

## **Fate of an Independent Agency?**

DNA Mumbai reported recently that Shri V.Mahadevan, a former Managing Director of the State Bank of India was convicted by a Special CBI court for misusing his official position to obtain shares and debentures of companies at prices lower than the prevailing market prices. He was arrested six days before his retirement on June 14, 1993. At the age of 74 years he has been convicted for making pecuniary gains of over Rs.19 lakhs in 1993, a little after the Harshad Mehta scam.

Though only 12 prosecution witnesses were examined yet, it took so long for the "Special Court" to sentence him to six months imprisonment. It appears that he will not go to jail in his life time because appeals to superior courts cannot be decided so fast.

The Central Vigilance Commission which oversees all such cases was enlarged and strengthened some years back. However, its Annual Report for the year 2007 is still not available on the website. But the report for 2006 states that in 225 cases the Central Ministries choose to either ignore the CVC or took action contrary to its considered recommendations.

In one case, an IAS Officer was sought to be prosecuted for issuing arms licences to ineligible persons on the basis of a CBI investigation. The Department of Personnel and Training under the Prime Minister declined permission in 2006. Later, the CVC suggested initiating of regular departmental action. However, even that was not taken up.

In another case involving an Indian Revenue Service Officer, CVC had advised major penalty proceedings. However, the Ministry of Finance sought reconsideration. The CVC obliged and reconsidered but reiterated its earlier advice of launching major penalty proceedings. Notwithstanding this, with the approval of the Finance Minister, the Ministry of Finance decided in December 2006 to drop the case against the said officer.

Can the country afford more such Central agencies? They are independent and well-established agencies !!

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