सत्यमेव जयते

केंद्रीय सतर्कता आयोग
CENTRAL VIGILANCE COMMISSION

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सं. / No. 024/VGL/017-1

दिनांक / Dated 27.07.2026

Master Circular No. : 01/MC/2026

Subject: Master Circular on Definition of Vigilance Angle.

The Central Vigilance Commission as part of its mandate of effective superintendence over the vigilance administration of the organisations covered under its advisory jurisdiction, has issued a number of guidelines, circulars etc. from time to time, on the definition of vigilance angle in respect of irregularities noticed in a complaint / case etc.

2. The Commission, in order to ensure ease of reference in matters relating to "Definition of Vigilance Angle", has consolidated, updated and revised the earlier guidelines, circulars etc. issued by it on this subject. The same have been compiled in the form of Master Circular No 01/MC/2026 titled '**Definition of Vigilance Angle**' which is enclosed with this Office Memorandum. With the issuance of this Master Circular, all earlier guidelines, circulars etc. including Master Circular No. 01/MC/2026 issued on 23.05.2025, issued by the Commission on the above mentioned subject, stand superseded.

3. The Commission welcomes suggestions and inputs on the Master Circular. Any communication or clarifications sought in this regard may be addressed to 'The Secretary, Central Vigilance Commission'.

4. This Master Circular is available on the website of the Commission, i.e. www.cvc.gov.in under the head 'Publications' and sub-head 'Master Circulars'.

Encl: As above.

Trishaljit
(Trishaljit Sethi)
Secretary

To

- (i) The Secretaries of all Ministries/Departments of GoI
- (ii) All Chief Executives of Central Public Sector Enterprises / Public Sector Banks / Public Sector Insurance Companies /Autonomous Bodies etc.
- (iii) All CVOs of Ministries / Departments of GoI / CPSEs / Public Sector Banks / Public Sector Insurance Companies / Autonomous Bodies etc.
- (iv) Website of Central Vigilance Commission.

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Master Circular No. : 01/MC/2026

MASTER CIRCULAR
ON
DEFINITION OF VIGILANCE ANGLE

CENTRAL VIGILANCE COMMISSION

CENTRAL VIGILANCE COMMISSION

CONTENTS

Definition of Vigilance Angle

SHORT TITLE, APPLICABILITY AND COMMENCEMENT

This circular shall be referred to as the 'Master Circular on Definition of Vigilance Angle'. This circular shall be applicable to all ministries, departments and organisations of the Central Government, covered under the jurisdiction of the Central Vigilance Commission (hereinafter referred to as the Commission) and shall come into effect from the date of its issuance.

2. PURPOSE

This circular is being issued in supersession of all earlier circulars / guidelines / office orders / letters etc. issued by the Commission from time to time regarding the 'Definition of Vigilance Angle' and is aimed at bringing clarity about the same.

3.0 DEFINITION OF VIGILANCE ANGLE

3.1 There are certain misconduct on the part of an official, where existence of vigilance angle is obvious. Such misconduct include: -

(i) Demanding and / or accepting gratification other than legal remuneration in respect of an official act or for using his influence with any other official.

(ii) Obtaining valuable thing(s), without consideration or with inadequate consideration from a person with whom he has or likely to have official dealings or his subordinates have official dealings or where he can exert influence.

(iii) Obtaining for himself or for any other person, any valuable thing(s) or pecuniary advantage by corrupt or illegal means or by abusing his position as a public servant.

(iv) Possession of assets disproportionate to known sources of income.

(v) Cases of misappropriation, forgery or cheating or other similar criminal offences committed in discharge of official duties.

3.2 There are other irregularities where circumstances will have to be weighed carefully to take a view as to whether the official's integrity is in doubt. Irregularities like gross or willful negligence; recklessness in decision making; blatant violation of systems and procedures; exercise of discretion in excess where no ostensible public interest is evident; failure to keep the controlling authority/superiors informed of required transactions and issues in time; and / or any undue / unjustified delay in disposal of a case, would require the Competent Authority (CA), with the help of the Chief Vigilance Officer (CVO) to carefully study the case, consider all relevant factors and weigh the circumstances to come to a conclusion, as to whether there is reasonable ground to doubt the integrity of the official concerned.

3.3 It is to be kept in view that the purpose of vigilance activities is not to reduce, but to enhance the level of managerial efficiency and effectiveness in the organisation. Commercial risk taking is a part of business activities. Therefore, every loss caused to the organisation, either in pecuniary or non- pecuniary terms, may not be considered as having vigilance angle. Thus, whether a person of common prudence, working within the ambit of the prescribed rules, regulations, instructions and procedures, would have taken the decision in the prevailing circumstances in the commercial / operational interest of the organisation, is one possible criterion for determining whether the decision is bonafide. A positive response to this question may indicate that the decision is bonafide. A negative response, on the other hand, might indicate that decision taken is not bonafide and presence of vigilance angle.

4.0 VIGILANCE ANGLE IN PUBLIC SECTOR BANKS

4.1 In addition to the irregularities as stated in Paras 3.1 to 3.3 above, there are certain irregularities specific to Public Sector Banks (PSBs), which may have a perceivable vigilance angle. Some irregularities are listed below:-

(i) Irregularities in opening of accounts leading to creation of fictitious accounts;

(ii) Irregularities in operation of accounts leading to fraudulent transactions;

(iii) Frequent instances of accommodation granted to a party / parties against norms;

(iv) Case(s) in which there is a reasonable ground to believe that criminal misconduct has been committed by the alleged official but the evidence forthcoming is not sufficient for prosecution in a court of law;

(v) Misappropriation of the bank's assets;

(vi) Falsification of the bank's records;

(vii) Disclosure of secret or confidential information;

(viii) Making false claims on the bank;

(ix) Failure to take necessary action to protect the interest of the bank;

(x) Sacrificing / ignoring the interest of the bank and causing loss to the bank;

(xi) Violation of security / safety norms and guidelines issued by the bank;

(xii) Conduct of the official is such that his decisions or recommendations do not appear to be objective and transparent and seem to be calculated to promote improper gains for himself or for anyone else;

(xiii) Acting in a manner that violates or undermines the policies of the bank or acting against the decisions taken by the management;

(xiv) Complying with unauthorised and unlawful oral instructions of senior official(s) without bringing the same to the notice of the CA, as per extant guidelines;

(xv) Exceeding discretionary power(s) and taking action(s) which do not appear justifiable or which do not serve the bank's interest.

4.2 The list of irregularities as indicated in Paras 3.1 to 4.1 above, is only an 'illustrative list' and not an exhaustive one. There may be other irregularities by an official of a PSB, which may attract vigilance angle. Therefore, the authorities concerned, including the respective Disciplinary Authority (DA) and the CVO, should examine a perceived irregularity in the light of broad parameters, as described in Paras 3.1 to 4.1 above, before arriving at a conclusion regarding the presence or absence of vigilance angle, in that case.

5.0 VIGILANCE ANGLE IN PUBLIC SECTOR INSURANCE COMPANIES

5.1 Vide Paras 3.1 to 3.3 of this circular, common irregularities indicating existence of vigilance angle in a case have been stated. In addition, there are certain irregularities specific to Public Sector Insurance Companies (PSICs) which may have a perceivable vigilance angle. Some irregularities are listed below:-

(i) Pre-dating of cover notes;

(ii) Settlement of bogus claim in collusion with the Insured / Surveyor / Workshop / any distribution channel;

(iii) Payment of an inflated amount as claim;

(iv) Irregularities in disposal of salvage;

(v) Collusion with doctors, hospitals, Third Party Administrators (TPAs) and other outsourced agencies (Agents, Brokers, Surveyors, Advocates) and others on medical examination of prospects;

(vi) Deliberate bad underwriting practices;

(vii) Acting against the interest of the company in placement of funds;

(viii) Conversion of direct business to agency business without proper mandate and causing undue loss to the company, along with corresponding gain to private party;

(ix) Case(s) in which there is a reasonable ground to believe that a criminal misconduct has been committed by the alleged official but the evidence forthcoming is not sufficient for prosecution in a court of law;

(x) Misappropriation of the company's assets;

(xi) Falsification of the company's records;

(xii) Disclosure of secret or confidential information;

(xiii) Making false claims on the company;

(xiv) Failure to take necessary action to protect the interest of the company;

(xv) Sacrificing / ignoring the interest of the company and causing loss to the company;

(xvi) Violation of security / safety norms and guidelines issued by the company;

(xvii) Conduct of the official is such that his decisions or recommendations do not appear to be objective and transparent and seem to be calculated to promote improper gains for himself or for anyone else;

(xviii) Acting in a manner that violates or undermines the policies of the company or acting against the decisions taken by the management;

(xix) Complying with unauthorised and unlawful oral instructions of senior official(s) without bringing the same to the notice of the CA, as per extant guidelines;

(xx) Exceeding discretionary power(s) and taking action(s) which do not appear justifiable or which do not serve the company's interest.

5.2 The list of irregularities as indicated in Paras 3.1 to 3.3 and 5.1 above, is only an 'illustrative list' and not an exhaustive one. There may be other irregularities by an official of a PSIC which may attract vigilance angle. Therefore, the authorities concerned, including the respective DA and the CVO, should examine a perceived irregularity in the light of broad parameters, as described in Paras 3.1 to 3.3 and 5.1 above, before arriving at a conclusion regarding the presence or absence of vigilance angle, in that case.

6.0 VIGILANCE ANGLE IN PUBLIC SECTOR FINANCIAL INSTITUTIONS

6.1 Vide Paras 3.1 to 3.3 of this circular, common irregularities indicating existence of vigilance angle in a case have been stated. In addition, there are certain irregularities specific to Public Sector Financial Institutions (PSFIs) which may have a perceivable vigilance angle. Some irregularities are listed below:-

(i) Irregularities in appraisal of projects / entities, ignoring the institution's policies, procedures and regulatory guidelines;

(ii) Irregularities in monitoring of project execution and / or loan utilisation;

(iii) Irregularities in resource mobilization and investment decisions, ignoring the institution's policies and procedures;

(iv) Irregularities in resolution of stressed assets, ignoring the institution's policies and procedures;

(v) Case(s) in which there is a reasonable ground to believe that a criminal misconduct has been committed by the alleged official but the evidence forthcoming is not sufficient for prosecution in a court of law;

(vi) Misappropriation of the institution's assets;

(vii) Falsification of the institution's records;

(viii) Disclosure of secret or confidential information;

(ix) Making false claims on the institution;

(x) Failure to take necessary action to protect the interest of the institution;

(xi) Sacrificing / ignoring the interest of the institution and causing loss to the institution;

(xii) Violation of security / safety norms and guidelines issued by the institution;

(xiii) Conduct of the official is such that his decisions or recommendations do not appear to be objective and transparent and seem to be calculated to promote improper gains for himself or for anyone else;

(xiv) Acting in a manner that violates or undermines the policies of the institution or acting against the decisions taken by the management;

(xv) Complying with unauthorised and unlawful oral instructions of senior official(s) without bringing the same to the notice of the CA, as per extant guidelines;

(xvi) Exceeding discretionary power(s) and taking action(s) which do not appear justifiable or which do not serve the institution's interest;

6.2 The list of irregularities as indicated in Paras 3.1 to 3.3 and 6.1 above, is only an 'illustrative list' and not an exhaustive one. There may be other irregularities by an official of a PSFI which may attract vigilance angle. Therefore, the authorities concerned, including the respective DA and the CVO, should examine a perceived irregularity in the light of broad parameters, as described in Paras 3.1 to 3.3 and 6.1 above, before arriving at a conclusion regarding presence or absence of vigilance angle, in that case.

7.0 VIGILANCE ANGLE IN RESPECT OF QUASI-JUDICIAL FUNCTIONS BEING PERFORMED BY OFFICIAL(S)

7.1 There has been a lack of uniformity in examination of misconduct / irregularities committed by official(s) performing quasi-judicial functions. In certain cases, the routine defence is that the official had exercised his quasi-judicial powers and no disciplinary proceedings are warranted. In certain other cases, for similar lapses, disciplinary proceedings were proposed, alleging that the official had shown recklessness or acted negligently and lacked devotion to duty. The Hon'ble Supreme Court of India, in its judgement dated 27.01.1993[1] had laid down the criteria for examination of case(s) against official(s) exercising quasi-judicial function(s).

7.2 Hon'ble Supreme Court of India, in its judgement dated 27.01.1993[1] held that disciplinary action against official(s) exercising quasi-judicial powers can be taken in following cases: -

(i) Where the officer had acted in a manner as would reflect on his reputation for integrity or good faith or devotion to duty;

(ii) If there is prima facie material to show recklessness or misconduct in the discharge of his duty;

(iii) If he has acted in a manner which is unbecoming of a Government Servant;

(iv) If he had acted negligently or that he omitted the prescribed conditions which are essential for the exercise of the statutory powers;

(v) If he had acted in order to unduly favour a party;

(vi) If he had been actuated by corrupt motive, however, small the bribe may be.

7.3 Further, the Hon'ble Supreme Court of India in its judgment dated 12.07.2016[2] has prescribed the principle(s) / procedure to be followed while examining case(s) against an official exercising judicial function.

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[1] *In the case of K. K. Dhawan Vs. Union of India case (1993 AIR 1478)*

[2] *Judgment dated 12.07.2016, in Civil Appeal No. 6116-6117 of 2016 [AIR 2016 SC 3356], titled R.R. Parekh Vs. Gujarat High Court.*

7.4 The principles laid down by Hon'ble Supreme Court of India in its judgement dated 12.07.2016 for determining as to whether an act of a judicial officer has been actuated by an oblique manner or corrupt practice, are as below:

(i) Since, direct evidence of corruption may not always be forthcoming in every case involving a misconduct, a wanton breach of the governing principles of law or procedure may well be indicative in a given case of a motivated, if not reckless disregard of legal principle.

(ii) In the absence of cogent explanation, it is for the DA to determine whether a pattern has emerged on the basis of which an inference that an officer was actuated by extraneous considerations can be drawn.

(iii) The DA has to determine whether there has emerged from the record or more circumstances that indicate that the decision which forms the basis of the charge of misconduct was not an honest exercise of judicial power.

(iv) A charge of misconduct against a judicial officer must be distinguished from a purely erroneous decision whether on law or on fact.

7.5 The Commission desires that the CVO and the authority concerned in the respective organisation, while considering the lapse(s) of official(s) exercising quasi-judicial powers, may keep in mind the criteria laid down by the Hon'ble Supreme Court of India in its decisions dated 27.01.1993[1] and 12.07.2016[2] as brought out in Paras 7.1 to 7.4 above and arrive at a decision accordingly. In respect of official(s) covered under the jurisdiction of the Commission, the authorities may also approach the Commission for obtaining its First Stage Advice in accordance with the procedure as stated in the 'Master Circular No. 06/MC/2026 on Procedure for Obtaining and Implementing the Advice of the Central Vigilance Commission'.

8.0 ACTION ON ADMINISTRATIVE MISCONDUCT(S)

Absence of vigilance angle in various acts of omission and commission does not mean that the official concerned is not liable to face the consequences of his actions. All such lapses not attracting vigilance angle would, indeed, have to be dealt with appropriately as per prescribed procedure, under the relevant Conduct, Discipline and Appeal (CDA) Rules as may be applicable to the official concerned.

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[1] *Judgement dated 27.01.1993 in Civil Appeal [1993 AIR 1478], titled K. K. Dhawan Vs. Union of India.*

[2] *Judgment dated 12.07.2016, in Civil Appeal No. 6116-6117 of 2016 [AIR 2016 SC 3356], titled R.R. Parekh Vs. Gujarat High Court.*

ACRONYM / ABBREVIATION

Acronym	Full Form
CA	Competent Authority
CDA Rules	Conduct, Discipline and Appeal Rules
CVO	Chief Vigilance Officer
DA	Disciplinary Authority
PSBs	Public Sectors Banks
PSFIs	Public Sector Financial Institutions
PSICs	Public Sector Insurance Companies
TPA	Third Party Administrators

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