



# VIGILANCE ALERT

No. : 03/2025

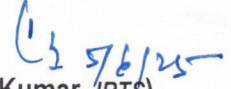
Date : 05.06.2025

## 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.

  
(Pankaj Kumar, IRTS)  
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