



VIGILANCE ALERT

No. : 03/2025

Date : 05.06.2025

Sub : Non-compliance with Manual Provisions regarding Closure of Contract.

During a vigilance investigation, it has been established that the concerned departments did not take proactive measures to initiate the closure of contracts by timely release of the Security Deposit/Retention Money upon completion of the Defect Liability Period (DLP)/warranty. This inaction represents a deviation from the agreed terms and conditions stipulated in the NIT/Bid Document/Manual and is regarded as a significant compliance issue.

Further, the timelines and responsibilities for various activities related to contract closure are clearly defined in the Conditions of Contract of the NIT/Bid document, as well as in the SOP for Civil Engineering Works. However, it has been observed that a substantial number of contracts remain pending for closure, and the stipulated timelines outlined in both the SOP and the NIT/Bid document are not being adhered to. This discrepancy poses a serious threat to the integrity of our procurement processes, necessitating urgent corrective measures.

To address this critical issue, it is suggested that ***“all activities pertaining to contract closure be carried out in strict compliance with the procedures outlined in the Conditions of Contract of the NIT/Bid document, as well as the guidelines detailed under the “Closure of Contract” section in the SOP for Civil Engineering Works (CE-25, SoP ID), circulated vide letter no. CIL/Civil/31/1521 dated 15.05.2024”***. Furthermore, a robust monitoring mechanism should be developed and implemented to ensure regular review and effective adherence to the provisions of the aforementioned manual and SOP throughout the contract closure process.

(13 5/6/25)
(Pankaj Kumar, RTS)
Chief Vigilance Officer/ CMPDI

Copy to:

1. Chairman cum Managing Director/CMPDIL- For Kind Information
2. Director (T/CRD)/(T/P&D)/(T/ES)/(T/RD&T) - For Kind Information and Further Necessary action
3. All Regional Director and HODs - For Necessary Action.
4. All Concerned - For Necessary Action