

LOKPAL OF INDIA
[Plot No. 6, Institutional Area, Phase-II, Vasant Kunj]
New Delhi - 110070

Complaint No. : 4170/2022.
Date : January 10, 2023..
Coram : **Justice Abhilasha Kumari**
Judicial Member

Smt. Archana Ramasundaram
Member

Dr. Indrajeet P.Gautam
Member

ORDER

This complaint has been filed against four public servants, namely the Chairman and Managing Director (CMD) SPMCIL, Chief General Manager (CGM) (Bank Note Press), the then CMD (Currency Note Press) and the present CGM (Currency Note Press) Nashik, hereinafter referred to as the Respondent Public Servants (RPS).

2. The allegations against the RPS are to the effect that they, in connivance with each other, are involved in serious corruption and gross misuse of power, which poses a threat to the national economic security. There are further allegations regarding the procurement of two security printing machine lines worth Rs. 800/- crores [rupees eight hundred crores] one each for the Currency Note Press in Nashik and the Bank Note Press in Dewas (Units of SPMCIL), in violation of CVC guidelines.

3. The Final Acceptance Test (FAT) essential for the successful installations and commissioning of these two security printing machines was allegedly managed and two-decade old technology was accepted by RPS-1, for a commission from the agency.



4. There are allegations regarding corruption in the permanent absorption of RPS-2, which allegedly affected the career progression of a large number of officers in the department. It is stated that RPS-1 is allegedly protecting RPS-2, as he performs her bidding. The permanent absorption of RPS-2 was done with undue haste and there is a vigilance angle in addition to it being against the norms and guidelines of the Government of India. Violation of Recruitment Rules has also been alleged, in order to favour RPS-2, by RPS-1.

5. The complaint was considered by the Full Bench of the Lokpal of India on 10th August, 2022, and by an order of that date, it was referred to the Central Vigilance Commission (CVC) for filing a Status Report on, or before, 28th September, 2022.

6. After twice availing extension of time, the CVC, vide letter dated 24.11.2022, has submitted the Status Report, filed by the Department of Economic Affairs (DEA).

7. We have perused the Status Report, which is a detailed one covering all the allegations made by the complainant. It includes the comments of the SPMCIL Technical Department and the Vigilance Department on all the issues raised by the complainant.

8. It is stated in the Status Report that there is no violation of the SPMCIL Procurement Manual in the purchase of two security printing machines procured for the Currency Note Press, Nasik, and the Bank Note Press, Dewas. The procedure was carried out in accordance with the terms and conditions of the contract. Further, the tender documents for the procurement of two Bank Note Printing and Finishing lines were prepared, based upon the details gathered through reputed international firms during the



EOI process, which was for the latest technology. It is further stated that there was no angle of corruption in the permanent absorption of RPS-2 and neither was there any violation of the recruitment rules in this regard. It is further stated that the case of RPS-2 was one of permanent absorption of a Central Government official. The officer was initially taken on deputation and subsequently absorbed in CPSE after obtaining the due approvals of the lending and borrowing authorities. The allegations of undue generosity shown by RPS-1 to RPS-2 and of undue haste, are also found to be without any substance.

9. On the whole, it is concluded in the status report that none of the allegations levelled by the complainant have been substantiated.

10. We find that adequate and detailed reasons have been given in the Status Report in support of the conclusions arrived at. We, therefore, find no justification to take a different view.

11. Accordingly, the Status Report is accepted and the complaint is closed and finally disposed of.

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