VIGILANCE BRANCH

Sub: Minutes of the meeting of Zonal Vigilance officers and zonal Departmental Inquiry officers held on 4.4.11 at Conference hall in Employees' state Insurance Corporation (ESIC), Hqrs office, New Delhi.

Enclosed please find a copy of the Minutes of the meeting of Directors (Vigilance)/Joint Director (Vigilance)/Directors/Joint Directors (Departmental Enquiries) held on 4.4.2011. System Division, Hqrs office, New Delhi is hereby requested to upload the same on ESIC website. This issues with the approval of Director (Vig).

Encl: As above.

(V.K. SHARMA)
ASSTT. DIRECTOR (VIG)

Asstt. Director (Special Cell), Hqrs office

Date: 5/05/11
Minutes of the meeting of Directors (Vigilance)/Joint Directors (Vigilance)/Directors/Joint Directors (Departmental Enquiries) held on 04.04.2011 at Conference Hall in Employees' State Insurance Corporation (ESIC), Hqrs. Office, New Delhi with Chief Vigilance Officer under the Chairmanship of Director General.

The following officers attended the meeting:-

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<tr>
<th>No.</th>
<th>Name</th>
<th>Position</th>
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<tr>
<td>1.</td>
<td>Dr. C.S. Kedar</td>
<td>Director General, ESIC</td>
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<td>2.</td>
<td>Shri A.K. Singh</td>
<td>Chief Vigilance Officer</td>
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<td>3.</td>
<td>Shri Rajiv Dutt</td>
<td>Financial Commissioner, ESIC</td>
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<td>4.</td>
<td>Shri B.K. Sahu</td>
<td>Insurance Commissioner, ESIC</td>
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<td>5.</td>
<td>Dr. J.N. Mahanty</td>
<td>Medical Commissioner, ESIC</td>
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<td>6.</td>
<td>Shri T.K. Bhattacharya</td>
<td>Additional Commissioner (P&amp;A), ESIC</td>
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<td>7.</td>
<td>Shri A.K. Sinha</td>
<td>Director (Vigilance) Headquarters</td>
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<td>8.</td>
<td>Shri G.H. Das</td>
<td>Director (Vigilance) East Zone</td>
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<td>9.</td>
<td>Shri R.K. Nayak</td>
<td>Director (Departmental Enquiries) North Zone</td>
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<td>10.</td>
<td>Shri R. Gunasekaran</td>
<td>Joint Director (Departmental Enquiries) South Zone</td>
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<td>11.</td>
<td>Shri R.K. Chowdhary</td>
<td>Joint Director (Departmental Enquiries) West Zone</td>
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<td>12.</td>
<td>Shri Surjeet Das</td>
<td>Joint Director (Departmental Enquiries) East Zone</td>
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<td>13.</td>
<td>Shri A.K. Sharma</td>
<td>Joint Director (Vigilance), North Zone</td>
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<td>14.</td>
<td>Shri M. George</td>
<td>Joint Director (Vigilance), West Zone</td>
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Shri V.K. Sharma, Assistant Director and Shri A.K. Rastogi, Assistant Director, Vigilance Branch of Headquarters Office were also present in the meeting.

The Director General inaugurated the meeting at 2.30 PM.

At the outset, Chief Vigilance Officer welcomed all the Officers in the meeting and told that Vigilance Officers and Inquiry Officers have shown good performance but still there is scope for improvement and the same can be achieved by prioritization of their work. Chief
Vigilance Officer invited all the senior officers of Headquarter Office to say few words before the agenda items were taken up for discussion.

Additional Commissioner (P&A) stated that there is no doubt that wonderful progress has been made towards the finalization of Departmental Inquiry cases under the leadership of Chief Vigilance Officer but need of the hour is to frame a policy to deal with the anonymous complaints through which the senior officers of the Corporation are targeted and image of the Corporation is tarnished. He also mentioned that in recent past sufficient care has been taken to reduce the delay in finalization of Departmental Enquiry cases.

Insurance Commissioner thanked the Chief Vigilance Officer to allow him to speak on the occasion and stated that focus of vigilance should change from punitive to preventive vigilance and honest and sincere officers should be allowed to work. Vigilance Officers should shift their attention towards the areas where expenditure is more.

Medical Commissioner told that it is nice to be here in the meeting. During the recent past there has been tremendous improvement in the approach of vigilance. Besides being strict and tough, the Vigilance Officers are guiding the officers also so that there may be no recurrence of mistakes. During recent past, many services for the insured persons have been introduced, lot of amount is being spent on super specialty treatment under tie up arrangements and Vigilance Officer should watch the lapses and failures and suggest corrective measures. Surprise visits should be made by Vigilance Officers for verifying the punctuality of staff working in hospitals and dispensaries, availability of medicines, equipments etc. should also be checked/verified by the respective Vigilance Officer.

Financial Commissioner stated that all the major activities of Corporation in areas such as revenue, coverage, facilities to insured persons have improved. ESIC is also providing super
specialty treatment on which huge amount has been incurred. He also emphasized that vigilance cases should be settled quickly which in turn, will benefit the organization in improving its image and lastly thanked Chief Vigilance Officer for giving an opportunity to speak in the meeting.

The Director General in his address advised the Vigilance Officers for initiating drive by Vigilance Division periodically three four times in a year (lasting three to four days) to identify the irregularities, if any, particularly in the following areas :-

i) Agreement with hospitals for super speciality treatment and payment thereof with particular reference to billing pattern i.e. percentage of packaged treatment bill is more or less as compared to individual specific treatment bills.

ii) Recruitment of employees at Regional level.

iii) Payment to Third Parties whether through ECS or cheque and how many cheques are returned and whether payments are made in time.

iv) Identification of defaulting employers and action taken by Regional/Sub-Regional/Divisional Offices against them.

v) Identification of Insured Persons who get super speciality treatment within two three months of their entry into insurable employment and leave the service immediately after receiving the treatment.

Director General said that for the aforesaid periodical exercise, required additional manpower may be drawn from Regions by Chief Vigilance Officer. Director General also opined that after IT roll out, identification of defaulter will become easy. Sitting in his room
any Officer can generate "N" number of report and then based upon that further action can be planned by them. Director General advised to develop at least 10 Key Performance Indicators (KPI) for each major functional areas of the Corporation.

Chief Vigilance Officer welcomed the valuable suggestions made by the Director General on various issues and assured him the implementation of the same in near future.

With the above discussions/suggestions, the agenda items were taken up for discussion.

1. **Investigation of complaints/CVC references in a time bound manner.**

   Chief Vigilance Officer stated that at the end of the last financial year, 28 references were pending and the Corporation received 5 references from Central Vigilance Commission during this year. Out of 33 CVC references, 13 have been replied to CVC during the year 2010-11 and required actions have been initiated in the remaining 20 references. CVO advised Zonal Vigilance Officers to take-up the issue with concerned Regional Directors etc. to expedite their comments/action on the investigation reports submitted by Zonal Vigilance Inspection Units or on complaints received from CVC and forwarded by Headquarters Office. Director General pointed out that all the CVC references pertaining to the year 2008 should be disposed off on priority basis. Chief Vigilance Officer stated that efforts are on to dispose off CVC references pertaining to the year 2008, by 31.8.2011.

2. **Agreed List.**

   Chief Vigilance Officer stated that there is some improvement in compilation of Agreed List but still considerable delay is there and asked all Zonal Vigilance Officers to ensure that the Agreed list in respect of Group C & D employees is finalized immediately.
Shri M. George, Vigilance Officer (WZ) stated that they are receiving the agreed list in time from the Regional Director/Director Incharge but few Medical Superintendents are not sending the agreed list in the prescribed format. Some of them are sending it on a plain paper like Medical Superintendent, Bapu Nagar and Nanda Nagar, Indore and when Zonal Vigilance Inspection Unit suggests any modification in the list then the modified list reaches them very late and, therefore, it gets delayed sometimes.

Chief Vigilance Officer advised Zonal Vigilance Officers to also raise these issues before concerned authorities personally and advised them to impress upon the Regional Directors/Medical Superintendents to finalize the same in respect of Group ‘A’ and ‘B’ officers (posted under their administrative control) also in consultation with respective CBI Authority at the earliest as the finalization of the Agreed List is monitored by Central Vigilance Commission.

3. **Inspection of Factories/Establishment from Vigilance angle.**

Chief Vigilance Officer stated that after the amendment of ESI Act w.e.f. 1.6.2010, as per section 45(4) a test inspection/re-inspection of the factories may be carried out. Insurance Commissioner has already issued guidelines in the matter. Moreover, a new Revenue Manual has been launched during the inaugural ceremony of the Diamond Jubilee Celebration on 24.2.2011 in which there is a separate chapter on Test Inspection to facilitate the same.

Vigilance Officers stated that they are not having copy of the said manual with them. Revenue Manual is available on website myesic.esic.in which is accessible to internal users of ESIC only and Zonal Vigilance Officers can make use of it.

Shri M. George, Joint Director (Vigilance) West Zone pointed out that employers are not showing records prior to 1.6.2010. Chief Vigilance Officer suggested him to make a reference in
this regard to Hqrs. Office and the issue will be settled in consultation with Insurance Commissioner.

Shri G.H. Das, Director (Vigilance) East Zone stated that test inspections of factories/establishments were carried out by him as per the amendments of ESI Act.

4. Action taken on Vigilance Reports

Chief Vigilance Officer clarified that the Regional Directors/Joint Directors Incharges/Medical Superintendents are expected to furnish Action Taken Report to the concerned Zonal Vigilance Inspection Unit within a reasonable time and asked the Vigilance Officers to send a list of offices from where no reply has been received even after three months from the date of sending the report to enable him to take up the matter with Appropriate Authority at Headquarter Office level.

5. Effective Inspection of Branch Offices.

Chief Vigilance Officer told the Vigilance Officers to concentrate their inspection on sensitive areas like time taken for inspection of accident/fatal cases, referral for Medical Board and release of 1st payment to beneficiaries. Any deficiency particularly relating to these areas should be mentioned in the report and report should be very specific.

Shri George, Joint Director (Vigilance) West Zone pointed out that no proper records are maintained at Branch Office level.

The Director General directed the Vigilance Officers to include a para in their report on the performance against the commitments made for Diamond Jubilee Celebration year (2011-12). The fact whether the commitments under Diamond Jubilee Celebration year has been

\[\text{Signature} \]
translated into local languages and displayed on the notice board or not should also be reflected in their report. He also desired that inspection report should specifically mention whether the payments in Branch Offices are made through ECS or not and Accident/Fatal cases should be declared closed by the Branch Office Managers only after 1st payment to beneficiaries.

6. **Completion of Departmental Enquiry within the time schedule.**

The Chief Vigilance Officer desired that the all the Inquiry Officers should complete the Inquiry and submit their report within the prescribed time frame. He stated that there is no doubt that progress has been made in finalizing the Inquiry cases, but still a lot needs to be done. He also desired that inquiry proceedings in respect of retired employees and those who are going to retire soon should be completed on priority basis.

Shri R.K. Choudhary, Inquiry Officer (West Zone) stated that CBI cases are taking long time. However, he has almost finished the inquiry cases of Ahmedabad region and he is going to attend cases of Madhya Pradesh region in the coming days. He told that he is facing problem in the case of Shri R.N. Ojha, retired employee of Madhya Pradesh region as he is demanding advance payment to attend the case. Director (Vigilance) clarified that no advance payment can be made to retired employees for attending the hearing. They can submit TA/DA bills, as per rules, after completion of the journey.

Shri R.K. Nayak, Inquiry Officer (North Zone) told that he is now left with 13 cases out of which 5 cases pertain to the year 2009 and 8 cases pertain to 2010. He has no case pending of retired employees.
7. **Inspection of ESI Hospitals and Dispensaries.**

Chief Vigilance Officer stated that despite discussion in the last meeting the inspection of dispensaries/hospitals are still not being carried out regularly and the focus and intensity of vigilance inspection is restricted to Branch Office only.

Shri George, Joint Director (Vigilance) West Zone stated that due to shortage of man power inspection of dispensaries and hospitals are not being made. Shri G.H. Das, Director (Vigilance) East Zone stated that some hospitals and dispensaries were inspected by him and reports of the same were sent to Hqrs. Office for perusal.

The Chief Vigilance Officer directed the Zonal Vigilance Officers to make inspection of ESI Hospitals and Dispensaries as per the schedule communicated to them earlier.

8. **Strengthening of Vigilance Inspection Units by posting 2 more officers in the grade of Assistant Director.**

The Chief Vigilance Officer stated that the proposal has been received from the South Zone and he invited suggestions from the other Zonal Vigilance Officers.

Shri M. George, Joint Director (Vigilance) West Zone told that 3 officers in the grade of Assistant Director should be posted in each Vigilance Inspection Unit as against one now. Shri R.K. Chaudhary, Joint Director, (Departmental Inquiry) West Zone told that Departmental Enquiry Officers should be given atleast one Group 'C' employee for official work. Director General agreed for creation of one more Vigilance Inspection Unit keeping in view the expansion of Corporation in new geographical area across the country. Director General also assured to look into the issue relating to enhancement of the sanction strength of Zonal Vigilance Inspection Unit.
9. The yardstick for Vigilance Inspection Units has to be revised to make it realistic and achievable, as the present yardstick is unscientific.

The Director General advised to adopt new method for inspection of companies/branch offices/hospitals/dispensaries and also directed the Vigilance Officers to devise scientific method for selection of units for their Inspection.

10. Posting of Officers, including Insurance Inspector to Zonal Vigilance Units to be done by Hqrs. in consultation with Zonal Vigilance Officers. Similarly only those officials in the Secretarial, clerical and sub-staff category named by Zonal Vigilance Officers are to be posted by the Regional Directors to the Zonal Vigilance Units.

The Chief Vigilance Officer stated that steps will be taken to implement the proposal as contained in the Agenda.

The Director General directed that a fairness committee should be formed in each Region consisting of Regional Director, Medical Superintendent and one senior officer of the region. A member from the Vigilance side should also be included in the Committee whenever there is a proposal to shift/post an official in the Zonal Vigilance Inspection Unit.

11. Action taken on Investigation reports submitted by Zonal Vigilance to Hqrs. not informed to Zonal Vigilance Units, due to which decision to include the names of officials involved in the case in the Agreed list could not be taken.

The Chief Vigilance Officer assured to issue necessary directions in this regard and clarified that no name of any employee is to be included in the agreed list unless and until the show cause notice is issued against him.
12. **General orders to be issued by Hqrs. for sanction of advance and reimbursement of conveyance charges to officials of Vigilance for hiring vehicles for investigation of complaints at remote places which are away from Regional Hqrs./Model Hospitals, etc. where conveyance could not be arranged by Regional Director/Joint Director/Medical Superintendents.**

The Chief Vigilance Officer asked the Zonal Vigilance Officers whether the Regional Directors are not cooperating in providing vehicles. Shri G.H. Das, Director (Vigilance) East Zone told that sometimes Regional Director do not co-operate with them. He told that in order to make the visit confidential, he is not in position to ask for vehicle from the concerned Regional Director. It is decided that Staff Cars/hired vehicle, as per demand, will be provided to Zonal Vigilance /Departmental Inquiry Officer by concerned Regional Director/Joint Director Incharge/Medical Superintendents. Duty Slip will be signed by Zonal Vigilance/Departmental Inquiry Officer as a token of use of vehicle and bill of the hired vehicle will be settled by concerned authority at their level.

13. **Training to Vigilance Officers.**

Shri G.H. Das, Director (Vigilance) East Zone told that training from ISTM on vigilance matters should be provided to them.

The Chief Vigilance Officer told that matter has already been taken up with ESIC National Training Academy.

14. **Zonal Vigilance Units to be informed of inter Regional transfer and posting as at present this information is not being supplied to Zonal Vigilance Units.**

The Vigilance Officers and Inquiry Officers told that they are not provided with orders of inter regional transfers, orders made from Headquarters Office and other instructions issued
from time to time. They desired that the orders/information should be e-mailed to them in future.

The Chief Vigilance Officer stated that the request has been noted and the matter will be taken up with Appropriate Authority so that the officers get circulars/instructions etc. in the future on regular basis.

15. **Identifying post to be declared as sensitive.**

The Chief Vigilance Officer invited the suggestions of all the Vigilance Officers/Inquiry Officers on the proposal contained in the Agenda and decision in this regard will be conveyed after examining the comments received from Zonal Vigilance/Departmental Enquiry Officers.

The Director General told that any specific problem if the Vigilance officers are having in respect of any field office they can mention it in their letter to Headquarters Office.

**The meeting ended with vote of thanks to the Chair.**