

**NORTH CENTRAL RAILWAY**

**Most Important**

**Head Quarter Office  
Vigilance Branch  
Prayagraj**

**SIV No- 05/2022**

**No. 20220100295/C/V2/G/PRYJ**

**Dated: 11.10.2022**

**Principal Financial Advisor  
North Central Railway  
Prayagraj.**


**Sub:-** Developing monitoring system for timely action regarding forfeiture/release of EMD, SD, PG etc of contract works.

In one of the divisions of NCR, following cases of delayed action regarding forfeiture/release of EMD, SD, PG came to notice while investigating complaints-

1. A contract was terminated in March'21 with copy of termination letter to finance with request for forfeiture of EMD & PG. However, EMD & PG amounting to Rs. 13,81,200/- could be forfeited in Aug'22 only after follow up by Vigilance post investigation of the case.
2. In another case refund of Rs. 1,13,280/- EMD of unsuccessful bidder was advised by executive along with pay order in Nov'18. During investigation of a CA-iii reference in April'22 it came to notice that EMD was not refunded and there was no record mentioning any reason for withholding the same. At last EMD was released after 40 months.
3. A contract was terminated due to failure of the contractor in March'19 with copy of termination letter to finance for encashment of PG and forfeiture of SD. However, the same could be forfeited in May'22 after being pointed out by Vigilance during investigation.

Above incidences reflect that system of keeping a tab on unrealized amounts on account of termination of contracts or refund of certain amounts to contractors like refund of EMD etc is missing in finance units.

Therefore, it is advised to issue suitable instructions for monitoring of such cases wherein exception reports of all such pending cases may be generated either electronically (if possible) or manually fortnightly/monthly as may be suitable and put up to concerned B.O.

  
**(Devendra Singh)**  
**Chief Vigilance Officer/Engg.**