance of witnesses leading to considerable delay in the completion of enquiries. The Committee have dealt with this matter in paras 5.36 and 5.39 of their Seventy-eighth Report on the Ministry of Home Affairs—Central Bureau of Investi-

gation and have urged Government to introduce legislation in this regard.

5.13. The Committee note the assurance given by the Central Vigilance Commissioner that he would again examine the possibility of dispersing the Commissioners for Departmental Enquiries at suitable stations in the interest of expeditious disposal of work.

VI

CHIEF TECHNICAL EXAMINER'S ORGANISATION

A. Functions

Genesis and Functions

6.1. The Chief Technical Examiner's Organisation was created in the Ministry of Works, Housing and Supply in 1957 in pursuance of a recommendation of the Public Accounts Committee contained in paragraph 10 of their Report for 1950-51 and was entrusted with the function of conducting an internal, concurrent and continuous administrative and technical audit of works of the Central Public Works Department with a view to securing economy in expenditure and better technical and financial control. The duties assigned to the Organisation were as follows:—

- (i) Inspection of important works after completion, as also during progress, with reference to quality, time-schedule and any deviations made from the contracts during execution;
- (ii) Inspection of works carried out departmentally to ensure that there is no excessive use of materials and labour;
- (iii) Checking of a percentage of concluded contracts, particularly negotiated contracts, to ensure that the rates are reasonable and conditions, description of items and specifications are not ambiguous;
- (iv) Checking of a percentage of bills after payment with reference to documents and also to measurements at site;
- (v) To examine any specific cases of technical nature when so required by the Ministry of Works, Housing and Supply; and
- (vi) To assist Audit in examination of audit paras of technical nature.

6.2. In 1959, at the instance of the Special Police Establishment (now forming part of the Central Bureau of Investigation) it was decided by the Ministry of Works, Housing and Supply in consultation with the Ministry of Home Affairs, that the Chief Technical

Examiner's Organisation would undertake detailed investigation of cases of technical nature referred to it by the Special Police Establishment. Under instructions of the Ministry of Works, Housing and Supply, this Organisation had also been carrying out, occasionally, investigations into specific cases referred to it by other Ministries/Departments as well as Semi-Government authorities.

6.3. The Committee on Prevention of Corruption set up by the Ministry of Home Affairs in 1962, (Santhanam Committee), recommended that the Chief Technical Examiner's Organisation should be attached to the Central Vigilance Commission so that its services might be easily available to the Central Bureau of Investigation or in inquiries which would be caused to be made under directions of the Central Vigilance Commission. In pursuance of this recommendation of the Committee, the Chief Technical Examiner's Organisation was transferred to the administrative control of the Central Vigilance Commission with effect from 1st November, 1964. While the main functions of the Organisation remained unchanged, the jurisdiction of the Chief Technical Examiner became co-terminus with that of the Commission and he could, at the discretion of the Commission, be entrusted with the investigation of complaints, etc. relating to civil works pertaining to any Ministry/Department of the Government of India, including those relating to works of Public Undertakings, corporate bodies etc. falling within the jurisdiction of the Commission.

6.4. It was decided by the Central Vigilance Commission in 1965 that the Chief Technical Examiner's Organisation would also undertake, on behalf of the Municipal Corporation of Delhi and New Delhi Municipal Committee, investigation into cases of technical nature where corruption and malpractices had been alleged. Recently, it has also been decided that the Chief Technical Examiner's Organisation should undertake technical examination of Flood Control Works of the Delhi Administration.

B. Staff Strength

6.5. This Organisation started functioning in 1957 with a nucleus staff consisting of a Chief Technical Examiner and 2 Technical Examiners. Its strength was gradually increased with the extension and widening of scope of its activities. As on March 31, 1967, the Organisation had on its strength 1 Chief Technical Examiner, 7 Technical Examiners (6 Civil & 1 Electrical), 6 Assistant Technical Examiners (4 Civil, 1 Electrical and 1 for Horticultural works), 7 Technical Assistants (6 Civil and 1 Electrical), besides the ministerial staff.

6.6. The Public Accounts Committee, in para 12.5 of their 54th Report (3rd Lok Sabha), made the following recommendation:—

“The Committee note that the percentage of cases where defects were noticed by the Chief Technical Examiner have come down from 47 in 1963-64 to 43 in 1964-65. The Committee feel that this figure still constitutes a very high percentage in regard to the execution of sub-standard works. Since the examination of the Chief Technical Examiner is limited to 25 per cent to 30 per cent of the total value of works, the Committee are unable to get a fair idea of the working of the Department. The Committee, therefore, desire that the scope of the work of the Chief Technical Examiner should be enlarged to cover a large number of cases.”

In pursuance of the above recommendation of the Public Accounts Committee the following additional technical posts have been sanctioned besides the ministerial staff, by the Ministry of Home Affairs with effect from March, 1967 to strengthen the Chief Technical Examiner's Organisation:—

Technical Examiner (Civil)		3
Technical Examiner (Electrical)	..	1
Asstt. Technical Examiner (Civil)	..	2

6.7. The sanctioned and actual strength of technical staff in the Organisation as on 31st March 1968 were as follows:—

	Sanctioned	Actual
Chief Technical Examiner	1	1
Technical Examiner	11	10
Asstt. Technical Examiner	9	9
Technical Assistants	7	4

Difficulties in securing suitable personnel

6.8. The Annual Report of the Chief Technical Examiner's Organisation for 1966-67 mentioned the difficulties being experienced by the Chief Technical Examiner's Organisation in securing suitable personnel for the Organisation as follows:—

“Considerable difficulty has been experienced in filling up the posts of Technical Examiners and Assistant Technical

Examiners from the prescribed sources of recruitment. While suitable candidates were not offering themselves even earlier the position has become worse with the change in the rules regarding grant of deputation allowance from September, 1960."

6.9. The Annual Report of the Commission for 1966-67 also mentioned this difficulty thus:

"Recruitment to the posts of Technical Examiners and Assistant Technical Examiners in the Chief Technical Examiner's Organisation is made by transfer on deputation of officers of equivalent status, belonging to the Engineering Departments of the Government of India (Except C.P.W.D.) and State Governments and failing which of the officers of the Central Public Works Department. In addition to their grade pay, the officers concerned were allowed Deputation (Duty) Allowance at the rate of 20 per cent thereof. Even with this attraction, it was difficult to obtain the services of suitable officers for appointment to these posts from the prescribed field for recruitment. The discontinuance of Deputation (Duty) Allowance to officers appointed to equivalent ex-cadre posts under general orders has made the position all the more difficult."

The Annual Report of the Commission for 1967-68 reiterated this difficulty.

6.10. In a written reply to a question, the Government have furnished to the Committee the reasons for Class I technical posts in the Chief Technical Examiner's Organisation remaining vacant for a period of more than 6 months at a time, as follows:

"Technical Examiner—from 17th December 1964 to 27th June 1965.

The incumbent of the post was relieved on 17th December 1964 on his selection for a higher post in the Ministry of Transport on the recommendation of the Union Public Service Commission. The question of filling up of the post was intimated immediately thereafter. At that time the question whether the new officers appointed to the Technical posts in the Chief Technical Examiner's Organisation would be entitled to the deputation (duty) allowance after the transfer of Organisation to the Central Vigilance Commission with effect from 1st November 1964 was under examination and it took some time to decide as to the terms to be offered to the person to be appointed to the post.

The Ministry of Works, Housing and Supply were requested in February, 1965 to recommend a panel of a few Executive Engineers of C.P.W.D. for consideration for the post. The C.P.W.D. issued orders for the posting of the officer in June, 1965 and he was appointed with effect from 28th June 1965.

It may be added that according to the Recruitment Rules, the post was to be filled up by an officer of the status of Executive Engineer of the Engineering Departments of the Government of India (except C.P.W.D.) or of State Government failing which by an Executive Engineer of C.P.W.D. The above authorities were also addressed to suggest names of suitable officers for the posts of Technical Examiner etc. in 1965 and also in 1966, but the response was not encouraging.

Technical Examiners (Civil)—(3 posts from 1st March, 1967 to November, 1967).

These posts were sanctioned with effect from 1st March 1967. As indicated above, these posts were to be filled up by transfer on deputation of suitable officers of the status of Executive Engineers of the Engineering Departments of the Government of India (except C.P.W.D.) or officers of State Governments failing which by Executive Engineers of the C.P.W.D.

As efforts to make recruitment to such posts from the primary source had not been successful in the past and the posts were required to be filled up urgently, the C.P.W.D. was approached in March, 1967 to suggest a panel of suitable officers for consideration. Other Engineering Departments of the Government of India and the State Governments were also again addressed in May, 1967 demi-officially to recommend names of suitable officers for these posts, but none of the officers whose names were sent was found suitable.

The C.P.W.D. intimated in August, 1967 that they had an acute shortage of officers and that the position was being reviewed and that efforts would be made to provide one or two officers as early as possible. In September, 1967, the C.P.W.D. suggested names of 3 Executive Engineers, and they were selected. Consultation with the U.P.S.C. and their release took about 2 months and the officers joined in November, 1967.

Technical Examiner (Electrical)—(one from 1st March 1967 to 2nd May 1968).

This post was also sanctioned with effect from 1st March 1967. In March, 1967 an officer of the C.P.W.D. was selected out of the panel earlier suggested by that Department pending selection of a

suitable officer from the primary source of recruitment. The approval of the U.P.S.C. was also obtained to his appointment to the post. The C.P.W.D. were requested in April, 1967 to relieve the officer, but they were not in a position to spare his services due to shortage of Engineers in that Department.

In response to the circular D.O. letter issued in May, 1967 to the Engineering Departments of the Government of India and the State Governments, some names were received for the post of Technical Examiner (Electrical) and out of them an officer of the Ministry of Railways, who was considered suitable, was selected in October, 1967. The U.P.S.C. was requested on 28th September 1967 to approve his appointment. The matter remained under correspondence with the U.P.S.C. and they conveyed their approval in February, 1968. The Ministry of Railways issued his posting orders in March, 1968. The Officer was actually released in April, 1968 and joined on 3rd May, 1968."

6.11. The Recruitment Rules for the technical posts in the Chief Technical Examiner's Organisation provide for the recruitment from the following sources only:—

Chief Technical Examiner	By transfer on deputation of suitable officers of the status of Additional Chief Engineer of C.P.W.D. or officers of equivalent status of the Engineering Department of the Government of India.
Technical Examiner/Assistant Technical Examiners.	By transfer on deputation of suitable officers of the status of the Executive Engineers (in the case of Technical Examiner) and Assistant Engineer/Assistant Director of Horticulture (in the case of Assistant Technical Examiner) of the Engineering Departments of the Government of India (except C.P.W.D.) or officers holding analogous posts in the State Governments Offices, failing which suitable officers of comparative status of C.P.W.D.

6.12. It has been stated in the Annual Report of the Chief Technical Examiner's Organisation for 1967-68 that, out of the 10 Technical Examiners and 9 Assistant Technical Examiners, the services of only two Technical Examiners, and one Assistant Technical Examiner only could be secured from sources other than C.P.W.D. It has been further stated that suitable officers do not often chose to serve in this Organisation in the absence of incentives by way of special pay, deputation allowance etc.

6.13. The Committee note that the post of Chief Technical Examiner has all along been held by an officer of the Central Public Works Department. They also note that, although the Recruitment Rules for the post of Technical Examiner and Assistant Technical Examiner provide for locating suitable officers of comparable status, in the first instance, from sources other than C.P.W.D., in actual practice, on account of the response from sources other than C.P.W.D. being extremely poor, most of these posts also have to be filled up by officers of C.P.W.D. In view of the fact that major part of the activities of the Chief Technical Examiner's Organisation comprises of technical control over the works of C.P.W.D., the efficiency of such control being exercised by C.P.W.D.'s own officers temporarily on deputation with the Organisation may be open to doubt. The Committee therefore recommend that the Central Vigilance Commission should intensify their efforts to secure officers for this Organisation from sources other than C.P.W.D.

6.14. The Committee also recommend that, in order to avoid undue delays in filling up these posts, which are bound to occur if deputation is the only source of recruitment for these posts, Government should examine the desirability of either amending the Recruitment Rules in order to allow direct recruitment to these posts, or reviving the grant of deputation allowance to the incumbent of these technical posts as a special case.

C. Expenditure

Expenditure

6.15. It has been stated that the Chief Technical Examiner's Organisation was transferred to the CVC with effect from 1st November, 1964 from the Ministry of Works, Housing and Supply and that no separate expenditure figures in respect of the Organisation are maintained by the CVC. However, figures of expenditure on pay and allowances of the officers and staff working in this Organisation have been indicated as follows:

Period	Expenditure
	Rs.
1957-58	66,397
1958-59	1,25,223
1959-60	1,72,711
1960-61	1,76,541

Period	Expenditure
1961-62	2,25,599
1962-63	2,57,713
1963-64	3,01,833
1964-65	3,33,203
1965-66	3,32,844
1966-67	3,50,130
1967-68	3,99,032

Evaluation of work done

6.16. The Ministry of Home Affairs was asked to state whether Government had made any evaluation of work being done by the Chief Technical Examiner's Organisation which was now 11 years old. In a written reply, it has been stated that "no evaluation study of this Organisation has been undertaken so far. The Chief Technical Examiner, however, submits, Annual Reports, copies of which are sent to the Comptroller and Auditor General, all the Accountants General, the Ministries of Home Affairs, Finance and the Works, Housing and Supply. In these reports the salient features of the work done by the Organisation during the respective years are mentioned."

6.17. During evidence, however, the Central Vigilance Commissioner disclosed that in August 1964, a Study Team was set up under the Chairmanship of Shri M. Govinda Reddy, M.P. to examine the working of C.P.W.D. which, in regard to the Chief Technical Examiner's Organisation (which was transferred from C.P.W.D. to the CVC on 1st November, 1964), recommend as follows:

"Taking all the factors into consideration, we see no reason to doubt the utility of the Chief Technical Examiner's Organisation and we recommend that it should continue under the CVC."

In reply to the question whether any internal evaluation of the functioning of the Chief Technical Organisation and its impact had been made, the Central Vigilance Commissioner replied: "There is no objection to a review by Government."

6.18. The Committee recommend that periodic evaluation of the work of the Chief Technical Examiner's Organisation may be conducted by an Achievement Audit Committee consisting of specialists and experts.

6.19. The Committee suggest that a copy of the Annual Report of the Chief Technical Examiner's Organisation may also be laid by the Ministry of Home Affairs before the Houses of Parliament along with the Annual Report of the CVC.

D. Performance

Performance during last 3 years

6.20. The performance of the Chief Technical Examiner's Organisation in regard to various items of work during the last 3 years has been as follows:

	1965-66	1966-67	1967-68
(1) <i>No. of Works</i>			
Examined	889	805	940
Observed upon	576	413	664
(2) <i>No. of Bills</i>			
Received	377	745	425
Examined	206	229	222
Observed upon	70	74	57
(3) <i>No. of Muster Rolls</i>			
Examined	160	80	129
Observed Upon	8	Nil	4
(4) <i>No. of Contracts</i>			
Examined	186	178	189
Observed upon	35	8	38
(5) <i>Overpayments intimated</i>	Rs. 2.30 Lakhs	Rs. 1.57 Lakhs	Rs. 1.70 Lakhs
(6) <i>No. of CBI cases investigated</i>	50	53	44
(7) <i>No. of AG's References dealt With</i>	11	17	18
(8) <i>No. of References from Ministries etc. dealt with</i>	22	8	8
(9) <i>Suggestions made to CE/E-in-C, C.P.W.D.</i>	6	4	8
(10) <i>Cases referred to Ministry of W.H. & S. for action:</i>			
No. of officers involved	3	2	2
No. of Contractors involved . . . . .	..	..	..
(11) <i>Cases referred to CE/E-in-C, C.P.W.D. for action:</i>			
No. of officers involved	3	2	4
No. of Contractors involved . . . . .	..	..	..

6.21. The total overpayments detected and finalised with the Central Public Works Department since the inception of this Organisation upto March, 1968 are stated to be of the order of Rs. 48.41 lakhs. Out of these, the total recoveries effected upto March, 1968 are of the order of Rs. 34.92 lakhs.

Technical Audit of Works of C.P.W.D.

6.22. It is observed from the above statement that, during the period 1965—68, the Organisation had referred “for action” cases involving only 16 officers—7 to the Ministry of Works, Housing and Supply and 9 to the Chief Engineer/Engineer-in-Chief, C.P.W.D. The Ministry was asked to furnish the details regarding such cases. From the information furnished, it is observed that out of these 16 cases reported by the Chief Technical Examiner’s Organisation “for action”, in 9 cases no action has so far been taken by the Ministry of Works, Housing and Supply or the Chief Engineer/Engineer-in-Chief, 4 cases have ended in warning, in one case the lapse has been merely brought to the notice of the person responsible, in one case no one was held responsible while only one case has led to stoppage of increment. Asked to furnish, in brief, the findings of the Chief Technical Examiner’s Organisation in these cases, it has been stated in a written reply that the Chief Technical Examiner’s Organisation does not give any findings as such, but the facts of defects/irregularities or gross negligence, whenever observed during the normal course of inspection of works, are brought to the notice of the Ministry of Works, Housing and Supply and the Engineer-in-Chief, C.P.W.D. The more serious cases are referred to the Ministry of Works, Housing and Supply and cases of relatively lesser importance are referred to the C.P.W.D.

6.23. The Ministry was asked to state whether any watch was kept by the Chief Technical Examiner’s Organisation or the CVC to see that expeditious and adequate action was taken against the defaulters by the authorities to whom references were made. They have, in reply, stated that the Chief Technical Examiner ascertains the position of the cases from the Ministry of Works, Housing and Supply and C.P.W.D. periodically but does not pursue the cases with a view to expedite them. It is further stated that the Chief Technical Examiner also does not go into the question of the adequacy or otherwise of the punishments imposed by the Ministry/C.P.W.D.

6.24. The procedure of work of the Chief Technical Examiner’s Organisation in regard to “an internal, concurrent and continuous administrative and technical audit of the C.P.W.D.” was described by the Chief Technical Examiner during evidence as follows:

“After each inspection we normally issue an observation memo. In an observation memo there are several points

or several paragraphs. They pertain to either substandard work or some default or deficiency in the execution of any item. Then observations are communicated to the Executive Engineer and the Superintending Engineer is informed. Some of these are explained, some are remediable and they remedy them after which they report that they have been remedied. Others that are not remediable fall under two categories. Some of these are due to ignorance or inadequacy of supervisory staff and these are not due to either gross negligence or connivance of the departmental staff. These are dealt with in the normal way by the departmental officers as a result of the observation memo sent by us. Those that fall under the category of gross negligence or those that show the possibility of *mala fide* action on the part of departmental officers are divided into two categories. Some of these are serious and these are brought to the notice of the Ministry. Such cases out of these 16 cases from 7 cases the remaining 9 cases were of a less serious nature, more procedural and not of such a serious consequence. So, they were brought to the notice of the Chief Engineer. The Commission forwards such cases either to the Ministry or the C.P.W.D. The punishment is not suggested by the Commission. The Department concerned goes on taking action in these cases and, from time to time, the Commission and the Chief Technical Examiner enquire about the position of the cases and keep a record of them. When a final decision is taken, or proposed to be taken, by the government, in the case of gazetted officers the case automatically comes to the Commission, which examines whether the punishment proposed is adequate. After that action is taken. In the case of non-gazetted officers, it is done by the department without reference to the Commission. Whenever we examine a work, we give an observation memo. That means, itemwise we give what are our remarks on the adequacy of the work done in relation to the specifications that have been given in the contract. That goes to the Executive Engineer. Only in a very few cases where we find that the work is extremely bad and that it cannot wait the normal processes that we send letters direct to the Chief Engineer or Engineer-in-Chief to caution them that something is going wrong there."

Explaining further the role of the Chief Technical Examiner's Organisation in regard to works of C.P.W.D., the Central Vigilance Commission during evidence stated:

"It is a technical check the result of which is brought to the notice of the department concerned. If any lapse has occurred that is brought to the notice of the department and depending on the degree of seriousness necessary departmental action is initiated."

6.25. In a written reply to another question, the Ministry have stated that, apart from the tangible achievements of the Organisation which have been indicated, the importance and utility of a system of audit lies as much in preventing irregularities and losses as in detecting these when they occur. Since its inception, it is stated, disciplinary action against a number of departmental officials has been taken and, likewise, action against defaulting contractors has also been taken as a result of the irregularities detected by this Organisation. It is maintained that when works are prone to be subjected to technical audit, additional care and caution are taken by the executing agencies at various levels to avoid committing serious irregularities.

6.26. During evidence, in reply to a question, the Chief Technical Examiner revealed that even though a serious irregularity might have been reported 'for action' to the Ministry of Works, Housing and Supply or the Chief Engineer/Engineer-in-Chief, C.P.W.D. and was under their consideration the Contractors involved continue to get contracts from the C.P.W.D. because they "are not blacklisted or removed from the approved list."

Overpayments detected

6.27. The annual reports of the Chief Technical Examiner's Organisation reveals the following position:

Year	C.P.W.D. works awarded to contractors (civil works costing Rs. 20,000 and above and Elec. Mech., Hort. works costing Rs. 5000 and above)	Overpayments detected and finalised with the Department by the CTE's Organisation	Expenditure on pay and allowances of staff and officers working in the CTE'S Organisation
1	2	3	4
1966-67	Rs. 17.33 crores	Rs. 1.57 lakhs	Rs. 3.50 lakhs
1967-68	Rs. 27.53 crores	Rs. 1.70 lakhs	Rs. 3.99 lakhs

6.28. It is observed from the above figures that amount of over-payments detected and finalised with the Department by the Chief Technical Examiner's Organisation is extremely small and almost negligible if compared to the work-load with the C.P.W.D. Even the expenditure on pay and allowances of staff of this organisation has been twice the amount of overpayment detected and finalised. Asked to state whether this indicated that the Chief Technical Examiner's Organisation was unnecessary and that corruption or technical lapse in the C.P.W.D. was on the decline, the Chief Technical Examiner, during evidence, stated as follows:

"If you take even statutory audit on the same basis, that is, if you compare the monetary value of irregularities detected with the cost of maintaining the audit, probably you may find that it may or may not be worth while. What will happen when it is withdrawn is a debatable point."

6.29. The Committee find that the technical audit of the works of C.P.W.D. exercised by the Chief Technical Examiner's Organisation is rather a tame affair. In most cases, the Organisation is merely bringing to the notice of a comparatively junior officer, i.e. the Executive Engineer concerned, the technical lapses, often involving over-payments or loss to Government. Only in a few cases of defects/irregularities or gross negligence noticed in the works of C.P.W.D., the Organisation has brought the matter to the notice of the Ministry of Works, Housing and Supply or the Chief Engineer/Engineer-in-Chief, C.P.W.D. There is no system of keeping a watch whether the lapses brought to the notice of the authorities have been duly investigated, set right if remediable, responsibility therefor fixed and the officers responsible suitably dealt with.

With a view to make the Chief Technical Examiner's Organisation more effective, the Committee have the following suggestions to make:

- (i) the Organisation should forward, through the CVC, the result of its inspection/examination in the form of a report either to the Chief Engineer/Engineer-in-Chief, C.P.W.D. or the administrative Ministry, depending upon the gravity of the lapses pointed out;
- (ii) the lapses contained in the Report should be investigated by an officer other than the one under whom the work was executed;
- (iii) the CVC should be informed of the result of the investigation and the action proposed to be taken in pursuance thereof within one month. In case, there is likely to be

delay in this regard, the CVC should be informed stating the reasons and intimating the date by which reply would be sent to the Commission.

- (vi) the Organisation/CVC should keep a close watch on the progress made in investigation of lapses pointed out in their reports. Delays in taking action beyond the specified time should be pointed out to the Ministry concerned.

6.30. The Committee also suggest that in a case of serious defect/irregularity or lapse where a contractor is suspected of collusion, appropriate action under the Standardised Code should be taken immediately after the report of the Chief Technical Examiner's Organisation is received and has been substantiated.

6.31. The Committee note that out of overpayments detected by the Chief Technical Examiner's Organisation and finalised with the C.P.W.D. upto 31st March, 1968 amounting to Rs. 48.41 lakhs, a sum of Rs. 13.49 lakhs remained to be recovered by that date. The Committee would like Government to make special efforts to realise the outstanding dues and initiate measures to ensure that the recoveries finalised by the Chief Technical Examiner's Organisation with the C.P.W.D. are effected promptly.

VII

MISCELLANEOUS

A. Prosecution for false complaint

Prosecution for false complaints

7.1. Para 8 of the Government Resolution dated the 11th February, 1964 provides that the Commission will take initiative in prosecuting persons who are found to have made false complaints of corruption or lack of integrity against public servants. The legal position in this regard has been stated in a letter dated the 23rd September, 1966 from the Commission to the Chief Vigilance Officers of the Ministries etc. as follows:—

“A false complaint can be prosecuted under Section 182 of the Indian Penal Code. Under Section 195(1)(a) of the Code of Criminal Procedure, a court will take cognizance of an offence under Section 182 of the I.P.C. only on a complaint, in writing, of the public servant to whom such a false complaint was made or some other public servant to whom he is subordinate. Accordingly whenever any false complaint against a public servant is made to any officer of the Ministry|Department|Undertaking, a complaint will have to be lodged in writing with a court of competent jurisdiction by the public servant to whom such false complaint was made or by some other public servant to whom he is subordinate.”

The letter spells out the role of the Commission in this regard as follows:—

“Having regard to the manner in which it functions, the object can be fulfilled by the Commission:—

- (i) by advising appropriate action on its own initiative when such cases of malicious, vexacious or totally unfounded complaints come to its notice while the Commission is dealing with the matters that come before it; and
- (ii) when a Ministry|Department|Undertaking refers such a case to the Commission for advice.

In either case the administrative authority should keep in mind that the Commission has to look into the circumstances of each case and after examining it arrives at the conclusion whether the matter is one which calls for prosecution or other appropriate action. In cases referred to the Commission for advice, the Commission does not proceed merely on the basis of a decision to prosecute already arrived at by the Ministry|Department|Undertaking but applies its own mind. It is, therefore, necessary that in such cases also the Commission is consulted. In matters of prosecution for a false complaint or other appropriate steps, what the Commission does and can do is only to tender advice as to the course of action to be taken, since it itself cannot initiate action.

If a complaint of corruption or lack of integrity against a public servant is found to be false, complete records should be sent to the Commission, who will advise whether the complaint should be prosecuted in a court of law or some other action be taken against him."

7.2. The Committee are informed that, on reference received from the administrative authorities, Commission have, by the end of 1967-68, advised prosecution in 9 cases as per detail given below:

1964-65	..	1
1965-66	..	Nil
1966-67	..	3
1967-68	..	5
		<hr/>
Total:	..	9
		<hr/>

7.3. In regard to the Commission not exercising their functions of initiating prosecution for lodging false complaints, the Central Vigilance Commissioner, during evidence, stated:

"....I understand that in no case where a complaint was received by the CVC did the CVC think it necessary to start the prosecution of complainant under Section 182 IPC and I must admit that there are very serious practical difficulties of doing so. Then the CVC will have to go to the court of law and give evidence. A suitable remedy for that probably may be found by provision in the law that, in case of false complaint before the CVC,

the Secretary of the Commission will be entitled to file a complaint in the court of law."

The Commissioner was asked to state whether the Commission had pointed out to the Government the difficulty in its exercising this function, so that appropriate action could be taken by them, he replied that this matter should be taken up.

7.4. The Committee note that according to the legal position stated in the Commission's Circular dated the 23rd September, 1966, all that the Commission can do is to tender advice as to the course of further action to be taken, since it itself cannot initiate action for prosecuting false complainant. They regret that Government had not properly examined the legal implications before entrusting to the Commission the function of taking "initiative" in prosecuting such persons with the result that an erroneous impression was created amongst Ministries|Departments|Public Undertakings that the Commission had some special machinery to initiate prosecution in such cases.

B. Training

Training

7.5. The Committee on Prevention of Corruption (Santhanam Committee) had in 1964, recommended *inter alia* as follows:—

"Training course should be organised for the Vigilance Officers and the programme for training should include instructions in the various laws and rules, departmental procedures, methods of investigation, including collection of information and processing the same, procedure for departmental proceedings, etc. The syllabus should be devised by the Central Vigilance Commissioner in consultation with the Director of Central Bureau of Investigation. It should be open to the State Governments also to send their officers for training".

7.6. The Third Annual Report of the CVC for 1966-67 had stated that the question of devising a suitable training course "is under consideration". The Ministry of Home Affairs were asked to state the latest position in that regard. Replying in September, 1968, they had stated: "No course has so far been organised. The syllabus also has not been finalised. The matter is under examination." In

a subsequent written reply furnished in February, 1969 the Ministry have stated that they have accepted the recommendation (after Santhanam Committee) and its implementation has been assigned to the Central Vigilance Commission. A draft syllabus for the proposed training course has been prepared by the Central Vigilance Commission in consultation with the Central Bureau of Investigation. The Central Vigilance Commission has requested the Indian Institute of Public Administration to work out the details of the training programme and the matter is under examination.

7.7. It is further stated that pending starting of training for Vigilance Officers, a training programme on vigilance has already been started at the Secretariat Training School for Section Officers, Assistants and officers of Public Undertakings dealing with vigilance work. 25 officers are undergoing this training. The first course was inaugurated by the Central Vigilance Commissioner on the 30th December, 1968. The duration of the course was one month. The 'Vigilance Manual' brought out by the Central Vigilance Commission and the Secretariat Training School's publication "Government Servant's Conduct Rules" are being used for this training. The trainees have also been supplied with copies of selected judgment of High Courts and Supreme Court on vigilance cases.

7.8. In reply to the question whether any training programme was envisaged for Inquiry Officers/Commissioners for Departmental Enquiries, it has been stated that it is not proposed to take up any such training programmes initially, although training schemes may be taken up later for various categories of officers. According to the Ministry, "it will be useful to gain some experience in training in vigilance matters for which a beginning has already been made at the Secretariat Training School and further programmes are likely to be developed for more senior categories of officers."

7.9. The Committee are surprised that even though 5 years have elapsed since the Santhanam Committee had made their recommendation which was accepted by Government, the scheme for a training course for Vigilance Officers has not been finalised. The Committee would like to stress the importance of suitable training programmes for Vigilance Officers/Chief Vigilance Officers in the Ministries|Departments|Public Undertakings and officers in the Central Vigilance Commission including Commissioners for Departmental Enquiries and urge that the training scheme should be finalised and started without any further delay.

C. Control & Coordination regarding Vigilance Work in Ministries

Provisions of the Resolution dated 11-2-1964.

7.10. The letter from the Chairman of the Committee on Prevention of Corruption (Shri K. Santhanam) to the Prime Minister forwarding the recommendations of the Committee on the reorganisation of the Administrative Vigilance Division *inter alia* stated as follows:

“At present, there is no organic relation between the Administrative Vigilance Division and the Vigilance Officers of the various departments. We understand that in some of the departments the Vigilance Officers are taking a keen interest in their work while in others they do not take their responsibilities in this matter seriously. It is also essential to evolve or apply common standard in matters relating to prosecution, departmental action and the award of punishment. The Committee feels that the time has come to put the entire Vigilance Organisation on a proper and adequate basis without in any way undermining the general principle that the Secretaries and Heads of Departments are primarily responsible for the purity, integrity and efficiency of their departments.”

7.11. The scheme of the CVC recommended by the Committee on Prevention of Corruption envisaged centralisation of powers and responsibilities in the CVC in regard to inquiry or investigation into complaints and subsequent action thereon. Although, Government did not agree to a complete centralisation of such powers in the Commission, certain powers and responsibilities in regard to vigilance work in the Ministries/Departments of the Government of India were given to the Commission under paras 5, 6 & 7 of the Resolution dated the 11th February, 1964 setting up the Commission. These were as follows:

“5. The Central Vigilance Commissioner will be responsible for the proper performance of duties and responsibilities assigned to the Commission and for generally co-ordinating the work of and advising the Ministries/Departments/undertakings in respect of all matters pertaining to maintenance of integrity in administration.

6. The Chief Vigilance Officer in Ministries/Departments will be appointed in consultation with the CVC and no person whose appointment as the Chief Vigilance Officer is objected to by the CVC will be so appointed.

7. The Central Vigilance Commissioner will have the power to assess the work of the Chief Vigilance Officers and Vigilance Officers and the assessment will be recorded in the character rolls of the officers."

Control over Chief Vigilance Officers in Ministries.

7.12. The Ministry of Home Affairs were asked to state the procedure devised by the Commission to give effect to the provisions of Para 7 of the Home Ministry's Resolution dated the 11th February, 1964 empowering the Central Vigilance Commissioner to assess the work of the Chief Vigilance Officers and Vigilance Officers in the Ministries etc. which will be recorded in the character rolls of the officers. They have in reply stated as follows:

"The Chief Vigilance Officers who have been entrusted with vigilance work have not only to process the cases pertaining to their Ministry but have also to coordinate and guide the activities within their sphere. While acting as Special Assistant to the Secretary or Head of the Department in all matters pertaining to vigilance, he provides a link between the CVC and the Ministries/Departments. In view of the nature of their duties, they have to keep in close touch with the Commission. Every file referred by the Ministry for advice shows the contribution of the C.V.O. in the processing of the case. Since every file is seen by the CVC, he forms his own impressions about the quality of the work of the C.V.O. The C.V.Os. are often called for discussion and these contacts also enable CVC to assess the performance of individual officers.

The assessment is recorded each year and forwarded to the Secretary of the Ministry/Head of Department to be placed on the Character Roll."

Evolving and Applying Common Standards.

7.13. The Ministry of Home Affairs were asked to furnish a note describing the efforts and achievements of the Central Vigilance Commission in evolving and applying common standards in matters relating to prosecution, departmental action and award of punishment in vigilance cases. They have stated that no decision is taken in any case referred to or received in the Commission except by the Central Vigilance Commissioner himself and this ensures observance of uniform standards in dealing with vigilance cases relating to

gazetted officers which come under the purview of the Commission. In regard to the cases of non-gazetted officers, which are not referred to the Commission as a matter of course, the necessity for evolving and applying a common standards, it is stated, was discussed at a meeting of Chief Vigilance Officers held in February, 1966 and it was decided that the Chief Vigilance Officers would obtain from their attached and subordinate offices information regarding disciplinary cases and where considered necessary, the appropriate authority may review the penalty awarded *suo moto*. It is stated that the Commission has subsequently ascertained that the Chief Vigilance Officers are alive to the necessity for ensuring uniformity in dealing with vigilance matters.

7.14. The Committee are informed that CVC has brought out a Vigilance Manual describing in details the procedure to be followed in disciplinary cases and the statutory and executive orders on the subject. This is intended to acquaint the Vigilance Officers with disciplinary procedures and to provide them guidance on all points that normally arise in disciplinary cases.

7.15. It is noted that at the meetings of the Chief Vigilance Officers on the 25th and 26th February, 1966, it was concluded that:—

- (i) The CVC may undertake a study of cases of non-gazetted officers picked up at random from Ministries/Departments having attached and subordinate offices and give guidance on the basis of case studies.
- (ii) The CVC may consider the feasibility of incorporating certain guidelines in the Vigilance Manual.
- (iii) A digest of important judgments of Supreme Court and High Courts should also be included in the Vigilance Manual.

The Ministry was asked to state the action taken by the Commission in pursuance of the above conclusions. They have stated *seriatim* as follows:

- (i) The Chief Vigilance Officers usually scrutinise punishments imposed in cases of non-gazetted officials with a view to ensure that uniform penalties are as far as possible awarded for similar misconduct. The Commission did not take up a case study on its own.
- (ii) It is difficult to lay down any rigid guide lines in this matter as the punishment to be awarded depends on the facts of each case. The Chief Vigilance Officers obtain

particulars of the punishments awarded by lower formations and scrutinise them to ensure that uniform punishment in being given in cases involving indential lapses. The Chief Vigilance Officers are expected to suggest review, should the punishment be disproportionate to the gravity of the offence. It may also be noted that in the cases handled by the Special Police Establishment, if punishment is considered inadequate, they move the Commission for review.

- (iii) The ruling of the Supreme Court and High Courts which have vital bearing to the conduct of disciplinary proceedings have been discussed in the Manual in the relevant sections. Appending a separate digest was not therefore though necessary."

7.16. The Committee note that in the case of non-gazetted officers the responsibility for maintaining uniformity and evolving common standards in dealing with vigilance cases has been left entirely to the Chief Vigilance Officers of the respective Ministries. The Committee feel that in regard to non-gazetted officers the Commission should, in the interest of uniformity, lay down broad guide lines for the Vigilance Officers/Chief Vigilance Officers based on sample studies of vigilance cases dealt with by the Ministries.

D. Conferences

Conference of Vigilance Commissioners

7.17. Since its inception in February, 1964, the CVC has organised three Conferences of State Vigilance Commissioners: at Bangalore—June, 1965; at Jaipur—October, 1966; and at Hyderabad—January, 1968. The object of these Conferences has been stated in the Hand-out issued at the conclusion of the First Conference thus:

"Though the Central Vigilance Commission and the State Vigilance Commissions operate within their respective spheres, the problem they deal with, *viz.*, corruption in the public services, is the same all over the country. The object being to assist Government in regard to the maintenance of morals and discipline of services, it is essential to establish proper conventions and traditions which, while enabling the Commission to function with independence and detachment, would ensure harmony and understanding between the Commission and the administrative machinery and also help to strengthen public confidence in the Vigilance Organisations all over the country.

The setting up of Commission represents a new experiment. Many questions of importance and delicacy have arisen in the course of their functioning and it was thought that it would be exceedingly helpful if the Vigilance Commissioners would meet to exchange notes about their experiences, to discuss the problems that have arisen and to think of appropriate solutions."

1.18. The Ministry was asked to state whether the CVC had taken steps to give effect to the suggestions made and conclusions arrived at these Conferences. They have stated that these Conferences were held with a view to exchange views and share experiences and no formal resolutions were passed or decisions taken. According to them, since the problems were peculiar to each Vigilance Commission, the intention was that each Commission will, in background of the discussions in the Conference, take up the matter with the particular State Government.

Meeting of Chief Vigilance Officers

7.19. The Commission had also organised a meeting of the Chief Vigilance Officers on the 25th and 26th February, 1966 at which matters of common interest were discussed. It is stated that in pursuance of the decisions taken, "the Commission had issued appropriate instructions where the matter was within the competence of CVC while in other cases references were made to the Ministry of Home Affairs."

7.20. The Committee welcome the idea of periodical Conferences of State Vigilance Commissioners and meetings of Chief Vigilance Officers being convened by the CVC for discussing matters of common interest and evolving common standards and procedures for dealing with vigilance cases. They, however, suggest that the conclusions of the Conferences of Vigilance Commissioners should be properly drawn up in the form of minutes and energetic action taken in pursuance thereof.

E. Publicity

7.21. From the figures furnished to the Committee, it is noticed that out of 2,791 complaints relating to corruption against Government servants disposed of by the Commission during 1965—68, only 515 (or 18 per cent.) were found to contain serious charges of a verifiable nature on which action was initiated by the CVC. Of the rest, 1965 (or 71 per cent) were filed as 'vague and unverifiable' and 311 or (11 per cent) were found as 'not worth pursuing' and

forwarded to the Ministries/Departments for such action as they might deem fit. Besides, during the same period, the Commission disposed of 979 complaints relating to (i) matters other than corruption or (ii) those concerning State Governments, which are outside the scope of functions of the Commission.

Out of the total of 919 anonymous/pseudonymous complaints relating to corruption disposed of by the Commission during 1965—68, only 42 or 4.5 per cent are shown to have contained serious charges of a verifiable nature which the Commission forwarded to Ministries/Departments/CBI.

7.22. The above statistics highlight the need for concerted effort by the Ministry of Home Affairs and the Commission to make the general public aware of the functions of the CVC and of the nature, type, manner and content of complaints of which the Commission takes effective notice.

7.23. During evidence, it was asked whether any steps had been taken by the CVC to mobilise public opinion against corruption in public services. The Central Vigilance Commissioner replied that apart from extensive tours and visits to almost every part of the country by his predecessor and his meeting the press informally, no publicity was undertaken, nor was it possible for the Commission, with the present work-load, to do so. Asked for his opinion whether it would be desirable to have a non-official organisation to assist the Commission in creating public opinion and educating the people, the Central Vigilance Commission stated:

“Certainly, that will be helpful. What I am saying is: it is not for the CVC to set up such an organisation. It is for the non-official people to organise.”

The representative of the Ministry stated that there were some non-official advisory committees associated with the Departments like Customs and C.P.W.D.; but Government had no idea of setting up a Committee associated with CVC as such on a centralised basis. Asked for his opinion whether it was desirable to have such a committee associated with CVC, he state:

“That again would become an officially-sponsored body in some ways. If an organisation grows from the grass-roots in a particular area, certainly, their cooperation and assistance should be helpful.”

7.24. The Committee feel that there is need for concerted efforts by the Ministry of Home Affairs and the CVC to publicise the functions of the Commission and the nature, type, manner and contents of complaints that would normally be taken notice of by the Commission. This can be done by means of brochures produced in Hindi and English as well as in regional languages for wide distribution. Advantage can also be had of the media of Newspapers, Radio and Films.

F. Non-acceptance of Advice of the Commission

7.25. As stated earlier, para 4 of the Ministry of Home Affairs Resolution dated the 11th February, 1964 setting up the CVC provides that "in the exercise of its powers and functions it will not be subordinate to any Ministry/Department and will have the same measure of independence and autonomy as the Union Public Service Commission." Para 2(xiv) of the Resolution provides that "the Commission will submit an annual report to the Ministry of Home Affairs about its activities drawing particular attention to any recommendation made by it which had not been accepted or acted upon; and a copy of the report together with a memorandum explaining the reasons for non-acceptance of any recommendations of the Commission will be laid by the Ministry of Home Affairs before each House of Parliament." In pursuance of these provisions, the advice of the Commission in cases referred to it is given utmost consideration by the Ministries/Departments. Upto the 31st March, 1968, the Commission has reported only three cases of non-acceptance of its advice by the disciplinary authorities—one in 1965-66 and two in 1967-68. Government's Memoranda explaining the reasons for non-acceptance of the advice of the Commission are reproduced below :

Memorandum regarding the case mentioned in the Second Report of the Commission for 1965-66.

"During the period under report there was only one case in which the Commission's advice was not accepted. The case, details of which are given in paragraphs 65 to 71 of the Report, relates to disciplinary action against a Store Keeper (a non-gazetted official) in the Central Public Works Department. The reasons for non-acceptance of the Commission's advice in this case are explained below.

3. The main facts of the case are not in dispute. The charge against the Store Keeper was of misappropriation of electrical goods worth approximately Rs. 40,540. The Commissioner for Departmental Enquiries, attached to the Central Vigilance Commission, who

inquired into the charge, held the charge against the Store Keeper not proved. The Commission on consideration of the report of the Inquiry Officer advised that the official may be exonerated.

4. The Inquiry Officer had also discussed in his report the question of responsibility of the Store Keeper as custodian of the stores and his responsibility for maintaining correct accounts of the stores. The Superintending Engineer, C.P.W.D. who was the Disciplinary Authority in this case, discussed these two points with the Central Vigilance Commission, and the Commission on reconsideration agreed that there was undoubtedly negligence on the part of the official in not taking adequate precautions. The Commission, however, thought that the lapse was not such as would call for a major penalty. The Commission advised that a minor penalty be imposed on the Store Keeper.

5. The responsibility of the Store Keeper for the custody of stores and their accounting was considered by the Disciplinary Authority to be of equal importance. The weightage given by the Disciplinary Authority to the extent of responsibility of Store Keeper in discharging his duties in the Department was different from that given by the CVC.

6. The Disciplinary Authority provisionally decided that penalty of removal should be imposed on the Store Keeper and he was served with a notice to show-cause against the proposed penalty. The reasons recorded by the Disciplinary Authority for disagreeing with the findings of the Inquiry Officer were also shown to the Store Keeper. On consideration of the representation to show-cause notice, the Disciplinary Authority thought that the penalty of removal from service would be an extreme step and in his final order he compulsorily retired the official.

7. The appeal submitted by the Store Keeper against the above penalty was considered by the Chief Engineer, C.P.W.D. The appeal was rejected.

8. It would thus be seen that the Disciplinary Authority imposed a major penalty as against minor penalty advised by the Central Vigilance Commission. The Disciplinary Authority was of the view that the extent of culpability of the official could be independently judged by him, when the Commission had agreed in principle that the official was responsible for the lapses. Disagreement has occurred only in the quantum of the penalty imposed. The Order of the Disciplinary Authority was upheld by the Appellate Authority."

Memorandum regarding the two cases mentioned in the Fourth Report of the Commission for 1967-68

"...During the period under report the Commission has mentioned two cases of non-acceptance of its advice. The details of these two cases are given in para 72 of the report.

2. The first case relates to disciplinary action against a Section Officer in an attached office of the Ministry of Home Affairs. The Disciplinary Authority had felt that the charges that had been proved against the officer were of a serious nature, and the manner in which he had committed irregularities and had tried to get round the rules in the appointment of peons gave the impression that there were dishonest motives on his part. Keeping this in view, the Disciplinary Authority served on him a show-cause notice proposing to impose on him the penalty of reduction to the lower stage at Rs. 865 in the time-scale of Rs. 400—900 for a period of two years. The officer did not submit any reply to the show-cause notice. The case was thereafter referred to the Union Public Service Commission, who also advised that the penalty proposed in the show-cause notice should be imposed on him. It would be seen that the Disciplinary Authority imposed a major penalty as against a minor penalty advised by the Central Vigilance Commission after consulting the Union Public Service Commission.

3. The other case relates to an officer of the Junior Administrative Grade of the Indian Postal Service. The Commission had advised in the beginning that the officer was guilty of improper conduct by way of disobedience, and that being a serious matter, disciplinary proceedings may be initiated against him as for a major penalty. While forwarding the report of the Inquiry Officer the Commission advised that a major penalty was called for, but added that it would meet the ends of justice, if a major penalty short of termination of service, i.e. a penalty other than dismissal, removal or compulsory retirement was imposed. Considering the facts and circumstances of the case, the P. & T. Board came to the provisional conclusion that dismissal was called for and issued a show-cause notice accordingly. On receipt of the reply to the show-cause notice the case was referred to the Union Public Service Commission who advised compulsory retirement. The officer was compulsorily retired accordingly.

4. As regards the observations of the Commission regarding the change in the Government stand in transferring the officer suddenly

in January, 1964, by an open telegram when the demand made by the Employees Union for his transfer was not acceded to in December, 1963, it may be stated that the transfer of the officer was necessitated as the incumbent holding the post of Director, Postal Services in Punjab Circle at Ambala, was required to join the Army Postal Service before 10th January, 1964. Telegraphic orders were issued mainly with a view to ensuring his early relief."

7.26. The idea of the Santhanam Committee in recommending the setting up of the CVC was to put anti-corruption measures on a firmer and more systematic basis as well as to combat corruption and bring offending public servants to book promptly.

The basic objective of the Government in setting up the CVC is stated to be to fulfil the need for an independent body with extensive functions designed to ensure that complaints of corruption or lack of integrity on the part of the Government servants are given prompt and effective attention and that offenders are brought to book without fear or favour. Para 2 of the Resolution dated 11th February, 1964 under which the Commission was set up, which lays down the powers and functions of the Commission, would also appear to indicate that the CVC was expected to play an effective role in combating corruption among public servants.

From the Annual Report of the CVC, the material furnished by the Ministry of Home Affairs and the evidence tendered by the representative of the Ministry of Home Affairs and the Central Vigilance Commissioner himself, it is noticed that in quite a number of cases referred to the Commission by the CBI and the Administrative Ministries, the Central Vigilance Commissioner advised either no punishment proposed or lesser punishment than had been recommended by the former. In the three cases of difference of opinion cited in the foregoing paras also, the disciplinary authorities awarded major punishments to their officers concerned against the advice of Central Vigilance Commissioner who had recommended minor or lesser punishment to them.

In the circumstances, the Committee find it difficult to express an opinion whether the Commission has adequately fulfilled the purpose for which it was set up.

The Committee have no doubt that Government would keep in view these objectives and the experience gained so far of the work-

ing of the Central Vigilance Commission in finally deciding the functions and role of Lokayukta to be appointed in terms of the Lokpal and Lokayuktas Bill, 1968.

NEW DELHI;

April 14, 1969.

Chaitra 24, 1891 (S)

P. VENKATASUBBAIAH,

Chairman,

Estimates Committee.

APPENDIX I

(See Para 1.2)

Government of India, Ministry of Home Affairs, Resolution No. 24/7/64-AVD, dated the 11th February, 1964 setting up the Central Vigilance Commission.

RESOLUTION

On a careful consideration of the recommendations made by the Committee on Prevention of Corruption under the chairmanship of Shri K. Santhanam, the Government have decided to set up a Central Vigilance Commission which will be headed by the Central Vigilance Commissioner.

2. The powers and functions of the Central Vigilance Commission will be as follows:—

The Central Vigilance Commission will have jurisdiction and powers in respect of matters to which the executive power of the Union extends.

(i) to undertake an inquiry into any transaction in which a public servant is suspected or alleged to have acted for an improper purpose or in a corrupt manner:

(ii) to cause an inquiry or investigation to be made into—

(a) any complaint that a public servant had exercised or refrained from exercising his powers for improper or corrupt purposes.

(b) any complaint of corruption, misconduct, lack of integrity or other kinds of malpractices or misdemeanour on the part of a public servant including members of the All India Services even if such members are for the time being serving in connection with the affairs of a State Government;

(The relevant rules under the All India Services Act will be amended in consultation with the State Governments in order to bring the members of those Services under the purview of the Commission).

- (iii) to call for reports, returns and statements from all Ministries/Departments/Corporate Central undertakings so as to enable it to exercise general check and supervision over the vigilance and anti-corruption work in the Ministries/ Departments/undertakings;
- (iv) to take over under its direct control such complaints, information or cases as it may consider necessary for further action which may be either :
 - (a) to ask the Central Bureau of Investigation to register a regular case and investigate it, or
 - (b) to entrust the complaint, information or cases for inquiry—
 - (1) to the Central Bureau of Investigation; or
 - (2) to the Ministry/Department/undertaking concerned;
- (v) in cases referred to in paragraph (iv) (b) above the report of the inquiry will be forwarded to the Commission so that on a consideration of the report and other relevant records, it may advise the concerned Ministry/ Department/undertaking as to further action;
- (vi) the Central Bureau of Investigation will forward to the Ministry of Home Affairs through the Commission the final report in all cases investigated by the Bureau in which it considers that a prosecution should be launched, provided that sanction for such prosecution is, required under any law to be issued in the name of the President; and the Bureau will simultaneously send a copy to the Ministry/Department/undertaking concerned for any comments which it may wish to forward to the Commission;
- (vii) (a) the Commission will advise the Ministry of Home Affairs, after examining the case and considering any comments received from the concerned Ministry/Department/undertaking, whether or not prosecution should be sanctioned. (Orders will, thereafter, be issued by the Ministry of Home Affairs in whom the power to accord such a sanction will be vested);
 - (b) in cases where an authority other than the President is competent to sanction prosecution and the

authoritly does not propose to accord the sanction sought for by the Central Bureau of Investigation the case will be reported to the Commission and the authority will take further action after considering the Commission's advice;

- (viii) the Commission will have the power to require that the oral inquiry in any departmental proceedings, except in petty cases, should be entrusted to one of the Commissioners for Departmental Enquiries. (A suitable number of Commissioners for Departmental Enquiries will be attached to the Central Vigilance Commission);
- (ix) the Commission will examine the report of the Commissioner for Departmental Enquiries, which will in all cases be submitted by the Commissioner for Departmental Enquiries to the Central Vigilance Commission, and the Commission will forward the record of the case to the appropriate disciplinary authority with its advice as to further action;
- (x) in any case where it appears that discretionary powers had been exercised for an improper or corrupt purpose the Commission will advise the Ministry/Department undertaking that suitable action may be taken against the public servant concerned; and if it appears that the procedure or practice is such as affords scope or facilities for corruption or misconduct the Commission may advise that such procedure or practice be appropriately changed, or changed in a particular manner;
- (xi) the Commission may initiate at such intervals as it considers suitable review of procedures and practices of administration in so far as they relate to maintenance of integrity in administration;
- (xii) the Commission may collect such statistics and other information as may be necessary;
- (xiii) the Commission may obtain information about action taken on its recommendations.
- (xiv) the Commission will submit an annual report to the Ministry of Home Affairs about its activities drawing particular attention to any recommendation made by it which had not been accepted or acted upon; and a copy

of the report together with a memorandum explaining the reasons for non-acceptance of any recommendations of the Commission will be laid by the Ministry of Home Affairs before each House of Parliament.

3. The Central Vigilance Commissioner—

- (a) will be appointed by the President by warrant under his hand and seal;
- (b) will not be removed or suspended from office except in the manner provided for the removal or suspension of the Chairman or a Member of the Union Public Service Commission;
- (c) will hold office for a term of six years or till he attains the age of 65 whichever is earlier;
- (d) on ceasing to hold the office of the Central Vigilance Commissioner, shall not accept any further employment under the Union or a State Government or accept any political public office;

4. The Central Vigilance Commission will, for the present, be attached to the Ministry of Home Affairs, but in the exercise of its powers and functions it will not be subordinate to any Ministry/Department and will have the same measure of independence and autonomy as the Union Public Service Commission.

5. The Central Vigilance Commissioner will be responsible for the proper performance of the duties and responsibilities assigned to the Commission and for generally co-ordinating the work of and advising the Ministries/Departments/undertakings in respect of all matters pertaining to maintenance of integrity in administration.

6. The Chief Vigilance Officer in Ministries/Departments will be appointed in consultation with the Central Vigilance Commission and no person whose appointment as the Chief Vigilance Officer is objected to by the Central Vigilance Commission will be so appointed.

7. The Central Vigilance Commissioner will have the power to assess the work of the Chief Vigilance Officers and Vigilance Officers and the assessment will be recorded in the character roll of the officers.

8. The Central Vigilance Commission will take the initiative in prosecuting persons who are found to have made false complaints of corruption or lack of integrity against public servants.

ORDER

ORDERED that a copy of this Resolution be communicated to all State Governments, all Ministries of the Government of India, etc., and also that the Resolution be published in the Gazette of India.

L. P. SINGH,

Special Secretary to the Government of India.

APPENDIX II
(See Para 2.26)

Circular No. 9/1/64-DP dated the 13th April, 1964 from Central Vigilance Commission to All Ministries of the Government of India, etc.

SUBJECT:—Central Vigilance Commission—Procedure regarding Consultation with.

Sir,

Please refer to the Ministry of Home Affairs Resolution No. 24/7/64-AVD, dated 11th February, 1964, which describes the powers and functions of the Central Vigilance Commission. The procedural instructions contained in the following paragraphs will be observed in giving effect to the decisions contained in the Resolution.

2. *Complaints, information or cases received by or taken notice of by the Central Vigilance Commission.*—In such cases, the Central Vigilance Commission will decide the action to be taken which may be any of the following three alternatives:—

- (a) The Central Vigilance Commission may entrust the matter for inquiry to the administrative Ministry/Department concerned. In such cases, the Vigilance Officer of the Ministry/Department will immediately make a preliminary inquiry to verify the allegations and will submit his report, together with other relevant records, to the Central Vigilance Commission. The Commission will advise the Ministry/Department concerned as to the further action to be taken; or
- (b) The Central Vigilance Commission may ask the Central Bureau of Investigation to make an inquiry. The Central Bureau of Investigation will furnish the report of the inquiry, together with other relevant records, to the Central Vigilance Commission who will then advise the administrative Ministry/Department as to the course of further action to be taken; or
- (c) The Central Vigilance Commission may ask the Director, Central Bureau of Investigation, to register a case and investigate it. The Director will inform the Commission of the result of the investigation and if he is of the view that a prosecution should be launched.

- (1) the Director, Central Bureau of Investigation, will forward the final report of his investigation to the Ministry of Home Affairs through the Central Vigilance Commission if sanction for such prosecution is required under any law to be issued in the name of the President. Simultaneously, the Director, Central Bureau of Investigation, will forward a copy of the investigation report to the administrative Ministry/Department concerned for any comments which they may wish to make. Such comments will be forwarded by the Ministry/Department to the Central Vigilance Commission not later than 14 days from the receipt of the report. After considering the report of the Central Bureau of Investigation and other relevant records, if any, and also the comments, if any, received from the administrative Ministry/Department the Central Vigilance Commission will advise the Ministry of Home Affairs whether or not prosecution should be sanctioned. Orders will thereafter be issued by the Ministry of Home Affairs.
- (ii) If any authority other than the President is competent to sanction prosecution, the Director, Central Bureau of Investigation, will forward the investigation report to such authority for sanction to prosecution. If such authority does not propose to accord the sanction sought for by the Director, Central Bureau of Investigation, it will forward the case together with its views and the reasons therefor and other relevant record to the Central Vigilance Commission for advice, through the administrative Ministry/Department concerned, within a fortnight of the receipt of the report of the Central Bureau of Investigation. Further action will be taken by the authority concerned after considering the advice of the Central Vigilance Commission.

3. Complaint or information received by or cases arising in respective Ministries/Departments.—Such complaints or cases will be dealt with by the administrative Ministry/Department concerned. The Central Vigilance Commission, however, has the responsibility for advising the Ministries/Departments in respect of all matters relating to integrity in administration. It has also the power to call for reports, returns, statements from all Ministries/Departments so as to enable it to exercise a general check and supervision over vigilance and anti-corruption work in Ministries/Departments. It can

also take over under its direct control any complaint or case for further action. In order to enable the Central Vigilance Commission to discharge its responsibility and to keep it fully informed—

- (a) Every Ministry/Department will forward to the Central Vigilance Commission the following quarterly statistical returns :
- (i) Statement showing the disposal and pendency of complaints, vigilance cases and appeals and memorials, etc., in Forms No. CVC. I(a), (b) and (c), copy enclosed (not printed).
 - (ii) Statement showing the disposal of anonymous and pseudonymous complaints in Form No. CVC. 2, copy enclosed (not printed), and
 - (iii) Statement showing the number of public servants under suspension for more than three months in Form No. CVC. 3, copy enclosed (not printed).

for the periods January—March, April—June, July—September and October—December by the Seventh of the succeeding months. A copy of the returns should also be endorsed to the Administrative Vigilance Division of the Ministry of Home Affairs.

The first reports to be sent to the Commission should relate to the period January—March, 1964 and should be sent by the 1st May, 1964.

- (b) In respect of action initiated against a Gazetted Officer the administrative Ministry/Department concerned will forward a report in Form No. CVC. 4, copy enclosed (not printed), as soon as action is started. The further progress of the case will be reported in the same form every month till preliminary enquiry is completed and thereafter once at the end of every two months.

The Central Vigilance Commission may require at a later date similar reports in respect of specified categories of non-gazetted officers. Separate instructions will be issued in that regard in due course.

- (c) In respect of criminal proceedings instituted against non-gazetted public servants the administrative Ministry/ Department concerned will forward a report in Form No. CVC. 5, copy enclosed (not printed), as soon as sanction for prosecution is given. Further progress of the case will be reported in the same form quarterly.

4. In all cases relating to gazetted officers the Central Vigilance Commission will be consulted during the progress of the case at the following stages:—

- (i) If in any case the administrative authority does not think that a preliminary enquiry is necessary, the complaint (other than an anonymous or pseudonymous complaint in respect of which the procedure will be as in paragraph 9 below) together with the views of the administrative authority will be forwarded to the Central Vigilance Commission for advice.
- (ii) Similarly, when an administrative authority has, after preliminary enquiry, come to the conclusion that no further action is necessary, the case will be reported to the Central Vigilance Commission for advice.
- (iii) Where an administrative authority proposes, after a preliminary enquiry, to institute disciplinary proceedings, the report of the preliminary enquiry, together with other relevant record, will be forwarded to the Central Vigilance Commission for advice as to the course of further action to be taken.
- (iv) In cases which are enquired into by the Central Bureau of Investigation, the final report, together with other relevant records, will be sent by the Central Bureau of Investigation to the Central Vigilance Commission who will advise the administrative Ministry/Department concerned as to the course of further action to be taken.
- (v) In cases in which the Central Vigilance Commission advises that formal disciplinary proceedings should be instituted, it will also advise whether proceedings should be instituted for imposing a major penalty or a minor penalty. It will then be the responsibility of the Vigilance Officer of the Ministry/Department to draw up a charge sheet, statement of allegations, etc., and take all further steps according to the prescribed procedure and practice. It will be open to the administrative authority concerned to seek such further advice and guidance as may be considered necessary from the Central Vigilance Commission.

The Central Vigilance Commission may extend the procedures outlined in the above sub-paragraphs to certain specified categories of non-gazetted officers also. Separate instructions will be issued in that regard later.

5. *Commissioners for Departmental Inquiries.*—The Commissioners for Departmental Inquiries will hereafter function under the Central Vigilance Commission. If any Ministry/Department desire that the oral inquiry in any departmental proceedings should be entrusted to one of the Commissioners for Departmental Inquiries, the request for his services will be addressed to the Central Vigilance Commission. The Central Vigilance Commission may also indicate at the appropriate stage in any departmental proceedings whether oral inquiry should be entrusted to one of the Commissioners for Departmental Inquiries.

In all inquiries made by the Commissioners for Departmental Inquiries the report will be submitted by the Commissioner for Departmental Inquiries to the Central Vigilance Commission. The Commission will examine the report and will forward the record of the case to the appropriate disciplinary authority together with its advice as to further action.

6. *Difference of opinion between Central Bureau of Investigation and the administrative authority in cases recommended for departmental disciplinary action.*—If in cases which are recommended by the Central Bureau of Investigation to the administrative authority concerned for departmental action a difference of opinion arises between the concerned administrative authority and the Central Bureau of Investigation regarding action to be taken, the matter will be referred to the Central Vigilance Commission for advice. Similarly, in cases in which the Central Bureau of Investigation consider that the findings in a departmental inquiry or the punishment imposed after a departmental inquiry should be reviewed and there is a difference of opinion between the concerned administrative Ministry/Department and the Central Bureau of Investigation, the case will be referred by the administrative Ministry/Department to the Central Vigilance Commission for advice.

7. *Black-listing of firms.*—Any proposal to black-list a firm or to withdraw a black-listing order will be referred to the Central Vigilance Commission for advice before the issue of final orders.

8. *Mode of communication between the Ministries/Departments and the Central Vigilance Commission.*—The mode of communication between the Ministries/Departments and the Commission will ordinarily be by referring files. However, if in any case the Commission or the Ministry/Department may not wish to endorse the file, a self-contained note or letter may be sent.

9. *Anonymous and pseudonymous complaints.*—The administrative Ministry/Department may seek the advice of the Central Vigilance Commission about action to be taken on such anonymous and pseudonymous complaints as might appear to be deserving of an inquiry or investigation.

10. Suitable instructions will be issued at a later stage in regard to matters covered by paras 2(x), (xi) and (xiii), 6, 7 and 8 of the Resolution referred to in paragraph 1.

11. *Extension of the procedure to Corporate Central Undertakings.*—The power and jurisdiction of the Central Vigilance Commission as set out in the aforesaid Resolution extend to Corporate Central Undertakings. The Ministries/Departments are, therefore, requested to issue appropriate orders to the authorities in-charge of the respective undertakings extending, *mutatis mutandis*, the instructions contained in this letter and those which may be issued hereafter. A copy of the orders issued may kindly be endorsed to the Central Vigilance Commission. If a Ministry/Department is in doubt in regard to any matter, the Commission may kindly be consulted for clarification.

12. Spare copies of this letter and the forms prescribed in it are under print. The estimated requirements of both may kindly be intimated to the Commission. The requirement for the forms should be given for one year.

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APPENDIX III

Summary of Recommendations| Conclusions contained in the Report

Sl. No.	Reference to para No. of the Report.	Summary of Recommendations/Conclusions.
1	2	3
1	1.11	The Committee feel that the Government should not have set up an important institution like the CVC enjoying the same measure of independence and autonomy as the Union Public Service Commission, by a simple executive resolution. They are unable to appreciate the argument that since a copy of the scheme of the CVC had been laid on the Table of the Houses of Parliament in December, 1963, and it had also been referred to in the President's Address delivered to both the Houses assembled together on the 10th February, 1964, it was not necessary to approach Parliament again before the Commission was actually set up. The Committee feel that it would have been desirable to place the resolution before the Parliament.
2	1.12	The Committee note that Government are contemplating to redesignate the Central Vigilance Commissioner as Lokayukta after the Lokpal and Lokayukta Bill, which is currently before the Parliament, becomes law and to merge the CVC into the new institution to be established under the Act. They hope that the difficulties and lacunae found in the working of the Commission will be duly taken care of in the Act.
3	1.18	The Committee hope that in the re-organized set up of the Commission under the new enactment, the question of its jurisdiction over the All India Service Officers serving in connection with the affairs of a State Government will have been finally settled. They also hope that the non-gazetted officers serving in the Central Government Departments, Administrations of Union Territories, Public Undertakings, and Local-Self Governing institutions in the Union Territories would also be brought under the purview of the Commission.
4	2.11	The Committee recommend that, in order that appointment to the office of the Central Vigilance Commissioner is made after due consideration of the relative merits, Government should devise some formal

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procedure of consultation with persons in high authority and of eminence such as Chief Justice of India, etc., for the purpose of drawing up a panel, before names are submitted for the consideration of the Prime Minister.

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2.14

The Committee are not convinced by the reasons given for the delay in selecting a successor to the last Central Vigilance Commissioner. The Lokpal and Lokayuktas Bill was introduced in Lok Sabha on the 9th May, 1968 and had been referred to a Joint Committee of the two Houses while the last Central Vigilance Commissioner retired on the 23rd August, 1968. It was extremely unlikely that the Bill would have become an Act by that time. They regret that the importance of initiating action in this regard well in time was not foreseen by Government due to which the work of the Commission suffered and remained at a standstill for a period of over two months during which the Commission had to function without the Commissioner.

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2.15

In this connection the Committee would like to make the following suggestions:—

- (i) action to fill up the post of the Central Vigilance Commissioner should be initiated by the Ministry of Home Affairs at least 6 months before the occurrence of the vacancy;
- (ii) the process of consultation, obtaining consent of the person selected for consideration, obtaining approval of the Home Minister, the Prime Minister and of the President should be completed by the Ministry of Home Affairs at least two months in advance of the occurrence of the vacancy.
- (iii) the offer of appointment should be sent out to the persons selected two months before the occurrence of the vacancy so that adequate margin is left for consideration of alternative names, in the event of the person selected expressing his inability to join or in case where the Ministry visualises delay in his release for the post.

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2.23

The Committee find that the root cause of delay in appointment in most cases was that the Recruitment Rules for senior posts, both administrative as well as technical, provide for deputation from specified categories of officers as the only source of recruitment. This provision in the Recruitment Rules also limits the

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		field of selection. They would like the source of recruitment to be made a little more broad based and therefore recommend that the Recruitment Rules should also provide for filling up the posts by deputation of Central Government Officers, who do not belong to any of the All-India or established Central Services.
8	2.24	<p>With a view to avoid delays in appointment to the senior posts, the Committee would like to make the following suggestions:—</p> <p>(i) action to fill up a vacancy should be initiated by the Commission at least 6 months before it is likely to occur, and</p> <p>(ii) the process of selection should be completed at least two months in advance of the occurrence of the vacancy.</p>
9	2.39	<p>The Committee are not happy about the Government assigning to the CVC additional functions not specifically covered by the original Resolution setting up the Commission by more executive decisions. They feel that if it was intended to expand the scope of functions of the CVC, the proper course would have been for the Government to issue another Resolution or amend the existing one instead of the Commission itself issuing a Circular to the Ministries about its expanded functions as has been done in the present case.</p>
10	3.12	<p>Considering the fact that the Central Vigilance Commissioner has to study each and every case personally and take decision himself, the Committee feel convinced that it is humanly impossible for one person to handle the large volume and variety of work transacted by the Commission. The Committee also note from the Annual Reports of the CVC that in the discharge of his duties the Commissioner has also to attend conferences and meetings and visit places outside Delhi. This takes away a portion of the Commissioner's time. The Committee therefore recommend that if the Commission is to discharge the onerous duties entrusted to it, it should be enlarged and at least one more member added to it. They trust that this fact will be borne in mind by Government while piloting the Lokpal and Lokayuktas Bill in Parliament.</p>
11	3.16	<p>The Committee note that Ministries/Central Bureau of Investigation have been taking a long time in sending reports of enquiry/investigation in cases referred to them by the Commission. In their Seventy-eighth Report (Fourth Lok Sabha) on the Central Bureau of Investigation the Committee have already made certain suggestions with a view to avoid delays in the</p>

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- investigation of cases by the Central Bureau of Investigation and the disposal of disciplinary cases by the Ministries. They suggest that the Central Vigilance Commission should, in consultation with the Ministry of Home Affairs, devise a proper system of watching the progress of enquiry/investigation with a view to see that these are not unduly prolonged.
- 12 3.23 The Committee regard the procedure of recording the reasons for taking a particular decision as highly salutary and based on sound principles of public policy inasmuch as it guards against the decision of any person being arbitrary or whimsical. In this context, they are glad to note the assurance given by the Central Vigilance Commissioner that his advice will be accompanied by reasons so as to enable the disciplinary authority concerned to reach a decision.
- 13 4.11 The Committee have observed in an earlier chapter that advising the Government regarding blacklisting of firms is a function which is not in the charter of duties of the CVC laid down in the Ministry of Home Affairs Resolution of February 11, 1964, creating the Commission but was added later. Apart from the delay that is bound to occur as a result of reference of cases of blacklisting to the CVC, the Committee are unable to appreciate how the Commission is in a better position to guide the Government in such an administrative matter as this. They feel that the overriding powers given to CVC in the matter of blacklisting of firms are not justified.
- 14 4.14 The Committee find it difficult to appreciate the idea of the Commission entertaining representations direct from affected firms against orders of blacklisting or for revocation of blacklisting orders. They are glad that the present Central Vigilance Commissioner also shares this view. The Committee hope that the practice of the Commission entertaining direct representations from firms will be stopped in future.
- 15 4.18 The Committee note that in quite a good number of cases proposals of the Central Bureau of Investigation or the Administrative Ministry for blacklisting of firms/contractors were not agreed to by the Commission, who advised either no punishment or a far lesser punishment. They also note that softening of the proposals for punishment against firms has been the result of subjecting them to rigorous judicial scrutiny by the
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		<p>Commission. Since blacklisting of a firm is an administrative action, and orders regarding blacklisting are passed at the highest level of Ministers, the Committee are inclined to think that consultation with the Commission is redundant. The Committee therefore, suggest that Government should bear this in mind while reviewing the procedure regarding blacklisting.</p>
16	4.19	<p>The Committee notice that the Commission is receiving references from the Ministries/Central Bureau of Investigation also where the suggestion is to award punishment other than blacklisting, such as, Banning, Suspension of Business or even cancellation of licences, although such references are not covered by para 7 of the Committee's circular dated the 13th April, 1964 or the Standardised Codes maintained by the Ministries/Departments concerned. The Commission has been entertaining such references and has in certain cases differed with the proposal of the Ministry|Central Bureau of Investigation and advised punishment of lesser degree. The Committee consider that references to the Commission in such cases need not be made.</p>
17	5.6	<p>The Committee note that, although the Commissioners for Departmental Enquiries are not required to function as a court of law, while conducting enquiries they have to examine witnesses, admit evidence according to judicial procedures and sift it before giving their opinion. The whole case against a public servant may fall through in a court of law if there is any lacunae in the procedure followed by the Inquiring Officer. The Committee, therefore, feel that Commissioners for Departmental Enquiries should preferably be persons with legal knowledge and background.</p>
18	5.11	<p>The Committee are concerned to note the large number of enquiry cases pending with the Commissioners for Departmental Enquiries which are mounting every year. At the present rate of disposal, which is stated to be three per month per Commissioner, the 5 Commissioners at present attached to the Commission will take as long as 1½ years to complete the enquiries in 270 cases pending with them as on 31st March, 1968. The Committee recommend that the Commission as well as the Ministry of Home Affairs should make a thorough investigation of the causes which have led to the accumulation of enquiry cases with the Commissioners, streamline and simplify the enquiry procedures wherever possible and, if the work-load justifies, take prompt action to increase the number of Commissioners.</p>

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19	5.12	The Committee are aware that at present the Commissioners for Departmental Enquiries are not empowered to compel the production of documents and attendance of witnesses leading to considerable delay in the completion of enquiries. The Committee have dealt with this matter in paras 5.36 and 5.39 of their Seventy-eighth Report on the Ministry of Home Affairs—Central Bureau of Investigation and have urged Government to introduce legislation in this regard.
20	5.13	The Committee note the assurance given by the Central Vigilance Commissioner that he would again examine the possibility of dispersing the Commissioners for Departmental Enquiries at suitable stations in the interest of expeditious disposal of work.
21	6.13	The Committee note that the post of Chief Technical Examiner has all along been held by an officer of the Central Public Works Department. They also note that, although the Recruitment Rules for the post of Technical Examiner and Assistant Technical Examiner provide for locating suitable officers of comparable status, in the first instance, from sources other than C.P.W.D., in actual practice, on account of the response from sources other than C.P.W.D. being extremely poor, most of these posts also have to be filled up by officers of C.P.W.D. In view of the fact that major part of the activities of the Chief Technical Examiner's Organisation comprises of technical control over the works of C.P.W.D., the efficacy of such control being exercised by C.P.W.D.'s own officers temporarily on deputation with the Organisation may be open to doubt. The Committee therefore recommend that the Central Vigilance Commission should intensify their efforts to secure officers for this Organisation from sources other than C.P.W.D.
22	6.14	The Committee also recommend that, in order to avoid undue delays in filling up these posts, which are bound to occur if deputation is the only source of recruitment for these posts, Government should examine the desirability of either amending the Recruitment Rules in order to allow direct recruitment to these posts, or reviewing the grant of deputation allowance to the incumbent of these technical posts as a special case.
23	6.18	The Committee recommend that periodic evaluation of the work of the Chief Technical Examiner's Organisation may be conducted by an Achievement Audit Committee consisting of specialists and experts.

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24	6.19	The Committee suggest that a copy of the Annual Report of the Chief Technical Examiner's Organisation may also be laid by the Ministry of Home Affairs before the Houses of Parliament along with the Annual Report of the CVC.
25	6.29	<p>The Committee find that the technical audit of the works of C.P.W.D., exercised by the Chief Technical Examiner's Organisation is rather a tame affair. In most cases, the Organisation is merely bringing to the notice of a comparatively junior officer, i.e., the Executive Engineer concerned, the technical lapses, often involving overpayments or loss to Government. Only in a few cases of defects/irregularities by gross negligence noticed in the works of C.P.W.D., the Organisation has brought the matter to the notice of the Ministry of Works, Housing and Supply or the Chief Engineer/Engineer-in-Chief, C.P.W.D. There is no system of keeping a watch whether the lapses brought to the notice of the authorities have been duly investigated, set right if remediable, responsibility therefor fixed and the officers responsible suitably dealt with.</p> <p>With a view to make the Chief Technical Examiner's Organisation more effective, the Committee have the following suggestions to make:</p> <ol style="list-style-type: none"> <li data-bbox="377 951 957 1112">(i) the Organisation should forward, through the CVC, the result of its inspection/examination in the form of a report either to the Chief Engineer/Engineer-in-Chief, C.P.W.D. or the administrative Ministry, depending upon the gravity of the lapses pointed out; <li data-bbox="368 1124 957 1199">(ii) the lapses contained in the Report should be investigated by an officer other than the one under whom the work was executed; <li data-bbox="360 1216 957 1402">(iii) the CVC should be informed of the result of the investigation and the action proposed to be taken in pursuance thereof within one month. In case, there is likely to be delay in this regard, the CVC should be informed stating the reasons and intimating the date by which reply would be sent to the Commission. <li data-bbox="356 1425 957 1584">(iv) the Organisation/CVC should keep a close watch on the progress made in investigation of lapses pointed out in their reports. Delays in taking action beyond the specified time should be pointed out to the Ministry concerned.

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26	6.30	The Committee also suggest that in a case of serious defect/irregularity or lapse where a contractor is suspected of collusion, appropriate action under the Standardised Code should be taken immediately after the report of the Chief Technical Examiner's Organisation is received and has been substantiated.
27	6.31	The Committee note that out of overpayments detected by the Chief Technical Examiner's Organisation and finalised with the C.P.W.D. upto 31st March, 1968 amounting to Rs. 48.41 lakhs, a sum of Rs. 13.49 lakhs remained to be recovered by that date. The Committee would like Government to make special efforts to realise the outstanding and initiate measures to ensure that the recoveries finalised by the Chief Technical Examiner's Organisation with the C.P.W.D. are effected promptly.
28	7.4	The Committee note that according to the legal position stated in the Commission's Circular dated the 23rd September, 1966, all that the Commission can do is to tender advice as to the course of further action to be taken, since it itself cannot initiate action for prosecuting false complainant. They regret that Government had not properly examined the legal implications before entrusting to the Commission the function of taking "initiative" in prosecuting such persons with the result that an erroneous impression was created amongst Ministries/Departments|Public Undertakings that the Commission had some special machinery to initiate prosecution in such cases.
29	7.9	The Committee are surprised that even though 5 years have elapsed since the Santhanam Committee had made their recommendation which was accepted by Government, the scheme for a training course for Vigilance Officers has not been finalised. The Committee would like to stress the importance of suitable training programmes for Vigilance Officers/Chief Vigilance Officers in the Ministries|Departments|Public Undertakings and officers in the Central Vigilance Commission including Commissioners for Departmental Enquiries and urge that the training scheme should be finalised and started without any further delay.
30	7.16	The Committee note that in the case of non-gazetted officers the responsibility for maintaining uniformity and evolving common standards in dealing with vigilance cases has been left entirely to the Chief Vigilance Officers of the respective Ministries. The Committee

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		<p>feel that in regard to non-gazetted officers the Commission should, in the interest of uniformity, lay down broad guide lines for the Vigilance Officers/Chief Vigilance Officers based on sample studies of vigilance cases dealt with by the Ministries.</p>
31	7.20	<p>The Committee welcome the idea of periodical Conferences of State Vigilance Commissioners and meetings of Chief Vigilance Officers being convened by the CVC for discussing matters of common interest and evolving common standards and procedures for dealing with vigilance cases. They, however, suggest that the conclusions of the Conferences of Vigilance Commissioners should be properly drawn up in the form of minutes and energetic action taken in pursuance thereof.</p>
32	7.24	<p>The Committee feel that there is need for concerted efforts by the Ministry of Home Affairs and the CVC to publicise the functions of the Commission and the nature, type, manner and contents of complaints that would normally be taken notice of by the Commission. This can be done by means of brochures produced in Hindi and English as well as in regional languages for wide distribution. Advantage can also be had of the media of Newspapers, Radio and Films.</p>
33	7.26	<p>The idea of the Canthanam Committee in recommending the setting up of the CVC was to put anti-corruption measures on a firmer and more systematic basis as well as to combat corruption and bring offending public servants to book promptly.</p> <p>The basic objective of the Government in setting up the CVC is stated to be to fulfil the need for an independent body with extensive functions designed to ensure that complaints of corruption or lack of integrity on the part of the Government servants are given prompt and effective attention and that offenders are brought to book without fear or favour. Para 2 of the Resolution dated, 11th December, 1964 under which the Commission was set up, which lays down the powers and functions of the Commission, would also appear to indicate that the CVC was expected to play an effective role in combating corruption among public servants.</p> <p>From the Annual Report of the CVC, the material furnished by the Ministry of Home Affairs and the evidence tendered by the representative of the Ministry</p>

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of Home Affairs and the Central Vigilance Commissioner himself, it is noticed that in quite a number of cases referred to the Commission by the CBI and the Administrative Ministries, the Central Vigilance Commissioner advised either no punishment or lesser punishment than had been recommended/proposed by the former. In the three cases of difference of opinion cited in the foregoing paras also, the disciplinary authorities awarded major punishments to their officers concerned against the advice of Central Vigilance Commissioner who had recommended minor or lesser punishment to them.

In the circumstances, the Committee find it difficult to express an opinion whether the Commission has adequately fulfilled the purpose for which it was set up.

The Committee have no doubt that Government would keep in view these objectives and the experience gained so far of the working of the Central Vigilance Commission in finally deciding the functions and role of Lokayukta to be appointed in terms of the Lokpal and Lokayuktas Bill, 1968.

APPENDIX IV

(Vide Introduction)

Analysis of a recommendations/conclusions contained in the Report.

I. CLASSIFICATION OF RECOMMENDATIONS

- A. Recommendations for improving the Organisation and working:
Serial Nos. 4—8, 10, 12—17, 19, 21, 22, 29.
- B. Recommendations for effecting economy:
18, 20, 23, 25, 27.
- C. Miscellaneous Recommendations:
Serial Nos. 1—3, 9, 11, 24, 26, 28, 30—33.

II. ANALYSIS OF THE RECOMMENATIONS DIRECTED TOWARDS ECONOMY

Sl. No.	S. No. as per Summary of Recommendations (Appendix VIII).	Particulars
1	18	The causes of the accumulation of enquiry cases with the Commissioners for Departmental Enquiries should be investigated, the enquiry procedures should be simplified and streamlined and, if the work load justifies, prompt action should be taken to increase the number of Commissioners.
2	20	Central Vigilance Commissioner should examine the possibility of dispersing the Commissioners for Departmental Enquiries at suitable stations.
3	23	Periodic evaluation of the work of the CTE's Organisation may be conducted by an Achievement Audit Committee consisting of specialists and experts.
4	27	Government should make special efforts to realise the outstanding dues amounting to Rs. 13.49 lakhs and initiate measures to ensure that the recoveries finalised by the CTE's Organisation are effected promptly.

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