

# VIGILANCE ALERT

No. : 07/2024

Date : 21.05.2024

**Sub: Preventive measures regarding procedural Lapses in Tendering Process, Delay in Banning of defaulting bidders and non-Compliance with TC Decisions.**

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Recent findings have revealed significant discrepancies in adherence to manuals and guidelines during the tendering process. This poses a substantial risk to the integrity of our procurement procedures and necessitates immediate corrective action.

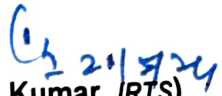
## Key Observations:

- A. **Deviations from Manual Provisions** : It has been observed that Clause No. 4.12 of the "Manual for Civil Engineering Works 2023" and Clause No. 1.3, Part I, Chapter 3 of the "Guidelines for e-Procurement of Works and Services-2023" were not followed during the tender invitation, tender committee formation, and bid opener selection processes.
- B. **Delay in Banning Defaulting Bidders** : Despite the Tender Committee's (TC) recommendation to ban the defaulting bidder, the user department failed to act in accordance with the provisions outlined in the NIT/Tender documents and Clause No. 12, Chapter 2 of the "Guidelines for e-Procurement of Works and Services-2023". This oversight exposes the organization to the risk of recurring misconduct by defaulting bidders.
- C. **Non-Compliance with TC Decisions** : The tender evaluator failed to forfeit the Earnest Money Deposit (EMD) of defaulting or unsuccessful bidders, contrary to the TC's decision. This non-compliance has resulted in financial losses and indicates a lack of accountability and adherence to established procedures.

## To address these critical issues, the following immediate actions are suggested:

1. **Strict Adherence to Manuals** : Ensure consistent compliance with manuals and guidelines throughout the entire tendering process, from NIT preparation to agreement execution.
2. **Prompt Action for Banning** : Initiate immediate proposals to ban defaulting bidders, ensuring adherence to the principles of natural justice as stipulated in the NIT/Tender documents and manuals.

3. **Strict Compliance with TC Decisions** : Following the competent approval of TC recommendations, it is imperative to strictly adhere to the TC's decisions during the online evaluation of tenders by the evaluator. Particular attention must be paid to the forfeiture of EMD, and under no circumstances should the EMD be refunded due to non-compliance with TC decisions by the evaluator.

  
(Pankaj Kumar, IRTS)  
Chief Vigilance Officer/CCL

**Copy To:**

1. Chairman cum Managing Director/CCL – For Kind Information
2. Director (T/OP.)/(T/P&P) - For Kind Information and Further Necessary Action
3. All Area General Managers – for necessary action
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