

## Central Vigilance Commission

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**Minutes of the Annual Zonal Review Meeting with the CVOs held on 30<sup>th</sup> April, 2010 in Goa.**

The List of participants is at Annexure – A.

### **1. Introductory Remarks**

#### **CVC in the Chair**

- (i) A functional and effective vigilance set up exists in the banking sector wherein complex risk taking and decision making is involved.
- (ii) Core Banking System (CBS) had not yet stabilised in many banks, especially in rural areas. Special attention needs to be paid to rural banking as large funds under the various rural development schemes like NREGA are getting dispersed to beneficiaries.
- (iii) Frauds involving insiders, CVOs need to be in the knowledge of related issues unless it is a pure non-vigilance issue. Vigilance should have a specialised approach, attention needs to be given to foreign/overseas branches.
- (iv) CVC observed that in vigilance cases the responsibility of junior level officers was thoroughly examined; however, the role of senior officers was also required to be analyzed thoroughly based on the merits of the case.
- (v) Recommending lenient action subsequently, after initiating and recommending major penalty proceedings should be discouraged unless new facts are brought out.
- (vi) CVC emphasised on need of an effective system for providing Bank guarantees.

#### **CTE Presentation**

CTEs made a presentation highlighting irregularities in the banking sector contracts. CVC emphasized that organizations should not repeat such irregularities and take lessons from these observations.

**2. Agenda wise items/Action points.**

**A. Leveraging Technology & Tendering Procedure:**

The second phase of Leveraging Technology should be implemented in a timely manner. CVOs to report status of implementation in their monthly reports after deciding on the timelines with the Management.

Status of bills of vendors/contractors submitted for payments should be available on the organization website in chronological order. Bill clearance to follow "first in-first" out methodology, which should be visible to the vendors on organizations website.

**[Action: All CVOs]**

**B. Pending Prosecution Cases**

The CVC expressed satisfaction over disposal of cases.

**C. CTE Type inspections**

Most of the CVOs had undertaken CTE type inspections in their organisation. CVC directed all the CVOs to send a copy of their inspection reports to the CTE for information.

**[Action: All CVOs /CTE Unit]**

**D. Agreed List**

Most of the organizations had either finalized the agreed list or its preparation was in the final stage.

**[Action: All CVOs]**

**E. Man-power Management and capacity building of vigilance staff**

CVC emphasised that specialized training to vigilance staff and utilization of more manpower in preventive vigilance work were areas of concern and suggested that sufficient attention was to be given to training by the CVOs.

**[Action: All CVOs]**

**3. Other issues specific to organizations**

**Union Bank of India**

It was observed that structured meetings with CMD were being held regularly. CVC directed the CVO to send copies of minutes to the Commission for information.

**[Action: CVO, UBI]**

### **Bank of Baroda**

CVC expressed satisfaction over the various initiatives taken by the Bank in implementation of leveraging technology. CVO to keep the Commission informed through monthly reports of new initiatives.

**[Action: CVO, BoB]**

### **Bank of India**

It was informed that the bank is 100% compliant on CBS. Regarding providing online status of applications, certain issues on confidentiality have been taken up with IBA, CVO to report developments.

CVO informed that a system report based compliance check list for zonal offices was introduced for monitoring. CVC directed Advisor (VKN) to examine the system in place and submit report to the Commission.

**[Action: CVO, BoI]**

### **Central Bank of India**

Complaint handling software has been implemented in the bank. Reconciliation of cases/advices pending implementation to be made by CVO quickly.

**[Action: CVO, CBI]**

### **Dena Bank**

It was observed that CBS stood implemented except in 12 satellite offices. Meetings with CMD held regularly but were not structured. CVC emphasised that meetings should be structured and minutes drawnup, CVO to send copies of minutes to the Commission for information.

**[Action: CVO, Dena Bank]**

### **Punjab National Bank**

CVO, PNB mentioned about complete implementation of Leveraging of Technology and that interactive status would be stabilised in 3/4 months. CVC directed CTE (VR) to conduct a detailed audit in this regard.

CVO to send minutes of quarterly meetings held with the CMD for information.

**[Action: CVO, PNB]**

## **Punjab and Sind Bank**

Initiatives taken by the bank in implementation of Commission's circular on Leveraging Technology were not satisfactory. It was informed that CBS would be in place only by 2013. CVO should indicate status of progress with details through monthly reports to the Commission.

**[Action: CVO, PSB]**

The meeting ended with vote of thanks to the Chair.

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**List of participants**

1. Shri N.K. Agarwal, CVO, Union Bank of India
2. Shri Ramdas Shenoy K, CVO, Bank of Baroda
3. Shri M.C. Mulay, CVO, Bank of India
4. Shri Harnagle Dilip Ratiram, CVO, Bank of Maharashtra
5. Shri Bharat Dave, CVO, Central Bank of India
6. Shri Ramesh Singh Bora, CVO, Dena Bank
7. Shri B.K. Mitra, CVO, Oriental Bank of Commerce
8. Shri K. Bhaskar, CVO, Punjab National Bank
9. Shri D.K. Gupta, CVO, Punjab & Sind Bank

List of Participants:

S. No.	Name of the CVO
1.	Smt. Ravneet Kaur, Jt. Secy. & CVO, Department of Financial Services, Room No. 38, IIIrd Floor, Jeevan Deep Building, Parliament Street, New Delhi-110001
2.	Shri N.K. Agarwal, Chief Vigilance Officer, Union Bank of India, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai-400021
3.	Shri Ramdas Shenoy K, CVO, Bank of Baroda, Baroda Corporate Centre, C-26, G-Block, Bandra –Kurla Complex, Mumbai-400051.
4.	Shri M.C. Mulay, CVO, Bank of India, Head Office, Star House, C-5, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400051
5.	Shri Harnagle Dilip Ratiram, CVO, Bank of Maharashtra, Central Office, 'Lok Mangal', 1501, Shivaji Nagar, Pune-411005
6.	Shri Bharat Dave, CVO, Central Bank of India, H.O. Chandermukhi, Nariman Point, Mumbai-400021.
7.	Shri Ramesh Singh Bora, CVO, Dena Bank, Dena Corporate Centre, Sectt.C-10,G-Block, 6 <sup>th</sup> Floor, Bandra Kurla Complex, Bandra (East), Mumbai-400051
8.	Shri B.K. Mitra, Chief Vigilance Officer, Oriental Bank of Commerce, Harsh Bhavan, E-Block, P.B. No. 329,Connaught Place, New Delhi-110001
9.	Shri K. Bhaskar, CVO, Punjab National Bank, Head Office-7, Bhikaji Cama Place, New Delhi-110066
10.	Shri D.K. Gupta, Chief Vigilance Officer, Punjab & Sind Bank, H.O. Vigilance Department, Bank House, IIIrd Floor, 21, Rajindra Place, New Delhi-110008.